



**AUDIT REPORT**

**ON**

**THE ACCOUNTS OF**

**17 DISTRICT EDUCATION AUTHORITIES**

**OF PUNJAB (SOUTH)**

**AUDIT YEAR 2018-19**

**AUDITOR GENERAL OF PAKISTAN**

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## ABBREVIATIONS AND ACRONYMS

APPM	Accounting Principals & Policies Manual
B.COM	Bachelor in Commerce
BVH	Bhawal Victoria Hospital
CDG	City District Government
CEO	Chief Executive Officer
DAC	Departmental Accounts Committee
DCO	District Coordination Officer
DDEO	Deputy District Education Officer
DDO	Drawing and Disbursing Officer
DEA	District Education Authority
DEO	District Education Officer
DGA	Directorate General Audit
DMO	District Monitoring Officer
DO	District Officer
DTL	Drug Testing Laboratory
EDO	Executive District Officer
EPI	Expanded Programme on Immunization
EST	Elementary School Teacher
FBR	Federal Board of Revenue
FD	Finance Department
FESCO	Faisalabad Electricity Supply Company
FTF	Farogh-e-Taleem Fund
FTN	Free Tax Number
GPF	General Provident Fund
GST	General Sales Tax
HRA	House Rent Allowance
HRC	House Rent Charges
INTOSAI	International Organization of Supreme Audit Institution
IPSAS	International Public Sector Accounting Standards
IT	Information Technology
KVA	Kilo Volt Ampere
LED	Light Emitting Diode
LG&CD	Local Government & Community Development
LG&RD	Local Government & Rural Development
MC	Municipal Corporation

MFDAC	Memorandum for Departmental Accounts Committee
MNA	Member National Assembly
MS	Medical Superintendent
NAM	New Accounting Model
NSB	Non Salary Budget
NTN	National Tax Number
P&D	Planning & Development
PAC	Public Accounts Committee
PAO	Principal Accounting Officer
PC-I	Planning Commission Form-I
PDG	Punjab District Government
PEF	Punjab Education Fund
PFR	Punjab Financial Rules
PLGA	Punjab Local Government Act
PLGO	Punjab Local Government Ordinance
POL	Petroleum Oil and Lubricants
PPRA	Punjab Procurement Regulatory Authority
PSTS	Punjab Sales Tax on Services
RDA	Regional Directorate of Audit
S&GAD	Services and General Administration Department
SAP	Systems, Applications and Products
SBP	State Bank of Pakistan
SC	School Council
TMA	Tehsil Municipal Administration
UA	Union Administration
WAPDA	Water & Power Development Authority

## **PREFACE**

Articles 169 and 170 of the Constitution of the Islamic Republic of Pakistan, 1973 read with 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 Authorities 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 South Punjab for the Financial Year 2017-18. The Directorate General of Audit, District Governments, Punjab (South), Multan, conducted audit during Audit Year 2018-19 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.

The Report has been finalized in the light of the written responses of management concerned and DACs' directives.

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

The Directorate General Audit has a human resource of 92 officers and staff constituting 20,381 mandays and annual budget of Rs 90.260 million for the Financial Year 2018-19. Director General Audit, District Governments Punjab (South) carried out audit of the accounts of 17 District Education Authorities for the Financial Year 2017-18.

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



## **Audit Objectives**

Audit was conducted with the objectives to ensure that:

1. Money shown as expenditure in the accounts was authorized for the purpose for which it was spent.
2. Expenditure was incurred in conformity with the laws, rules and regulations framed to regulate the procedure for expending of public money as laid down in the Punjab Local Governments Act, 2013 and Punjab District Authorities (Accounts) Rules, 2017.
3. Every item of expenditure was incurred with the approval of the competent authority in the Government.
4. Public money was not wasted.
5. The assessment, collection and accountal of revenue was made in accordance with the prescribed laws, rules and regulations and accounted for in the books of accounts of the District Education Authority.

### **a) Scope of Audit**

Out of total expenditure of the District Education Authorities for the Financial Year 2017-18, auditable expenditure under the jurisdiction of DG Audit District Governments Punjab (South) Multan was Rs 113,774.213 million (Annexure-B) covering 17 PAOs and 4,050 formations. Out of this, DG Audit District Governments Punjab (South) audited 247 formations and expenditure of Rs 33,973.706 million which, in terms of percentage, was 30 % of total auditable expenditure.

Total receipts for the financial year 2017-18 were Rs 991.748 million. DG Audit District Governments Punjab (South) Multan audited receipts of Rs 495.990 million which, in terms of percentage, was 48 % of total auditable receipts.

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

Recoveries of Rs 2,422.568 million were pointed out by Audit which was not in the notice of the management before audit. Rs 62.729 million was recovered and verified during the year 2018-19, till finalization of this Report.

However against the total recovery amount of Rs 987.756 million pertaining to Paras (over one million) included in this report, no recovery has been made by the management till the time of finalization of this Report.

**c) Audit Methodology**

Audit was carried out in the light of 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. International Standards for Supreme Audit Institutions (ISSAI) were followed in letter and spirit.

The selection of the audit formations was made keeping in view the significance and risk assessment, samples were selected through SAP – R/3 and ACL after desk audit and 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 rules could not be materlized as the Public Accounts Committee has yet to discuss Audit Reports pertaining to District Education Authorities.

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

Internal controls and internal audit mechanisms of District Education Authorities were not found satisfactory during audit. Many instances of weak Internal Controls have been highlighted during the course of audit which includes some serious lapses like unauthorised / irregular withdrawal of public funds for government employees against their entitlement, misappropriation and non-production of record for audit. Negligence on the part of District Education Authorities may be cited as one of the important reasons for weak Internal Controls.

**f) Key Audit findings of the report**

- i. Misappropriation worth Rs 501.415 million was reported in 11 case<sup>1</sup>.
- ii. Non-production of record worth Rs 2,049.624 million was reported in 13 cases<sup>2</sup>.
- iii. Irregularities and non-compliance of rules amounting to Rs 42,141.437 million was noticed in 261 cases<sup>3</sup>.
- iv. Performance issues involving Rs 3,792.291 million were noted in 62 cases<sup>4</sup>.
- v. Weaknesses of internal control involving an amount of Rs 4,527.010 million were noticed in 92 cases<sup>5</sup>.

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.

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<sup>1</sup> Para No. 1.2.1.1, 2.2.1.1, 3.2.1.1, 8.2.1.1, 9.2.1.1 to 9.2.1.4, 10.2.1.1, 11.2.1.1 to 11.2.1.2

<sup>2</sup> Para No. 1.2.2.1, 2.2.2.1, 3.2.2.1, 4.2.1.1, 5.2.1.1, 6.2.1.1, 7.2.1.1, 12.2.1.1, 13.2.1.1, 14.2.1.1, 15.2.1.1, 16.2.1.1, 17.2.1.1

<sup>3</sup> Para No. 1.2.3.1 to 1.2.3.9, 2.2.3.1 to 2.2.3.5, 3.2.3.1 to 3.2.3.13, 4.2.2.1, to 4.2.2.24, 5.2.2.1 to 5.2.2.22, 6.2.2.1 to 6.2.2.26, 7.2.2.1 to 7.2.2.11, 8.2.2.1 to 8.2.2.16, 9.2.2.1 to 9.2.2.21, 10.2.2.1 to 10.2.2.20, 11.2.2.1 to 11.2.2.15, 12.2.2.1 to 12.2.2.15, 13.2.2.1 to 13.2.2.16, 14.2.2.1 to 14.2.2.11, 15.2.2.1 to 15.2.2.15, 16.2.2.1 to 16.2.2.15, 17.2.2.1 to 17.2.2.7

<sup>4</sup> Para No. 8.2.3.1 to 8.2.3.4, 9.2.3.1 to 9.2.3.2, 10.2.3.1 to 10.2.3.9, 11.2.3.1 to 11.2.3.7, 12.2.3.1 to 12.2.3.6, 13.2.3.1 to 13.2.3.4, 14.2.3.1 to 14.2.3.6, 15.2.3.1 to 15.2.3.5, 16.2.3.1 to 16.2.3.9, 17.2.3.1 to 17.2.3.10

<sup>5</sup> Para No. 1.2.4.1 to 1.2.4.7, 2.2.4.1 to 2.2.4.4, 3.2.4.1 to 3.2.4.12, 8.2.4.1, 9.2.4.1 to 9.2.4.4, 10.2.4.1 to 10.2.4.9, 11.2.4.1 to 11.2.4.4, 12.2.4.1 to 12.2.4.12, 13.2.4.1 to 13.2.4.10, 14.2.4.1 to 14.2.4.6, 15.2.4.1 to 15.2.4.9, 16.2.4.1 to 16.2.4.9, 17.2.4.1 to 17.2.4.5

**g) Recommendations**

PAOs of District Education Authorities are required to:

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

## SUMMARY TABLES AND CHARTS

**Table 1: Audit Work Statistics**

(Rupees in million)

Sr. No.	Description	No.	Budget		Actual		
			Expenditure	Receipt	Expenditure	Receipts	Total
1	Total PAOs in audit jurisdiction	17	125,379.820	745.949	113,489.119	991.748	114,484.867
2	Total formations in audit jurisdiction	4050	125,379.820	745.949	113,489.119	991.748	114,484.867
3	Total entities (PAOs) audited	17	80,812.276	372.975	33,982.619	495.990	34,478.609
4	Total formations audited	247	80,812.276	372.975	33,982.619	495.990	34,478.609
5	Audit & Inspection Reports	247	80,812.276	372.975	33,982.619	495.990	34,478.609

**Table 2: Audit Observations Classified by Category**

(Rupees in million)

Sr. No.	Description	Amount Placed under Audit Observation
1	Asset management	377.353
2	Financial management	38,062.389
3	Internal controls	4,527.010
4	Others	10,045.025
	<b>Total</b>	<b>53,011.777</b>

**Table 3: Outcome Statistics****(Rupees in million)**

Sr. No.	Description	Expenditure on Physical Assets	Salary	Non Salary	Civil Works	Receipts	Total current year	Total last Year
1	Total financial outlay	25,141.696	109,886.443	3,340.780	2,028.005	991.748	141,388.672	64,549.886
2	Outlays Audited	10,373.137	28,491.234	3,120.523	2,184.740	495.990	44,665.624	26,383.482
3	Amount placed under Audit Observations / Irregularities	391.986	6,244.680	41,653.151	4,305.795	416.165	53,011.777	7,678.990
4	Recoveries Pointed Out at the instance of Audit		540.336	62.625	24.357	360.438	987.756	371.675
5	Recoveries Accepted / Established at the instance of Audit		487.352	56.754	24.357	215.565	784.028	327.424
6	Recoveries Realized at the instance of Audit		52.428	9.275	-	1.026	62.729	7.834

\*The amount mentioned against Sr. No.2 in column of "Total" is the sum of expenditure and receipt, whereas, the total expenditure was Rs 44,169.634 million

**Table 4: Irregularities pointed out****(Rupees in million)**

<b>Sr. No.</b>	<b>Description</b>	<b>Amount under Audit Observation</b>
1	Violation of Rules and regulations and violation of principle of propriety and probity in public operations.	44,973.307
2	Reported cases of fraud, embezzlement, thefts and misuse of public resources.	501.415
3	Accounting Errors (accounting policy departure from IPSAS <sup>1</sup> , misclassification, over or understatement of account balances) that are significant but are not material enough to result in the qualification of audit opinions on the financial statements.	8.665
4	Quantification of weaknesses of internal control systems.	4,527.010
5	Recoverable and overpayments, representing cases of established overpayments or misappropriations of public monies	987.756
6	Non-production of record.	2,013.624
7	Others, including cases of accidents, negligence etc.	-
<b>Total</b>		<b>53,011.777</b>

**Table 5: Cost Benefit****(Rupees in million)**

<b>Sr. No.</b>	<b>Description</b>	<b>Amount</b>
1	Outlays Audited (Items 2 Table 3)	44,665.624
2	Expenditure on Audit	7.681
3	Recoveries realized at the instance of Audit	62.729
4	Cost-Benefit Ratio	1:8.17

<sup>1</sup> The Accounting Policies and Procedure as prescribed by the Auditor General of Pakistan which are IPSAS (Cash) compliant.

# CHAPTER 1

## 1.1 District Education Authority Bahawalnagar

### 1.1.1 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 and be sued in its name.

The functions of District Education Authorities are elaborated in the Punjab Local Government Act, 2013. According to that the District Education Authority Bahawalnagar is responsible to:

- 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.



- Perform any other function assigned by the government, a commission or a body established by law in the prescribed manner.

DEA Bahawalnagar manages following educational facilities and institutes:

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

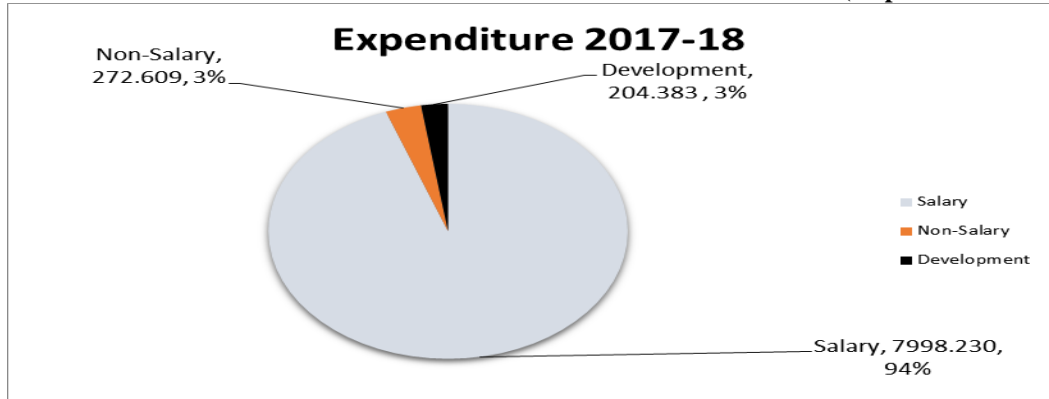
### 1.1.2 Comments on Budget and Accounts

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

(Rupees in million)

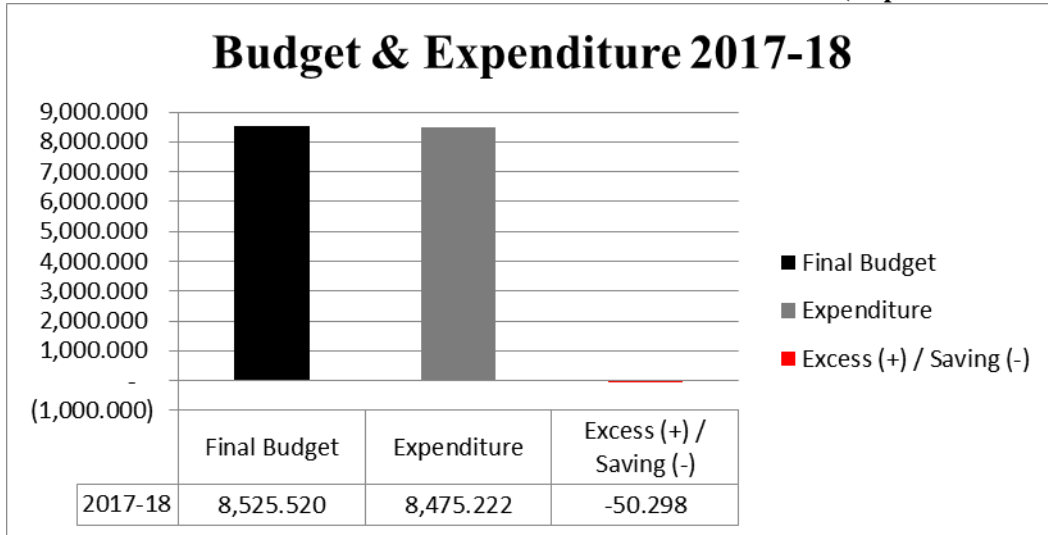
2017-18	Budget	Expenditure	Excess (+) / Savings (-)	% (Savings)
Salary	8,013.127	7,998.230	-14.897	-0.186%
Non-Salary	227.409	272.609	45.200	19.88%
Development	284.984	204.383	-80.601	-28.28%
<b>Total</b>	<b>8,525.520</b>	<b>8,475.222</b>	<b>-50.298</b>	<b>-0.59%</b>
Receipts		-		

(Rupees in million)



As per the Appropriation Accounts 2017-18 of the District Education Authority, Bahawalnagar, total final budget (Development & Non-Development) was Rs 8,525.520 million. Against the final budget, total expenditure of Rs 8,475.222 million was incurred by the District Education Authority during 2017-18. A lapse of Rs 50.298 million came to the notice of Audit due to inefficient financial management in release of budget by Additional Deputy Commissioner (F&P). No plausible explanation was provided by PAO and management of the District Education Authority (**Annexure-B**).

(Rupees in million)



### 1.1.3 Brief comments on the status of Compliance of MFDAC Audit Paras of Audit Report 2017-18

Audit Paras reported of MFDAC of last year audit report which has not been attended in accordance with the directives of DAC have been reported in Para-II of Annexure-A.

### 1.1.4 Brief comments on the status of Compliance with PAC directives

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

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

## **1.2 AUDIT PARAS**

### **1.2.1 Fraud / Misappropriation**

#### **1.2.1.1 Loss due to bogus hiring in Education Department – Rs 7.503 million**

According to Rule 2.31 (a) of PFR Vol-I a drawer of bill for pay, allowances, contingent and other expenses will be responsible for any overcharges, frauds and misappropriation.

During audit of DEA Bahawalnagar, it was observed that Deputy District Education Officer (EE-W), Chishtian made payment of Rs 7.503 million to various employees who were appointed through bogus hiring as appointment orders were not verified from the competent authority and payment of salaries was started by the DAO on incomplete HR forms, even signatures of DDO were missing in many cases. The matter was also reported by the AG Punjab and it was under investigation by NAB as well but DDO did not take any action to stop unjustified payment of salaries to those persons.

Due to weak managerial controls and malafide intention, bogus persons were hired through bogus HR forms.

Bogus hiring through bogus HR forms resulted in loss of Rs 7.500 million.

The matter was reported to the PAO and DDOs concerned in November, 2018. Deputy DEO (EE-W), Chishtian replied that matter of bogus hiring and recovery of paid amount was under process with the NAB Authorities. After completion of inquiry and investigation, it is expected that wrong payments would be recovered from the concerned. Reply of DDO was not tenable as recovery was not effected.

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

Audit recommends recovery alongwith fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 2]

## 1.2.2 Non-Production of Record

### 1.2.2.1 Non-Production of record – Rs 460.290 million

According to Section 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.

During audit of DEA Bahawalnagar, it was observed that various DDOs did not produce record of expenditure and receipt incurred during 2001-18 for Rs 460.307 million under different objects / codes of classification. Detail is given below:

(Rupees in million)				
Sr. No.	DDOs	Description	Period	Amount
1	CEO (DEA)	Fund utilization record of 54 primary and elementary schools for drinking water facility	2017-18	27.000
		Fund utilization record for construction of toilet blocks, provision of missing facilities etc. in 191 schools	2017-18	432.396
2	DEO (SE) Bahawalnagar	POL charges, TA bills, news paper, repair of machinery and bills of Others head of account	2015-18	0.317
3	Govt. Girls HSS Dunga Bunga	Postage, Telephone, TA bills and bills of Others head of account	2011-18	0.138
4	Deputy DEO (EE-M) HND	Contingent vouchers of six Primary schools	2017-18	0.439
5	Special Education Center BWN	Various records i. canteen, budget & exp. Statements and detail of auctions etc.	2017-18	-
6	HM GHSS Meclod Gung	Various records i. canteen, budget & exp. Statements and detail of auctions etc.	2004-18	-
7	Dy. DEO(EE-W) MND	Cash book, canteen, budget & exp. Statements, detail of auctions and record of 81 schools etc.	2017-18	-
8	DEO (EE-W) BWN	Various record i.e. history sheets, arrear bills, schedule of payment and record of long leaves etc.	2007-18	-
<b>Total</b>				<b>460.290</b>

Disregard of legal provisions resulted in non-production of record to audit amounting to Rs 460.290 million.

Due to non production of record, legitimacy of the expenditure incurred could not be ascertained.

The matter was reported to the PAO and DDOs concerned in November, 2018. All DDOs replied that relevant record was available for audit and would be produce as and when required by audit but no record was produced for verification.

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

Audit recommends that auditable record be produced for verification at the earliest and necessary action be initiated against the person(s) who did not provide access to the relevant record.

[AIR Para No. 4, 5, 9, 3, 15, 12, 11, 22 & 8]

## 1.2.3 Irregularities & Non Compliance

### 1.2.3.1 Irregular drawl of arrears without release of additional budget – Rs 118.418 million

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

During audit of DEA Bahawalnagar, it was observed that employees of various offices withdrew arrear bills amounting to Rs 118.418 million from Government treasury on account of pay & allowances without obtaining additional budget during 2001-18. Detail is given below:

**(Rupees in million)**

Sr. No.	DDOs	Description	Amount
1	CEO (DEA)	Pay and Allowances	30.449
2	Deputy DEO (EE-M) Chistian	Pay and Allowances	29.540
3	Govt. Rizvia Islamia H/S HND	Pay and Allowances	0.366
4	Deputy DEO (EE-W) BWN	Pay and Allowances	3.032
5	Govt. Sp. Edu. Center BWN	Pay and Allowances	0.644
6	Govt. HSS Mcleod Gunj	Pay and Allowances	0.593
7	Deputy DEO (EE-W) MND	Pay and Allowances	34.511
8	Govt. Model H/S Chistian	Pay and Allowances	2.456
9	Deputy DEO (EE-W) CTN	Pay and Allowances	14.769
10	Deputy DEO (EE-M) HND	Pay and Allowances	1.768
11	DEO (EE-W), Bahawalnagar	Pay and Allowances	0.290
<b>Total</b>			<b>118.418</b>

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

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

The matter was reported to the PAO and DDOs concerned in November, 2018. CEO (DEA) replied that relevant observation related with different DDOs. Deputy DEO (EE-M) Chistian replied that all payments related to salaries of FY 2017-18. Principal Govt. Rizvia Islamia High School HND replied that budget sanctions were available for verification. Deputy DEO (EE-W) BWN and Deputy DEO (EE-W) MND replied that arraeas bills were paid as per directive of CEO. Headmaster Govt. Model H/S Chistian, Headmistress Govt. Special Edu. Center

BWN, Headmaster Govt. Higher Secondary School Mcleod Gunj, Deputy DEO (EE-W) CTN, DEO (EE-W), Bahawalnagar and Deputy DEO (EE-M) HND replied that budget was already available and there was no need to demand additional budget. Replies were not tenable as expenditure was not regularized.

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

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

[AIR Para No. 9, 11, 5, 6, 2, 2, 2, 9, 8, 22 & 14]

### **1.2.3.2 Unauthorized expenditure due to appointment of teachers below prescribed qualification – Rs 33.113 million**

According to the Government of Punjab, Finance Department Notification No. FD.PC. 2 – 1 / 83 dated 25.08.1983, “prescribed qualification for the posts of EST, PET and D.M was FA/F.Sc with diploma in relevant field”. Moreover, according to letter No. SOR-III-1-20/95 dated 01.02.1997; issued by S&GAD, Government of the Punjab, prescribed qualification for the post of PTC teacher was enhanced from Matric / PTC to F.A / PTC and advance increments on higher qualification were admissible if the qualification was above the prescribed qualification required for the post.

During audit of DEA Bahawalnagar, it was observed that eighteen (18) teachers working under the control of following two (2) DDOs were appointed on the basis of Matric despite the fact that required qualification for that post was F.A / FSC in each case. Recruitment of persons who did not meet prescribed qualification and expenditure of Rs 33.113 million on their pay & allowances was held unauthorized. Detail is given below:

<b>(Rupees in million)</b>			
<b>DDOs</b>	<b>No. of teachers</b>	<b>Cadre</b>	<b>Expenditure</b>
Deputy DEO (EE-M) Chistian	3	EST	7.392
Govt. Model H/S Chistian	1	EST	1.490
Deputy DEO (EE-M) Chistian	14	PST	24.231
<b>Total</b>			<b>33.113</b>

Due to weak managerial controls employees were recruited having below qualification.

Recruitment of employees has below qualification resulted in unauthorized payment of pay & allowances amounting to Rs 33.113 million.

The matter was reported to the PAO and DDOs concerned in November, 2018. Deputy DEO (EE-M) Chistian replied that prescribed qualification for recruitment of PET was matric with diploma during 1989 to 2000. Headmaster Govt. Model H/S Chistian replied that in 1987, the DEO's in the Punjab advertised for the post of EST (Tech) with the requirement of matric and two years diploma from Teachers Training College and there was no irregularity. Deputy DEO (EE-M) Chistian replied that vide letter of S&GAD ated 01.02.1997 qualification was enhanced but circulated to the concerned competent Authority by the department on 18.03.1997. So, qualification for requirement was matric upto the date of 18.03.1997 instead of 01.02.1997. Replies were not tenable as prescribed qualification was enhanced from 01.02.1997.

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

Audit recommends getting the irregularity condoned from the competent authority besides recovery of loss and fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Paras: 6, 4 & 10]

### **1.2.3.3 Irregular adjustment of EST teacher as OT teacher – Rs 7.569 million**

According to pay revision rules 1983 dated 25-08-83, the prescribed qualification for the post of middle school teachers notified by the Finance Department is as under:

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



During audit of DEA Bahawalnagar, it was observed that two (02) DDOs made payment of Rs 7.569 million to teachers who were appointed as EST/OT teacher but the said teachers were adjusted as OT/AT/PTC as per record of service books. The said teachers drew the pay irregularly due to erratic posting. Detail is given below:

<b>(Rupees in million)</b>					
<b>Sr. No.</b>	<b>DDOs</b>	<b>Name of Teacher</b>	<b>Change of cader</b>	<b>Period</b>	<b>Pay drawn</b>
1	Govt. GHS (City) Bahawalnagar	Mrs. Tasneem Akhter	EST as OT	01/2006 to 01/2018	2.699
2	Deputy DEO (EE-W) CTN	Mrs. Samina Kousar	OT as AT	09.06.1994 to 30.06.2018	2.986
		Mrs. Shagufta Parveen	EST as PTC	05.10.1993 to 30.06.2018	1.884
<b>Total</b>					<b>7.569</b>

Due to weak internal controls, irregular adjustment of EST teacher was made as OT teacher.

Irregular adjustment of EST teacher as OT teacher resulted in irregular payment of Rs 7.569 million.

The matter was reported to the PAO and DDOs concerned in November, 2018. Deputy DEO (EE-W) CTN replied that the concerned teachers were directed to justify their position. Headmistress Govt. Girls High School (City) Bahawalnagar did not submit reply. Reply was not tenable as expenditure was not regularized.

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

Audit recommends regularization of the expenditure from the competent authority besides action against the concerned person(s) at fault, under intimation to Audit.

[AIR Para No. 14 & 12]

#### **1.2.3.4 Irregular expenditure due to non-compliance of the Punjab Procurement Rules – Rs 4.492 million**

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

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

Following DDOs working under the administrative control of CEO (DEA) Bahawalnagar incurred expenditure of Rs 4.492 million on purchase of stationery, furniture and plant & machinery during 2009-18. Annual procurement requirements were neither determined nor advertised on PPRA's website to obtain competitive rates. Moreover, indents were split-up to avoid fair tendering process. Detail is given below:

**(Rupees in million)**

Sr. No.	DDOs	Period	Particulars	Amount
1	CEO (DEA)	2017-18	Purchase of stationary	0.249
		2017-18	Purchase of furniture	0.219
2	Govt. Rizvia Islamia H/S HND	2009-10	Purchase of plant & machinery	0.291
3	DEO (SE) Bahawalnagar	2015-18	Purchase of stationary	0.739
4	Dy DEO (EE-W) Bahawalnagar	2016-18	Purchase of furniture	0.806
5	Govt. Girls H/S (City) BWN	2013-18	Purchase of furniture	0.583
6	Deputy DEO (EE-W) CTN	2016-18	Purchase of furniture	1.605
<b>Total</b>				<b>4.492</b>

Due to weak financial controls, Punjab Procurement Rules were not observed.

Non observance of the Punjab Procurement Rules resulted in irregular expenditure of Rs 4.492 million.

The matter was reported to the PAO and DDOs concerned in November, 2018. CEO (DEA), Headmaster Govt. Rizvia Islamia High School HND, DEO (SE) Bahawalnagar, Dy DEO (EE-W) Bahawalnagar, Headmister Govt. Girls H/S (City) BWN and Deputy DEO (EE-W) CTN replied that budget was released in four quarters and due to non-availability of sufficient funds PPRA rules were not followed. Replies were not tenable as expenditure was not regularized.

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

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

[AIR Para No. 1, 1, 2, 8, 7 & 13]

#### **1.2.3.5 Irregular purchases from unregistered firms – Rs 4.214 million**

Finance Department letter No. FD SO (Tax) 1-11/97 dated 19-09-1998, requires that all purchases should be made from the firms registered with Sale Tax Department and payment of GST be made on submission of sales tax Invoices showing the sale tax registration number.

During audit of DEA Bahawalnagar, it was observed that Principal Govt. Higher Secondary School Mcleod Gunj during the financial years 2004-18 incurred expenditure of Rs 4.214 million from “Faroogh –e– Taleem Fund” but all the purchases were made from firms / local shop keepers which were not registered with the Sale Tax Department. Further, General Sales Tax and Income tax at source were not deducted.

Due to weak administrative and financial controls, purchases were made from unregistered firms.

Purchases from unregistered firms resulted in irregular expenditure of Rs 4.214 million as well as loss of sales tax.

The matter was reported to the PAO and DDO concerned in November, 2018. DDO submitted that DEO (SE) was requested to regularize the expenditure. Reply was not tenable as expenditure was not regularized.

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

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

[AIR Para No. 5]

### **1.2.3.6 Irregular appointment on Adhoc and regularization thereof – Rs 2.805 million**

According to Rule 22 of the Punjab Civil Servants (Appointment and Condition of Services Rules 1974), ad hoc appointment is for maximum period of one year, pending nomination of a candidate by the selection authority. Further, ad hoc appointment shall not confer any right on the persons so appointed in the matter of regular appointment to the same post. Furthermore, as per term of offer letter of appointment was only for six month on ad hoc basis.

During audit of DEA Bahawalnagar, it was observed that Deputy DEO (EE-W) Bahawalnagar appointed Mr. Farhat Naseem (PST) on 27.08.1989 initially for six months on adhoc basis. The record showed that she was appointed in GGPS Gumtee on ad hoc basis till arrival of regular teacher but afterward she was adjusted in another school. The appointment of said official as Adhoc appointment was required to be terminated on 25.02.1990, but the teacher continued her service and was regularized on 05.03.1990 without observing that the adhoc appointments was only for six months. The retention of Adhoc service after 18.04.1991 was irregular resulting in irregular payment of Rs 2.805 million.

Due to weak administrative controls, adhoc service was not terminated after six months and incumbent was regularized.

Non termination of adhoc service after six months and further regularization without observing civil service appointment rules resulted in irregular expenditure of Rs 2.805 million.

The matter was reported to the PAO and DDO concerned in November, 2018. DDO submitted that the reason behind regularization of adhoc employee from the date of joining was that the appointment was approved by the Minister for Education, Punjab in relaxation of all requisite procedure of initial recruitment / conditions thereof, as he was fully empowered to relax conditions in the case of PTC teachers. Reply was not tenable as the minister was not authorized to relax appointment conditions.

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

Audit recommends regularization from the competent authority besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 13]

### 1.2.3.7 Unauthorized appointments of teachers – Rs 2.522 million

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

During audit of DEA Bahawalnagar, it was observed that two (02) DDOs appointed two Lab attendants just on recommendations of MPA. Recruitment was unauthorized as MPAs were not empowered to appoint staff after relaxing rules. Detail is given below:

(Rupees in million)					
Sr. No.	DDOs	Name of Staff	Date of appointment	Period of pay & allowances	Amount
1	Govt. Girls High School 170 Murad	Mrs. Bushra Bibi (LA)	02.05.1988	1988-18	2.062
2	Govt. Girls High School 6-1R	Mr. Abu Baakar Siddique (LA)	23.05.2016	2015-18	0.460
<b>Total</b>					<b>2.522</b>

Due to financial mismanagement, unauthorized appointments of lab attendants were made.

Irregular appointment of lab attendant resulted in unauthorized payment of pay and allowances of Rs 2.522 million.

The matter was reported to the PAO and DDOs concerned in November, 2018. Headmistress Govt. Girls High School 170 /Murrad and Headmistress Govt. Girls High School 6 -1/R replied that appointments were made as per government policy after observing all codal formalities. Replies were not tenable as MPAs were not authorized to make appointments in any department.

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

Audit recommends regularization from the competent authority besides fixing responsibility against the person(s) at fault, under intimation to Audit.

[AIR Para No. 1 & 2]

**1.2.3.8 Irregular expenditure due to re-instatement of services without regularization from the competent authority – Rs 1.273 million**

According to Rule 9(1) of Leave Rules 1981 extraordinary leave without pay may be granted on any ground up to a maximum period of five years at a time, provided that the civil servant to whom such leave is granted, has been in continuous service for a period of not less than ten years, and, in case a civil servant has not completed ten years of continuous service extraordinary leave without pay for a maximum period of two years may be granted at the discretion of the head of his office.

During audit of DEA Bahawalnagar, it was observed that Deputy DEO (EE-W) Bahawalnagar appointed a teacher on 03.09.1990 at GGPS Tara Jath and later on she was removed from service on 10.09.1999 by DEO (EE-W) Bahawalnagar. The said teacher again was re-instated on 20.06.2006 by DEO BWN by DEO (EE-W) after lapse of more than five years requiring sanction of Finance Department. But in this case the matter was not got regularized from the Finance Department resulting in irregular payment of Rs 1.273 million. Detail of pay is given below:

(Amount in rupees)

Mrs. Nusrat Perveen (PST)				
Period		Pay Drawn	No. of Months	Amount
from	to			
23.07.06	Jun-07	2,555	5	12,775
Jul-07	Jun-08	2,940	12	35,280
Jul-08	Nov-09	3,720	17	63,240
Dec-09	Nov-10	3,910	12	46,920
Dec-10	Jun-11	4,100	12	49,200
Jul-11	Nov. 2011	6,760	5	33,800
Dec-11	Nov. 2012	7,080	12	84,960
Dec-12	Nov-13	7,400	12	88,800
Dec-13	Nov-14	7,720	12	92,640
Dec-14	Jun-15	8,040	7	56,280

<b>Mrs. Nusrat Perveen (PST)</b>				
<b>Period</b>		<b>Pay Drawn</b>	<b>No. of Months</b>	<b>Amount</b>
<b>from</b>	<b>to</b>			
Jul-15	Nov-15	10,395	5	51,975
Dec-15	Jun-16	10,810	7	75,670
Jul-16	Nov-16	13,520	12	162,240
Dec-17	Jun-17	14,130	7	98,910
Jul-17	Nov-17	16,880	5	84,400
Dec-17	Dec-17	17,610	7	123,270
Jan-18	Jun-18	18,690	6	112,140
<b>Total</b>				<b>1,272,500</b>

Due to weak managerial controls, re-instatement of service more than five years was made without sanction of Finance Department.

Re-instatement of services of more than five years without sanction of FD resulted in irregular payment of pay and allowances amounting to Rs 1.273 million.

The matter was reported to the PAO and DDO concerned in November, 2018. DDO replied that concerned teacher was asked to explain her matter of reinstatement with documentary evidence but no further progress was shown.

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

Audit recommends regularization of the expenditure from the competent authority besides fixing responsibility against the person(s) at fault, under intimation to Audit.

[AIR Para No. 14]

### **1.2.3.9 Irregular mode of payment – Rs 1.086 million**

According to the Government of Punjab Finance Department Letter No FD(FR)V-6/75/P/ DT 17-9-08 read with sub Rule 4.49 of 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. Drawing and Disbursing Officer shall make an endorsement on the bill requiring a separate crossed cheque in his favour.

During audit of DEA Bahawalnagar, it was observed that Principal Government Girls Higher Secondary School, Dunga Bunga made the payment of Rs 1.086 million to suppliers during the financial year 2015-18. The payments were made through cash instead of direct credit or cross cheque. Detail is given below:

<b>(Rupees in million)</b>			
<b>Sr. No.</b>	<b>Dates of Drawl</b>	<b>Cheque No.</b>	<b>Amount</b>
1	04.03.2016	1306567301	0.252
2	27.05.2016	1306567303	0.133
3	11.08.2016	1306567304	0.263
4	18.08.2016	1306567305	0.200
5	09.01.2017	1306567308	0.238
<b>Total</b>			<b>1.086</b>

Due to weak internal controls, payments were made in cash instead of cross cheque.

Payment in cash instead cross checques resulted in irregular expenditure.

The matter was reported to the PAO and DDO concerned in November, 2018. DDO replied that due to lack of awareness cash payments were made. Reply was not tenable as expenditure was not regularized.

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

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

[AIR Para No. 4]



## 1.2.4 Internal Control Weaknesses

### 1.2.4.1 Unauthorized payment of SSB and allowances after regularization - Rs 10.739 million

According to per terms & conditions laid down in office order No. 3311-22 dated 08.03.2016 issued by Deputy DEO (EE-W) Chishtian regarding regularization of services of contract employees SSB @30% will not be allowed w.e.f date of regularization. Furthermore, according to terms of guideline of regularization pay of regularized staff was to be re-fixed at initial stage and necessary deductions had to be made.

During audit of DEA Bahawalnagar, it was observed that following DDOs made excess payment of Rs 10.739 million after regularization of services of the contract employees in 2011-18. DDOs regularized teachers and class-IV but did not deduct the allowances which were not admissible to them after regularization. Detail is given below:

**(Rupees in million)**

Sr. No.	DDOs	Designation	Period	Number of employees	Recovery
1	Dy. DEO (EE-W) CTN	C-IV	08.03.2016 to 31.08.2018	21	1.918
		Teachers	31.12.2015 to 30.06.2018	59	2.670
		C-IV	Upto 30.06.2018	24	4.041
2	Dy. DEO (EE-M) HND	Various	2017-18	33	0.952
3	Principal Government Rizvia Islamia High School, Haroonabad	Teachers	2015-16	3	0.281
			2011-16	2	0.277
4	Principal GGHS Dunga	Teachers	2015-18	2	0.179
		Teachers	2011-16	1	0.158
		Teachers	2016-18	2	0.047
5	Dy. DEO (EE-W) BWN	C-IV	2016-18	7	0.112
6	HM GGHS City BWN	Teachers	2015-16	3	0.104
<b>Total</b>					<b>10.739</b>

Due to weak financial controls, excess payments were made after regularization.

Excess payments after regularization resulted in loss of Rs 10.739 million.

The matter was reported to the PAO and DDOs concerned in November, 2018. Deputy DEO(EE-W) Chishtian replied that service books of concerned officials were sent to the District Accounts officer, Bahawalnagar for fixation of their pay but no documentary evidence was shown to audit in support of reply.

Deputy DEO(EE-M) Haroonabad, Principal Government Rizvia Islamia High School, Haroonabad, Principal GGHSS Donga Bonga replied that recovery was made from concerned but no challans was shown to audit in support of reply. Dy. DEO (EE-W) BWN replied that concerned official was directed to deposit the over paid amount in government treasury but no paid challans was produced in support of reply showing overpaid was recovered and deposited in government treasury by the official or DDO.

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

Audit recommends recovery of Rs 10.739 million from the concerned besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 1, 5, 6, 15,3,1,18&3]

#### **1.2.4.2 Loss due to irregular payment of conveyance / mobility allowance – Rs 7.188 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.

During audit of DEA Bahawalnagar, it was observed that fourteen (14) DDOs did not deduct conveyance allowance amounting to Rs 7.188 million from the teaching / non-teaching staff which was irregularly drawn as they remained on leaves. Detail is given below:

(Rupees in million)

Sr. No.	DDOs	Period	Amount of conveyance allowance drawn			Total Recovery Due
			Earned Leave	Winter Vacation	Summer Vacation	
1	CEO (DEA)	2007-18	0.278	0	0	0.278
2	Deputy DEO (EE-M) Chistian	2017-18	0.106	0.191	0.042	0.339
3	Govt. Rizvia Islamia H/S HND	2001-18	0	0.309	0	0.309
4	Deputy DEO (EE-W) BWN	2016-18	0	0	0.026	0.026
5	Govt. Girls H/S (City) BWN	2013-18	0	0.451	0.161	0.612
6	Govt. Sp. Edu. Center BWN	2010-18	0.113	0.067	0.058	0.238
7	Govt. Higher HS Mcleod Gunj	2004-18	0.025	0.305	0.029	0.359
8	Deputy DEO (EE-W) MND	2016-18	0.215	0.529	0.294	1.038
9	Govt. Girls High School 170/M	2008-18	0.091	0.114	0	0.205
10	Govt. Girls High School 6/1-R	2015-18	0	0.053	0	0.053
11	Deputy DEO (EE-W) CTN	2016-18	0	2.864	0	2.864
12	Deputy DEO (EE-M) HND	2017-18	0.002	0	0.33	0.332

Sr. No.	DDOs	Period	Amount of conveyance allowance drawn			Total Recovery Due
			Earned Leave	Winter Vacation	Summer Vacation	
13	DEO (EE-W) Bahawalnagar	2007-18	0.154	0	0	0.154
14	Principal GHSS Dunga	2011-18	0	0.084	0.297	0.381
<b>Total</b>			<b>0.984</b>	<b>4.967</b>	<b>1.237</b>	<b>7.188</b>

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

Payment of conveyance/mobility allowance during leave periods resulted in loss of Rs 7.188 million to government.

The matter was reported to the PAO and DDOs concerned in November, 2018. CEO(DEA), Head master Govt. Sp. Edu. Center Bahawalnagar and Deputy DEO(EE-M) Haroonabad replied that amount pointed out by audit already been deposited in government treasury but no proof of recovery was shown to audit in support of reply. Deputy DEO(EE-W) Chishtian replied that payment of allowance was made according to rule. Head Master Govt. High School Meclod Gunj and Deputy DEO(EE-W) Minchinabad and Head mistress Govt. Girls High School 170 / Murrad replied that compliance would be shown in next audit meeting. Whereas remaining DDOs paid the stated amount of recovery against each in government treasury but amount was not verified from District Account Office Bahawalnagar.

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

Audit recommends recovery of Rs 7.188 million besides fixing responsibility against the person(s) at fault, under intimation to Audit.

[AIR Paras: 6, 1, 2, 16, 1, 1, 3, 1, 3, 1, 3, 2, 9, 1, 17, 1,3&2]

#### **1.2.4.3 Loss due to unjustified payment of personal allowance after promoting into next scale – Rs 3.031 million**

According to Rule 2.31 (a) of PFR Vol-I a drawer of bill for pay, allowances, contingent and other expenses will be responsible for any overcharges, frauds and misappropriation.

During audit of DEA Bahawalnagar, it was observed that two (02) DDOs made payment of personal allowance to different permanent employees despite the fact that they were promoted into next scales after being recruited since last many years; i.e. 2007, 2009 & even 2002. Detail is given below:

(Rupees in million)

Sr. No.	DDOs	No. of teachers	Wage type description	Amount
1	Deputy DEO (EE-W) MND	148	Personal Allowance	1.935
2	Deputy DEO (EE-W) CTN	60	Personal Allowance	1.096
<b>Total</b>				<b>3.031</b>

Due to weak internal controls, payment of personal allowance was made to employee after promotion into next scale.

Payment of personal allowance to employee after being promoted into next scales resulted in loss of Rs 3.031 million.

The matter was reported to the PAO and DDOs concerned in November, 2018. Deputy DEO(EE-W) Minchanabad replied that record of all the teachers was being checked through their AEOs and recovery if any would be effected accordingly but no progress was shown to audit in support of reply. Deputy DEO(EE-W) Chishtian replied that all AEOs were directed to work out list of teachers promoted to next scale and they were still drawing personal allowance of previous post. Reply was not tenable as no recovery was effected.

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

Audit recommends recovery Rs 3.031 million from the concerned besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 13 & 4]

#### **1.2.4.4 Unjustified retention of funds of schools shifted to PEF – Rs 2.514 million**

According to Rule 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.

During audit of DEA Bahawalnagar, it was observed that various primary / elementary schools were handed over to private persons through Punjab Education Fund (PEF) under control of four DDOs. Furthermore, cash balance of Rs 2.514 million was available in the bank accounts of schools shifted to PEF and that amount was not transferred to Government treasury. Detail is given below:

<b>(Rupees in million)</b>		
<b>Sr. No.</b>	<b>DDOs</b>	<b>Unspent Balance</b>
1	Deputy DEO (EE-M) Chistian	0.730
2	Deputy DEO (EE-W) Bahawalnagar	0.549
3	Deputy DEO (EE-W) MND	0.776
4	Deputy DEO (EE-W) CTN	0.459
<b>Total</b>		<b>2.514</b>

Due to weak financial management, cash balances of schools (handed over to PEF) were not transferred into Government treasury.

Non transferring cash balances resulted in undue retention of public money.

The matter was reported to the PAO and DDOs concerned in November, 2018. Deputy DEO (EE-M) Chistian replied that Government schools were handed over to PEF according to government policy, whereas no amount was withdrawn or spend from NSB funds. Deputy DEO (EE-W) Bahawalnagar and Deputy DEO (EE-W) Minchinabad replied that Bank accounts of those schools were got frozen and efforts were being made to transfer said amount into Govt. Treasury. Deputy DEO (EE-W) Chistian replied that the said AEO had joined her office on 22.01.2018. Replies of DDOs were not tenable as complete recovery was not effected.

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

Audit recommends transfer of balance into government treasury besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 7, 15, 9 & 14]

### 1.2.4.5 Unjustified expenditure on account of Inspection Allowance to the AEOs – Rs 2.073 million

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

During audit of DEA Bahawalnagar, it was observed that four (04) DDOs incurred expenditure of Rs 2.073 million on account of Inspection Allowance during 2016-18. The payment was made to Assistant Education Officers (AEOs) for conducting inspection of all primary / elementary schools under their jurisdiction without ensuring 100% inspections of the schools. Furthermore, payment of the allowance during summer vacations was also not justified. Detail is given below:

**(Rupees in million)**

Sr. No.	DDOs	Period	Summer vacation	Remaining periods	Amount
1	Deputy DEO (EE-M) Chistian	2017-18	0.230	-	0.230
2	Deputy DEO (EE-W) Bahawalnagar	2016-18	0.100	-	0.100
3	Deputy DEO (EE-M) Haroonabad	2017-18	-	1.663	1.663
4	DEO (EE-W) Bahawalnagar	2007-18	0.080	-	0.080
<b>Total</b>			<b>0.410</b>	<b>1.663</b>	<b>2.073</b>

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

Grant of Inspection Allowance without conducting inspection of 100% schools resulted in loss of Rs 2.073 million.

The matter was reported to the PAO and DDOs concerned in November, 2018. Deputy DEO (EE-M) Chistian replied that during the summer vacations AEOs were entitled to draw the said allowance. Deputy DEO (EE-W)

Bahawalnagar replied that Rs 50,000 had been deposited whereas remaining amount would be got deposited shortly. Deputy DEO (EE-M) Haroonabad replied that the AEO's concerned were directed to completed the record of KPI within a week positively otherwise the amount of recovery be deposited into Govt. treasury. District Education Officer (EE-W) Bahawalnagar replied that the said AEO joined her office on 22.01.2018. Replies of DDOs were not tenable as complete recovery was not effected.

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

Audit recommends recovery of Rs 2.073 million from the concerned besides fixing responsibility on the person (s) at fault, under intimation to Audit.

[AIR Para No. 2, 9, 6 & 1]

#### **1.2.4.6 Non-accountal into stock – Rs 1.953 million**

According to Rule 15.4 of the Punjab Financial Rules 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”.

During audit of DEA Bahawalnagar, it was observed that following DDOs made payment of Rs 1.953 million for purchase of stationery and store items during 2011-18 but those items were not entered / accounted for in to relevant books of accounts. Detail is given below:

<b>(Rupees in million)</b>		
<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
1	Govt. Girls HSS Dunga Bunga	1.440
2	Deputy DEO (EE-M) Haroonabad	0.321
3	District Education Officer (EE-W) Bahawalnagar	0.192
<b>Total</b>		<b>1.953</b>

Due to weak internal controls, various items were consumed without entering into relevant books of accounts.

Consumption of items amounting to Rs 1.953 million without recording stock entries into relevant books of accounts resulted in doubtful expenditure.

The matter was reported to the PAO and DDOs concerned in November, 2018. Govt. Girls Higher Secondary School Dunga Bunga, Deputy DEO (EE-M) Haroonabad and District Education Officer (EE-W) Bahawalnagar replied that that the stock entries of different items were made in the relevant stock register. Replies of DDOs were not tenable as no stock registers produced in support of reply.

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

Audit recommends recovery of Rs 1.953 million from the concerned besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 6, 13 & 2]

#### **1.2.4.7 Loss due to payment of irrelevant allowances – Rs 1.793 million**

According to Rule 2.31 (a)(1) of PFR Vol-1, a drawer of bill for pay, allowances, contingent and other expenses will be responsible for any overcharges, frauds and misappropriation.

During audit of DEA Bahawalnagar, it was observed that following six (06) DDOs allowed payment of different irrelevant allowances amounting to Rs 1.793 million during 2017-18 to some employees which were not admissible in education department. Detail is given below:

(Amount in rupees)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>	<b>Nature of allowances</b>
1	Dy. DEO (EE-M) CTN	0.36	Incentive Allowance
2	District Education Officer (SE)	0.324	Extra duty allow and charge allowance etc
3	Dy. DEO (EE-W) BWN	0.314	Adhoc allowance 10, outstation allow. HSRA and charge allow. Etc
4	HM GHSS Meclod Gung	0.313	Personal allowance and extra duty allowance
5	Dy. DEO (EE-W) MND	0.250	Sp. Repayment – CYCL, Adj. Water Charges, Qualification Pay, Adj. Charge Allowance and Adj. Qualification allowance and prison allow.
6	Dy. DEO (EE-M) HND	0.232	Incentive Allowance
<b>Total</b>		<b>1.793</b>	



Due to weak financial controls, payment of irrelevant allowances was made to the employees.

Payment of irrelevant allowances to the employees resulted in loss of Rs 1.793 million.

The matter was reported to the PAO and DDOs concerned in November, 2018. All DDOs replied that concerned teachers were directed to deposit the amount of irrelevant allowance but no evidence of paid amount was shown to audit in support replies.

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

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

[AIR Para No. 4,1,11,4,4&3]

## CHAPTER 2

### 2.1 District Education Authority Bahawalpur

#### 2.1.1 Introduction of the Authority

District Education Authority, Bahawalpur was established on 01.01.2017 under Punjab Local Government 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.

The functions of District Education Authorities, are elaborated in the Punjab Local Government Act, 2013. According to that the District Education Authority Bahawalpur is responsible to:

- 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.
- Perform any other function assigned by the government, a commission or a body established by law in the prescribed manner.

DEA Bahawalpur manages following educational facilities and institutes:

Description	No. of Education Institutes
Chief Executive Officer (Education)	1
District Education Officers (Secondary)	1
District Education Officers (Elementary Male)	1
District Education Officers (Elementary Female)	1
District Education Officers (Literacy)	1
District Education Officers (Special Education)	1
Deputy District Education Officers (Elementary Male)	6
Deputy District Education Officers (Elementary Female)	6
Higher Secondary Schools (Boys & Girls)	19
High Schools (Boys & Girls)	153
Special Education Schools / Centres	11
Elementary Schools	287
Primary Schools	1,465
Mosque / Madrassa Schools	19

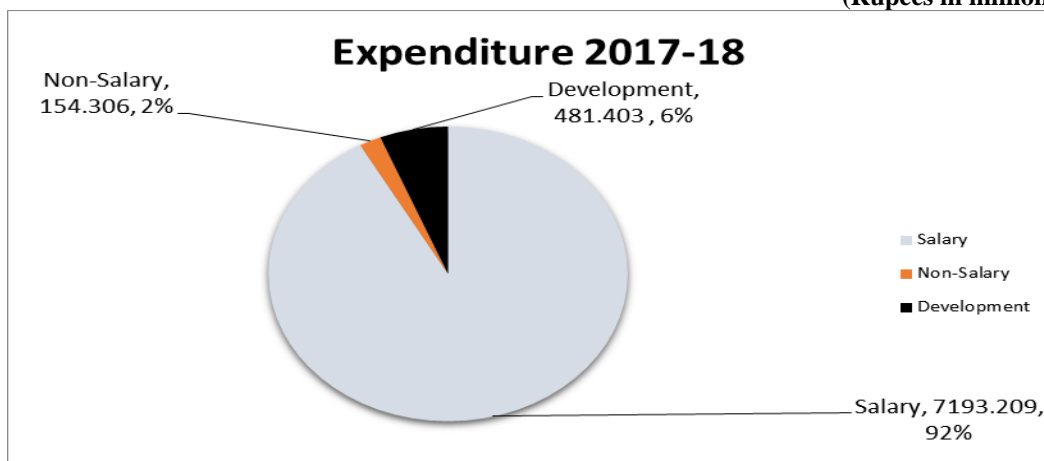
### 2.1.2 Comments on Budget and Accounts

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

(Rupees in million)

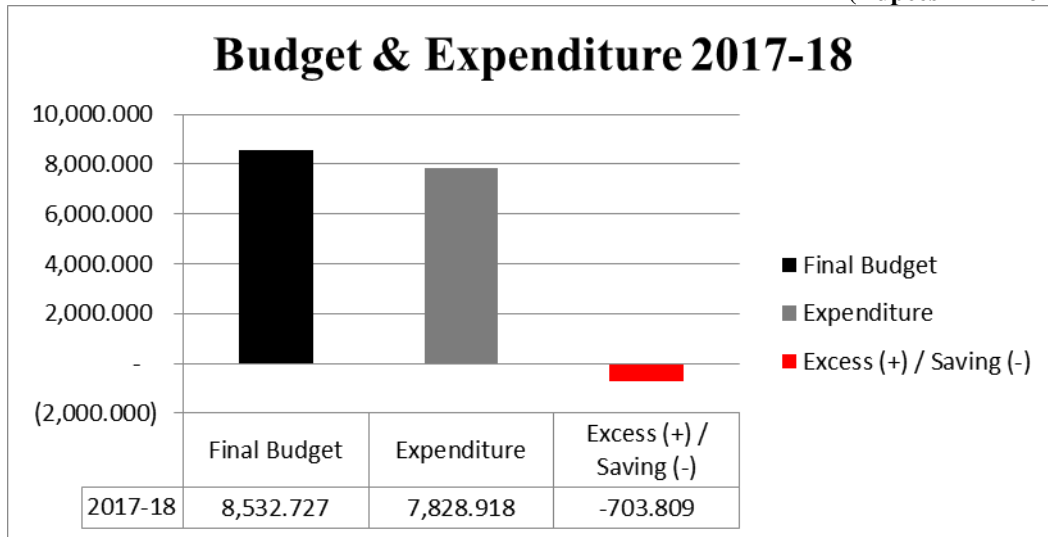
2017-18	Budget	Expenditure	Excess (+) / Savings (-)	% (Savings)
Salary	7,568.906	7,193.209	-375.697	-4.96%
Non-salary	162.365	154.306	-8.059	-4.96%
Development	801.456	481.403	-320.053	-39.93%
Receipt	-	-	-	-
<b>Total</b>	<b>8,532.727</b>	<b>7,828.918</b>	<b>-703.809</b>	<b>-8.25%</b>

(Rupees in million)



As per the Appropriation Accounts 2017-18 of the District Education Authority, Bahawalpur, total final budget (Development & Non-Development) was Rs 8,532.727 million. Against the final budget, total expenditure of Rs 7,828.918 million was incurred by the District Education Authority during 2017-18. A lapse of Rs 703.809 million came to the notice of Audit due to inefficient financial management in release of budget by Additional Deputy Commissioner (F&P). No plausible explanation was provided by PAO and management of the District Education Authority (**Annexure-B**).

(Rupees in million)



#### 2.1.3 Brief comments on the status of Compliance of MFDAC Audit Paras of Audit Report 2017-18

Audit Paras reported of MFDAC of last year audit report which has not been attended in accordance with the directives of DAC have been reported in Para-II of Annexure-A.

#### 2.1.4 Brief comments on the status of Compliance with PAC directives

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

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

## **2.2 AUDIT PARAS**

### **2.2.1 Fraud / Misappropriation**

#### **2.2.1.1 Recruitment of persons on forged documents and non recovery of loss – Rs 1.745 million**

According to letter No. 338-45 dated 26.04.2018 issued by DEO (EE-M) Bahawalpur, the DDO is directed to recover salaries received by the accused on the basis of forged documents w.e.f. joining date and FIR may be lodged against him due to submission of bogus document and further getting job on the basis of forged documents.

During audit of DEA Bahawalpur, it was observed that Mr. Muhammad Inam-ul-Haq Shahid was appointed as PTC teacher vide order NO.2225 dated 12.02.1997 on the basis of bogus degree of “Intermediate”. The then DDO and DAO released his salary without getting degrees / testimonials verified from concerned authorities. Deputy DEO Yazman received a complaint during January 2018 which was processed by the department and the DEO (EE-M) Bahawalpur imposed major penalty of “dismissal from service” on the employee concerned. DEO also directed the Dy. DEO (EE-M) Yazman to lodge FIR against the employee and recover salaries received w.e.f date of joining (12.02.1997) to the date of dismissal from service (26.04.2018). It was also observed that:

- i. Due efforts were not made to Lodge FIR against that person.
- ii. Efforts were not made to recover salary amounting to Rs 1.745 million (isbeha) from the person concerned.
- iii. Inquiry report / orders of DEO did not indicate results of other allegations i.e. habitually drinking of wine and misbehavior with staff etc.
- iv. Responsibility was not fixed against the persons who released salary without getting antecedents verified from quarters concerned.
- v. Responsibility was not fixed against the persons responsible for making appointment on forged documents.

Detail is given in **Annexure-C/BWP**

Due to weak managerial controls, person with forged documents was recruited and after dismissal amount due amount was not recovered in violation of directions.

Recruitment of person on forged documents resulted in unauthorized recruitment and expenditure on pay and allowances amounting to Rs 1.745 million.

The matter was reported to the PAO and DDO concerned in August 2018. DDO replied that a letter was written to concerned teacher for recovery and the said teacher filed an appeal to CEO (DEA) Bahawalpur but no decision was taken by the competent authority. Reply was not tenable as no record was produced.

DAC in its meeting held in January, 2019 directed to expedite the recovery from the concerned besides initiating action against within a month. No progress was intimated till finalization of this Report.

Audit recommends recovery besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 8]

## 2.2.2 Non-Production of Record

### 2.2.2.1 Non-Production of record – Rs 176.602 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 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.

During audit of DEA Bahawalpur, it was observed that various DDOs working did not produce record of expenditure and other record of Rs 176.602 million under different objects / codes of classification. Detail is given below:

**(Rupees in million)**

Sr. No.	DDOs	Description	Period	Amount
1	Principal GGHSS Mubarakpur	Library Security Received 2010-18, Student Tution Fee 1982-2003	1982-18	0.710
2	GGHS Multani Gate	Permanent Stock Register	2014-18	0.996
3	Dy DEO(EE-M) Hasilpur	TA/DA, POL, Repair of Transport, NSB Record of GES Chak No.13/FW	2015-18	1.395
4	Principal Govt. Technical High School Bahawalpur	Stock Register	2012-18	0.384
5	Dy. DEO (EE-W) City Bahawalpur	Distribution record of NSB	2017-18	172.459
5	DEO (EE-W) BWP	Vouched accounts	2016-18	0.454
6	Principal GHSS Channi Goth	Arrear bills	2014-18	0.204
	Total			176.602

Due to disregard of legal provisions resulted in non-production of record to audit amounting to Rs 176.602 million.

Due to non production of record, legitimacy of the expenditure incurred could not be ascertained.

The matter was reported to the PAO and DDOs concerned in August 2018. All DDOs replied that relevant record was maintained and available for verification but no record was shown.



DAC in its meeting held in January, 2019 directed to produce the relevant record and verified it from audit within a month. No progress was intimated till finalization of this Report.

Audit recommends that auditable record be produced for verification at the earliest and necessary action be initiated against the person(s) who did not provide access to the relevant record.

[AIR Para No. 3, 15, 5, 11,11, 11&10]

## 2.2.3 Irregularities & Non Compliance

### 2.2.3.1 Unauthorized expenditure due to appointment of Teachers below Prescribed Qualification – Rs 11.105 million

According to the Government of Punjab, Finance Department Notification No. FD.PC. 2 – 1 / 83 dated 25.08.1983, “prescribed qualification for the posts of EST, PET and D.M was FA/F.Sc with diploma in relevant field”. Moreover, according to letter No. SOR-III-1-20/95 dated 01.02.1997; issued by S&GAD, Government of the Punjab, prescribed qualification for the post of PTC teacher was enhanced from Matric / PTC to F.A / PTC and advance increments on higher qualification were admissible if the qualification was above the prescribed qualification required for the post.

During audit of DEA Bahawalpur, it was observed that eighteen (18) teachers working under the control of following four (4) DDOs were appointed on the basis of Matric despite the fact that required qualification for that post was enhanced to F.A / FSC in each case. Payment of pay and allowances amounting to Rs 11.105 million was held unauthorized. Detail is given below:

**(Rupees in million)**

Sr. No.	DDOs	No. of Employee	Period of Audit	Amount
1	Deputy DEO(EE-M) Yazman	13	2015-18	7.712
2	Deputy DEO(EE-M) Bahawalpur City	3	2015-18	0.755
3	Principal GHS Channi Goth	1	2014-18	1.768
4	Principal GGHSS Khanqah Sharif	1	1992-18	0.870
<b>Total</b>		<b>18</b>		<b>11.105</b>

Due to weak managerial controls employees were recruited having below qualification.

Recruitment of employees, having below qualification resulted in unauthorized payment of pay & allowances amounting to Rs 11.105 million.

The matter was reported to the PAO and DDOs concerned in August 2018. Deputy DEO(EE-M) Yazman, Deputy DEO(EE-M) Bahawalpur City and Senior Head Mistress Khanqah Sharif replied that appointment of PTC teachers was made in consequence of the advertisement published by the Secretary Government of the Punjab, hence no irregularity was incurred. Principal GHS Channigoth replied that appointment of teacher was made by the order of

competent authority. Replies were not tenable as teachers had not any requisite academic qualifications.

DAC in its meeting held in January, 2019 directed to get the expenditure regularized from the competent authority. No progress was intimated till finalization of this Report.

Audit recommends regularization from the competent authority besides recovery of loss and fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Paras: 5, 9, 3, 4, 15 &1]

### **2.2.3.2 Irregular expenditure due to non-compliance of the Punjab Procurement Rules – Rs 4.341 million**

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

During audit of DEA Bahawalpur, it was observed that following DDOs incurred expenditure of Rs 4.341 million on purchase of stationery, furniture, repair work of government vehicle and different other store items during 2014-18. Annual procurement requirements were neither determined nor advertised on PPRA's website to obtain competitive rates. Moreover, indents were split-up to avoid fair tendering process. Detail is given below:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Period</b>	<b>Particulars</b>	<b>Amount</b>
1	Principal Government Technical High School Bahawalpur	2013-18	White Wash Material, Furniture	0.512
2	DEO(EE-W) Bahawalpur	2017-18	Stationary, Others	0.626
3	DEO(Secondary) Bahawalpur	2016-18	Stationary	1.143
4	Dy DEO(EE-W) Bahawalpur City	2016-18	Furniture	0.229
5	Principal GGHSS Mubarakpur	2014-15	Furniture	0.400
6	Principal Government Technical High	2009-18	Various items	1.431

Sr. No.	DDOs	Period	Particulars	Amount
1	Principal Government Technical High School Bahawalpur	2013-18	White Wash Material, Furniture	0.512
2	DEO(EE-W) Bahawalpur School	2017-18	Stationary, Others	0.626
<b>Total</b>				<b>4.341</b>

Due to weak financial controls, Punjab Procurement Rules were not observed.

Non observance of the Punjab Procurement Rules resulted in irregular expenditure of Rs 4.341 million.

The matter was reported to the PAO and DDOs concerned in August, 2018. DEO(EE-W), Principal GGHSS Mubarakpur replied that budget was released in four quarters and due to non-availability of sufficient funds PPRA rules were not followed. Deputy DEO(EE-W) Bahawalpur City replied that the Head Teacher was empowered to incur expenditure upto Rs100,000 through limited tender enquiry and there was no need of advertisement on PPRA website. Replies were not tenable as PPRA rules were violated.

DAC in its meeting held in January, 2019 directed to get the expenditure regularized from the competent authority. 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, under intimation to Audit.

[AIR Para No. 12, 1, 2, 8, 12, 10 &14]

### **2.2.3.3 Irregular drawl of arrears without release of additional budget – Rs 3.982 million**

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

During audit of DEA Bahawalpur, it was observed that employees of various DDOs drew arrear bills amounting to Rs 3.982 million from government

treasury on account of pay and allowances without obtaining additional budget during 2014-18 in violation of above rule. Detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Principal Govt. Technical High School, Bahawalpur	Pay and Allowances	1.044
2	DEO(EE-W) Bahawalpur	Pay and Allowances	0.519
3	Head Mistress Special Education Center Ahmadpur East	Pay and Allowances	0.997
4	Principal Special Education College Bahawalpur	Pay and Allowances	1.422
<b>Total</b>			<b>3.982</b>

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

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

The matter was reported to the PAO and DDOs concerned in August, 2018. DEO(EE-W) and Principal Govt. Special Education College replied that no irregularity occurred and all bills were drawn within approved financial budget but no documentary evidence was shown to audit that last year bill amount drawn in next financial year. Headmistress Special Education Center Ahmadpur East replied that letter was written to higher authority for regularization of expenditure. Principal GHS Channigoth replied that all relevant record was available but no record was shown to Audit.

DAC in its meeting held in January, 2019 directed to get the expenditure regularized from the competent authority. No progress was intimated till finalization of this Report.

Audit recommends regularization from the competent authority besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 15, 4, 2&5]

#### **2.2.3.4 Irregular expenditure on pay and allowances due to irregular promotion from in-service quota – Rs 3.239 million**

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

During audit of DEA Bahawalpur, it was observed that one (01) teacher working under the control of Deputy DEO (EE-W) Khair Pur Tamewali, was appointed as PTC (un-trained) on 26.01.1983. She had qualification of Matric only and she passed FA during 1983 and CT on 31.05.1989. She was promoted as EST – Physical Education from in-service quota on 16.08.1989 despite the fact that she did not possess diploma in P.E.T at that time. Detail is given in **Annexure-D/BWP**.

Due to weak managerial controls, person not possessing prescribed qualification was promoted from in-service quota.

Irregular promotion of employees resulted in irregular expenditure amounting to Rs 3.239 million.

The matter was reported to the PAO and DDO concerned in August, 2018. DDO replied that competent authority was requested to regularize the services of concerned school teacher but no documentary evidence was shown to audit.

DAC in its meeting held in January, 2019 directed to expedite the recovery from the concerned besides reversion of said teacher as PTC teacher and probe the matter by CEO (DEA) within a month. No progress was intimated till finalization of this Report.

Audit recommends regularization besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 9]

### **2.2.3.5 Irregular expenditure on pay and allowances due to unauthorized postings of staff – Rs 3.088 million**

According to the Government of Punjab, Finance Department Notification No.FD/SRIV-8-1/76(PROV) dated 16.03.1988, shifting of headquarter of a civil servant can only be allowed for a period not exceeding three months with the prior approval of Finance Department as all posts are created by the Finance Department after full justification given by the Departments. If the incumbent of the post is working other than his place of posting, it means that there is no need of such post. The proper way is that the Finance department may be approached for creation of post at required station by abolishing the corresponding post.

During audit of DEA Bahawalpur, it was observed that seven (07) teachers working under the control of Deputy DEO (EE-M) Bahawalpur (City) were posted temporarily for the period of more than three months in violation of above rules. DEO neither cancelled their orders of temporary duty nor approval of the Finance Department was obtained in this regard and they were allowed to draw pay without performing duties of the post. Furthermore,

- i. Government established an IT lab in GES Dera Izzat but the students were deprived of the facility due to non availability of Computer Teacher because his temporary posting.
- ii. Mr. Muhammad Naqash (SESE-IT) and Mr. Muhammad Wasim (SESE-IT) were posted on temporary duty from the very 1<sup>st</sup> day of their appointment as SESE. GES Malook Shah and GES Dera Izzat were deprived of the services of IT teachers.
- iii. In order to avoid shortage of teachers, school council of GES Dera Izzat appointed a feeder teacher and NSB was un-necessarily utilized for this purpose. Furthermore, the feeder teacher was not IT literate.
- iv. Mr. Muhammad Tahir (PTC) did not perform his duties of the post since 2009. Moreover, his service books and personal file for review were not produced to Audit.
- v. GES Vislan and GES Chah Suleman Khan were deprived of the services of EST (English).

Due to financial indiscipline headquarters of employees was shifted and general duties were not cancelled by the authorities.

Unauthorized posting of staff i.e. more than three months alongwith shifting of headquarter resulted in irregular expenditure on pay and allowances of Rs 3.088 million.

The matter was reported to the PAO and DDO concerned in August, 2018. DDO replied that in compliance of audit para all the teachers working in various offices on loan basis were relieved with the direction to report for duty at their original place of posting. Reply was not tenable as the matter was not got regularized from the competent authority.

DAC in its meeting held in January, 2019 directed to to probe the matter by CEO (DEA) within a month besides regularization of the matter from competent authority within a month. No progress was intimated till finalization of this Report.

Audit recommends regularization alongwith inquiry at appropriate level and fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 5]



## 2.2.4 Internal Control Weaknesses

### 2.2.4.1 Loss due to Irregular Payment of Conveyance / Mobility Allowance – Rs 5.641 million

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

During audit of DEA Bahawalpur, it was observed that nine (09) DDOs did not deduct conveyance/mobility allowance amounting to Rs 5.641 million from the teaching / non-teaching staff who remained on leaves. Detail is given below:

**(Rupees in million)**

Sr. No.	DDOs	Period	Amount of conveyance Allowance Drawn			Pending Amount
			Extra Ordinary Leave	Winter Vocation	Summer Vocation	
1	Principal Govt. Technical High School Bahawalpur	2007-18	0.127	0.487	0.433	1.047
2	Principal Special Education College Bahawalpur	2014-18	0.181	0.101	0.151	0.128
3	Deputy DEO(EE-W) Bahawalpur City	2016-18	0	0.803	0	0.803
4	Principal GGSS Mubarak pur	2009-18	0.129	0	0	0.029
5	Deputy DEO(EE-M) Hasilpur	2015-18	0.145	1.047	0	1.088
6	Deputy DEO(EE-M) Bahawalpur City	2015-18	0	0.565	0.13	0.695
7	Deputy DEO(EE-M) Yazman	2015-18	0.001	1.124	0.087	1.212
8	Deputy DEO(EE-W) Khairpur Tamewali	2016-18	0	0.368	0.032	0.400
9	GGHSS Khanqah Shareef	2011-18	0	0.239	0	0.239
<b>Total</b>						<b>5.641</b>

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

Payment of conveyance/mobility allowance during leave periods resulted in loss of Rs 5.641 million to government.

The matter was reported to the PAO and DDOs concerned in August, 2018. Principal Govt. Technical High School Bahawalpur replied that all employees were receiving online payment of salaries therefore no excess payment was made, whereas during summer vocation various teachers present in school to perform different duties therefore they were entitled to draw such allowance. Similarly as per letter of Finance Department conveyance allowance was admissible during study leave but no documentary evidence shown to audit

relating to attendance of teacher during summer vocation and admissibility of conveyance allowance during study leave. Principal GGHSS Mubarakpur, Dy. DEO(EE-M) Hasilpur, Deputy DEO(EE-M) Yazman, Principal Govt. Special Education College Bahawalpur, Deputy DEO(EE-M) Bahawalpur City replied that recovery notices were issued to concerned teachers. Principal GGHSS Multani Gate replied that full amount of conveyance allowance deposited in government treasury but no recovery progress shown to audit in support of their replies. Deputy DEO(EE-W) Khairpur Tamewali did not submit any reply.

DAC in its meeting held in January, 2019 directed to expedite the recovery from the concerned besides initiating action within a month. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 5.641 million besides fixing responsibility against the person(s) at fault, under intimation to Audit.

[AIR Paras: 1, 2, 1, 7, 4, 8, 2,2, 2, 2&2]

#### **2.2.4.2 Unjustified retention of funds of schools shifted to PEF – Rs 4.538 million**

According to Rule 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.

During audit of DEA Bahawalpur, it was observed that various primary / elementary schools were handed over to private persons through PEF under control of four DDOs. Furthermore, cash balance of Rs 4.538 million was available in the bank accounts of schools shifted to PEF and that amount was not transferred to Government treasury. Detail is given below:

<b>(Rupees in million)</b>		
<b>Sr. No.</b>	<b>DDOs</b>	<b>Balance</b>
1	Deputy DEO (EE-M) Hasilpur	1.118
2	Deputy DEO (EE-M) Bahawalpur City	0.194
3	Deputy DEO (EE-M) Yazman	3.075
4	Deputy DEO(EE-W) Khairpur Tamewali	0.151
<b>Total</b>		<b>4.538</b>

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

Non transferring cash balances resulted in undue retention of public money.

The matter was reported to the PAO and DDOs concerned in August, 2018. Deputy DEO(EE-M) Bahawalpur City replied that bank accounts of shifted school to PEF were frozen by their respective banks and report regarding functioning of these bank account would be produced as and when these accounts become operational. Remaining DDOs replied that Government schools of tehsil were handed over to PEF according to government policy, whereas private person were not authorized to withdrawn or spend NSB funds. No documentary evidence was shown to audit in support of their replies.

DAC in its meeting held in January, 2019 directed to keep the para pending till transfer of funds from the accounts of schools to the disposal of DEO (EE-M). No progress was intimated till finalization of this Report.

Audit recommends transfer of balance into government treasury besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 1, 1, 1 & 1]

#### **2.2.4.3 Unauthorized payment of salary to absent employee – Rs 1.811 million**

According to Rule 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.

During audit of DEA Bahawalpur, it was observed that an employee working under the administrative control of Deputy DEO (EE-W) Khair Pur Tamewali was absent from duty w.e.f 20.04.2014. Deputy DEO, DEO (EE-W) and CEO(DEA) neither took appropriate action against the employee nor requested the DAO to stop her pay. Furthermore, Deputy Commissioner Bahawalpur directed the CEO (DEA) on 01.02.2017 to take up the matter CEO (DHA) for medical examination of the employee through standing medical board

of Bahawal Victoria Hospital (BVH) but appropriate action was not yet taken despite lapse of more than one year. Detail is given below:

**(Rupees in million)**

Sr. No.	Period	2016-17	2017-18
01	July	0.070	0.075
02	August	0.070	0.075
03	September	0.070	0.080
04	October	0.070	0.080
05	November	0.070	0.080
06	December	0.072	0.081
07	January	0.072	0.081
08	February	0.072	0.081
09	March	0.072	0.081
10	April	0.072	0.081
11	May	0.072	0.081
12	June	0.072	0.081
<b>Sub-total</b>		<b>0.854</b>	<b>0.957</b>
<b>Grand Total</b>		<b>1.811</b>	

Due to weak internal controls, salary of absent employee was paid in unauthorized manner.

Unauthorized payment of salary to absent employee resulted in loss of Rs 1.811 million.

The matter was reported to the PAO and DDO concerned in August, 2018. DDO replied that Mst. Sajida Bano Naqvi GGES Khandan was hereby compulsory retired from service due to willful absent from duty.

DAC in its meeting held in January, 2019 directed to expedite the recovery from the concerned and produce the record for verification of recovered amount within a month. No progress was intimated till finalization of this Report.

Audit recommends recovery besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 6]

#### **2.2.4.4 Unjustified expenditure on account of Inspection Allowance to the AEOs – Rs 1.616 million**

According to the Government of the Punjab, School Education Department's letter No.SO (ADP) MISC 409-2012 dated 29.08.2012, Inspection

Allowance shall be payable on the basis of at least inspections of 50 schools in a month. In case of less than 50 school inspections, it shall be claimed @ Rs 100 per school inspection. AEO's having less than 50 schools shall be entitled to claim the inspection allowance up to 100 % inspections. In case of less than 100% school inspection, it shall be claimed @ Rs 100 per school inspection. Moreover, according to the instructions issued by the Government of the Punjab, Education Department Lahore, SMC account should be checked, verified 100% by the AEO and 50% by the Deputy District Education Officer every year.

During audit of DEA Bahawalpur, it was observed that five (05) DDOs incurred expenditure of Rs 1.616 million on account of Inspection Allowance during 2016-18. The payment was made to Assistant Education Officers (AEOs) for conducting inspection of all primary / elementary schools under their jurisdiction without ensuring 100% inspections of the schools. Detail is given below:

**(Rupees in million)**

<b>Sr. No.</b>	<b>DDOs</b>	<b>No. of employees</b>	<b>Period</b>	<b>Total amount paid during vacations</b>
1	Deputy DEO(EE-M) Yazman	8	2015-18	0.160
2	DEO(EE-W) Bahawalpur	1	2017-18	1.200
3	Deputy DEO(EE-W) Bahawalpur City	3	2016-17	0.096
4	Deputy DEO(EE-M) Hasilpur	5	2015-16	0.130
5	Deputy DEO(EE-M) Bahawalpur City	3	2015-18	0.030
<b>Total</b>				<b>1.616</b>

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

Grant of Inspection Allowance during summer vacations without conducting inspection of 100% schools resulted in loss of Rs 1.616 million.

The matter was reported to the PAO and DDOs concerned in August 2018. Deputy DEO(EE-M) Yazman replied that amount of inspection allowance paid in government treasury but no proof of payment shown to audit in support of the reply. DEO(EE-W) replied that letter was written to the concerned AEOs for provision of reply but no documentary evidence was shown to audit. Deputy DEO(EE-W) Bahawalpur (City) replied that all the AEO mentioned by Audit now working as SST in various schools were directed to pay the recovery but no

amount was recovered and paid in government treasury. Deputy DEO(EE-M) Hasilpur replied that AEOs drawn inspection allowance during summer vocation as they perform duties during vocation period. No documentary proof was shown to audit that school were remained opened during summer vocation.

DAC in its meeting held in January, 2019 directed to expedite the recovery from the concerned within a month. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 1.616 million from the concerned besides fixing responsibility on the person (s) at fault, under intimation to Audit.

[AIR Para No. 3, 2, 1, 6 &10]

## CHAPTER 3

### 3.1 District Education Authority Rahim Yar Khan

#### 3.1.1 Introduction of the Authority

District Education Authority, Rahim Yar Khan was established on 01.01.2017 under Punjab Local Government Act 2013. DEA, Rahim Yar 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.

The functions of District Education Authorities are elaborated in the Punjab Local Government Act, 2013. According to that the District Education Authority Rahim Yar Khan is responsible to:

- 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.
- Perform any other function assigned by the government, a commission or a body established by law in the prescribed manner.

DEA Rahim Yar Khan manages following educational facilities and institutes:

Description	No. of Education Institutes
Chief Executive Officer (Education)	1
District Education Officers (Secondary)	1
District Education Officers (Elementary Male)	1
District Education Officers (Elementary Female)	1
District Education Officers (Literacy)	1
District Education Officers (Special Education)	1
Deputy District Education Officers (Elementary Male)	6
Deputy District Education Officers (Elementary Female)	6
Higher Secondary Schools (Boys & Girls)	19
High Schools (Boys & Girls)	153
Special Education Schools / Centres	11
Elementary Schools	287
Primary Schools	1,465
Mosque / Madrassa Schools	19

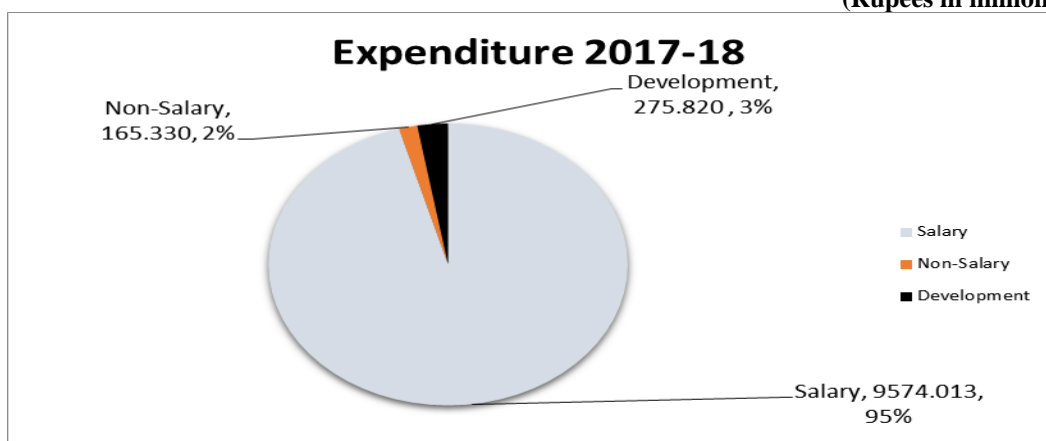
### 3.1.2 Comments on Budget and Accounts

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

(Rupees in million)

2017-18	Budget	Actual	Excess (+) / Savings (-)	% (Savings)
Salary	10,504.78	9,574.013	-930.771	-8.86%
Non-salary	214.387	165.330	-49.057	-22.88%
Development	277.881	275.820	-2.061	-0.74%
Receipt	-	-	-	-
<b>Total</b>	<b>10,997.048</b>	<b>10,015.163</b>	<b>-981.885</b>	<b>-8.93%</b>

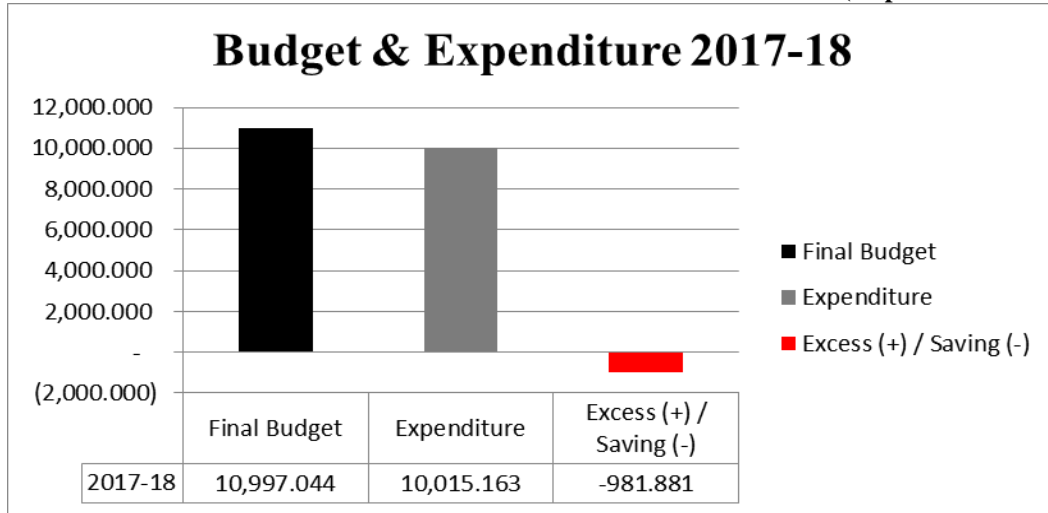
(Rupees in million)





As per the Appropriation Accounts 2017-18 of the District Education Authority, Rahim Yar Khan, total original budget (Development & Non-Development) was Rs 10,991.063 million, Supplementary grant of Rs 5.985 million was provided and the final budget was Rs 10,997.048 million. Against the final budget, total expenditure of Rs 10,015.163 million was incurred by the District Education Authority during 2017-18. A lapse of Rs 981.885 million came to the notice of Audit due to inefficient financial management in release of budget by Additional Deputy Commissioner (F&P). No plausible explanation was provided by PAO and management of the District Education Authority (**Annexure-B**).

(Rupees in million)



### 3.1.3 Brief Comments on the Status of Compliance of MFDAC Audit Paras of Audit Report 2017-18

Audit Paras reported in MFDAC of last year Audit Report which have not been attended in accordance with the directives of DAC have been reported in Part - II of Annexure-A.

### 3.1.4 Brief comments on the status of Compliance with PAC directives

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

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

### **3.2.1 AUDIT PARAS**

#### **3.2.1 Fraud / Misappropriation**

##### **3.2.1.1 Misappropriation due to double drawl and fictitious billing – Rs 1.445 million**

According to Rule 2.31 (a) of PFR Vol-I a drawer of bill for pay, allowances, contingent and other expenses will be responsible for any overcharges, frauds and misappropriation.

During audit of DEA Rahim Yar Khan, it was observed that Principal Government Girls Model Higher Secondary School Khan Pur misappropriated Rs 1.445 million through double drawl, fake / fictitious billing and unjustified drawl of cash which was open to following observations:

- i. Rs 200,000 was drawn by the then principal vide cheque no. 774180 from SMC account No. 4014768813 date 01.11.2016 before her transfer but bills were not available in the record.
- ii. Same items were claimed Rs 266,830 from different accounts i.e NSB and FTF / Bus Fund / Canteen Fund as well but physically only single item was available in the school / store / stock.
- iii. Physical inspection revealed that fake / fictitious bills were claimed but items were not available in the school / store amounting to Rs 978,129.

Due to malafide intention and weak managerial controls, double / fake bills were claimed.

Double / fake billing resulted in loss of Rs 1.445 million.

The matter was reported to the PAO and DDO concerned in October 2018. DDO replied that inquiry was initiated which was under process but no outcome of inquiry was produced.

DAC in its meeting held in December, 2018 directed to inquire the matter and recover the amount from the concerned. No progress was intimated till finalization of this Report.

Audit recommends recovery from the concerned along with initiating disciplinary action against the person(s) at fault, under intimation to Audit.

[AIR Para No. 27, 1 & 4]

## **3.2.2 Non Production of Record**

### **3.2.2.1 Non production of record – Rs 236.215 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 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.

During audit of DEA Rahim Yar Khan, it was observed that various DDOs did not produce record of expenditure and other record amounting to Rs 236.215 million incurred under different objects / codes of classification. The detail is given in **Annexure-E/RYK**.

Disregard of legal provisions resulted in non production of record to audit amounting to Rs 236.215 million.

Due to non production of record, legitimacy of the expenditure incurred could not be ascertained.

The matter was reported to the PAO and DDOs concerned in October 2018. All DDOs replied that all the record was available but no record was produced in support of reply.

DAC in its meeting held in December, 2018 directed to take disciplinary actions against the concerned besides production of relevant record. No progress was intimated till finalization of this Report.

Audit recommends that auditable record be produced for verification at the earliest and necessary action be initiated against the person(s) who did not provide access to the relevant record, under intimation to Audit.

[AIR Para: 17, 4, 31, 14, 3, 13, 36, 18, 12, 9, 10, 29, 21, 15, 21 & 1]

### 3.2.3 Irregularities & Non Compliance

#### 3.2.3.1 Unjustified drawl of arrears without release of additional budget – Rs 545.198 million

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

During audit of DEA Rahim Yar Khan, it was observed that various DDOs drew arrear bills amounting to Rs 545.198 million from government treasury on account of pay and allowances without obtaining additional budget in violation of above rule. Detail is given below:

**(Rupees in million)**

Sr. No.	DDOs	Description	Amount
1	CEO(DEA)	Pay and Allowances	426.102
2	Dy. DEO (EE-W) Liaqat Pur	Pay and Allowances	52.240
3	Dy. DEO (EE-M) Liaqat Pur	Pay and Allowances	47.130
4	Dy. DEO (EE-M) Rahim Yar Khan	Pay and Allowances	17.717
5	Dy. DEO (EE-W) Rahim Yar Khan	Pay and Allowances	0.081
6	GGHSS Model, Khan Pur	Pay and Allowances	0.987
7	GGHSS Chak 1/P, Khan Pur	Pay and Allowances	0.615
8	GGHS Jinnah Park, RYK	Pay and Allowances	0.326
<b>Total</b>			<b>545.198</b>

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

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

The matter was reported to the PAO and DDOs concerned in October 2018. CEO(DEA) replied that arrear bills were passed without allocation of separate budget for clearance of outstanding arrears pay claim during the current financial. Dy. DEO (EE-W) Liaqat Pur, Dy. DEO (EE-M) Rahim Yar Khan, GGHSS Chak 1/P, Khan Pur, Principal GGHS Jinnah Park, RYK and Dy. DEO (EE-W) replied that claimed were paid within available budget with the

instructions of the Govt. of the Punjab. Replies of DDOs were not tenable as notification in support of replies was not produced.

DAC in its meeting held in December, 2018 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, under intimation to Audit.

[AIR Para: 18, 14, 27, 8, 8, 10, 14 & 3]

### **3.2.3.2 Irregular incurrence of development expenditure without detailed design and specifications – Rs 28.942 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.

During audit of DEA Rahim Yar Khan, it was observed that head teachers of schools under administrative control of Dy. DEO (EE-W) and Dy. DEO (EE-M) Tehsil Liaqat Pur and Rahim Yar Khan incurred expenditure of Rs 28.942 million on account of construction / repair of building, soling, class rooms, boundary walls, toilet blocks etc. However, the said works were got executed without preparation of detail design, rough technical estimates, admin approval of the same and post completion evaluation report. Detail is given below:

<b>(Rupees in million)</b>		
<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
1	Dy. DEO (EE-W) Liaqat Pur	15.155
2	Dy. DEO (EE-M) Liaqat Pur	11.897
3	Dy. DEO (EE-W) Rahim Yar Khan	1.890
<b>Total</b>		<b>28.942</b>

Due to weak monitoring mechanism, development works were got executed without observing approved design and specifications.

Execution of development works without observing approved design and specifications resulted in irregular expenditure of Rs 28.942 million.

The matter was reported to the PAO and DDOs concerned in October 2018. Dy. DEOs (EE-W) Liaqat Pur, Dy. DEO (EE-M) Liaqat Pur and Dy. DEO (EE-M) Rahim Yar Khan replied that school building area was not sufficient as per enrolled students, so the extra rooms were constructed. Replies of DDOs were not tenable as construction work was executed without preparation of detail design, rough technical estimates and admin approval of the same.

DAC in its meeting held in December, 2018 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 besides fixing responsibility against the person(s) at fault, under intimation to Audit.

[AIR Para: 20, 16 & 11]

### **3.2.3.3 Unauthorized expenditure by School Council beyond prescribed limit – Rs 18.126 million**

According to School Council Policy 2007 as amended 2003 in its edition of 2017 vide clause 4.9 stipulates mode of incurring of financials that school council funds will be utilized on prescribed purposes and during a financial year a school council can incur up to the maximum of four hundred thousand rupees; the approval of the same has been granted vide FD letter No. IT (FD)3-13/2002 dated 07.01.2004 and dated 29.01.2005.

During audit of DEA Rahim Yar Khan, it was observed that various schools under administrative control of Dy. DEO (EE-W) Rahim Yar Khan and Dy. DEO (EE-W) Liaqat pur incurred expenditure of Rs 18.126 million in excess of authorized limit of Rs 400,000 during a financial year in violation of above rule. Detail is in **Annexure-F/RYK**.

<b>(Rupees in million)</b>			
<b>Sr. No.</b>	<b>DDOs</b>	<b>Financial Year</b>	<b>Amount</b>
1	Dy. DEO(EE-W) RYK	2017-18	6.724
2	Dy. DEO(EE-W) Liaqat pur	2017-18	9.451
3	Dy. DEO(EE-M) RYK	2017-18	1.951
<b>Total</b>			<b>18.126</b>

Due to financial indiscipline school councils incurred expenditure beyond the authorize limit.

Incurring of funds beyond authorized limits resulted in irregular expenditure of Rs 18.126 million.

The matter was reported to the PAO and DDOs concerned in October, 2018. DDOs replied that no excess expenditure incurred than prescribed limit as provided in NSB manual. Replies were not tenable as excess expenditure was incurred beyond the authorized limit.

DAC in its meeting held in December, 2018 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 besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para: 12, 16 & 15]

#### **3.2.3.4 Irregular expenditure due to non-compliance of the Punjab Procurement Rules – Rs 15.900 million**

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

During audit of DEA Rahim Yar Khan, it was observed that various DDOs incurred expenditure of Rs 15.900 million on purchase of stationery, furniture, repair work of government vehicle and different other store items. Annual procurement requirements were neither determined nor advertised on PPRA's website to obtain competitive rates. Moreover, indents were split-up to avoid fair tendering process. Detail is given in **Annexure-G/RYK**.

Due to weak financial controls, Punjab Procurement Rules were not observed.



Non observance of the Punjab Procurement Rules resulted in irregular expenditure of Rs 15.900 million.

The matter was reported to the PAO and DDOs concerned in October 2018. The Principal GGHSS Model, Khan Pur replied that the record was in the custody of Ex-Principal. Dy. DEO (EE-W) Rahim Yar Khan and Principal GGHS Jinnah Park, RYK replied that procurement of furniture was made on need based in various urgencies due to sharply increasing of student in this school. Dy. DEO (EE-M) Rahim Yar Khan and Dy. DEO (EE-M) Liaqat Pur replied that fund were released directly in the account of primary/ elementary schools on need bases. Dy. DEO (EE-W) Liaqat Pur, Dy. DEO (EE-M) Liaqat Pur, GGHS Noor-e-Wali, RYK, replied that NSB funds available and transfer on need basis of schools. DEO (EE-M) Rahim Yar Khan replied that the stationary was purchased after observing all financial rules and procedures. CEO (DEA) replied that the stationary items were purchased on daily need basis of various branches which was impossible to make consolidate purchase in shortest span of time. Replies of the departments were not tenable as all the purchases were made without observing the PPRA rules.

DAC in its meeting held in December, 2018 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, under intimation to Audit.

[AIR Para: 11, 19, 13, 2, 7, 13, 19, 2, 2, 10, 12, 3, 2, 22, 12 & 10]

### **3.2.3.5 Irregular expenditure due to appointment of teachers below prescribed qualification – Rs 15.322 million**

According to the Government of Punjab, Finance Department Notification No. FD.PC. 2 – 1 / 83 dated 25.08.1983, “prescribed qualification for the posts of EST, PET and D.M was FA/F.Sc with diploma in relevant field”. Moreover according to letter No. SOR-III-1-20/95 dated 01.02.1997; issued by S&GAD, Government of the Punjab, prescribed qualification for the post of PTC teacher was

enhanced from Matric / PTC to F.A / PTC and advance increments on higher qualification were admissible if the qualification was above the prescribed qualification required for the post.

During audit of DEA Rahim Yar Khan, it was observed that thirteen (13) teachers working under the control of following four (4) DDOs were appointed on the basis of Matric despite the fact that required qualification for that post was enhanced to F.A / FSC in each case. Recruitment of persons who did not meet prescribed qualification and expenditure of Rs 15.322 million on their pay & allowances was held irregular. Detail is given below.

<b>(Rupees in million)</b>			
<b>Sr. No.</b>	<b>DDO's</b>	<b>No. of Teachers</b>	<b>Amount</b>
1	Dy. DEO (EE-W) Rahim Yar Khan	04	7.583
2	Dy. DEO (EE-W) Liaqat Pur	02	3.791
3	Dy. DEO (EE-W) Sadiq Abad	06	3.309
4	GGHSS Model, Khan Pur	01	0.639
<b>Total</b>		<b>13</b>	<b>15.322</b>

Due to weak managerial controls employees were recruited having below qualification.

Recruitment of employees has below qualification resulted in irregular payment of pay & allowances amounting to Rs 15.322 million.

The matter was reported to the PAO and DDOs concerned in October 2018. Dy. DEO (EE-W) Rahim Yar Khan and Dy. DEO (EE-W) Liaqat Pur replied that teachers were appointed in the light of advertisement made by the Government of the Punjab Education Department Lahore. Dy. DEO (EE-W) Sadiq Abad replied that the secretary education advertised the recruitments of all cadre posts at the time the case was under process with the S&GAD department as the qualification on 01.02.1997 but these appointments were made 12.02.1997. Principal GGHSS Model, Khan Pur replied that no teacher in the name of Shahida Parveen (PET) who was appointed at GGES 33/3R was working in this institution. Replies were not tenable as no relevant record was produced.

DAC in its meeting held in December, 2018 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 from the competent authority besides recovery of loss and fixing the responsibility on the person(s) at fault, under intimation to Audit.

[AIR Paras: 14, 10, 06 & 20]

### **3.2.3.6 Unauthorized retention of public money into DDO account - Rs 12.993 million**

According to Rule 2.10(b)(5) of Punjab Financial Rules Vol-I, authorities incurring expenditure should see that no money has been drawn from the treasury unless it is required for immediate disbursement.

During audit of DEA Rahim Yar Khan, it was observed that there was a huge amount of closing balance of Rs 12.993 million on 30<sup>th</sup> June, 2018 in the bank statements of the following two DDOs. But neither any detail of issued cheque was maintained on the cash book, nor any bank reconciliation statement was prepared to verify the outstanding balance. Detail is given below:

<b>(Rupees in million)</b>		
<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
1	Dy. DEO (EE-W) Rahim Yar Khan	3.240
2	Dy. DEO (EE-M) Rahim Yar Khan	9.753
<b>Total</b>		<b>12.993</b>

Due to weak internal controls, public money was retained in DDO bank accounts.

Retention of public money in DDO bank accounts may result in misuse of funds.

The matter was reported to the PAO and DDOs concerned in October, 2018. Dy. DEO (EE-W) and Dy. DEO (EE-M) Rahim Yar Khan replied that leave encashment, financial assistance etc. were paid by the DDOs, so all the payments were made after authentication. Replies of DDOs were not tenable as the amounts were retained in the accounts of the DDO which were to be distributed amongst the retired employees well in time.

DAC in its meeting held in December, 2018 directed to distribute the cash amongst the relevant employees and ensure compliance. No progress was intimated till finalization of this Report.

Audit recommends early disbursement of funds besides fixing responsibility against the person(s) at fault, under intimation to Audit.

[AIR Para: 6 & 7]

### 3.2.3.7 Irregular mode of payment – Rs 6.356 million

According to Rule 4.49(a) of Subsidiary Treasury Rules Punjab all payments of Rs 100,000 and above shall not be paid in cash to the contractor/supplier and the DDO shall make an endorsement on the bill asking the AG Punjab / TAO to issue cross cheque in his favour and then the DDO will endorse the cheque to the contractor/supplier against proper endorsement after its entry in his cash book.

During audit of DEA Rahim Yar Khan, it was observed that following DDOs made cash payment amounting to Rs 6.356 million to various suppliers for purchase of different items, instead of making payments through crossed cheques. Detail is given in **Annexure-H/RVK**.

(Rupees in million)		
Sr. No.	DDOs	Amount
1	Dy. DEO (EE-M) Liaqat Pur	0.976
2	Dy. DEO (EE-W) Liaqat Pur	5.380
<b>Total</b>		<b>6.356</b>

Due to financial indiscipline cash payments were made instead through crossed cheques by the department.

Payments in cash instead of crossed cheques above 100,000 resulted in irregular payment of Rs 6.356 million

The matter was reported to the PAO and DDOs concerned in October 2018. Dy. DEO (EE-M) Liaqat Pur replied that bills were passed in June 2018. However, due to urgent demand of supplier the payment was made in cash. Dy. DEO (EE-W) Liaqat Pur replied that cash payments were made on need basis for the schools. Replies of the department were not tenable as all the payments were made in cash without observing the prevailing rules.

DAC in its meeting held in December, 2018 directed to provide the relevant record in support of reply for compliance of audit para. No progress was intimated till finalization of this Report.

Audit recommends regularization besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para: 14 & 15]

### **3.2.3.8 Irregular expenditure without immediate requirement and in violation of PPRA rule – Rs 5.800 million**

According to para 16.10 (xiii) (b) of the Punjab Budget Manual, purchase largely in excess of requirements is a financial irregularity. Furthermore, according to Rule 12(2) of Punjab Procurement Rules 2014, any procurement exceeding two million rupees shall be advertised on the website of the Authority, the website of the procuring agency, if any, and in at least two national daily newspapers of wide circulation, one in English and one in Urdu.

During audit of DEA Rahim Yar Khan, it was observed that CEO (DEA) made advance payment of Rs 5.800 million on account of purchase of Hino Bas for Special Education Center Khanpur during 2017-18 in irregular manner. Scrutiny of record revealed that payment was made on 28.12.17 on the basis of simple quotation from Hino Pak Motors for 33 seater bus without adopting any tendering process for economic purchase. Furthermore, the bus was lying in Rahim Yar Khan for about three to four months idle without any use at Khanpur as center was operational in a rented building without having even driver. The bus was taken in stock register on 12.05.18 without actual possession of the center and warranty period was expired for three months without any running which did not make any sense of such urgency of purchase. Detail is given below:

(Amount in rupees)

Document No.	Document No.	Quotation date	Company name	Amount	S/Tax	Total
5100081015	28.12.2017	27.03.17	Hino Pak Motors	4,957,265	842,735	5,800,000

Due to financial indiscipline bus was purchased without any actual requirements and in violation of PPRA rules.

Purchase of bus without any actual requirements and in violation of PPRA rules resulted in irregular expenditure as well as violation of government instructions and blockage of government funds.

The matter was reported to the PAO in October 2018. DDO replied that advance payment was made after approval of the Finance Department. Reply was not tenable as being irrelevant.

DAC in its meeting held in December, 2018 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 the expenditure from the competent authority besides strict disciplinary actions against the person(s) at fault, under intimation to Audit.

[AIR Para: 11]

### **3.2.3.9 Unjustified expenditure due to change of cadre - Rs 4.890 million**

According to letter No. SO (TIBB) 14 – 14 / 1992 (DGHS) dated 01.10.1992 and No. SOR – III 1 – 14 / 75 dated 17.10.1993, amended rule 11 of appointment & contract rule 1974, “Change of cadre is not allowed except prior approval of the Chief Minister or if so prescribed in the service rules as method of appointment”.

During audit of DEA Rahim Yar Khan, it was observed that Dy. DEO (EE-W) RYK made payment of Rs 4.806 million to Mst. Waseeqa Surawat who was appointed as PTC teacher after attaining the professional qualification of CT. The department changed her cadre and adjusted as PET teacher on the basis of professional qualification of CT instead on the post of relevant qualification of CT.

Due to weak managerial controls, cadre was changed.

Change of cadre resulted in irregular payment of Rs 4.890 million.

The matter was reported to the PAO and DDO concerned in October 2018. DDO replied that the teacher was appointed through in-service quota as EST teacher on 4.9.1989 and adjusted against the vacant post of PET which was the same scale

post. In order to rectification of erratic posting she was transferred and adjusted at Govt. Girls Elementary School Chak No. 87/P against her original post . Reply was not tenable as the teacher did not possess the requisite qualification of PET and her cadre was changed without approval of Chief Minister.

DAC in its meeting held in December, 2018 directed to produce adjustment orders of the said teacher within a week. No progress was intimated till finalization of this Report.

Audit recommends regularization besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para: 21]

### **3.2.3.10 Irregular expenditure due to unauthorized appointments – Rs 4.398 million**

According to Government of the Punjab S&GAD letter No. SOR-III-I-6/89 dated 28.02.1989, Minister of the concerned department was competent to appoint officials in BPS-01 to BPS-05 after relaxation of all conditions of appointment of service, prescribed for recruitment in the relevant service rules except qualification.

During audit of DEA Rahim Yar Khan, it was observed that Mst. Rehana Perveen was appointed as EST in BPS-09 in compliance of the orders of the Minister of Education Punjab in the office of Deputy DEO (EE-W) Sadiq Abad. Recruitment was unauthorized as the Minister of Education could only appoint persons in BPS-01 to BPS-05 whereas the person was appointed in BPS-09. Detail is given in **Annexure-I/RVK**.

Due to weak internal controls, person was appointed in higher pay scales than authorized by the competent authority.

Unauthorized appointment of staff resulted in irregular expenditure on pay amounting to Rs 4.398 million.

The matter was reported to the PAO and DDO concerned in October 2018. DDO replied that all the appointment was made through the Authority. Reply was not tenable as Minister was authorized for approval of BPS 1 to BPS 5 and PST only.

DAC in its meeting held in December, 2018 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 from the competent authority besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para: 07]

### **3.2.3.11 Unjustified collection and utilization of school bus fund – Rs 2.775 million**

According to Rule 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.

During audit of DEA Rahim Yar Khan, it was observed that Principal Government Girls Higher Secondary School Khan Pur collected bus fund from the students amounting to Rs 2.775 million without any criteria/specified rates. The funds was kept in cash out of which Rs 1.930 million was shown utilized on repair of vehicle without maintaining requisite record i.e. Log Book, History Sheet. Furthermore, record of balance amount of Rs 844,379 was also not shown.

Due to melafide contention funds were collected and expenditure was incurred in unjustified manner without maintaining essential record.

Unjustified collection and utilization of bus fund Rs 2.775 million and expenditure Rs 1.930 million without maintaining record resulted in irregular collection and expenditure.

The matter was reported to the PAO and DDO concerned in October 2018. DDO replied that no amount was allocated in the annual budget or in NSB account by the department for the maintenance and repair of school bus. Reply was not tenable as collection was made and expenditure was incurred without maintaining essential record.

DAC in its meeting held in December, 2018 directed to inquire the matter within a week. No progress was intimated till finalization of this Report.



Audit recommends early finalization of the inquiry proceedings besides fixing responsibility on the person (s) at fault, under intimation to Audit.

[AIR Para: 13]

### **3.2.3.12 Defective tendering and award to self-favored firm – Rs 2.378 million**

According to Rule 4 of Punjab Procurement Rules, 2014 a procuring agency, while making any procurement, shall ensure that the procurement is made in a fair and transparent manner, the object of procurement brings value for money to the procuring agency and the procurement process is efficient and economical. Further, according to Rule 10(1) 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. Furthermore, according to Rule 12(2), any procurement exceeding two million rupees shall be advertised on the website of the Authority, the website of the procuring agency, if any, and in at least two national daily newspapers of wide circulation, one in English and one in Urdu.

During audit of DEA Rahim Yar Khan, it was observed that CEO (DEA) incurred expenditure amounting to Rs 2.378 million on account of purchase of 3-Seater Desk Benches purchased through defective tendering process without complete purchase committee and awarded to the self-favored firm during 2017-18. Detail is given below:

(Amount in rupees)

<b>Name of Firm</b>	<b>Description</b>	<b>S/Order</b>	<b>Invoice date</b>	<b>Gross Amount</b>	<b>S/tax</b>	<b>Total</b>
M/S Saim Enterprises	3 seater bench desk	06.06.17	64,	377,308	64,142	441,450
M/S Saim Enterprises	3 seater bench desk	06.06.17	77, 17.11.17	327,000	55,590	382,590
M/S Saim Enterprises	3 seater bench desk	06.06.17	66,	1,328,123	225,781	1,553,904
<b>Total</b>				<b>2,032,431</b>	<b>345,513</b>	<b>2,377,944</b>

The whole tendering process was defective on the basis of following audit observations:

- i. Record showed that the firm did not attend the bidding process on dated 24.04.18. Four firms participated in the process except Saim Enterprises but astonishingly the contract was awarded to Saim Enterprises without participating
- ii. Scrutiny of the whole tender process revealed that there was no Assistant Deputy Commissioner (Finance) in the whole process whereas he was the member of the purchase committee
- iii. Deputy Commissioner established Technical Inspection committee including SDO (Building), two SST (Technical) and one clerk for technical inspection. The record showed that there was no SDO (Buildings) in the whole process of technical evaluation and inspection of received materials. Further, inclusion of one clerk did not make any sense as he was not a technical man having requisite qualification.
- iv. Technical bids and financial bids were opened in the presence of Director Procurement (KFUIT) not being the member of the committee in any way. Furthermore, this man participated in the entire purchase process as a technical member instead of SDO (Buildings) as selected in the committee
- v. Financial bids were opened on dated 24.04.17 without even Deputy Commissioner being chairmen as no signature of DC was on the attendance sheet. Furthermore, there were no signature of DC on attendance sheet of Tender notice dated 25.05.17 in which tender were approved
- vi. Advertisement was made in Urdu newspaper and no advertisement was made in English newspaper in violation of the rules. Furthermore, advertisement did not mention any kind of specifications and total number of desk benches to be purchased.

Due to financial indiscipline work was awarded through defective tendering process and incomplete / defective purchase committee.

Award of work through defective tendering process resulted in violation of rules.

The matter was reported to the PAO in October 2018. DDO replied that procurement process was initiated by the notified Committee and the said firm participated in the bidding process but representative reacted late. Reply was not tenable as no notification was provided and purchases were made through irrelevant committee and firm did not participate in the financial bidding.

DAC in its meeting held in December, 2018 directed to inquire the matter and report within one month. No progress was intimated till finalization of this Report.

Audit recommends early finalization of the proceedings besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para: 5]

### **3.2.2.13 Irregular purchase from the black listed firms – Rs 1.165 million**

According to Rule 2.10 (a) (1) of PFR Vol-I lays down that same vigilance should be exercised in respect of expenditure incurred from Government Revenues, as a person of ordinary prudence would exercise in respect of the expenditure of his own money.”

During audit of DEA Rahim Yar Khan, it was observed that District Education Officer (EE-M) Rahim Yar Khan purchased various items from various black listed firms for the period 2010-18. The status of these firms was available on the FBR website as “blacklisted”. This resulted into irregular purchase as well as excess payment of sales tax.

Due to negligence of the department purchases were made from blacklisted firms.

Purchases from blacklisted firms resulted in irregular expenditure of Rs 1.165 million as well as loss of payment of sales tax.

The matter was reported to the PAO and DDO concerned in October 2018. DDO replied that at the times of purchases no firms were blacklisted. Reply was not tenable as some firms were blacklisted.

DAC in its meeting held in December, 2018 directed to make recovery of amount of sales tax besides getting the expenditure regularized from the competent authority within one month to the extent of blacklisted firm. No progress was intimated till finalization of this Report.

Audit recommends recovery of GST from the concerned besides regularization from the competent authority and fixing responsibility against the person(s) at fault, under intimation to Audit.

[AIR Para: 03]

### **3.2.4 Internal Control Weaknesses**

#### **3.2.4.1 Loss due to unjustified payment of Conveyance Allowance – Rs 60.491 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.

During audit of DEA Rahim Yar Khan, it was observed that twelve (12) DDOs did not deduct conveyance allowance amounting to Rs 60.491 million from the teaching / non-teaching staff which was irregularly drawn as they were on leaves. Detail is given in **Annexure-J/RYK**.

Due weak internal controls, unjustified payment of conveyance allowance was paid during leave periods.

Payment of unjustified conveyance allowance during leave periods resulted in loss amounting to Rs 60.491 million.

The matter was reported to the PAO and DDOs concerned in October 2018. DDOs replied that the concerned were directed to deposit the amount. Replies were not tenable as no recoveries were made.

DAC in its meeting held in December, 2018 directed DDOs to expedite the recovery from the concerned and deposit into government treasury within a week. No progress was intimated till finalization of this Report.

Audit recommends recovery of the amount besides initiating disciplinary proceedings against the person(s) at fault, under intimation to Audit.

[AIR Paras: 10, 07, 01, 06, 11, 06, 13, 07, 03, 14, 01, 02, 02, 04, 01, 01, 01, 26, 01, 06 & 06]

#### **3.2.4.2 Loss due to non recovery of savings of Development works – Rs 60.095 million**

According to term of release of funds to Executive Engineer Buildings Division Rahim Yar Khan all savings would be returned back during 2017-18.

During audit of DEA Rahim Yar Khan, it was observed that CEO (DEA) did not recover savings of Rs 60.095 million from Building Division on account of Development Works during 2017-18. Record showed that an amount of Rs 521.325 million was released for completion of development works out of which funds to the tune of Rs 461.255 million were utilized and remaining amount of savings of Rs 60.095 million was not returned back by the Building Division to the Education Department.

Due to weak managerial controls savings from development works were not recovered from the building division.

Non recovery of savings from development works resulted in loss to the funds as well violation of terms.

The matter was reported to the PAO concerned in October 2018. DDO replied that District Education Authority was authorized to revalidate the balance amount during the next financial year in any public work in the public interest. Reply was not tenable as no savings were returned back.

DAC in its meeting held in December, 2018 directed to get recoup the funds in relevant accounts within one month. No progress was intimated till finalization of this Report.

Audit recommends recovery of savings besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para: 3]

#### **3.2.4.3 Unjustified retention of funds of schools shifted to PEF – Rs 10.515 million**

According to Rule 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.

During audit of DEA Rahim Yar Khan, it was observed that various primary / elementary schools were handed over to private persons through PEF under the administrative control of four DDOs. Furthermore, cash balance of Rs 10.515 million was available in the bank accounts of schools shifted to PEF

and that amount was not transferred to Government treasury. Detail is given below:

<b>(Rupees in million)</b>		
<b>Sr. No.</b>	<b>DDOs</b>	<b>Unspent Balance</b>
1	Dy. DEO (EE-M) Rahim Yar Khan	5.079
2	Dy. DEO (EE-W) Sadiq Abad	2.604
3	Dy. DEO (EE-W) Rahim Yar Khan	2.423
4	Dy. DEO(EE-M) Liaqat Pur	0.409
<b>Total</b>		<b>10.515</b>

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

Non transferring cash balances resulted into undue retention of public money.

The matter was reported to the PAO and DDOs concerned in October 2018. DDOs replied that bank accounts of all Primary Schools which were handed over to PEF were frozen as per instructions of the Govt. of the Punjab School Education Department. Replies of DDOs were not tenable as the amounts were retained in the accounts of the DDO which were to be distributed to different schools on need basis.

DAC in its meeting held in December, 2018 directed to keep the para pending till decision of School Education Department Govt. of the Punjab Lahore within a month. No progress was intimated till finalization of this Report.

Audit recommends transfer of balance into government treasury besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Paras: 1, 11, 1 & 7]

#### **3.2.4.4 Unjustified expenditure on account of Inspection Allowance to the AEOs – Rs 7.708 million**

According to the Government of the Punjab, School Education Department's letter No. SO (ADP) MISC 409-2012 dated 29.08.2012, Inspection Allowance shall be payable on the basis of at least inspections of 50 schools in a month. In case of less than 50 school inspections, it shall be claimed @ Rs 100 per school inspection. AEO's having less than 50 schools shall be entitled to

claim the inspection allowance up to 100 % inspections. In case of less than 100% school inspection, it shall be claimed @ Rs 100 per school inspection. Moreover, according to the instructions issued by the Government of the Punjab, Education Department Lahore, SMC account should be checked, verified 100% by the AEO and 50% by the Deputy District Education Officer every year.

During audit of DEA Rahim Yar Khan, it was observed that eight (08) DDOs working incurred expenditure of Rs 7.708 million on account of Inspection Allowance during 2016-18 during summer vacations. The payment was made to Assistant Education Officers (AEOs) for conducting inspection of all primary / elementary schools under their jurisdiction without ensuring 100% inspections of the schools as schools were closed during period. Detail is given below:

**(Rupees in million)**

<b>Sr. No.</b>	<b>DDOs</b>	<b>Total Amount paid during vacations</b>
1	DEO (SE) RYK	0.180
2	Dy. DEO (EE-M) Liaqat Pur	3.813
3	Dy. DEO (EE-M) Rahim Yar Khan	1.640
4	Dy. DEO (EE-W) Liaqat Pur	0.750
5	Dy. DEO (EE-W) Rahim Yar Khan	0.700
6	Dy. DEO (EE-W) Sadiq Abad	0.285
7	Dy. DEO (EE-W) Sadiq Abad	0.165
8	Dy. DEO (EE-W) Liaqat Pur	0.175
<b>Total</b>		<b>7.708</b>

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

Grant of Inspection Allowance during summer vacations without conducting inspection of 100% schools resulted in loss of Rs 7.708 million.

The matter was reported to the PAO and DDOs concerned in October 2018. DDOs replied that inspection allowance paid to AEOs according to policy after scrutiny of key performance indicators which would be provided in the next meeting. Replies of DDOs were not tenable as no record was provided in support of replies.

DAC in its meeting held in December, 2018 directed to recover the amount from the concerned within one month. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 7.708 million from the concerned besides fixing responsibility on the person (s) at fault, under intimation to Audit.

[AIR Paras: 06, 13, 03, 05, 03, 05, 04 & 08]

### **3.2.4.5 Loss due to non recovery of allowances after regularization of service of contract employees – Rs 6.132 million**

According to letter of regularization of service, the appointees shall not be entitled to payment of 30 % social security benefit with effect from the date of regular appointment in lieu of pension or any other pay package being drawn by them during contract period.

During audit of DEA Rahim Yar Khan, it was observed that following DDOs neither recovered overpayment of Rs 6.132 million from fifty eight (58) employees who were regularized nor re-fixation were made from DAO. Detail is given below:

<b>(Rupees in million)</b>			
<b>Sr. No</b>	<b>DDOs</b>	<b>No. of employees</b>	<b>Excess payment</b>
1	Deputy DEO (EE-W) Sadiq Abad	18	1.069
2	Deputy DEO (EE-W) RYK	04	0.797
3	Deputy DEO (EE-M) RYK	09	0.476
4	Deputy DEO (EE-M) LQP	14	0.469
5	Principal GGHSS Chak 1/P KPR	03	0.210
6	Headmaster GBHS Bagho Bahar KPR	02	0.132
7	DEO (S.E) RYK	01	0.173
8	Deputy DEO (EE-M) RYK	07	2.806
<b>Total</b>		<b>58</b>	<b>6.132</b>

Due to weak internal controls, unjustified allowances were paid after regularization of services of contract employees.

Payment of allowances after regularization of services of contract employees resulted in loss amounting to Rs 6.132 million.

The matter was reported to PAO and DDOs concerned in October 2018. DDOs replied that service books were sent to the DAO for re fixation and recovery of overpaid amount would be provided as received to this office. Deputy DEO (EE-M) LQP replied that teachers were working on contract basis and they were eligible for SSB but no evidence was provided in support of reply.



DAC in its meeting held in December, 2018 directed to recover the amount from the concerned within a month. No progress was intimated till finalization of this Report.

Audit recommends recovery besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Paras: 03, 16, 16, 03, 06, 10, 03 & 05]

### **3.2.4.6 Loss due to payment of irrelevant allowances – Rs 4.289 million**

According to Notification No. SO (SE-IV)3.84/2016 dated 19.05.2017 the posts of ‘DTEs’ have been abolished with effect from 05.05.2017. Furthermore, according to Rule 2.31 (a) of PFR Vol-I a drawer of bill for pay, allowances, contingent and other expenses will be responsible for any overcharges, frauds and misappropriation.

During audit of DEA Rahim Yar Khan, it was observed that following DDOs made payment of Rs 4.289 million to two hundred and sixty nine (269) employees on account of different allowances which were not admissible to them as per rule. DDOs neither recover the same from the pay of said employees nor get re-fixed the pay from DAO. Detail is given below:

(Rupees in Million)			
Sr. No	DDOs	No. of employees	Amount
1	CEO (DEA)	169	1.681
2	Deputy DEO (EE-M) RYK	64	2.056
3	Deputy DEO (EE-W) LQP	11	0.199
4	Deputy DEO (EE-W) RYK	03	0.272
5	Deputy DEO (EE-M) LQP	22	0.081
<b>Total</b>		<b>269</b>	<b>4.289</b>

Due to weak managerial controls unjustified irrelevant allowances were paid to the employees.

Unjustified payment of irrelevant allowances resulted in over payment of Rs 4.289 million.

The matter was reported to the PAO and DDOs concerned in October 2018. DDOs replied that irrelevant allowances were paid through pay rolls from the DAO and conveyed to concerned to recover the said amount. Replies were

not tenable as these were the responsibilities of DDOs to keep watch on the expenditure.

DAC in its meeting held in December, 2018 directed to recover the said amount from the concerned within one month. No progress was intimated till finalization of this Report.

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

[AIR Para: 12, 02, 04, 02 & 09]

### **3.2.4.7 Loss due to non-deduction of taxes – Rs 3.204 million**

According to finance act 2012 a Provincial Sales Tax (PST) on services was imposed by the Government. According to letter No. PRA/WH/DAO-127 dated 18-11-2015 issued by the Punjab Revenue Authority Multan, the withholding agents were liable to ensure that sales tax on services @ 16% is deducted and deposited before making any payment.

During audit of DEA Rahim Yar Khan, it was observed that various schools under the administrative control of Dy. DEO (EE-M) Liaqat Pur made payment for acquiring services for repair of various heads without deduction of taxes of Rs 3.204 million. Detail is as below:

(Amount in rupees)		
Sr. No	Detail of tax	Amount
1	Income Tax	544,022
2	Sales Tax	934,982
3	Provincial Sales Tax	1,725,000
<b>Total</b>		<b>3,204,004</b>

Due weak internal control payments were made without deduction of taxes.

Non deduction of taxes from the payment resulted in loss of Rs 3.204 million.

The matter was reported to the PAO and DDO concerned in October 2018. DDO replied that challan forms of deduction of the taxes would be provided in the next meeting. Reply was not tenable as no recovery was shown.

DAC in its meeting held in December, 2018 directed to ensure compliance of the para. No progress was intimated till finalization of this Report.

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

[AIR Para: 17]

### **3.2.4.8 Non recovery of registration fee and annual inspection fee from private schools – Rs 3.003 million**

According to letter No.S.C (A-1) 7-21/C-1 dated 24.08.1990 issued by the Government of the Punjab, one time registration fee and annual inspection fee is to be recovered from owners of private schools on following rates:

Level of Schools	Registration Fee	Annual Inspection Fee
Middle Schools	5,000	500
High Schools	7,000	1,000

During audit of DEA Rahim Yar Khan, it was observed that District Education Officer (Secondary Education) did not recover annual inspection and registration fee from 546 private schools according to gazette book issued by the Punjab Education Commission for the year 2017-18 as detailed below:

(Amount in rupees)

School Level	No. of registered private schools as per record of DEA	No. of schools as per record of (PEC) etc	Difference	Rate of Registration Fee @ Rs 5000 per school	Inspection Fee @ Rs 500 per school	Total
Elementary	43+42=95	641	546	2,730,000	273,000	3,003,000

Due to weak managerial controls, efforts were not made to register and inspect private schools.

Non registration and inspection of private schools resulted in loss of revenue amounting to Rs 3.003 million.

The matter was reported to the PAO and DDO concerned in October 2018. DDO replied that committee was constituted to inspect / check the private school and fee would be deposited into government treasury but record related to recovery of inspection fee was not provided.

DAC in its meeting held in December, 2018 directed to expedite the recovery and report within a week. No progress was intimated till finalization of this Report.

Audit recommends recovery of amount and registration of remaining private schools besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para: 1]

#### **3.2.4.9 Loss due to excess payment of Income & Sales Tax – Rs 2.156 million**

According to Rule 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.

During audit of DEA Rahim Yar Khan, it was observed that various schools, under administrative control of the Dy. DEO (EE-W) Liaqat Pur, deposited income tax and sales tax themselves through challans in FBR amounting to Rs 2.156 million. But the record showed that the schools did not deduct the income tax from the payments of the suppliers/firms providing various supplies and services. The school management made payments of the taxes from the NSB funds as well resulting in double/ excess payments.

Due to weak managerial controls double payments of taxes were made from the NSB funds.

Double payments of the taxes from NSB resulted in loss amounting to Rs 2.156 million.

The matter was reported to the PAO and DDO concerned in October 2018. DDO replied that letter was issued to concerned AEOs for the excess payment deposit of Income & Sale Taxes. Reply was not tenable as no recovery was shown.

DAC in its meeting held in December, 2018 directed for early compliance of the audit para. No progress was intimated till finalization of this Report.

Audit recommends recovery of the loss besides calculations of all the schools for recovery of the double payments and appropriate actions against the person(s) at fault, under intimation to Audit.

[AIR Para: 11]

### **3.2.4.10 Non deposit of Income & Sales Taxes – Rs 2.143 million**

According to Rule 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.

During audit of DEA Rahim Yar Khan, it was observed that twenty nine (29) schools, under administrative control of the Dy. DEO (EE-W) Liaqat Pur, did not deposit income tax and sales during 2017-18 for the materials duly purchased under various heads i.e construction works and purchase of furniture other items etc. amounting to Rs 2.143 million. The schools did not deposit the amount of taxes into FBR and there was no record to show even deduction from the payment made to the firms. Detail is given in **Annexure-K/RYK**.

Due to weak managerial controls Income & Sales tax were not deposited.

Non deposit of Income & Sales Tax resulted in loss to the funds amounting to Rs 2.143 million.

The matter was reported to the PAO and DDO concerned in October 2018. DDO replied that letter was issued to concerned AEOs for deposit of Income & Sale Taxes. Reply was not tenable as no recovery was shown.

DAC in its meeting held in December, 2018 directed for early compliance the para. No progress was intimated till finalization of this Report.

Audit recommends recovery of the loss besides calculations of all the schools for recovery of the double payments and appropriate actions against the person(s) at fault, under intimation to Audit.

[AIR Para: 12]

#### **3.2.4.11 Unauthorized retention of public money and retention of closing balance as per bank statement - Rs 1.320 million**

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

During audit of DEA Rahim Yar Khan, it was observed that an amount of Rs 1.320 million was available as closing balance but neither reconciliation was made by the DDO with the bank nor any detail of unspent balance was provided by the DEO (EE-M) Rahim Yar Khan.

Due to weak internal controls funds were retained in unauthorized manner.

Unauthorized retention of public money may result in misuse of funds.

The matter was reported to the PAO and DDO concerned in October 2018. DDO replied that some amounts were deposited back into the Government treasury. Reply was not tenable as remaining balance was available in the bank without any reconciliation.

DAC in its meeting held in December, 2018 directed to expedite the recovery of balance amount within a week. No progress was intimated till finalization of this Report.

Audit recommends recovery of the amount besides fixing responsibility against the person(s) at fault, under intimation to Audit.

[AIR Para: 8]

#### **3.2.3.12 Non-deposit of receipts from canteen into government treasury - Rs 1.243 million**

According to Rule 4.1 of PFR Vol-I “each DDO is required to deposit in to treasury the Govt. receipts as & when they are realized or maximum within seven days of its realization.

During audit of DEA Rahim Yar Khan, it was observed that Principal Government Girls Model Higher Secondary School Khan Pur collected canteen funds amounting to Rs 1.243 million but the same was not deposited in the bank. The funds was kept in cash in the whole period from 2011-18 the record of expenditure incurred out of this funds was not on the available.

Due to melafide contention receipts were not deposited into Govt. Treasury and incurred expenditure without maintaining any record.

Non deposit of canteen receipts and expenditure without any record resulted loss to government.

The matter was reported to the PAO and DDO concerned in October 2018. DDO replied that neither tuck shop nor canteen was functional in the school. Reply was not tenable as collections were made as evident from the record of the school.

DAC in its meeting held in December, 2018 directed to inquire the matter within one month. No progress was intimated till finalization of this Report.

Audit recommends early finalization of the inquiry proceedings besides fixing responsibility on the person (s) at fault, under intimation to Audit.

[AIR Para: 02]

## CHAPTER 4

### 4.1 District Education Authority, Dera Ghazi Khan

#### 4.1.1 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.

The functions of District Health Authorities, are elaborated in the Punjab Local Government Act, 2013. According to that the District Education Authority D.G.Khan is responsible to:

- To establish, manage and supervise primary, elementary, secondary and higher secondary school, adult literacy and non-formal basic education, special education institutions of the Government in the District;
- To ensure free and compulsory for children of age from five to sixteen year as required under article 25-A of the constitution;
- To undertake students assessment and examination, ranking of schools on terminal examination results and targets, promotion of co-curricular activities, sports, scouting, girls guide, red crescent, award of scholarships and conduct of science fairs in Government and private school;
- To approve the budget of Authority and allocate funds to educational institutions;
- To plan, execute and monitor all development schemes of educational institutions working under the Authority, provide that Authority may outsource its development works to other agencies or school councils;
- To constitute school management councils which may monitor academic activities;

DEA D.G. Khan manages the following schools / education offices:

Description	No. of office / schools
Chief Executive Officer (DEA)	01
DEO (Elementary Education)	01
DEO (Secondary Education)	01



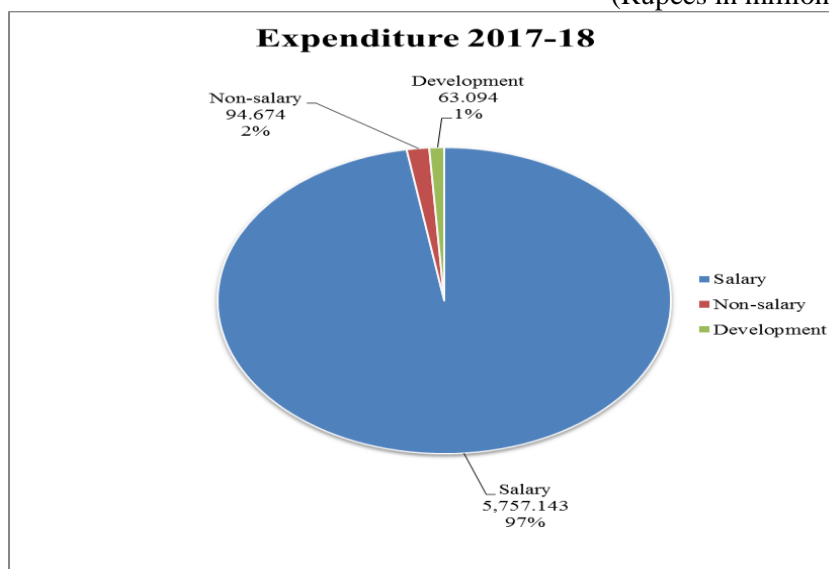
Dy. DEO (EE-M)	03
Dy. DEO (EE-W)	03
High Schools	124
Higher Secondary Schools	12

#### 4.1.2 Comments on Budget and Accounts

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

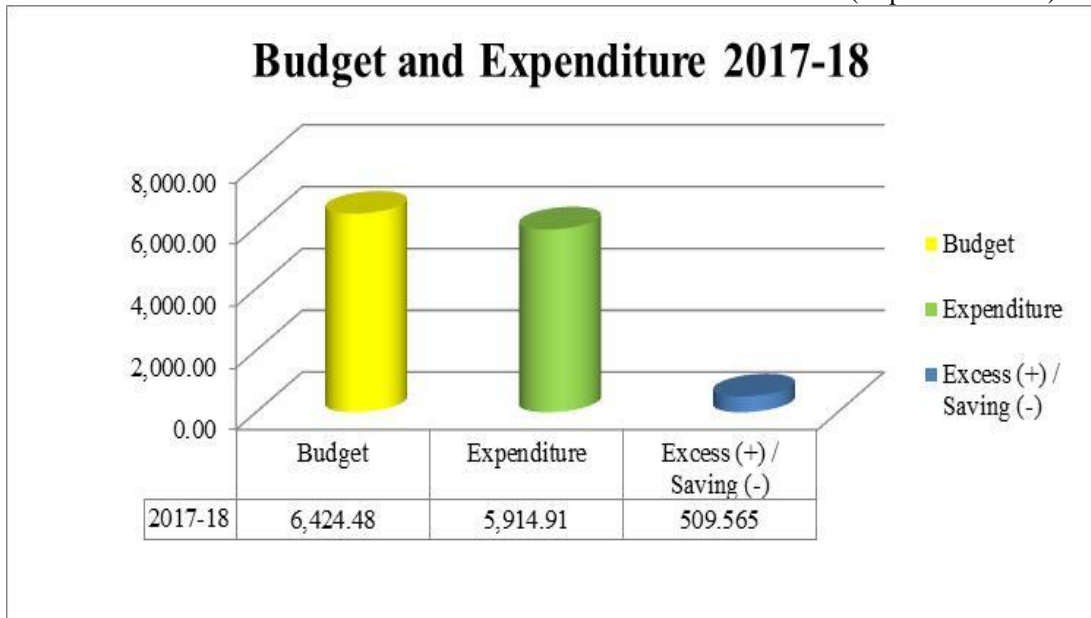
2017-18	Budget	Actual	Excess / Savings	%
Salary	6,179.824	5,757.143	422.681	6.840
Non-Salary	101.547	94.674	6.873	6.768
Development	143.105	63.094	80.011	55.911
<b>Total</b>	<b>6,424.476</b>	<b>5,914.911</b>	<b>509.565</b>	<b>7.932</b>

(Rupees in million)



As per the Appropriation Accounts 2017-18 of the District Education Authority, Dera Ghazi Khan, total original budget (Development and Non-Development) was Rs 6,424.476 million. Against the budget, total expenditure of Rs 5,914.911 million was incurred by the District Education Authority during 2017-18. Lapse of funds amounting to Rs 509.565 million came to the notice of Audit due to inefficient financial management in release of budget by Deputy Director (Finance). No plausible explanation was provided by PAO and management of the District Education Authority Dera Ghazi Khan. (Annexure-B)

(Rupees in million)



Due to inefficient financial management in release of budget by Deputy Director (Finance), major portion of funds lapsed as detailed below:

- (i) Excessive budget was blocked by allocating heavy amounts in non-development portion which resulted in lapse of Rs 429.554 million (7 percent).
- (ii) An amount of Rs 80.011 million (56 percent) remained unutilized under Grant 36 “Development” due to less development activities.

#### **4.1.3 Brief Comments on the Status of Compliance of MFDAC Audit paras of Audit Report 2017-18**

Audit paras reported in MFDAC of last year Audit Report, which have not been attended in accordance with the directives of DAC, have now been reported in part-II of Annexure-A.

#### **4.1.4 Brief Comments on the Status of Compliance with PAC Directives**

The Audit Report pertaining to the following year was submitted to the Governor of the Punjab but it 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

## 4.2 AUDIT PARAS

### 4.2.1 Non-Production of Record

#### 4.2.1.1 Non-production of record – Rs 158.969 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.

During audit of DEA D.G.Khan, it was observed that the DDOs of various departments incurred expenditure of Rs158.969 million during 2017-18, but vouched accounts of the expenditure of procurement, contingencies, consumption and pay were not produced for audit verification.

(Rupees in million)

Sr. No.	DDOs	Nature of Record	Amount
1	Dy. DEO (EE-W) Kot Chutta	NSB record	1.268
2		Vouched Account	18.286
3	GGHSS Vehova		1.432
4	Dy. DEO (EE-M) D.G.Khan	Inspection Allowance	5.128
5		School Record	1.691
6	Dy. DEO (EE-W) Taunsa		1.00
7		Vouched Account	12.724
8		NSB Record	0.436
9	GGHS Shahdan Lund	Arrears of pay and allowance	0.988
10		Vouched Account	0.141
11	Dy. DEO (EE-M) Taunsa	Inspection Allowance	6.551
12	GGHS Kot Chutta	Vouched Account	1.429
13	GHSS Yaroo	Superannuation claims	2.025
14	Dy. DEO (EE-W) D.G.Khan	Arrears Bills	34.844
15	GGHSS Gaddai	Complete Record	71.026
<b>Total</b>			<b>158.969</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 158.969 million.

The matter was reported to the CEO and DDOs concerned in August, 2018. 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 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:15,19,8,19,21,10,21,27,6,9,12,10,8,18,13]

## **4.2.4 Irregularities & Non-Compliance**

### **4.2.2.1 Irregular Payments against arrears of pay and allowances - Rs 72.927 million**

According to Rule 2.27 of PFR Vol-I, no payments may be made on account of increases to pay until the additional expenditure hereby caused has been provided for in the budget estimates and duly sanctioned.

During audit of DEA D.G.Khan, it was observed that Deputy District Education Officer (M-EE) D.G.Khan made payment of Rs 72.927 million against arrears of pay and allowances without additional budget. Furthermore, the vouched accounts were also not produced to Audit for verification.

Due to weak internal controls, payment against arrears of pay and allowances was made without getting additional budget.

Payment of arrears without additional budget resulted in irregular expenditure of Rs 72.927 million.

The matter was reported to the CEO and DDO concerned in August, 2018. DDOs 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 from the competent authority, under intimation to Audit.

[AIR Para:20]

### **4.2.2.2 Mis-procurement of IT Equipment - Rs 21.957 million**

According to S&GAD Department Letter No. ADMN(PPRA)10-2/2013 dated 13-01.2014, all procurement opportunities over two million rupees should be advertised on the PPRA's website as well as in other print media or newspapers having wide circulation. The advertisement in the newspapers shall principally appear in at least two national dailies, one in English and the other in Urdu.

During audit of DEA D.G.Khan, it was observed that Chief Executive Officer DEA procured furniture, computer chairs, printers, UPS and computers of Rs 21.957 million during 2017-18. The advertisement was made in two Urdu newspapers instead of one in Urdu and other in English. Furthermore, the advertisement was not advertised on PPRA website.

Due to non-compliance of rules, expenditure was incurred without observing codal formalities.

Non-observance of the Government instructions resulted in irregular expenditure of Rs 21.957 million

The matter was reported to the CEO in August, 2018. DDOs 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 from the competent authority, under intimation to Audit.

[AIR Para: 15]

#### **4.2.2.3 Unauthorized delayed acceptance of tender - Rs 21.957 million**

According to general condition 1.2 of Contract Agreement of C&W department, offer rates will remain valid for a period of 3 months from the date of opening the tender.

During audit of DEA D.G.Khan, it was observed that Chief Executive Officer DEA, opened the tenders for construction work of various schools for Rs 21.957 million on 09.04.2016. The acceptance against the tenders were issued during 2017-18, after lapse of 5.5 months.

Due to weak internal controls, tenders were accepted after lapse of valid period i.e. 3 months.

Acceptance of tender after lapse of valid period resulted in unauthorized expenditure of Rs 21.957 million.

The matter was reported to the CEO in August, 2018. 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 from the competent authority, under intimation to Audit.

[AIR Para:17]

#### **4.2.2.4 Payment of pending liabilities out of allocation for current year - Rs 21.956 million**

As per rule 2.10 (b) (3) of the PFR Vol-I, no charges / claims of previous years should be allowed to stand over to be paid from the grant of another year.

During audit of DEA D.G.Khan, it was observed that Chief Executive Officer DEA, made a payment of Rs 21.956 million to Ora Tech Systems (Pvt.) Ltd for purchase of IT equipment for construction of lab in various schools of D.G.Khan during 2017-18, whereas the expenditure was pertained to previous financial year i.e 2016-17.

Due to weak internal and financial controls, liabilities of previous years were paid out of current year budget allocation.

Non-observance of codal formalities resulted in unauthorized expenditure of Rs 21.956 million.

The matter was reported to the CEO in August, 2018. DDO did not submit replies.

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

Audit recommends investigation of the matter for non-observance of rules besides regularization of the expenditure from the competent authority, under intimation to Audit.

[AIR Para:14]



#### 4.2.2.5 Unauthorized expenditure out of SMC / NSB fund – Rs 17.604 million

According to Government of Punjab School Education Department letter No.SO(S-III)2-12/2006 dated 06.08.2007, School Council Policy 2007 amended in 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. Furthermore, according to Sr. No.(6.1 and 6.2) of the Policy, the EDO (Education) will monitor, through Dy. DEOs utilization of the school council funds. Dy. DEO/AEOs will monthly inspect the record, work and performance of School Council.

During audit of DEA D.G.Khan, it was observed that Various head teachers under the administrative controls of following Dy. DEOs withdrew funds of Rs 17.604 million during 2017-18 out of NSB without proof of actual work done, completion report, rough cost estimate, stock entry, approval of valid school management council and proof of consumption of stores. Furthermore, the work done was never inspected or verified by the education authorities. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Dy. DEO (EE-M) D.G.Khan	Purchase of uniform, school bags & stationery	1.601
2	Dy. DEO (EE-W) Kot Chutta	Repair Maintenance/ Development work	6.832
3	Dy. DEO (EE-W) Taunsa	Purchase of uniform, school bags & stationery	1.483
4	Dy. DEO (EE-M) Taunsa	Store Items	1.007
5	GHSS Yaroo	Repair Maintenance/ Development work	2.185
6	Dy. DEO (EE-W) D.G.Khan	Repair Maintenance, Salary etc.	4.496
<b>Total</b>			<b>17.604</b>

Due to non-compliance of rules, payment was made without necessary monitoring of higher authorities.

Non-observance of the Government instructions resulted in unauthorized expenditure of Rs 17.604 million.

The matter was reported to the CEO and DDOs concerned in August, 2018. 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 appropriate action on the person(s) at fault besides regularization of the matter, under intimation to Audit.

[AIR Para No.23,16,16,18,10,20]

#### **4.2.2.6 Unjustified allocation of Hill Allowance - Rs 13.816 million**

According to Government of Punjab Finance Department letter No. FD.SR-1/9-29/2016 dated 18.07.2016, Hill Allowance was revised w.e.f. 01.07.16 for civil servant of Punjab Government serving in Murree, Kotli Sattian and Khauta Tehsil as detail below:

<b>BPS</b>	<b>Existing Rate</b>	<b>Revised Rate</b>
1-16	500	1,000
16	750	1,500
17 and above	1,000	2,000

During audit of DEA D.G.Khan, it was observed that Chief Executive Officer DEA, allocated an amount of Rs 13.816 million to various DDOs of Education Department on account of Hill Allowance for the year 2017-18. Neither the hilly area was declared by the Government nor was authorization of hill allowance by the Government produced. Furthermore, no school was located in the hilly areas.

Due to weak internal controls, funds were allocated for inadmissible allowance.

Allocation of fund for inadmissible allowances resulted in unjustified allocation of Rs13.816 million.

The matter was reported to the CEO in August, 2018. 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 investigation of the matter, under intimation to Audit.

[AIR Para:13]

#### **4.2.2.7 Unauthorized payment of conveyance allowance – Rs 8.718 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.

During audit of DEA D.G.Khan, it was observed that Fifteen (15) DDOs under the administrative control of CEO (DEA) D.G.Khan paid conveyance allowance of Rs 8.718 million to the employees despite the fact that the said allowance was not admissible during vacations, leave period and to the employees availing facility of vehicle. (Annexure-C/DGK)

Due to weak administrative controls, inadmissible conveyance allowance was paid.

Payment of inadmissible conveyance allowance resulted in loss of Rs8.718 million.

The matter was reported to the CEO and DDOs concerned in August, 2018. 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 8.718 million, under intimation to Audit.

[AIRParas:4,5,1,6,4,5,7,4,12,14,1,7,2,3,4,2,6,4,11,8,1,4,5,  
1,9,1,23,17,1,5,6,2,2,2,9]

#### 4.2.2.8 Unjustified transfer of funds to school - Rs 8.631 million

According to Rule 2.31 of PFR Vol-I, a drawer of bill for pay, allowance, Contingent & other expenses will be held responsible for any over charges, frauds and misappropriations. Furthermore, according to B&R Code Paragraph 4.5, No payment should be made without detail measurement in the measurement book.

During audit of DEA D.G.Khan, it was observed that Deputy District Education Officer (EE-M) D.G.Khan, transferred NSB funds of Rs 8.631 million for construction work of schools. Funds could not be utilized due to non-availability of technical staff and non-preparation of technical estimate. The detail is given below:

(Amount in rupees)

Sr. No.	EMIS Code	School Name	No. of Classroom to be Constructed	Estimated Cost
1	32110089	GES Gabol Wala	2	821,966
2	32110090	GES Aliani	2	821,966
3	32110097	GES Bilher	2	821,966
4	32110098	GES Jinnah Colony	2	821,966
5	32110101	GES Tibi Eseran	1	410,983
6	32110160	GES Mamori	1	410,983
7	32110256	GPS Kaoray Wala Kotla Sikhani	1	410,983
8	32110405	GES Wahi King Rani	2	821,966
9	32110414	GES Paigah	1	410,983
10	32110465	GES Jahaan Khan	2	821,966
11	32110487	GPS Thull Sobhah	1	410,983
12	32111127	GPS Hafiz Abad No.2	1	410,983
13	32111143	GES Sindh Janubi Clairee	2	821,966
14	32111320	GPS Allah Abad	1	410,983
<b>Total</b>			<b>21</b>	<b>8,630,643</b>

Due to weak internal controls, funds were transferred without technical estimate.

Non-utilization of funds resulted in unjustified transferred of funds of Rs 8.631 million.

The matter was reported to the CEO and DDO concerned in August, 2018. DDO did not submit replies.

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

Audit recommends inquiry of the matter and fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para:18]

#### 4.2.2.9 Non-deduction of income tax and sales tax – Rs 7.186 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.

During audit of DEA D.G.Khan, it was observed that the following DDOs of District Education Authority, made payments against supply of goods, rendering of services and execution of contracts during 2007-18. However, an amount of Rs7.186 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 in the following table:

(Rupees in million)

Sr. No.	DDOs	Income Tax	Sales Tax	Sales Tax on Services	Amount
1	Dy. DEO (EE-M) D.G.khan	0	1.358	0	1.358
2	Dy. DEO (EE-W) Kot Chutta	0.558	0.309	0	0.867
3	GGHSS vehova	0.061	0	0.034	0.095
4	Dy. DEO (EE-W) Taunsa	0	0.185	0	0.185
5	GGHS Shadan Lund	0.039	0.052	0	0.091
6	GGHS Sakhi Sarwar	0.046	0.058	0	0.104
7	Dy. DEO (EE-M) Taunsa	0.321	0.211	0	0.532
8	Dy. DEO (EE-M) Kot Chutta	0	0.960	0	0.960
9	GGHS Kot Chutta	0	0.068	0	0.068
10	Dy. DEO (EE-W) D.G.Khan	0.514	0.136	0	0.650
11	CEO (DEA)	0.316	0.069	0	0.385
		0.076	0	0	0.076

Sr. No.	DDOs	Income Tax	Sales Tax	Sales Tax on Services	Amount
		1.577	-	-	1.577
12	GGHSS Gaddai	0	0.238	0	0.238
	<b>Total</b>	<b>3.508</b>	<b>3.644</b>	<b>0.034</b>	<b>7.186</b>

Due to non-compliance of tax laws, taxes were not deducted / withheld at specified rates before making payments.

Non-deduction of taxes at specified rates resulted in excess payment of Rs 7.186 million to the suppliers/service providers/contractors.

The matter was reported to the CEO and DDOs concerned in August, 2018. DDOs did not submit replies.

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

Audit recommends recovery of Rs 7.186 million besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Paras: 22,12,13,11,12,18,12,13,11,12,19,21,15,8,21,8,26,29,28,16]

#### **4.2.2.10 Unauthorized grant of ad hoc allowances – Rs 7.126 million**

According to Rule 2.31 of PFR Vol-I, a drawer of bill for pay, allowance, Contingent & other expenses will be held responsible for any over charges, frauds and misappropriations.

During audit of DEA D.G.Khan, it was observed that Chief Executive Officer DEA, allocated the funds and allowed withdrawal of an amount of Rs 7.126 million during 2017-18 on account of ad hoc allowances 2010, 2011, 2012, 2013, 2014 and 2015 to the employees of 139 DDOs. The said allowances were merged in basic pay scale 2017.

Due to weak financial controls, funds were allocated and expenditure was incurred against inadmissible allowances.

Allocation of funds and incurrence of the expenditure against inadmissible allowances resulted in unauthorized payment of Rs 7.126 million.

The matter was reported to the CEO in August, 2018. 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 beside investigation of the matter for ascertaining factual position, under intimation to Audit.

[AIR Para:12]

#### **4.2.2.11 Irregular payments in cash instead of crossed cheques – Rs 5.445 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.

During audit of DEA D.G.Khan, it was observed that the following DDOs of Education Department made payments of Rs 5.445 million during 2017-18, to various contractors and suppliers on account of contingent expenditure in cash instead of crossed cheques.

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Description</b>	<b>Amount</b>
1	Dy. DEO (EE-W) Kot Chutta	Payment to supplier	1.115
2	GGHSS vehova		0.334
3	Dy. DEO (EE-W) Taunsa		1.285
4	GGHS Kot Chutta		1.063
5	Dy. DEO (EE-W) D.G.Khan		0.570
6	GGHSS Gaddai		1.078
<b>Total</b>			<b>5.445</b>

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

Payments made to the contractors / employees in cash resulted in irregular expenditure of Rs 5.445 million.

The matter was reported to the CEO and DDOs concerned in August, 2018. 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, under intimation to Audit.

[AIR Paras:14,9,25,12,19,14]

#### **4.2.2.12 Expenditure without advertisement on PPRA website - Rs 4.947 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.

During audit of DEA D.G.Khan, it was observed that the following Officers of District Education Authority, incurred an expenditure of Rs 4.947 million for purchase of various items without advertisement on PPRA website. The detail is given below:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Description</b>	<b>Amount</b>
1	GGHS Vehova	General Store items	1.053
2	GGHS Shahdan Lund	Construction work and purchases against security Measures	0.605
3	GGHS Nutkani	Furniture and Stationery	0.231
4	GGHS Sakhi sarwar	Furniture, Store item	0.623
5	CEO Education	Stationery	0.380
6	GGHS Kot Chutta	Vocational items, Stationery	0.881
7	GGHSS Gaddai	Stationery, furniture, etc.	0.443
		Others, COS	0.290
		Furniture, Plant and Machinery	0.441
<b>Total</b>			<b>4.947</b>

Due to weak financial controls, advertisement was not floated on PPRA website.

Non-compliance of the Government instructions resulted in irregular expenditure of Rs 4.947 million.

The matter was reported to the CEO and DDOs concerned in August, 2018. DDOs did not submit replies.



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

Audit recommends fixing the responsibility on the Officer concerned besides regularization of the expenditure from the competent authority, under intimation to Audit.

[AIR Paras:7,11,8,7,7,7,17,18,19]

#### **4.2.2.13 Unauthorized payment of inadmissible allowances – Rs 4.907 million**

According to Rule 1.15(2) of the Punjab Traveling Allowance Rules, Conveyance Allowance will be admissible only for the period during which the civil servant held the post to which the conveyance is attached and will not be admissible during leave or joining time. Further according to Government of the Punjab, Finance Department letter No. FD.SR.I.9-4/86 (PR) (P) dated 15.10.2011, Conveyance Allowance was not admissible to the Government employees residing within work premises.

During audit of DEA D.G.Khan, it was observed that the DDOs of District Education Authority, allowed payment of Charge allowance, inspection allowance, Hill allowance, Ad hoc allowances, DTE allowance, computer allowance of Rs 4.907 million during 1993-18, which were not admissible. (Annexure-D/DGK)

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

Grant of inadmissible allowances resulted in loss of Rs 4.907 million to the Government.

The matter was reported to the CEO and DDOs concerned in August, 2018. DDOs did not submit replies.

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

Audit recommends recovery of Rs 4.907 million, besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Paras: 1,2,3,6,11,13,14,15,10,8,9,11,27,7,8,9,10,15,16,17,11,12,2,5,1,6,7,8,3,1,4,6,7,8,10,5,7,3,7,6,9]

#### **4.2.2.14 Less recovery on account of old material – Rs 4.210 million**

According to Additional Clause 22 of the Contract Agreement of C&W department, the cost of material received from dismantling, if any, will be deducted from the bill of the contractor at market rates if it is used by him on construction work. If the contractor does not return the unused dismantled materials, its cost will be recovered from his bill at double the market rates.

During audit of DEA D.G.Khan, it was observed that the Chief Executive Officer DEA, collected an amount of Rs 4.210 million on account of dismantled material from the contractors, but the rate assessed by the Department as market rate was not charged in double. (Annexure-E/DGK)

Due to weak financial controls, less amount was recovered on account of old material.

Less recovery on account of old material resulted in loss of Rs 4.210 million to the Government.

The matter was reported to the CEO in August, 2018. 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 recovery of Rs 4.210 million from the contractors, under intimation to Audit.

[AIR Para:27]

#### **4.2.2.15 Doubtful expenditure due non-accountal of store – Rs 3.719 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.

During audit of DEA D.G.Khan, it was observed that the schools under the administrative control of Dy.DEO (MEE) D.G.Khan and Dy. DEO (MEE) Kot Chutta drew an amount of Rs 3.719 million during 2017-18 for purchase of furniture, solar plates, tablets etc. but the relevant stock /assets register was not produced, without which the authenticity of expenditure could not be ascertained. Furthermore, in most of the cases, specification i.e quality, length, width and height or company, capacity etc. was not mentioned on the bill. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Amount
1	Dy. DEO (EE-M) D.G.Khan	37	2.344
2	Dy. DEO (EE-M) Kot Chutta	53	1.375
<b>Total</b>			<b>3.719</b>

Due to weak internal controls, the purchased items were not accounted for in the relevant stock register.

Purchases without account of stores resulted in unauthorized expenditure of Rs 3.719 million.

The matter was reported to the CEO and DDOs concerned in August, 2018. DDOs 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 from the competent authority, under intimation to Audit.

[AIR Paras:24,16]

#### **4.2.2.16 Non-reduction of allowances after regularization of services – Rs 3.628 million**

According to Clause J,K & L of S&GAD Department Notification No. DS (O&M)5-3/2004 contract (MF) dated 14<sup>th</sup> October, 2009, the salary of the regularized employees shall be fixed in accordance with the pay / scale (s) plus usual allowances prescribed for the post (s) against which they have been

appointed. The officials will also not be entitled to the payment of 30% social security benefit.

During audit of DEA D.G.Khan, it was observed that the DDOs did not reduce / discontinue the allowances upon regularization of services of the contract employees, which resulted in overpayment of Rs 3.628 million during 2017-18. (Annexure-F/DGK)

Due to weak financial management, inadmissible allowances were not discontinued / deducted from the pay of the employees whose services were regularized.

Grant of inadmissible allowances resulted in overpayment of Rs 3.628 million to the employees.

The matter was reported to the CEO and DDOs concerned in August, 2018. 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 3.628 million, under intimation to Audit.

[AIR Paras:1,2,3,2,4,12,2,8,5,3,1,5,8,5,3,9,10,11,13]

#### **4.2.2.17 Unjustified transfer of SMC funds to closed schools - Rs 2.388 million**

According to Rule 2.31 of PFR Vol-I, a drawer of bill for pay, allowance, Contingent & other expenses will be held responsible for any over charges, frauds and misappropriations.

During audit of DEA D.G.Khan, it was observed that Chief Executive Officer DEA, transferred an amount of Rs 2.388 million to the schools on account of SMC Fund during 2017-18. Scrutiny of the record revealed that these schools were closed as per PMU report. (Annexure-G/DGK)

Due to weak financial controls, funds were transferred to closed schools.

Transfer of funds to closed school resulted in wastage of financial resources of Rs 2.388 million.

The matter was reported to the CEO in August, 2018. 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 on the person(s) at fault besides recovering back the transferred amount, under intimation to Audit.

[AIR Para:9]

#### **4.2.2.18 Unauthorized retention of public money in DDO account - Rs 2.355 million**

According to Rule 2.10(3) of PFR Vol-1, all inevitable payments are ascertained and liquidated at the earliest possible date. Furthermore, Rule 2.10(5) of ibid states that no money is withdrawn from the treasury unless it is required for immediate disbursement or has already been paid out of the permanent advance.

During audit of DEA D.G.Khan, it was observed that the following DDOs withdrew an amount of Rs 2.355 million out of the Government treasury during 2017-18. However, the same was not disbursed to the concerned claimants till June 2018. A heavy closing balance was being shown in the bank statements concerned. The detail is given below:

(Rupees in million)

<b>DDO</b>	<b>Account No.</b>	<b>Closing Balance as on 30.06.18</b>
GGHS Vehova	16349-8	0.292
CEO (DEA)	4843-4 NBP/4039452250	1.034
	5051-8/4039453848 NBP	1.029
<b>Total</b>		<b>2.355</b>

Due to weak financial management, Government funds drawn from the Government treasury were not promptly disbursed to the concerned claimants.

Delay in disbursement of the Government money resulted in unauthorized retention of public money of Rs 2.355 million.

The matter was reported to the CEO and DDOs concerned in August, 2018. DDOs did not submit replies.

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

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

[AIR Paras:10,3]

#### 4.2.2.19 Unauthorized grant of annual increment – Rs 2.212 million

According to Rule 6 of the Punjab (Non-Gazetted) Civil Services (Pay revision) Rules 1972, the increment in a pay scale shall fall due on the 1<sup>st</sup> of December of the year, on completion of at least six months service at a stage in the scale.

During audit of DEA D.G.Khan, it was observed that the following DDOs granted annual increment to 331 employees who had not completed the required six month service, which resulted overpayment of Rs 2.212 million during 2017-18. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Number of Employees	Amount
1	Dy. DEO (EE-W) Kot chutta	13	0.056
2	Dy. DEO (EE-M) D.G.Khan	7	0.022
3	Dy. DEO (EE-W) Taunsa	79	0.348
		38	0.123
4	GGHS Shahdan Lund	4	0.366
5	GGHS Nutkani	3	0.071
6	GGHS Shaki Sarwar	2	0.165
7	Dy. DEO (EE-M) Taunsa	104	0.313
8	Dy. DEO (EE-M) Kot chutta	39	0.517
9	Dy. DEO (EE-M) D.G.Khan	42	0.231
<b>Total</b>		<b>331</b>	<b>2.212</b>

Due to weak financial management, annual increment was granted to the employees who had not completed the six months service during the concerned calendar year.

Grant of inadmissible annual increment resulted in overpayment of Rs 2.212 million to the employees.

The matter was reported to the CEO and DDOs concerned in August, 2018. 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 2.212 million, under intimation to Audit.

[AIR Paras:9,16,19,30,2,10,4,6,2,12]

#### **4.2.2.20 Doubtful payment due to non-maintenance of security deposit register – Rs 2.151 million**

As per Clause 5.1(II)(d), of B&R Code, when a sum so held in deposit is ultimately paid to the contractor concerned, his acknowledgement should be set forth such particulars as would establish the settlement of this account in connection with the work concerned. Security Deposit Register shall be maintained and any receipt and return will be debited and credited in the concerned account.

During audit of DEA D.G.Khan, it was observed that the Chief Executive Officer DEA, paid Rs 2.151 million to the contractors on account of security deposit during 2017-18, without maintaining security deposit register. Without security deposit register, the information regarding receipt and return of securities to contractors could not be traced out.

(Amount in rupees)

<b>Running Bill</b>	<b>Scheme</b>	<b>10% Security</b>
2nd bill	Re construction of 4 Nos. Classrooms in GGHS Sarwar Wali	108,702
3rd bill	Re construction of 3 Nos. class rooms at GGHS Ghous Abad	118,752
4th Bill	Re construction of 4 class rooms in GGPS Mahmood abad	59,635
3rd bill	Re construction of 8 class room in GBHS Sakhi sarwar	258,769
3rd bill	Re construction of 3 class rooms in GES Thatha Gaboolan	114,075
4th Bill	Re construction of seven class rooms in GES Paigah	658,310
4th Bill	Re construction of 4 class rooms in GBHS Sarwar Wali	99,321
3rd bill	Re construction of four class rooms in GGES Mundrani	154,390
4th Bill	Re construction of four class rooms in GBHS Shahoo Buzdar	88,189

<b>Running Bill</b>	<b>Scheme</b>	<b>10% Security</b>
3rd bill	Re construction of four class rooms in GBHS Mian Pheroo	225,014
4th Bill	Re construction of two class rooms in GBHS Lohar Wala	77,415
3rd bill	Re construction of two class rooms in GGHSS City D.G.Khan	77,221
4th Bill	Re construction of seven class rooms in GBHS Aali Wala	62,913
3rd bill	Construction of boundary wall, at GGMPS Dau Shumali	48,014
<b>Total</b>		<b>2,150,720</b>

Due to weak financial controls, security deposit register was not maintained by the department.

Non-maintenance of security deposit register resulted in unauthentic payment of Rs 2.151million.

The matter was reported to the CEO in August, 2018. DDO did not submit replies.

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

Audit recommends inquiry of the matter and fixing responsibility on the person(s) at fault besides production of record as proof about receipt of securities, under intimation to Audit.

[AIR Para:32]

#### **4.2.2.21 Non-recovery of fine from the employees – Rs 2.059 million**

According to Section 4(1)(a)(iii) of the Punjab Employees Efficiency, Discipline and Accountability Act 2006, the Competent Authority may, by an order in writing, impose penalty of fine not exceeding basic pay of one month.

During audit of DEA D.G.Khan, it was observed that Supervisory officers of District Education Authority, imposed minor penalty of fines of Rs 2.059 million on 792 employees of different categories working under the administrative control of District Education Officers and Deputy District Officers of D.G.Khan during 2017-18. However, the DDOs and Administrative Officers did not recover fines from the employees. The detail is as under:



(Amount in rupees)

Sr. No.	DDOs	No. of Employees	Amount
1	Dy. DEO (EE-M) D.G.Khan	82	496,712
2	Dy. DEO (EE-W) Kot Chutta	56	142,000
3		18	31,000
4	Dy. DEO (W-EE) Taunsa	148	146,500
5	Dy. DEO (M-EE) Taunsa	239	678,500
6	Dy. DEO (EE-M) Kot Chutta	46	89,000
7	Dy. DEO (EE-W) D.G.Khan	203	475,000
<b>Total</b>		<b>792</b>	<b>2,058,712</b>

Due to weak monitoring mechanism, fines imposed were not recovered from the employees.

Non-recovery of fines from the employees resulted in loss of Rs 2.059 million to the public exchequer.

The matter was reported to the CEO and DDOs concerned in August, 2018. DDOs did not submit replies.

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

Audit recommends recovery of Rs 2.059 million besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Paras No:9,7,11,5,7,6,15]

#### **4.2.2.22 Non-realization of Government revenues - Rs 1.515 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.

During audit of DEA D.G.Khan, it was observed that the following DDOs of District Education Authority, did not collect the Government receipts of Rs 1.515 million on account of Inspection fee, registration fee, professional tax and penalty during 2010-18. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description of Receipts	Amount
1	Chief Executive Officer (DEA)	Inspection Fee	0.503
		Registration Fee	0.258
		Penalty for late supply	0.372
		Professional tax	0.070
2	GGHS Sakhi Sarwar	Farogh-e-Taleem	0.312
<b>Total</b>			<b>1.515</b>

Due to weak financial management, the Government receipts were not collected.

Non-collection of receipts resulted in loss to the Government of Rs 1.515 million.

The matter was reported to the CEO and DDOs concerned in August, 2018. DDOs did not submit replies.

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

Audit recommends recovery of Rs1.515 million and its deposit into the Government treasury besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Paras:1,4,6,31,1]

#### **4.2.2.23 Doubtful expenditure out of NSB fund - Rs 1.283 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.

During audit of DEA D.G.Khan, it was observed that Head teachers of the schools under the administrative control of Dy. DEO (EE-W) D.G.Khan and Dy. DEO (EE-M) D.G.Khan and Headmistress GGHS Gaddai withdrew an amount of Rs 1.283 million on account of salaries, Uniform, stationery, earth work and purchase of computers. No physical verification and inspection reports of

purchases were on record. Furthermore, in case of GGHS Gaddai, six computers could not be physically verified in the lab. The detail is given below:

Sr. No	DDOs	Period	Description	No. of School	Amount
1	Dy. DEO (EE-M) D.G.Khan	2017-18	Salaries to care giver	2	95,538
2	Dy. DEO (EE-W) D.G.Khan		Uniform, stationery	20	887,912
3	Headmistress GGHS Gaddai	1993-2018	Computer	1	300,000
<b>Total</b>					<b>1,283,450</b>

Due to weak internal controls, amounts were drawn without proof of actual expenditure.

Withdrawal of amount without proof of actual purchases resulted in unauthentic expenditure of Rs 1.283 million.

The matter was reported to the CEO and DDOs concerned in August, 2018. 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, fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Paras:10,22,15]

#### **4.2.2.24 Non-obtaining of bid security from the supplier – Rs 1.098 million**

According to Rule 27 of the Punjab Procurement Rules 2013, the procuring agency may require the bidders to furnish a bid security not exceeding five percent of the bid price.

During audit of DEA D.G.Khan, it was observed that Chief executive Officer DEA, did not obtain bid security of Rs 1.098 million from the supplier for purchase of IT equipment during 2017-18 in violation of above mentioned Government instructions. The detail is given below:

(Rupees in million)

<b>Item</b>	<b>Supplier</b>	<b>Total Value</b>	<b>Bid security five percent</b>
Intel Core i5 computer , printer, network devices, smart board, UPS, Table and chairs	Ora Tech Systems (Pvt.) Ltd.	21.957	1.098

Due to weak financial controls, bid security was not received from the supplier.

Non-obtaining of bid security of Rs 1.098 million resulted in violation of the Government instruction as well as putting the procurement at risk.

The matter was reported to the CEO in August, 2018. Neither any reply was submitted nor was DAC meeting convened, despite efforts made by Audit. No progress was intimated to Audit till finalization of this Report.

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

[AIR Para: 5]

## **CHAPTER 5**

### **5.1 District Education Authority, Layyah**

#### **5.1.1 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.

The functions of District Health Authorities, are elaborated in the Punjab Local Government Act, 2013. According to that the District Education Authority Layyah is responsible to:

- To establish, manage and supervise primary, elementary, secondary and higher secondary school, adult literacy and non-formal basic education, special education institutions of the Government in the District;
- To ensure free and compulsory for children of age from five to sixteen year as required under article 25-A of the constitution;
- To undertake students assessment and examination, ranking of schools on terminal examination results and targets, promotion of co-curricular activities, sports, scouting, girls guide, red crescent, award of scholarships and conduct of science fairs in Government and private school;
- To approve the budget of Authority and allocate funds to educational institutions;
- To plan, execute and monitor all development schemes of educational institutions working under the Authority, provide that Authority may outsource its development works to other agencies or school councils;
- To constitute school management councils which may monitor academic activities;

DEA Layyah manages the following schools / education offices:

<b>Description</b>	<b>No. of office / 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

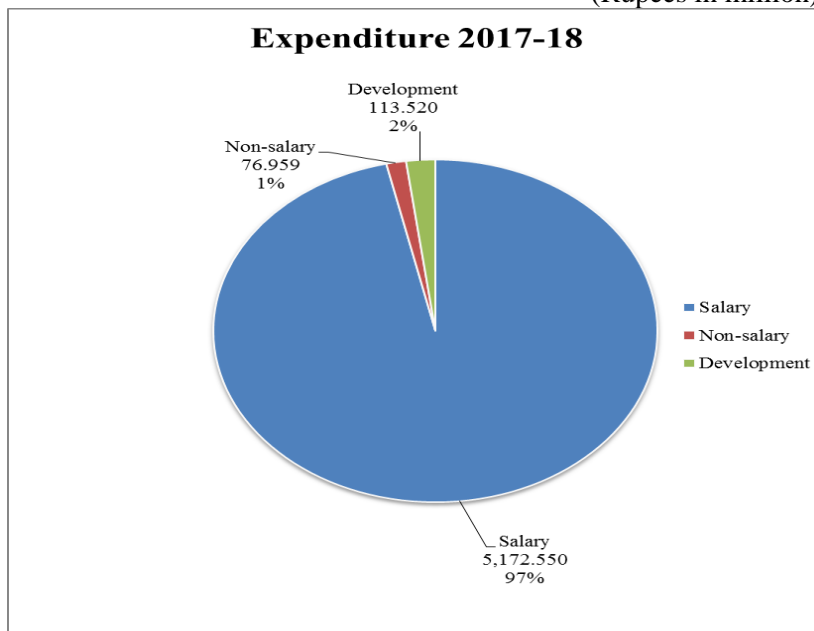
### 5.1.2 Comments on Budget and Accounts

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

(Rupees in million)

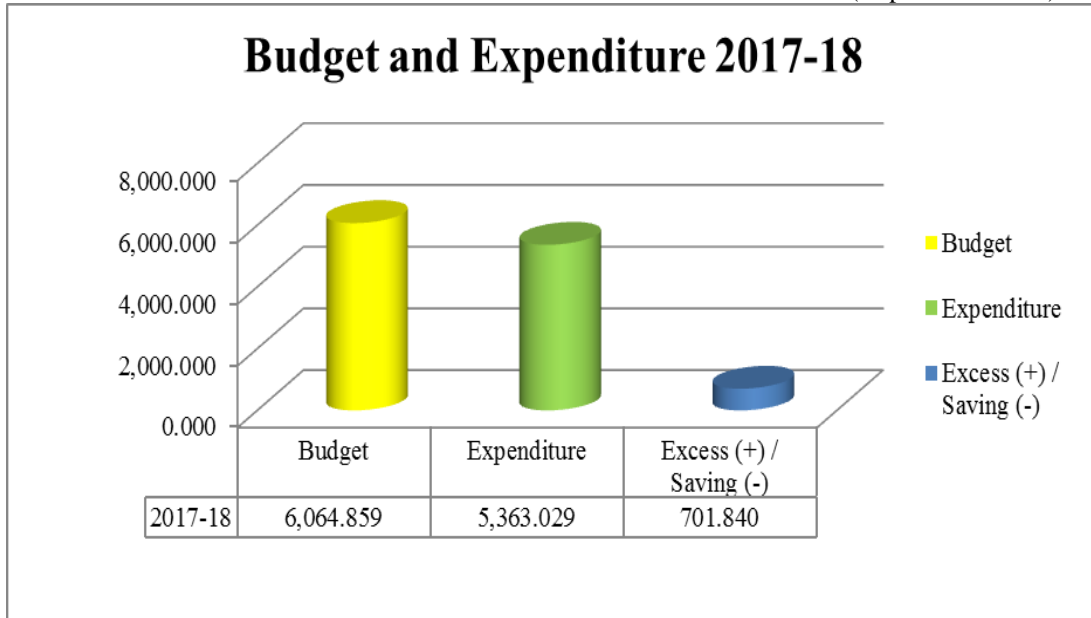
<b>2017-18</b>	<b>Budget</b>	<b>Actual</b>	<b>Excess (+) / Lapse (-)</b>	<b>Lapse (Per Cent)</b>
Salary	5,385.660	5,172.550	213.110	<b>4</b>
Non-salary	468.319	76.959	391.360	<b>84</b>
Development	210.880	113.520	97.360	<b>46</b>
<b>Total</b>	<b>6,064.859</b>	<b>5,363.029</b>	<b>701.830</b>	<b>12</b>

(Rupees in million)



As per the Appropriation Accounts 2017-18 of the District Education Authority, Layyah, total original budget (Development and Non-Development) was Rs 6,064.860 million. Against the budget, total expenditure of Rs 5,363.030 million was incurred by the District Education Authority during 2017-18. Lapse of funds amounting to Rs 701.830 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 Layyah. (Annexure-B)

(Rupees in million)



Due to inefficient financial management in release of budget by Deputy Director (Finance), major portion of funds lapsed occurred as detailed below:

- (iii) Excessive budget was blocked by allocating heavy amounts in non-development portion which resulted in lapse of Rs 604.480 million (10 per cent).
- (iv) An amount of Rs 97.360 million (46 per cent) remained unutilized under Grant 36 “Development” due to less development activities.



### **5.1.3 Brief Comments on the Status of Compliance of MFDAC Audit paras 2017-18**

Audit paras reported in MFDAC of last year Audit Report, which have not been attended in accordance with the directives of DAC, have now been reported in part-II of Annexure-A.

### **5.1.4 Brief Comments on the Status of Compliance with PAC Directives**

The Audit Report pertaining to the following year 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

## 5.2 AUDIT PARAS

### 5.2.1 Non-Production of Record

#### 5.2.1.1 Non-production of record – Rs 223.681 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.

During audit of DEA Layyah, it was observed that the following DDOs incurred expenditure of Rs 223.681 million during 2017-18, but vouched accounts of the expenditure contingencies, unforeseen expenditure and pay and allowances were not produced for audit verification.

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Dy. DEO (EE-W) Choubara	Arrears of Pay and Allowances	8.877
2	DEO (EE-W) Layyah		0.370
3	Dy. DEO (EE-M) Choubara	Inspection allowance, Arrears of Pay allowances	7.848
4	HM Special Education Center	Arrears of Pay and Allowances	0.478
5	Dy. DEO (EE-M) Layyah		20.995
6	Dy. DEO (EE-W) Layyah		18.765
		NSB Record	4.099
7	CEO (Education)	Development record	58.183
			48.016
8	Dy. DEO (W-EE) Karor	Arrears of Pay and Allowances	13.572
		Financial Assistant, inspection allowance	3.641
		Complete record of school	8.600
9	GGHS Sugar Mills	Arrears of Pay and Allowances	1.300
10	Dy. DEO (M-EE) Karor	Inspection Allowance	0.954
		Arrears of Pay and Allowances	27.057
11	GHSS Ladhana	Arrears of Pay and Allowances	0.926
<b>Total</b>			<b>223.681</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 223.681 million.

The matter was reported to the CEO and DDOs concerned in October, 2018. In DAC meeting held on 27.12.2018, DDOs replied that record is available for verification but supporting documents were not available for verification.

DAC directed the DDOs to produce the record without further delay. No progress was intimated to Audit till finalization of this report.

Audit recommends to inquire the matter, fix responsibility and disciplinary action 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:10,7,14,2,21,10,15,15,38,8,13,19,16,4,8,17]

## 5.2.2 Irregularities & Non-Compliance

### 5.2.2.1 Unjustified expenditure out of SMC / NSB fund–Rs 33.986 million

According to No.SO(S-III)2-12/2006 dated 06.08.2007, School Council Policy 2007 amended in 2013, issued by the Govt. of Punjab (PESRP), Annexure-A all expenditure shall be incurred with prior approval of the school council and all purchases/ execution of work shall be carried out in a transparent and economical manner., Furthermore, according to Rule 2.31 of PFR Vol-I, a drawer of bill for pay, allowance, contingent & other expenses will be held responsible for any over charges, frauds and misappropriations.

During audit of DEA Layyah, it was observed that the following DDOs incurred an amount of Rs 33.986 million during 2017-18 out of NSB / SMC budget / funds. Scrutiny of the relevant record revealed that the expenditure was incurred without having proof of actual work done, stock entry, approval of valid school management council and proof of consumption of stores. Furthermore, the work done was never inspected and verified by the education authorities. In most cases cash payment was made instead of crossed cheque. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Dy. DEO (EE-W) Choubara	Paint, Development work	1.023
2	Dy. DEO (EE-M) Choubara	Repair and Maintenance	0.727
3		Salaries to temporary teacher	0.248
4	Dy. DEO (EE-W) Karor	Civil work, furniture, Misc. work	12.897
5	Dy. DEO (EE-W) Layyah	Repair and Maintenance, Development work	11.164
6	Dy. DEO (EE-M) Layyah	Contingent expenditure	7.183
7	Dy. DEO (EE-M) Karor		0.744
<b>Total</b>			<b>33.986</b>

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

Non-observance of codal formalities resulted in unjustified expenditure of Rs 33.986 million.

The matter was reported to the CEO and DDOs concerned in October, 2018. In DAC meeting held on 27.12.2018, DDO replied that the expenditure was incurred where it was needed. The reply was not tenable as expenditure was incurred without observing the codal formalities.

DAC directed for inquiry by CEO (DEA) to fix the responsibility on the person(s) at fault. No progress was intimated to Audit till finalization of this report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides regularization of the expenditure from the competent authority, under intimation to Audit.

[AIR Paras:9,27,29,16,16,25,31]

### 5.2.2.2 Mis-procurement of items – Rs 16.636 million

According to Rule 28 (2) of Punjab Procurement Rules 2009 all bidders in attendance shall sign an attendance sheet. Further according to Rule 12 (2) all procurement opportunities over two million rupees should be advertised on the PPRA’s website as well as in other print media or newspapers having wide circulation. The advertisement in the newspapers shall principally appear in at least two national dailies, one in English and the other in Urdu. Further according to Rule 9 of Punjab Procurement Rules 2009 (Amended 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.

During audit of DEA Layyah, it was observed that the following DDOs purchased various items valuing Rs 16.636 million during 1993-2018 without advertisement. The procurement was neither advertised on the PPRA’s website nor in two national newspapers. In most cases the DDOs incurred expenditure on quotations basis by splitting up the bills to avoid tendering process.

(Rupees in million)

Sr. No.	DDOs	Detail	Amount
1	HM special Education center Layyah	Furniture	0.383
2		Hino Bus	5.800

Sr. No.	DDOs	Detail	Amount
3	HM GBHS Chowk Azam	Contingent expenditure	3.051
4	Dy. DEO (EE-W) Layyah		0.361
5	GGHS Karor		3.929
6	HM GHSS Jaman Shah	Civil works, Distemper	1.075
7	GBHS Karor	Electric items	0.254
8		Furniture	0.872
9	GHSS Ladhana	Lab items, repair of building etc	0.911
<b>Total</b>			<b>16.636</b>

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

Non-observance of the Government instructions resulted in irregular expenditure of Rs 16.636 million

The matter was reported to the CEO and DDOs concerned in October, 2018. In DAC meeting held on 27.12.2018, DDOs replied that the expenditure was incurred through quotations. The reply was not tenable as advertisement was not in accordance with PPRA rule.

DAC directed the DDOs to get the matter regularized 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 the expenditure from the competent authority, under intimation to Audit.

[AIR Para: 1,4,1,18,9,12,5,8,16]

### **5.2.2.3 Irregular payments in cash instead of crossed cheques – Rs 16.073 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.

During audit of DEA Layyah, it was observed that the following DDOs made payments of Rs 16.073 million during 1993-18 to various contractors and suppliers on account of contingent expenditure in cash instead of crossed cheques.

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	DEO (EE-W) Layyah	Payment to supplier	0.576
2	Dy. DEO (EE-M) Choubara		4.845
3	HM GBHS Chowk Azam		2.161
4	Dy. DEO (EE-M) Layyah		1.530
5	Dy. DEO (EE-W) Layyah		0.400
6	GGHS Karor		1.870
7	GBHS Karor		4.691
<b>Total</b>			<b>16.073</b>

Due to weak financial management, payment to supplier was made in cash.

Cash payments made to contractors / employees resulted in irregular payments of Rs16.073 million.

The matter was reported to the CEO and DDOs concerned in October, 2018. In DAC meeting held on 27.12.2018, DDO replied that the expenditure was incurred in urgency. The reply was not tenable as expenditure was made in cash.

DAC directed the DDOs to get the expenditure regularized from the competent authority. No progress was intimated to Audit till finalization of this report.

Audit recommends inquiry and fixing responsibility on the person (s) at fault besides regularization of the expenditure from the competent authority, under intimation to Audit.

[AIR Paras:3,26,8,22,14,10,2]

#### **5.2.2.4 Non-deduction of Taxes – Rs 11.363 million**

According to Section 153(1) and 1(c) of Income Tax Ordinance, 2001, every prescribed person while making a payment in full or part shall deduct tax from the gross amount payable at the rate specified in Division III of Part III of the First Schedule. Furthermore, according to Section 1.3 of Sales Tax Special Procedure (Withholding) Rules, 2007, withholding agents falling under category “A” were required to deduct an amount equal to 1/5th (20 percent) of the total Sales Tax shown in Sales Tax invoice issued by registered persons, whereas, on

purchase of taxable goods from unregistered persons, Sales Tax was required to be deducted at the applicable rate of the value of taxable supplies. Furthermore, according to Rule 5 of Punjab Sales Tax on Services (Withholding) Rules, 2012, a withholding agent, having Free Tax Number (FTN) or National Tax Number (NTN) and falling under clauses (a), (b), (c), (d) or (e) of sub-rule 2 of rule 1, 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 from the payment due to the service provider.

During audit of DEA Layyah, it was observed that the following DDOs of District Education Authority, made payments against supply of goods, rendering of services and execution of contracts etc. during 2007-18. However, an amount of Rs 11.363 million on account of Income Tax, General Sales Tax and Punjab Sales Tax on Services was not/less deducted from the payments. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Income Tax	PST/Sales Tax	Withholding Tax on Services	Amount
1	Dy. DEO (EE-W) Choubara	0.081	0.212	-	0.293
2	Dy. DEO (EE-M) Choubara	0.266	0.091	-	0.357
3	HM Special Education Center	0.356	0.903	0.037	1.259
5	Dy. DEO (EE-W) Layyah	0.126	0.330	-	0.456
6	HM GHSS Jaman Shah	0.045	0.331	-	0.376
7	CEO (Education)	1.804	0	-	1.804
8	Dy. DEO (EE-M) Layyah	0.995	3.929	-	4.924
9	Dy. DEO (EE-M) Karor	0.859	1.035	-	1.894
<b>Total</b>		<b>4.532</b>	<b>6.831</b>	<b>0.037</b>	<b>11.363</b>

Due to non-compliance of tax laws, taxes were not deducted / withheld at specified rates before making payments.

Non-deduction of taxes at specified rates resulted in excess payment of Rs 11.363 million to the suppliers/service providers/contractors concerned.

The matter was reported to the CEO and DDOs concerned in October, 2018. In DAC meeting held on 27.12.2018, DDOs replied that recovery has been started / recovered from the concerned.



DAC directed the DDOs to recover the outstanding amount within two months. No progress was intimated to Audit till finalization of this report.

Audit recommends recovery of Rs 11.363 million besides fixing responsibility on the person(s) at fault, , under intimation to Audit.

[AIR Paras:8,28,30, 11,16, 12,13,7,9,10,12,18,26,27,28,29]

#### **5.2.2.5 Loss due to non-reduction of bricks rate- Rs 8.394 million**

According to Market Rate System issued from 2005-06 to 2015-16 by the Government of Punjab Finance Department, (i) The composite rate is to be reduced by 7% and 14%, if 2nd or 3rd class bricks are used.

During audit of DEA Layyah, it was observed that Chief Executive Officer DEA made payment of Rs 59.959 million during 2017-18 against brick work for construction of various schools. However, neither the amount was reduced by Rs 8.394 million nor lab test of bricks from prominent laboratory for assessing the 1<sup>st</sup>, 2<sup>nd</sup> or 3<sup>rd</sup> class bricks was available.

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

Non-reduction of bricks rate resulted in loss of Rs 8.394 million to the Government exchequer.

The matter was reported to the CEO and DDO concerned in October, 2018. In DAC meeting held on 27.12.2018, DDO replied that bricks were used of A Class as per specification but lab test were not available.

DAC directed the DDO to recover the overpaid amount within two months. No progress was intimated to Audit till finalization of this report.

Audit recommends that the documentary proof of lab test may be provided to prove the utilization of 1<sup>st</sup> class bricks otherwise recovery of Rs 8.394 million from the contractor, under intimation to Audit.

[AIR Para:2]

#### **5.2.2.6 Payments of salaries after transfer-Rs 7.261 million**

According to Rule 9(b) of Punjab District Authorities(Accounts) Rules 2017, the drawing and disbursing officer 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 audit of DEA Layyah, it was observed that the following officer of District Education Authority, paid an amount of Rs 7.261 million on account of pay and allowances to employees during 2017-18. Scrutiny of the relevant record reveals that employees were transferred to other offices/institutions but their pay was not discontinued. The detail is given below:

(Rupees in million)

<b>Sr. No</b>	<b>DDOs</b>	<b>No. of Employees</b>	<b>Amount</b>
1	HM Special Education Center Layyah	4	1.366
2	GHSS Jaman Shah	3	4.876
3	Dy. DEO (EE-M) Choubara	1	0.443
4	Dy. DEO (EE-M) Karor	1	0.576
<b>Total</b>			<b>7.261</b>

Due to weak financial controls, the pay of the staff was not stopped after their transfer to other institutions.

Non-stoppage of pay of employee after transfer resulted in unjustified Pay of Rs 7.261 million

The matter was reported to the CEO and DDOs concerned in October, 2018. In DAC meeting held on 27.12.2018, DDOs replied that pay of concerned officials has been stopped. The reply was not tenable as no certificate from DDO and DAO office was produced.

DAC directed the DDOs to adjust the unjustified amount. No progress was intimated to Audit till finalization of this report.

Audit recommends that the pay of the staff transferred should be got adjusted/ recovered, under intimation to Audit.

[AIR Paras:9,3,21,18]

### **5.2.2.7 Non-obtaining of additional performance security required for below quotation/tender- Rs 6.901 million**

According to Government of Punjab, Finance Department letter No. RO(Tech)FD 1-2/83 VI (P) dated 24<sup>th</sup> January, 2006 the contractor shall deposit additional performance security as subsequent %age below the estimated cost.

During audit of DEA Layyah, it was observed that CEO DEA, awarded the schemes of works to contractor below quotation but additional performance security of Rs 6.901 million from the scheduled bank was not obtained which was required for below quotation/ tender as noted above. Non-obtaining of additional performance security from contractors resulted in undue financial support to the contractors. (Annexure-H/LYH)

Due to weak internal and financial controls, contract was awarded below quotation without obtaining additional performance security.

Non-obtaining of Additional performance security resulted in completion of schemes at risk.

The matter was reported to the CEO and DDOs concerned in October, 2018. In DAC meeting held on 27.12.2018, DDOs replied that before awarding work additional performance security was obtained. The reply was not tenable as no documentary proved of collection was produced.

DAC directed the DDOs to recover the additional performance security from concerned. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing responsibility on the person(s) at fault beside regularization of the expenditure with sanction of competent authority, under intimation to Audit.

[AIR Para:8]

### **5.2.2.8 Non-maintenance of security deposit register resulting in doubtful deduction - Rs 6.336 million**

As per Clause 5.1(II)(d), of B&R Code “when a sum so held in deposit is ultimately paid to the contractor concerned, his acknowledgement should be set forth such particulars as would establish the settlement of this account in

connection with the work concerned. It is further explained that security deposit Register shall be maintained and any receipt and return will be debited and credited in the concerned account.

During audit of DEA Layyah, it was observed that CEO DEA, deducted an amount of Rs 6.336 million on account of security from the contractor bills but neither the security deposit register, which contains the information of receipt and return of securities of contractors was maintained nor the deducted 10% security deposit amount was transferred to concerned account by the department.

Due to weak internal controls, security deposit register was not maintained.

Non-maintaining of security deposit register, the chances of misappropriation cannot be overruled.

The matter was reported to the CEO and DDOs concerned in October, 2018. In DAC meeting held on 27.12.2018, DDOs replied that security register for the said schemes were maintained in building Division Layyah. The reply was not tenable as no documentary proved was produced.

DAC directed the DDOs to maintain the record. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing responsibility on the person(s) at fault for non-maintaining the requisite record and making payment, under intimation to Audit.

[AIR Para:19]

#### **5.2.2.9 Loss due to non-transfer of income tax to FBR-Rs 5.490 million**

According to section 153(1)(c) of Income Tax Ordinance amended vide Finance Act. 2015 read with clause 3(ii) & (iii) of Division III of Part III of the First Schedule. The rate of tax to be deducted from a payment referred to in clause (c) of sub-section (1) of section 153 shall (i) In case of a company, 7% of the gross amount payable, if the company is a filer and 10% if the company is a non-filer; an (ii) In any other case, 7.5% of the gross amount payable, if the person is a .filer and 10% if the person is a non-filer.”

During audit of DEA Layyah, it was observed that CEO DEA, deducted an amount of Rs 5.490 million on account of income tax @ 7.5% from contractor bills but the same was not deposited to FBR account.

Due to weak financial controls, deducted income tax was not transferred to FBR.

Non-transferring of deducted income tax to FBR resulted in loss to Government of Rs 5.490 million.

The matter was reported to the CEO and DDO concerned in October, 2018. In DAC meeting held on 27.12.2018, DDO replied that as and when the claim of development schemes will be started the amount will be transferred to FBR. The reply was not tenable as no documentary proved of collection was produced.

DAC directed the DDO to deposit the amount without further delay. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing responsibility on the person(s) at fault for negligence beside transfer of income tax amount Rs 5.490 million to FBR, under intimation to Audit.

[AIR Para:2]

#### **5.2.2.10 Non-realization/deposit of revenue into Government Treasury – Rs 5.317 million**

According to Rule 76(1) of the Punjab District Government and Tehsil Municipal Administration (Budget) Rules, 2003, the primary obligation of the collecting officers shall be to ensure that all revenue due is claimed, realized and credited immediately into the Local Government Fund under proper receipt head.

During audit of DEA Layyah, it was observed that the following DDOs of District Education Authority, failed to collect Government receipts on account of salary after termination of contract, Registration fee, professional fee, non-refund of money from school transferred to PEF and fine/penalty etc. during 2008-17 of Rs 5.317 million.

(Rupees in million)

Sr. No.	DDOs	Description of Receipts	Amount
1	CEO (Education)	Less recovery of old material	0.787
		Registration fee of private schools	1.075
		Overpayment of Inspection Allowance	0.173
		Less recovery of stell	0.318
		Professional Tax	0.800
2	Dy. DEO (EE-W) Layyah	Overpayment du to unauthorized increment	0.108
		Double drawl of pay and allowance	0.263
3	Dy. DEO (EE-M) Layyah	Non-recovery of penalty/fine	0.055
		Salaries during absent period	0.062
4	Dy. DEO (EE-W) Choubara	Non-recovery of penalty/fine	0.030
5	Dy. DEO (EE-M) Choubara	Non-refund of salary after termination	0.209
		Non-refund of salary after resignation	0.056
		Non-recovery of penalty/fine	0.057
		Non-refund of money on transfer of schools to PEF	0.886
6	Dy. DEO (EE-M) Karor	Non-refund of money on transfer of schools to PEF	0.438
<b>Total</b>			<b>5.317</b>

Due to weak financial management, the Government receipts were not deposited /credited into Government Treasury.

Non-deposit/credit of receipts into Government Treasury resulted in non-realization of revenue to the Government of Rs 5.317 million.

The matter was reported to the CEO and DDOs concerned in October, 2018. In DAC meeting held on 27.12.2018, DDOs replied that recovery has been in progress.

DAC directed the DDOs to recover the outstanding amount within two months. No progress was intimated to Audit till finalization of this report.

Audit recommends recovery of Rs 5.317 million besides fixing responsibility on the person(s) at fault, , under intimation to Audit.

[AIR Paras:13,20,21,34,35,6,9,5,6,4,3,7,10,24,24]

### 5.2.2.11 Overpayment due to non-fixation of basic pay – Rs 4.882 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.

During audit of DEA Layyah, it was observed that the following officers of education department, regularized the services of teachers/employees w.e.f 19.10.2009 to 07.08.2015. However their pay was not re-fixed to initial stages after regularization as detail below:

(Rupees in million)

Sr. No.	DDOs	Number of Employees	Amount
1	Dy. DEO (EE-M) Choubara	181	1.296
2	Dy. DEO (EE-W) Layyah	-	1.154
3	GGHS Karor	1	0.258
4	GBHS Karor	2	0.094
5	Dy. DEO (EE-M) Layyah	86	1.230
6	Dy. DEO (EE-M) Karor	49	0.590
7	GHSS Ladhana	12	0.260
<b>Total</b>			<b>4.882</b>

Due to weak financial management, the basic pay of the employees was not re-fixed after regularization of services.

Non-fixation of pay resulted in overpayment of Rs 4.882 million.

The matter was reported to the CEO and DDOs concerned in October, 2018. In DAC meeting held on 27.12.2018, DDOs replied that recovery has been in progress.

DAC directed the DDOs to recover the outstanding amount within two months. No progress was intimated to Audit till finalization of this report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides recovery of Rs 4.882 million, under intimation to Audit.

[AIR Paras:2,3,1,11,7,12,5]

### 5.2.2.12 Recovery of unauthorized payment of SSB-Rs 3.378 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.

During audit of DEA Layyah, it was observed that the following DDOs of Education department allowed and paid an amount of Rs 3.378 million on account of social security benefit to 88 officers/officials whose services were regularized.

(Rupees in million)

Sr. No	DDOs	No. of employees	Amount
1	Dy. DEO (EE-W) Choubara	6	0.328
2	DEO (EE-W) Layyah	3	0.271
3	Dy. DEO (EE-M) Choubara	9	0.287
4	Dy. DEO (EE-M) Layyah	19	0.739
5	Dy. DEO (EE-W) Layyah	12	0.538
6	GHSS Jaman Shah	2	0.201
7	GBHS Karor	2	0.071
8	Dy. DEO (W-EE) Karor	15	0.628
9	GGHS Sugar Mills	1	0.103
11	GHSS Ladhana	19	0.212
<b>Total</b>		<b>88</b>	<b>3.378</b>

Due to weak internal control, social security benefit was paid to permanent employee.

Payment of social security benefit to permanent employees resulted in overpayment of Rs 3.378 million.

The matter was reported to the CEO and DDOs concerned in October, 2018. In DAC meeting held on 27.12.2018, DDOs replied that recovery has been in progress.



DAC directed the DDOs to recover the outstanding amount within two months. No progress was intimated to Audit till finalization of this report.

Audit recommends recovery of Rs 3.378 million besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Paras:1,10,1,20,7,4,10,1,4,6]

### 5.2.2.13 Unauthorized payment of conveyance allowance during leave – Rs 3.086 million

According to the Government of the Punjab Finance Department letter No. SR, 1.9-4/86(P) (PR) dated 04.12.2012 (clarification), conveyance allowance is allowed for travelling from house to office and vice versa. Further as per Rule 1.15 of TA Rule, no conveyance allowance is admissible during the period of leave of any kind or vacation.

During audit of DEA Layyah, it was observed that the following DDOs paid an amount of Rs 3.086 million during 2017-18 on account of Conveyance Allowance to employees during winter/summer vacations and to the employees who were on leave.

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Dy. DEO (EE-W) Choubara	Earned leave	0.294
2	DEO (EE-W) Layyah	Summer Vacation	0.040
3	Dy. DEO (EE-M) Choubara		1.214
		Winter vacation	0.445
4	HM GBHS Chowk Azam	Winter vacation	0.369
		Earned leave	0.012
5	Dy. DEO (EE-M) Layyah		0.142
6	GGHS Karor	Winter vacation	0.102
7	GHSS Jaman Shah	Winter vacation	0.212
		Winter vacation	0.015
8	GBHS Karor	Summer vacation	0.056
		Winter vacation	0.168
9	GHSS Ladhana	Summer vacation	0.017
<b>Total</b>			<b>3.086</b>

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

Grant of inadmissible allowance to employees resulted in overpayment of Rs 3.086 million.

The matter was reported to the CEO and DDOs concerned in October, 2018. In DAC meeting held on 27.12.2018, DDOs replied that recovery has been in progress.

DAC directed the DDOs to recover the outstanding amount within two months. No progress was intimated to Audit till finalization of this report.

Audit recommends recovery of Rs 3.086 million besides fixing responsibility on the person (s) at fault, under intimation to Audit.

[AIR Paras:5,2, 4,13,9,10,2,6,2,1,12 3,6,9,10]

#### **5.2.2.14 Payment of inadmissible allowances – Rs 2.859 million**

According to Rule 1.15(2) of the Punjab Traveling Allowance Rules, Conveyance Allowance will be admissible only for the period during which the civil servant held the post to which the conveyance is attached and will not be admissible during leave or joining time. Further according to Government of the Punjab, Finance Department letter No. FD.SR.I.9-4/86 (PR) (P) dated 15.10.2011, Conveyance Allowance was not admissible to the Government employees residing within work premises.

During audit of DEA Layyah, it was observed that the DDOs of District Education Authority, allowed payment of Charge allowance, Annual increment, Conveyance allowance, SSB, and inadmissible allowances of Rs 2.859 million during summer vacations / earn leaves to employees during 2006-18. (Annexure-I/LYH)

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

Grant of inadmissible allowances resulted in loss of Rs 2.859 million.

The matter was reported to the CEO and DDOs concerned in October, 2018. In DAC meeting held on 27.12.2018, DDOs replied that recovery has been in progress.

DAC directed the DDOs to recover the outstanding amount within two months. No progress was intimated to Audit till finalization of this report.

Audit recommends recovery of Rs 2.859 million besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Paras:7,17,11,12,15,16,18,19,11,3,4,11,23,9,10,2,7,9,10,11,16,1,2,3,4,5]

#### **5.2.2.15 Overpayment due to payment of inadmissible qualification allowance – Rs 2.483 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. Furthermore, according to instructions contained in clarification issued by Accountant General Punjab, vide his letter No.TM-1/2-3(A)IV/2008-09/479 dated 17.11.2008, the qualification allowance on account of possessing/acquiring higher qualification is not admissible to Secondary School Educators(SSE), Senior Elementary School Educators(SESE) and Elementary School Educators(ESE).

During audit of DEA Layyah, it was observed that the following DDOs paid qualification allowance of Rs 2.483 million during 2012-18 on acquiring higher qualification to ESE, SESE and SSE. Furthermore, some teachers were paid qualification allowances who are already in receipt of any kind of benefit of higher qualification either in shape of advance increments or higher pay scale. The detail is as below:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Description</b>	<b>Amount</b>
1	Dy. DEO (EE-W) Choubara	Qualification Allowance	0.170
2	Dy. DEO (EE-M) Choubara		0.394
3	Dy. DEO (EE-W) Karor		1.404
4	Dy. DEO (EE-M) Karor		0.515
<b>Total</b>			<b>2.483</b>

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

The payment of inadmissible qualification allowances resulted in overpayment of Rs 2.483 million.

The matter was reported to the CEO and DDOs concerned in October, 2018. In DAC meeting held on 27.12.2018, DDOs replied that recovery has been in progress.

DAC directed the DDOs to recover the outstanding amount within two months. No progress was intimated to Audit till finalization of this report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides recovery of Rs 2.483 million, under intimation to Audit.

[AIR Paras:15,23,12,23]

#### **5.2.2.16 Recovery of irregular payment of inspection allowance - Rs 2.399 million**

According to Notification No.SO(ADP) MISC-409/2012 dated 29.08.12 Govt. of the Punjab, the inspection allowance @ Rs 5000/month shall be payable to the AEOs on the basis of at least 50 inspection of schools in a month and in case of less than 50 schools inspection ,it shall be claimed @100 per school inspection. 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.

During audit of DEA Layyah, it was observed that the following Officer of Education Department paid an amount of Rs 2.399 million during 2012-18 on account of inspection allowance to AEO. Scrutiny of the relevant record revealed that inspection Allowance was paid to AEO in summer vacation, training and AEO of headquarter which resulted unauthorized because this allowance was in lieu of TA/DA and will be paid after making of hundred percent visits/performance bases and the same was not a part of pay. Audit is further of view that inspection allowance was not admissible during summer vacations owing to close of schools. The detail is given below:

(Rupees in million)

<b>Sr. No</b>	<b>DDOs</b>	<b>Period</b>	<b>No. of Employees</b>	<b>Amount</b>
1	Dy. DEO (EE-W) Choubara	2017-18	4	0.085

Sr. No	DDOs	Period	No. of Employees	Amount
2	DEO (EE-W) Layyah	2016-18	17	0.040
3	Dy. DEO (EE-M) Choubara	2017-18	13	0.351
4	Dy. DEO (EE-M) Layyah		13	0.243
			23	0.752
5	Dy. DEO (EE-W) Layyah		16	0.445
6	Dy. DEO (M-EE) Karor		18	0.483
<b>Total</b>				<b>2.399</b>

Due to weak internal controls, inspection allowance was paid in summer vacation.

Payment of inspection allowance in vacation resulted in overpayment of Rs 2.399 million.

The matter was reported to the CEO and DDOs concerned in October, 2018. In DAC meeting held on 27.12.2018, DDOs replied that recovery has been in progress.

DAC directed the DDOs to recover the outstanding amount within two months. No progress was intimated to Audit till finalization of this report.

Audit recommends that recovery of the overpaid amount Rs 2.399 million, under intimation to Audit.

[AIR Paras:11,2,8,14,15,2,5]

#### **5.2.2.17 Unauthorized payment of salaries during absent from duty - Rs 2.261 million**

According to rule 2.33 of PFR Vi-I, 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.

During audit of DEA Layyah, it was observed that the Headmaster GHSS Ladhana, District Layyah did not deducted the salaries or imposed fine of Rs 2.261 million on the teachers and staff who remained absent in various spells during 2001-18. Some teachers were shown on exam duty whereas no such order/relieving was on record.

Due to weak internal controls, no find/ deduction of salaries was made from the absent teachers.

Non-imposition of fine/deduction of salaries resulted in loss to Government of Rs 2.261 million.

The matter was reported to the CEO and DDO concerned in October, 2018. In DAC meeting held on 27.12.2018, DDO replied that recovery has been in progress.

DAC directed the DDO to recover the outstanding amount within two months. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing responsibility on the person(s) at fault besides recovery of Rs 2.261 million, under intimation to Audit.

[AIR Para:8]

#### **5.2.2.18 Expenditure on repair and maintenance of building without estimate and measurements-Rs 1.898 million**

According to B & R Code Paragraph 4.5, No payment should be made without detail measurement in the measurement book. Further according to Sr No (3.1.1 & 3.3.2) and (4.3.1 & 4.4.8) of School Council Policy 2007, School Council Consist of 7 or more notified members for the period of two years only, maintain record of planned development projects of school according to priority on Form-6 and expenditure on execution of development work will be on minimum market rates. Furthermore according to letter No SO(ADP) review 418/2012 dated 5-11-2013 of school education department Government of the Punjab for provision of missing facilities in schools that the funds so allocated are utilized in an effective and transparent manner, technical committees shall also be notified at tehsil level to check quantity and quality of furniture procured.

During audit of DEA Layyah, it was observed that the Principal Government Girls Higher Secondary School, Karor incurred an expenditure of Rs 1.898 million on repair and maintenance of building. Scrutiny of the record revealed that expenditure was incurred without rough cost estimate and measurement. Further the work was not inspected by any education officer after completion of work. (Annexure-J/LYH)

Due to weak internal control, expenditure was incurred without following codal formalities.

No observance of codal formalities resulted in unauthorized expenditure of Rs 1.898 million.

The matter was reported to the CEO and DDO concerned in October, 2018. In DAC meeting held on 27.12.2018, DDO replied that the expenditure was incurred where it was needed. The reply was not tenable as expenditure was incurred without observing the codal formalities.

DAC directed for inquiry by CEO (DEA) to fix the responsibility on the person(s) at fault. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing responsibility on the person(s) at fault besides inquiry and regularization of the expenditure, under intimation to Audit.

[AIR Para:11]

#### **5.2.2.19 Overpayment due to non-reduction of allowances after regularization of services - Rs 1.466 million**

According to Clause J,K & L of S&GAD Department Notification No. DS (O&M)5-3/2004 contract (MF) dated 14<sup>th</sup> October, 2009, the salary of the regularized employees shall be fixed in accordance with the pay / scale (s) plus usual allowances prescribed for the post (s) against which they have been appointed. The officials will also not be entitled to the payment of 30% social security benefit.

During audit of DEA Layyah, it was observed that the following DDOs did not reduced / discontinued the allowances upon regularization of services of the contract employees which resulted in overpayment of Rs 1.466 million. The detail is given as below:

(Rupees in million)

<b>Sr. No.</b>	<b>Formation</b>	<b>Allowance</b>	<b>Amount</b>
1	Dy. DEO (EE-W) Choubara	Ad hoc Allowance 2016 & 2017	0.054
2	Dy. DEO (EE-M) Choubara	Ad hoc Allowance 2016	0.089
		Ad hoc Allowance 2017	0.217

Sr. No.	Formation	Allowance	Amount
3	Dy. DEO (EE-M) Layyah	Ad hoc Allowance 2017	0.123
		Ad hoc Allowance 2016	0.302
4	GBHS Karor	Ad hoc Allowance 2016 & 2017	0.014
5	Dy. DEO (EE-W) Karor	Ad hoc Allowance 2016	0.130
		Ad hoc Allowance 2017	0.126
6	Dy. DEO (EE-W) Layyah	Ad hoc Allowance 2016	0.124
7	GHSS Jaman Shah	Ad hoc Allowances	0.032
8	Dy. DEO (EE-M) Karor	Ad hoc Allowance 2016	0.161
		Ad hoc Allowance 2017	0.094
<b>Total</b>			<b>1.466</b>

Due to weak financial management, allowances were not discontinued / reduced from the pay of the employees whose services were regularized.

Grant of inadmissible allowances resulted in overpayment of Rs 1.466 million to the employees.

The matter was reported to the CEO and DDOs concerned in October, 2018. In DAC meeting held on 27.12.2018, DDOs replied that recovery has been in progress.

DAC directed the DDOs to recover the outstanding amount within two months. No progress was intimated to Audit till finalization of this report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides recovery of Rs 1.466 million, under intimation to Audit.

[AIR Paras:18,5,9,8,9,13,5,6,4,8,13,14]

#### **5.2.2.20 Overpayment due to un-justified allowing of 20% contractor profit - Rs 1.191 million**

As per Finance Department letter No. RO (TECH) FD.18-23/2004 dated 21.09.2004, all the store items required to be purchased as per rules laid in purchase manual and no contractor and overhead charges is allowed to the contractor. Further according to B&R Code 2.2. (1) The term “original woks” indicates new construction, whether of entirely new works or additions and alterations to existing works, except as hereinafter provided also all repairs to newly purchases or previously abandoned buildings or works required for



bringing them into use. & (2) The term “repairs” indicates primarily operations under taken to maintain in proper condition buildings and works in ordinary use.

During audit of DEA Layyah, it was observed that Chief Executive Officer DEA, paid 20% contractor profit & overhead charges of Rs 1.191million to the contractors of the following schemes on store items i.e. P/L of razor wire cut, despite the facts that the Finance Department prohibited the approval of store items as non-schedule items. But the instructions were violated by the department and purchase of the store items were made irregularly. (Annexure-K/LYH)

Due to weak management, non-schedule items were allowed without finance department approval.

Due to allowing of unjustified contractor profit Govt. has to sustain loss of Rs 1.191 million.

The matter was reported to the CEO in October, 2018. In the DAC meeting held on 27.12.2018, DDO replied that providing and laying of razor wire cut is not regarded as a store item. The reply was not tenable as razor cut wire was store items as non-schedule items.

DAC directed the DDO to recover the overpaid amount. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing responsibility on the person(s) at fault besides recover of Rs 1.191 million, under intimation to Audit.

[AIR Para:4]

#### **5.2.2.21 Payments without detailed measurements- Rs 1.136 million**

According to B & R Code Paragraph 4.5, No payment should be made without detail measurement in the measurement book. The description of the work must be lucid so as to admit of easy identification and check.

During audit of DEA Layyah, it was observed that Chief Executive Officer DEA, made a payment of Rs 1.136 million on account of the following scheme without detailed measurement. Scrutiny of the relevant record reveal that XEN buildings Layyah executed razor wire cut on boundary wall , but it was noted from record entries made in MB that work was executed and measure in one length and without mentioning detail of item.

(Amount in rupees)

Token No.	Date	Name of Scheme	wire cut Qty in Rft	Rate	Amount
133	08.06.18	Construction of 640 Rft B/Wall at GGPS Chak No. 223/TDA.	754	350	263,900
153	11.06.18	Construction of 750 Rft B/Wall at GPS Mirani Jadeed.	750	350	262,500
80	04.05.18	Construction of B/Wall 1012 Rft at GPS Chak No. 112/TDA	1010	350	353,500
60	20.04.18	Construction of B/Wall 793 Rft at GPS Chak No. 259/TDA	733	350	256,550
<b>Total</b>			<b>21390.2</b>		<b>1,136,450</b>

Due to weak internal financial controls, expenditure was incurred without detail measurement.

The incurring of expenditure without detail measurement resulted in unjustified expenditure of Rs 1.136 million.

The matter was reported to the CEO in October, 2018. In DAC meeting held on 27.12.2018, DDO replied that detailed measurement was made in the measurement book. The reply was not tenable as no documentary proved of was produced.

DAC directed the DDO to enquire the matter. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing responsibility on the person(s) at fault besides investigating the site for factual position, under intimation to Audit.

[AIR Para: 36]

#### **5.2.2.22 Unauthorized grant of annual increment – Rs 1.115 million**

According to Rule 6 of the Punjab (Non-Gazetted) Civil Services (Pay revision) Rules 1972, the increment in a pay scale shall fall due on the 1<sup>st</sup> of December of the year, the following completion of at least six months service at a stage in the scale.

During audit of DEA Layyah, it was observed that the following DDOs granted annual increments of Rs 1.115 million to 68 employees who had not completed the six month service during 2016-17. The detail is given below:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Number of Employees</b>	<b>Amount</b>
1	DY. DEO (EE-W) Choubara	10	0.195
2	DY. DEO (EE-M) Choubara	7	0.074
3	GHSS Jaman Shah	2	0.184
4	Dy. DEO (EE-W) Karor	49	0.662
<b>Total</b>		<b>68</b>	<b>1.115</b>

Due to weak financial management, annual increment was granted to the employees who had not completed six month service.

The payment of inadmissible annual increment resulted in overpayment of Rs 1.115 million to the employees.

The matter was reported to the CEO and DDOs concerned in October, 2018. In DAC meeting held on 27.12.2018, DDOs replied that recovery has been in progress.

DAC directed the DDOs to recover the outstanding amount within two months. No progress was intimated to Audit till finalization of this report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides recovery of Rs 1.115 million, under intimation to Audit.

[AIR Paras: 2,6,5,2]

## CHAPTER 6

### 6.1 District Education Authority, Muzaffargarh

#### 6.1.1 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.

The functions of District Health Authorities, are elaborated in the Punjab Local Government Act, 2013. According to that the District Education Authority Muzaffargarh is responsible to:

- To establish, manage and supervise primary, elementary, secondary and higher secondary school, adult literacy and non-formal basic education, special education institutions of the Government in the District;
- To ensure free and compulsory for children of age from five to sixteen year as required under article 25-A of the constitution;
- To undertake students assessment and examination, ranking of schools on terminal examination results and targets, promotion of co-curricular activities, sports, scouting, girls guide, red crescent, award of scholarships and conduct of science fairs in Government and private school;
- To approve the budget of Authority and allocate funds to educational institutions;
- To plan, execute and monitor all development schemes of educational institutions working under the Authority, provide that the Authority may outsource its development works to other agencies or school councils;
- To constitute school management councils which may monitor academic activities;

DEA Muzaffargarh manages the following schools / education offices:

<b>Description</b>	<b>No. of office / schools</b>
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

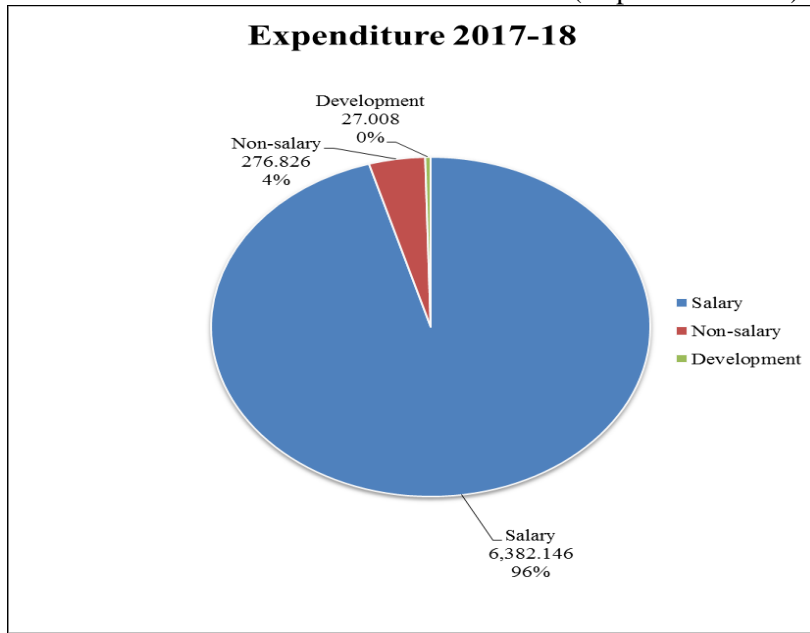
### **6.1.2 Comments on Budget and Accounts**

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

(Rupees in million)

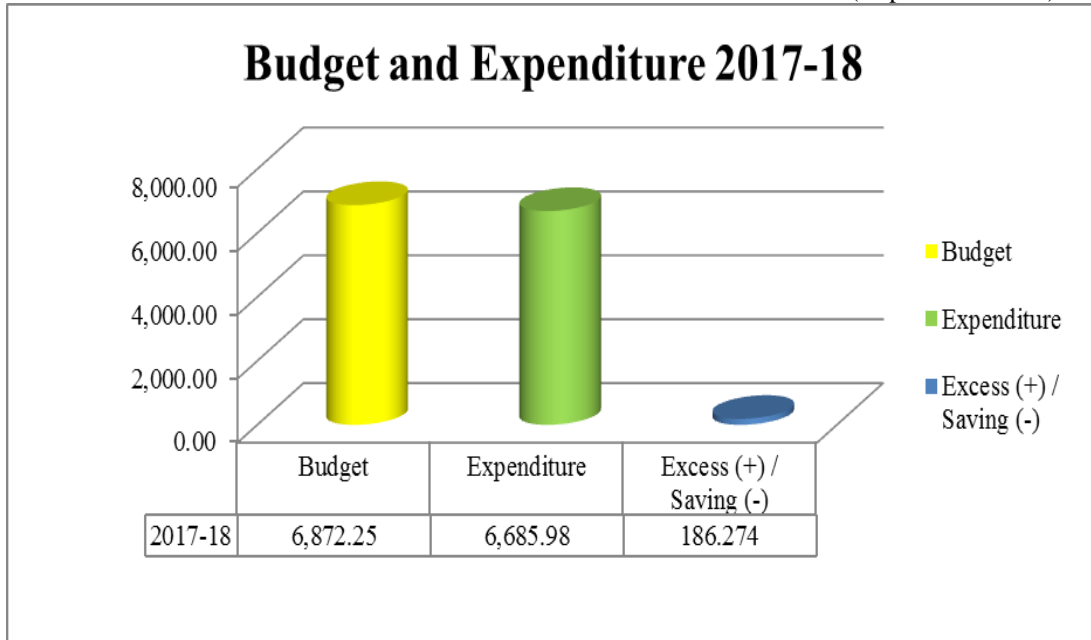
<b>2017-18</b>	<b>Budget</b>	<b>Actual</b>	<b>Excess / Savings</b>	<b>%</b>
Salary	6,401.258	6,382.146	19.112	0
Non-Salary	423.299	276.826	146.473	35
Development	47.697	27.008	20.689	43
<b>Total</b>	<b>6,872.254</b>	<b>6,685.980</b>	<b>186.274</b>	<b>3</b>
Receipts	-	-	-	-

(Rupees in million)



As per the Appropriation Accounts 2017-18 of the District Education Authority, Muzaffargarh, total original budget (Development and Non-Development) was Rs 6,872.254 million. Against the budget, total expenditure of Rs 6,685.980 million was incurred by the District Education Authority during 2017-18. Lapse of funds amounting to Rs 186.274 million came to the notice of audit due to inefficient financial management in release of budget by Deputy Director (Finance). (Annexure-B)

(Rupees in million)



Due to inefficient financial management in release of budget by Deputy Director (Finance), major portion of funds lapsed as detailed below:

- (i) Excessive budget was blocked by allocating heavy amounts in non-salary portion which resulted in lapse of Rs 146.473 million (35 per cent).
- (ii) An amount of Rs 20.689 million (43 per cent) remained unutilized under Grant 36 “Development” due to less development activities.

### **6.1.3 Brief Comments on the Status of Compliance of MFDAC Audit paras 2017-18**

Audit paras reported in MFDAC of last year Audit Report, which have not been attended in accordance with the directives of DAC, have now been reported in part-II of Annexure-A.

### **6.1.4 Brief Comments on the Status of Compliance with PAC Directives**

The Audit Report pertaining to the following year 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	11	PAC not constituted



## 6.2 AUDIT PARAS

### 6.2.1 Non-Production of Record

#### 6.2.1.1 Non-production of record – Rs 208.479 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.

During audit of DEA Muzaffargarh, it was observed that the following DDOs incurred expenditure of Rs 208.479 million during 2012-18, but vouched accounts of the expenditure of procurement, contingencies, consumption and pay and allowances were not produced for audit verification.

(Rupees in million)

Sr. No.	DDOs	Nature of Record	Amount
1	D.E.O (EE-W) M.Garh	Payment of Pension contribution	29.001
			2.704
2	GHSS Chowk Sarwar Shaheed	Arrears of Pay	1.647
3	Dy. DEO (EE-W) Kot Addu		4.704
4	GGHS Mochi wala		0.906
5	Dy. DEO (EE-W) Ali Pur		Adjustment of inspection allowance
6	Dy. DEO (EE-M) Kot Addu	Inspection allowance, Arrears of pay	86.585
7	CEO (DEA)	Construction work	20.587
8	Dy. DEO (EE-M) M.garh	Adjustment of inspection allowance	2.320
9	Dy. DEO (EE-M) Ali pur	Vouched account	19.265
10	GGHS Mahra	Faroog-e-Taleem Fund	0.318
		Adjustment of inspection allowance	2.079
11	Dy. DEO (EE-W) Jatoi	Arrears of Pay	18.538
		Vouched account	1.301
12	Dy. DEO (EE-M)	Arrears of Pay	13.174

<b>Sr. No.</b>	<b>DDOs</b>	<b>Nature of Record</b>	<b>Amount</b>
	Muzaffargarh		
13	GGHS Belay Wala		2.834
		Contingent expenditure	0.124
14	GBHS Mehmood Kot	Arrears of Pay	1.621
<b>Total</b>			<b>208.479</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 208.479 million.

The matter was reported to the CEO and DDOs concerned in September, 2018. DDOs did not submit replies.

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

Audit recommends to inquire the matter, fixing responsibility and disciplinary action on the person(s) at fault for non-production of record, and to ensure that the record is produced to Audit for scrutiny.

[AIR Paras:14,26,7,13,8,13,18,6,13,17,6,1,14,21,20,10,12,6]

## 6.2.2 Irregularities & Non-Compliance

### 6.2.2.1 Irregular payments in cash instead of crossed cheques – Rs 35.579 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.

During audit of DEA Muzaffargarh, it was observed that the following DDOs made payments of Rs 35.579 million during 2017-18 to various contractors and suppliers on account of contingent expenditure in cash instead of crossed cheques.

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	D.E.O (EE-W) Muzaffargarh	Payment to supplier	13.627
2	GHSS Chowk Sarwar Shaheed		3.143
3	Dy. DEO (EE-W) Kot Addu		1.400
4	Dy. DEO (EE-M) Kot Addu		4.507
5	GGHS Mahra		0.842
6	Dy. DEO (EE-W) Jatoi		2.744
7	Dy. DEO (EE-W) M. Garh		2.053
8	GBHS Mehmood Kot		2.661
9	Dy. DEO (EE-M) Jatoi		4.602
<b>Total</b>			<b>35.579</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 35.579 million.

The matter was reported to the CEO and DDOs concerned in September, 2018. 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, under intimation to Audit.

[AIR Paras:13,12,19,26,7,12,23,9,24]

#### **6.2.2.2 Unauthorized Payments without Pre-Audit Rs 21.777 million**

According to the Govt. of Punjab Finance Department letter No.ADB/District Authorities /01 Dated 20.09.2017, expenditure pertains 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. Further as per Rule 33,41 of Accounts Rule,2017 Pre-Audit of Expenditure, the accounts officer , while pre auditing the payments, shall follow the procedure and forms prescribed Accounting Policies and Procedure Manual and book of forms and shall ensure that

- a) The claim submitted for pre audit are valid claimed on the basis of certificates dully recorded by the drawing and disbursing officer on the Form 4B(Bill voucher form) to effect that the supply of goods has been made in accordance with the agreed quality and quantity or services has been rendered in accordance with the agreement or terms of reference and to the entire satisfaction of the procuring agency or work has been actually executed at site in accordance with the specification and agreed quantities and there is no reason to believe that the claim should not be paid.
- b) The claim voucher(bill) is complete , arithmetically correct, duly sanctioned by the competent authority to sanction the claim.
- c) The claim voucher (bill) has been signed with official stamp by the DDO. Supporting documents and books of accounts (measurement book, stock register, logbook) accompanying the claim and verified by the DDO are valid and genuine
- d) A certificate by the DDO that claim has not been previously paid.
- e) Procedural formalities required to be done have been completed.

During audit of DEA Muzaffargarh, it was observed that Chief Executive Officer DEA, made payment of Rs 21.776 million to contractors without pre audit. Vouchers were neither sanctioned by the CEO nor MB and other

documents relating to payments were verified by the CEO being the DDO of said cost center. (Annexure-L/MGH)

Due to weak financial controls, payments were made without pre audit.

Payments without pre audit resulted in unauthorized expenditure of Rs 21.777 million.

The matter was reported to the CEO and DDOs concerned in September, 2018. DDOs did not submit replies.

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

Audit recommends strict disciplinary action on the person(s) at fault besides regularization of the expenditure from Finance Department, under intimation to Audit.

[AIR Paras:1]

### **6.2.2.3 Unjustified transfer of funds to school Rs 20.960 million**

According to Rule 2.31 of PFR Vol-I, a drawer of bill for pay, allowance, Contingent & other expenses will be held responsible for any over charges, frauds and misappropriations .According to B&R Code Paragraph 4.5, No payment should be made without detail measurement in the measurement book.

During audit of DEA Muzaffargarh, it was observed that Deputy District Education Officer (EE-W) Alipur, transferred NSB funds amounting to Rs 20.960 million to schools for construction work during 2017-18. But after the lapse of considerable time of one year work was not started. DDO did not provide any structure, original/revised estimates and technical sanctioned to the concerned head teacher of the schools and also having no technical staff for construction of rooms. (Annexure-M/MGH)

Due to weak internal controls, funds were not utilized.

Non-utilization of funds resulted in blockage of funds and non-achievement of the Government aim for the best education.

The matter was reported to the CEO and DDO concerned in September, 2018. 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 for non-utilization of funds besides early utilization of the funds, under intimation to Audit.

[AIR Para:4]

#### **6.2.2.4 Unjustified expenditure out of SMC / NSB fund – Rs 17.948 million**

According to No.SO(S-III)2-12/2006 dated 06.08.2007, School Council Policy 2007 amended in 2013, issued by the Govt. of Punjab (PESRP), Annexure-A all expenditure shall be incurred with prior approval of the school council and all purchases/ execution of work shall be carried out in a transparent and economical manner., Furthermore, according to Rule 2.31 of PFR Vol-I, a drawer of bill for pay, allowance, contingent & other expenses will be held responsible for any over charges, frauds and misappropriations.

During audit of DEA Muzaffargarh, it was observed that the following DDOs incurred an amount of Rs17.948 million during 2017-18 out of NSB / SMC budget / funds. Scrutiny of the relevant record revealed that the expenditure was incurred without having proof of actual work done, stock entry, approval of valid school management council and proof of consumption of stores. Furthermore, the work done was never inspected and verified by the education authorities. In most cases cash payment was made instead of crossed cheque. The detail is given below:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Description</b>	<b>Amount</b>
1	Dy. DEO (EE-W) Kot Addu	Uniform, bags, stationery & Construction work	1.309
2	GGHS Mochi Wala	Furniture, white wash	1.204
3	Dy. DEO (EE-M) Kot Addu	Furniture, GS Item, R&M	1.151
4	Dy. DEO (EE-M) M.Garh	Repair & Maintenance, GS items	2.186
		Salaries to temporary teacher	1.952
5	Dy. DEO (EE-W) Jatoi	Civil work, Furniture	7.151
6	Dy. DEO (EE-W) M.Garh	Earth filling	2.995
<b>Total</b>			<b>17.948</b>

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

Non-observance of codal formalities resulted in unjustified expenditure of Rs17.948 million.

The matter was reported to the CEO and DDOs concerned in September, 2018. 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, under intimation to Audit.

[AIR Paras:16,10,23,22,23,19,24]

#### **6.2.2.5 Unauthorized payment of conveyance allowance during leave – Rs 17.886 million**

According to the Government of the Punjab Finance Department letter No. SR,1.9-4/86(P)(PR) dated 04.12.2012 (clarification), conveyance allowance is allowed for travelling from house to office and vice versa. Furthermore, as per Rule 1.15 of TA Rule, no conveyance allowance is admissible during the period of leave of any kind or vacation.

During audit of DEA Muzaffargarh, it was observed that the DDOs paid an amount of Rs 17.886 million during 2012-18 on account of inadmissible conveyance allowance to employees during winter/summer vacations and to the employees who were on leave. (Annexure-N/MGH)

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

Withdrawal of inadmissible conveyance allowance resulted in overpayment of Rs 17.886 million.

The matter was reported to the CEO and DDOs concerned in September, 2018. DDOs did not submit replies.

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

Audit recommends recovery of Rs 17.866 million besides fixing responsibility on the person (s) at fault, under intimation to Audit.

[AIR Paras:1,3,12,4,5,8,9,11,5,7,5,7,8,5,13,16,15,5,17,18,19,10,11,18,1,3,8,10, 18,4,15,16,17,1,2,6,1,2,8,6,23]

#### **6.2.2.6 Expenditure without advertisement on PPRA website - Rs 14.044 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.

During audit of DEA Muzaffargarh, it was observed that the following Officers of District Education Authority, incurred an expenditure of Rs 14.044 million for purchase of various items without advertisement on PPRA website by splitting up the bills. The detail is given below.

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Description</b>	<b>Amount</b>
1	DEO (EE-W) M.Garh	Stationery, Others, COS	2.518
2	GHSS Chowk Sarwar Shaheed	Furniture, Others, COS	2.957
3	Dy.DEO (EE-M) Kot Addu	Tablet	0.814
4	CEO (DEA)	Stationery, Others	0.567
5	Dy. DEO (EE-M) M.Garh	Tab, GS items	0.798
6	GGHS Mahra	Furniture, I.T Equipment	0.672
7	Dy. DEO (EE-M)	Construction of toilet block	5.718
<b>Total</b>			<b>14.044</b>

Due to weak financial controls, no advertisement was floated on PPRA website.

Non-compliance of the Government instructions resulted in irregular expenses of Rs 14.044 million.



The matter was reported to the CEO and DDOs concerned in September, 2018. DDOs 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) concerned besides regularization of the expenditure, under intimation to Audit.

[AIR Paras:10,11,9,11,9,2,20]

#### **6.2.2.7 Recovery of irregular payment of inspection allowance – Rs 9.654 million**

According to Notification No.SO(ADP) MISC-409/2012 dated 29.08.12 Govt. of the Punjab, the inspection allowance @ Rs 5,000/ month shall be payable to the AEOs on the basis of at least 50 inspection of schools in a month and in case of less than 50 schools inspection ,it shall be claimed @100 per school inspection. 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.

During audit of DEA Muzaffargarh, it was observed that the following Officers of Education Department paid an amount of Rs 9.654 million on account of inspection allowance to AEOs during 2017-18. The said allowance was paid to AEOs during induction training, summer vacations and to those AEOs who were working in the office as Headquarter AEOs.

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Period</b>	<b>No. of Employees</b>	<b>Amount</b>
1	DEO (EE-W) M.Garh	2012-18	73	1.056
			26	0.565
2	Dy. DEO (EE-W) Kot Addu	2017-18	18	0.449
			3	0.493
			11	0.500
3	Dy. DEO (EE-W) Ali pur	2017-18	8	0.295
4	Dy. DEO (EE-M) Kot Addu		3	0.254
			39	1.452
5	Dy. DEO (EE-M) M.Garh		2	0.420
			32	0.870

Sr. No.	DDOs	Period	No. of Employees	Amount
6	Dy. DEO (EE-M) Ali pur		10	0.420
7	Dy. DEO(EE-W) Jatoi		1	0.191
8	Dy. DEO (EE-W) M.Garh		26	1.080
			27	0.964
9	Dy. DEO (EE-M) Jatoi		13	0.375
			2	0.270
<b>Total</b>				<b>9.654</b>

Due to weak internal controls, inadmissible allowance was paid.

Payment of inadmissible allowance resulted in loss to the Government of Rs 9.654 million.

The matter was reported to the CEO and DDOs concerned in September, 2018. 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 Rs 9.654 million besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Paras:2,11,2,4,17,13,15,17,2,14,15,4,6,7,3,10]

#### **6.2.2.8 Loss due to non-reduction of bricks rate – Rs 9.464 million**

According to Market Rate System issued from 2005-06 to 2015-16 by the Government of Punjab Finance Department, (i) The composite rate is to be reduced by 7% and 14%, if 2nd or 3rd class bricks are used.

During audit of DEA Muzaffargarh, it was observed that CEO DEA, did not reduce the rates of brick and the overpaid an amount of Rs 9.464 million during 2017-18. Neither the lab test of brick from prominent laboratory for assessing the 1<sup>st</sup>, 2<sup>nd</sup> or 3<sup>rd</sup> class brick was available nor the rate of brick was reduced from contractor bills. (Annexure-O/MGH)

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

Non-reduction of bricks rate resulted in loss of Rs 9.464 million to the Government exchequer.

The matter was reported to the CEO in September, 2018. DDO did not submit replies.

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

Audit recommends that the documentary proof of lab test may be provided to prove the utilization of 1st class bricks otherwise recovery of Rs 9.464 million from the contractor, under intimation to Audit.

[AIR Para:2]

#### **6.2.2.9 Doubtful expenditure on civil work without specification - Rs 8.689 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.

During audit of DEA Muzaffargarh, it was observed that Deputy District Education Officer (EE-M) Jatoi incurred an expenditure of Rs 8.689 million on account of construction of toilet blocks and boundary walls without detailed measurement, detail design and estimates.

Due to weak internal controls, expenditure was incurred without observing codal formalities.

Non-observance of Codal formalities resulted in unauthorized expenditure of Rs 8.689 million.

The matter was reported to the CEO and DDO concerned in September, 2018. 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, under intimation to Audit.

[AIR Para:15]

#### **6.2.2.10 Overpayment due to non-fixation of basic pay – Rs 6.626 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.

During audit of DEA Muzaffargarh, it was observed that the following officers of Education Department regularized the services of teachers/employees w.e.f 19.10.2009 and 07.08.2015. However their pay was not re-fixed to initial stages after regularization and amounting to Rs 6.626 million was overpaid during 2017-18. The detail is given below:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Number of Employees</b>	<b>Amount</b>
1	DEO (EE-W) Muzaffargarh	3	0.443
2	GHSS Chowk Sarwar Shaheed	8	1.952
3	Dy. DEO (EE-W) Kot Addu	53	1.369
4	Dy. DEO (EE-W) Ali pur	18	0.482
5	Dy. DEO (EE-M) Kot Addu	30	0.830
6	Dy. DEO (EE-M) Muzaffargarh	32	0.446
7	Dy. DEO (EE-W) Jatoi	9	0.360
8	Dy. DEO (EE-W) Muzaffargarh	32	0.542
9	GGHS Belay Wala	1	0.202
<b>Total</b>			<b>6.626</b>

Due to weak financial management, the basic pay of the employees was not re-fixed after regularization of services.

Non-fixation of pay resulted in overpayment of Rs6.626 million.

The matter was reported to the CEO and DDOs concerned in September, 2018. 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 6.626 million, under intimation to Audit.

[AIR Paras:5,1,1,1,2,15,8,13,5]

#### **6.2.2.11 Non-deduction of income tax and sales tax – Rs 4.937 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 from the gross amount payable at the rate specified in Division III of Part III of the First Schedule. Furthermore, according to Section 1.3 of Sales Tax Special Procedure (Withholding) Rules, 2007, withholding agents falling under category “A” were required to deduct an amount equal to 1/5th (20 percent) of the total Sales Tax shown in Sales Tax invoice issued by registered persons, whereas, on purchase of taxable goods from unregistered persons, Sales Tax was required to be deducted at the applicable rate of the value of taxable supplies. Furthermore, according to Rule 5 of Punjab Sales Tax on Services (Withholding) Rules, 2012, a withholding agent, having Free Tax Number (FTN) or National Tax Number (NTN) and falling under clauses (a), (b), (c), (d) or (e) of sub-rule 2 of rule 1, 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 from the payment due to the service provider.

During audit of DEA Muzaffargarh, it was observed that the following DDOs of District Education Authority, made payments against supply of goods, rendering of services and execution of contracts etc. during 2012-18. However, an amount of Rs4.937 million on account of Income Tax, General Sales Tax and Punjab Sales Tax on Services was not/less deducted from the payments. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Income Tax	Sales Tax	Withholding Tax on Services	Amount
1	D.E.O (EE-W) Muzaffargarh	0.178	0.298	0.095	0.571
2	Dy. DEO (EE-W) Ali pur	0.058	0.384	-	0.442

Sr. No.	DDOs	Income Tax	Sales Tax	Withholding Tax on Services	Amount
3	Dy. DEO (EE-M) Kot Addu	0.232	0.194	-	0.426
4	CEO (DEA)	0.464	-	-	0.464
5	Dy. DEO (EE-M) Muzaffargarh	0.02	-	-	0.02
6	Dy. DEO (EE-M) Ali pur	-	0.265	-	0.265
7	GGHS Mahra	-	0.058	-	0.058
8	Dy. DEO (EE-W) Muzaffargarh	0.309	0.372	-	0.681
9	GGHS Belay wala	-	0.098	-	0.098
10	GBHS Mehmood Kot	-	0.192	-	0.192
11	Dy. DEO (EE-M) Jatoi	1.709	3.228	-	4.937
<b>Total</b>		<b>1.709</b>	<b>3.228</b>	<b>-</b>	<b>4.937</b>

Due to non-compliance of tax laws, taxes were not deducted / withheld at specified rates before making payments.

Non-deduction of taxes at specified rates resulted in excess payment of Rs 4.937 million to the suppliers/service providers/contractors concerned.

The matter was reported to the CEO and DDOs concerned in September, 2018. DDOs did not submit replies.

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

Audit recommends recovery of Rs 4.937 million besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Paras:15,16,17,10,16,24,25,7,11,7,5,25,26,9,10,12,13,14,22]

#### **6.2.2.12 Payment of inadmissible allowances – Rs 4.844 million**

According to Rule 1.15(2) of the Punjab Traveling Allowance Rules, Conveyance Allowance will be admissible only for the period during which the civil servant held the post to which the conveyance is attached and will not be admissible during leave or joining time. Further according to Government of the Punjab, Finance Department letter No. FD.SR.I.9-4/86 (PR) (P) dated 15.10.2011, Conveyance Allowance was not admissible to the Government employees residing within work premises.

During audit of DEA Muzaffargarh, it was observed that the DDOs of District Education Authority, allowed payment of Charge allowance, Annual increment, Conveyance allowance, SSB and inadmissible allowances amounting to Rs 4.844 million during 2006-18. (Annexure-P/MGH)

Due to weak financial controls, payment of inadmissible allowances was made.

Payment of inadmissible allowances resulted in loss to the Government of Rs 4.844 million.

The matter was reported to the CEO and DDOs concerned in September, 2018. DDOs did not submit replies.

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

Audit recommends recovery of Rs4.844 million besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Paras:6,8,15,18,22,9,3,6,8,14,20,21, 4,8,12,6, 19, 6,8,9,10,21,3,7,2,4,19]

#### **6.2.2.13 Unjustified RCC work – Rs 4.767 million**

According to additional Clause 60,64,66 of contract agreement, samples of steel to be used in reinforcement cement concrete work shall be got tested. Testing of concrete to ensure that specified strength as per specification or as desired by engineer in charge is being achieved. Reinforcement steel should be of intermediate grade deformed bars with yield stress not less than 40000 LBS per square inch. This shall be supplied by MS PECO Lahore, M/S Abdul Qayum, Itifaq Industries. Receipt for the purchase from such supplier be enclosed with bill.

During audit of DEA Muzaffargarh, it was observed that CEO DEA, paid an amount of Rs 4.767 million to contractors on account of construction of buildings during 2017-18. Scrutiny of the relevant record reveal that neither the lab test of Reinforcement, Concrete was available on the record nor bill was supported with prescribed suppliers as mentioned in above rule. (Annexure-Q/MGH)

Due to weak internal controls, payments were made without observing codal formalities.

Non-observance of rules resulted in unjustified expenditure of Rs4.767 million.

The matter was reported to the CEO in September, 2018. DDO did not submit replies.

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

Audit recommends that documentary proof of lab test / invoices may be provided to prove the RCC work as per rules otherwise matter may please be investigated for fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para:3]

#### **6.2.2.14 Overpayment due to non-fixation of allowances – Rs 2.870 million**

As per clarification issued by the Government of Punjab Finance Department vide letter No.FD-PC-43/2010 dated 21.06.2011, Special Additional Allowance - 1999, Special Relief Allowance - 2003, Ad hoc Relief - 2004, Dearness Allowance - 2006 are not admissible upon regularization of contract employees whose services were regularized on 14.10.2009 or 19.10.2009. Furthermore, basic pay shall be re-fixed at initial stage after regularization as per pay.

During audit of DEA Muzaffargarh, it was observed that the following officers of Education Department regularized the services of teachers/employees w.e.f 19.10.2009 and 07.08.2015. However their allowances were not re-fixed to initial stages after regularization and overpaid an amount of Rs 2.870 million during 2017-18. The detail is given below:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Number of Employees</b>	<b>Amount</b>
1	D.E.O (EE-W) Muzaffargarh	26	0.362
2	GHSS Chowk Sarwar Shaheed	8	0.246



Sr. No.	DDOs	Number of Employees	Amount
		7	0.475
3	Dy. DEO(EE-W) Kot Addu	53	0.185
		53	0.137
4	GGHS Mochi wala	3	0.089
		2	0.021
5	Dy. DEO(EE-W) Ali pur	38	0.379
6	Dy. DEO(EE-M) Kot Addu	10	0.505
		36	0.095
		34	0.061
7	Dy. DEO(EE-M) M.Garh	35	0.105
8	Dy. DEO(EE-W) Jatoi	9	0.030
		9	0.036
9	Dy. DEO(EE-M) M.Garh	76	0.144
<b>Total</b>			<b>2.870</b>

Due to weak financial management, the allowances were not re-fixed after regularization of services.

Non-fixation of allowances resulted in loss to the Government of Rs 2.870 million.

The matter was reported to the CEO and DDOs concerned in September, 2018. 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 2.870 million, under intimation to Audit.

[AIR Paras:4,2,3,5,2,6,2,1,4,6,16,3,15,14]

#### **6.2.2.15 Unauthorized appointments of P.T.C teachers without prescribed academic qualification - Rs 2.617 million**

According to Government of Punjab, Services General Administration and Information Department Notification No.SOR-III-1-20-95 dated 01-02-1997 "The prescribed qualification for the post of P.T.C Teacher was amended / enhanced as F.A/F.Sc. with Primary Teacher Certificate (PTC) from recognized Institution".

During audit of DEA Muzaffargarh, it was observed that Dy. DEO (EE-W) Jatoi appointed PTC teacher without observing the requisite qualification i.e. F.A/F.Sc with PTC as basic qualification for appointment of P.T.C teacher. (Annexure-R/MGH)

Due to weak internal controls, appointment was made without prescribed qualification.

Appointment without prescribed qualification resulted in an unauthorized payment of salaries of Rs 2.617.

The matter was reported to the CEO and DDO concerned in September, 2018. 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 beside regularization of service from the competent authority, under intimation to Audit.

[AIR Para:25]

#### **6.2.2.16 Unauthorized payment of SSB after regularization – Rs 2.259 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, all the Govt. employees working on contract basis in various Department were regularized w-e-f 23-06-2011. And 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.

During audit of DEA Muzaffargarh, it was observed that the following DDOs of Education Department allowed and paid an amount of Rs 2.259 million during 2017-18 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) Muzaffargarh	33	1.214
2	Dy. DEO (EE-M) Alipur	10	0.421
3	GGHS Mahra	1	0.058
4	Dy. DEO (EE-W) Muzaffargarh	10	0.408
5	GGHS Belay wala	1	0.033
6	GBHS Mehmood Kot	2	0.055
7	Dy. DEO (EE-M) Jatoi	3	0.070
<b>Total</b>		<b>60</b>	<b>2.259</b>

Due to weak internal controls, social security benefit was paid to permanent employees.

Payment of social security benefit to permanent employees resulted in overpayment of Rs 2.259 million.

The matter was reported to the CEO and DDOs concerned in September, 2018. DDOs did not submit replies.

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

Audit recommends recovery of Rs 2.259 million besides discontinuation of said allowance, under intimation to Audit.

[AIR Paras:21,12,8,19,11,3,17]

#### **6.2.2.17 Non-realization/deposit of revenue into Government treasury – Rs 2.076 million**

According to Rule 76(1) of the Punjab District Government and Tehsil Municipal Administration (Budget) Rules, 2003, the primary obligation of the collecting officers shall be to ensure that all revenue due is claimed, realized and credited immediately into the Local Government Fund under proper receipt head.

During audit of DEA Muzaffargarh, it was observed that the following DDOs of District Education Authority, failed to collected Government receipts of Rs 2.076 million on account of salary after termination of contract, Registration fee, professional fee, fine/penalty etc. during 2008-17. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description of Receipts	Amount
1	Dy. DEO (EE-M) Kot Addu	Salary after termination of contract	0.612
		Withdrawal of pay & allowance after superannuation	0.093
		Fine/penalty	0.112
2	CEO (DEA)	Penalty due to non-completion of work	0.631
		Professional Tax	0.111
		Registration Fee	0.226
3	GGHS Belay wala	Non-deposit of Farog-e- taleem fund	0.264
4	GBHS Mehmood Kot	GST on food item	0.027
<b>Total</b>			<b>2.076</b>

Due to weak financial management, the Government receipts were not got deposited/credited into Government Treasury.

Non-deposit/credit of receipts into Government Treasury resulted in non-realization of revenue to the Government of Rs 2.076 million.

The matter was reported to the CEO and DDOs concerned in September, 2018. DDOs did not submit replies.

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

Audit recommends recovery of Rs 2.076 million besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Paras:3,7,12,4,9,17,8,12]

#### **6.2.2.18 Irregular and doubtful payment against TA / DA - Rs 1.955 million**

According to Notification No.SO(ADP) MISC-409/2012 dated 29.08.12 Govt. of the Punjab, the inspection allowance @ Rs 5,000/month shall be payable to the AEOs on the basis of at least 50 inspection of schools in a month and in case of less than 50 schools inspection ,it shall be claimed @100 per school inspection. 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. Expenditure incurred in one year, should not be left over

to be met out of the budget for the next year. According to rule 17.18 of PFR Vol.I

During audit of DEA Muzaffargarh, it was observed that District Education Officer (EE-W) Muzaffargarh, paid an amount of Rs 1.955 million to AEO's on account of TA/DA for inspection of various schools during 2013-18. Scrutiny of the record revealed that they were entitled to inspection allowance in lieu of TA/DA thus payments of TA/DA to AEO were made in violation of rule. Furthermore, most payment relates to previous years.

Due to weak internal controls, TA/DA was paid in lieu of inspection allowance.

Payment of inadmissible allowance resulted in overpayment of Rs 1.995 million.

The matter was reported to the CEO and DDO concerned in September, 2018. 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 recovery of Rs 1.955 million, under intimation to Audit.

[AIR Para:22]

#### **6.2.2.19 Non-maintenance of record of security deposits – Rs 1.810 million**

According to Clause 5.1(II)(d), of B&R Code “when a sum so held in deposit is ultimately paid to the contractor concerned, his acknowledgement should be set forth such particulars as would establish the settlement of this account in connection with the work concerned. It is further explained that security deposit Register shall be maintained and any receipt and return will be debited and credited in the concerned account.

During audit of DEA Muzaffargarh, it was observed that CEO DEA, obtained an amount of Rs 1.81 million on account of security deposit from contractor during 2017-18. But security deposit register which contains

information regarding receipt and return of securities to the contractors was not maintained by the department. (Annexure-S/MGH)

Due to weak internal controls, security deposit register was not maintained by the department.

Non-maintenance of security deposit register, there is chances of misappropriation.

The matter was reported to the CEO in September, 2018. 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 maintenance of proper record of security deposits, under intimation to Audit.

[AIR Para:10]

#### **6.2.2.20 Unauthorized payment of salary during leave without pay – Rs 1.622 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”.

During audit of DEA Muzaffargarh, it was observed that the following DDOs of Education Department allowed and paid an amount of Rs 1.622 million on account of salaries to employees when they were on leave without pay during 2017-18. 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-M) Kot Adu	2017-18	0.265
2	Dy. DEO (EE-M) M. Garh		0.159
3	Dy. DEO (EE-M) M. Garh		0.574
4	Dy. DEO (EE-W) Jatoi		0.071
5	Dy. DEO (EE-W) Kot addu		0.309
6	Headmistress GGHS Mochi Wala	2004-18	0.244
<b>Total</b>			<b>1.622</b>

Due to weak internal and financial controls, salaries were paid to employees during leave without pay.

Payment of salaries during leave period resulted in overpayment of Rs 1.622 million.

The matter was reported to the CEO and DDOs concerned in September, 2018. DDOs did not submit replies.

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

Audit recommends recovery of Rs 1.622 million besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Paras:19,7,2,11,14,3]

#### **6.2.2.21 Overpayment due to payment of inadmissible qualification allowance – Rs1.554 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. Furthermore, according to instructions contained in clarification issued by Accountant General Punjab, vide his letter No.TM-1/2-3(A)IV/2008-09/479 dated 17.11.2008, the qualification allowance on account of possessing/acquiring higher qualification is not admissible to Secondary School Educators(SSE), Senior Elementary School Educators (SESE) and Elementary School Educators (ESE).

During audit of DEA Muzaffargarh, it was observed that the following DDOs of Education Department paid qualification allowance of Rs 1.554 million during 2012-18 on acquiring higher qualification to ESE, SESE and SSE. Furthermore, some teachers were paid qualification allowances who were already in receipt of any kind of benefit of higher qualification either in shape of advance increments or higher pay scale. The detail is as below:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	D.E.O (EE-W) M.Garh	Qualification Allowance	0.223
			0.489
2	Dy. DEO (EE-W) Kot Addu		0.334
3	Dy. DEO (EE-W) Jatoi		0.115
4	Dy. DEO (EE-W) M. Garh		0.114
5	Dy. DEO (EE-M) Jatoi	0.279	
<b>Total</b>			<b>1.554</b>

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

The payment of inadmissible qualification allowances resulted in overpayment of Rs1.554 million.

The matter was reported to the CEO and DDOs concerned in September, 2018. 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 Rs1.554 million, under intimation to Audit.

[AIR Paras:8,9,6,9,22,1]

#### **6.2.2.22 Unauthorized drawal of pay without sanctioned posts - Rs 1.425 million**

According to delegation of Financial Power Rules 2006, the power to create posts rest with the Administrative Department subject to the concurrence of Finance Department. Further according to rule 5.11(C ) of PFR Vol-1, all order creating or abolishing the permanent or temporary posts should at once be communicated, by letter, to the Accountant General/District Accounts Office.

During audit of DEA Muzaffargarh, it was observed that Deputy District Education Officer (EE-W) Kot Addu, allowed withdrawal of pay and allowances of Rs1.425 million to employees during 2017-18. Scrutiny of the record reveals that pay and allowances were paid in excess of sanctioned post. The detail is given below:



(Amount in rupees)

Designation	BPS	Sanctioned	Posted	Excess	Amount
Lab Attendant	02	0	02	02	525,618
O.T. Technician	15	0	01	01	643,653
Laboratory Attendant	02	0	01	01	256,137
<b>Total</b>					<b>1,425,408</b>

Due to weak internal controls, pay and allowance were paid without sanctioned post.

Payment without sanctioned post resulted in unauthorized expenditure of Rs 1.425 million.

The matter was reported to the CEO and DDO concerned in September, 2018. 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 pay drawn unauthorizedly should be either recovered or regularized, under intimation to Audit.

[AIR Para:23]

#### **6.2.2.23 Unauthorized payments of salaries after transfer – Rs 1.382 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.

During audit of DEA Muzaffargarh, it was observed that Deputy District Education Officer (M-EE) Kot Adu, paid an amount of Rs 1.382 million during 2017-18 on account of pay and allowances to AEOs whose were transferred to other offices. Chance of dual drawl of salaries cannot be overruled. The detail is below:

(Amount in rupees)

P. No.	Name	Designation	Transferred to	Relieved on	Paid up to	Pay Rate	Amount
31548042	M Ishtiaq	AEO	Dy. DEO (EE-W) Kot Adu	18.11.17	30.06.18	62,380	462,819
31987356	Aamir Iqbal			15.11.17		62,380	468,856
32005416	Tariq Ismaeel			25.11.17		62,380	450,746
<b>Total</b>							<b>1,382,421</b>

Due to weak financial controls, payment of salaries were paid after transfer.

Payment of salaries after transfer resulted in unauthorized expenditure of Rs 1.382 million.

The matter was reported to the CEO and DDO concerned in September, 2018. DDO did not submit replies.

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

Audit recommends recovery of Rs 1.382 million from concerned officials besides fixing responsibility on the person(s) at fault and stoppage of pay, under intimation to Audit.

[AIR Para:11]

#### **6.2.2.24 Non-recovery of G.P Fund upon regularization of services - Rs 1.358 million**

According to Rule 4.17 of Punjab treasury and Subsidiary Rules 1988, the duty of proper deductions to be made from pay bills on account of funds and other deductions e.g. rents of Government residences, Fund subscription, etc. devolves on the drawers of the bills as such deductions should be recovered by stoppages from pay and consequent short drawings from the Treasury.

During audit of DEA Muzaffargarh, it was observed that Deputy District Education Officer (EE-W) Kot Addu, did not deduct Rs 1.358 million during 2017-18 on account of G.P fund from the salaries of 56 employees whose services were regularized w.e.f 07.08.2015.

Due to weak financial controls, necessary deduction of GP Fund was not started after regularization.

Non-deduction of G.P. Fund from salaries of employees resulted in overpayment of Rs 1.358 million.

The matter was reported to the CEO and DDO concerned in September, 2018. 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 G.P. Fund should be recovered from the pay of the employees and deposited into proper account, under intimation to Audit.

[AIR Para:12]

#### **6.2.2.25 Overpayment of charge allowance to AEOs – Rs 1.338 million**

According to Government of Punjab Finance department clarification vide letter No.FD.PR-12.-7/2007 dated 05.04.2018, Assistant Education Officers (AEOs) of School Education Department, who are appointed by initial recruitment, are not entitled to the grant of charge allowance.

During audit of DEA Muzaffargarh, it was observed that the following DDOs of Education Department granted charge allowance of Rs 1.338 million to AEO during 2017-18 in contravention of above rule. 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-W) Muzaffargarh	35	0.155
2	Dy. DEO (EE-M) Ali pur	13	0.080
3	Dy. DEO (EE-M) Jatoi	10	0.085
4	Dy. DEO (EE-W) Kot Addu	20	0.185
5	Dy. DEO (EE-W) Ali pur	8	0.077
6	Dy. DEO (EE-M) Kot Addu	36	0.335
7	Dy. DEO (EE-M) Muzaffargah	31	0.316
8	Dy. DEO (EE-W) Jatoi	13	0.105
<b>Total</b>			<b>1.338</b>

Due to weak financial controls, charge allowance was granted to AEO.

Payment of charge allowance to AEO resulted in overpayment of Rs1.338 million.

The matter was reported to the CEO and DDOs concerned in September, 2018. DDOs did not submit replies.

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

Audit recommends recovery of Rs 1.338 million besides fixing responsibility on the concerned and discontinuation of said allowances, under intimation to Audit.

[AIR Paras:5,14,9,21,11,22,1,5]

#### **6.2.2.26 Expenditure on repair and maintenance of building without estimate and measurements - Rs 1.041 million**

According to B & R Code Paragraph 4.5, No payment should be made without detail measurement in the measurement book. Further according to Sr No (3.1.1 & 3.3.2) and (4.3.1 & 4.4.8) of School Council Policy 2007, School Council Consist of 7 or more notified members for the period of two years only, maintain record of planned development projects of school according to priority on Form-6 and expenditure on execution of development work will be on minimum market rates. Furthermore according to letter No SO(ADP) review 418/2012 dated 5-11-2013 of school education department Government of the Punjab for provision of missing facilities in schools that the funds so allocated are utilized in an effective and transparent manner, technical committees shall also be notified at tehsil level to check quantity and quality of furniture procured.

During audit of DEA Muzaffargarh, it was observed that Principal Government Higher Secondary School (Boys) Chowak Sarwar Shaheed, incurred an expenditure of Rs 1.041 million on repair and maintenance of building. Scrutiny of the record revealed that expenditure was incurred without rough cost estimate and measurement. (Annexure-T/MGH)

Due to weak internal controls, expenditure was incurred without following codal formalities.

No observance of codal formalities resulted in unauthorized expenditure of Rs 1.041 million.

The matter was reported to the CEO and DDO concerned in September, 2018. 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, under intimation to Audit.

[AIR Para:13]

## **CHAPTER 7**

### **7.1 District Education Authority, Rajanpur**

#### **7.1.1 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.

The functions of District Health Authorities, are elaborated in the Punjab Local Government Act, 2013. According to that the District Education Authority Rajanpur is responsible to:

- To establish, manage and supervise primary, elementary, secondary and higher secondary school, adult literacy and non-formal basic education, special education institutions of the Government in the District;
- To ensure free and compulsory for children of age from five to sixteen year as required under article 25-A of the constitution;
- To undertake students assessment and examination, ranking of schools on terminal examination results and targets, promotion of co-curricular activities, sports, scouting, girls guide, red crescent, award of scholarships and conduct of science fairs in Government and private school;
- To approve the budget of Authority and allocate funds to educational institutions;
- To plan, execute and monitor all development schemes of educational institutions working under the Authority, provide that Authority may outsource its development works to other agencies or school councils;
- To constitute school management councils which may monitor academic activities;

DEA Rajanpur manages the following schools / education offices:

<b>Description</b>	<b>No. of office / schools</b>
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

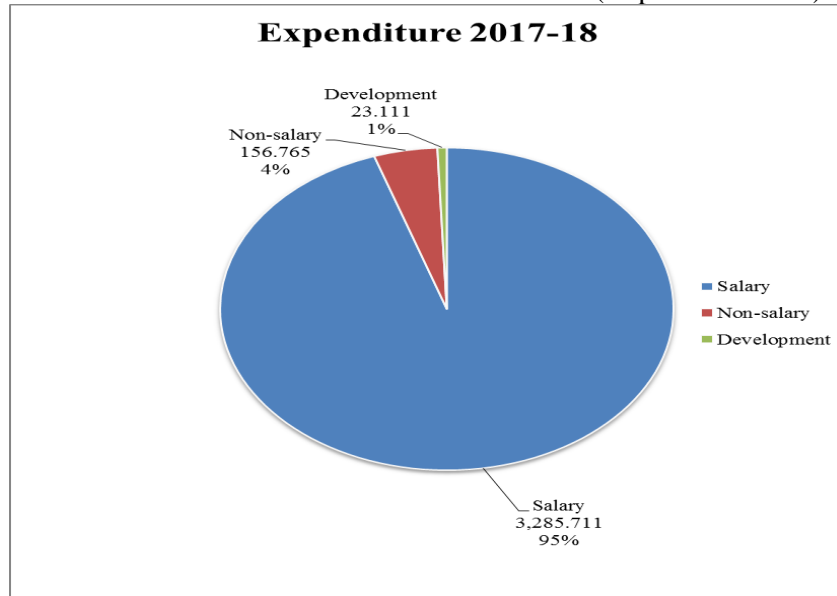
### 7.1.2 Comments on Budget and Accounts

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

(Rupees in million)

<b>2017-18</b>	<b>Budget</b>	<b>Actual</b>	<b>Excess / Savings</b>	<b>%</b>
Salary	3,662.582	3,285.711	376.871	10
Non-Salary	179.178	156.765	22.413	13
Development	44.613	23.111	21.502	48
<b>Total</b>	<b>3,886.373</b>	<b>3,465.587</b>	<b>420.786</b>	<b>11</b>
Receipts	-	-	-	-

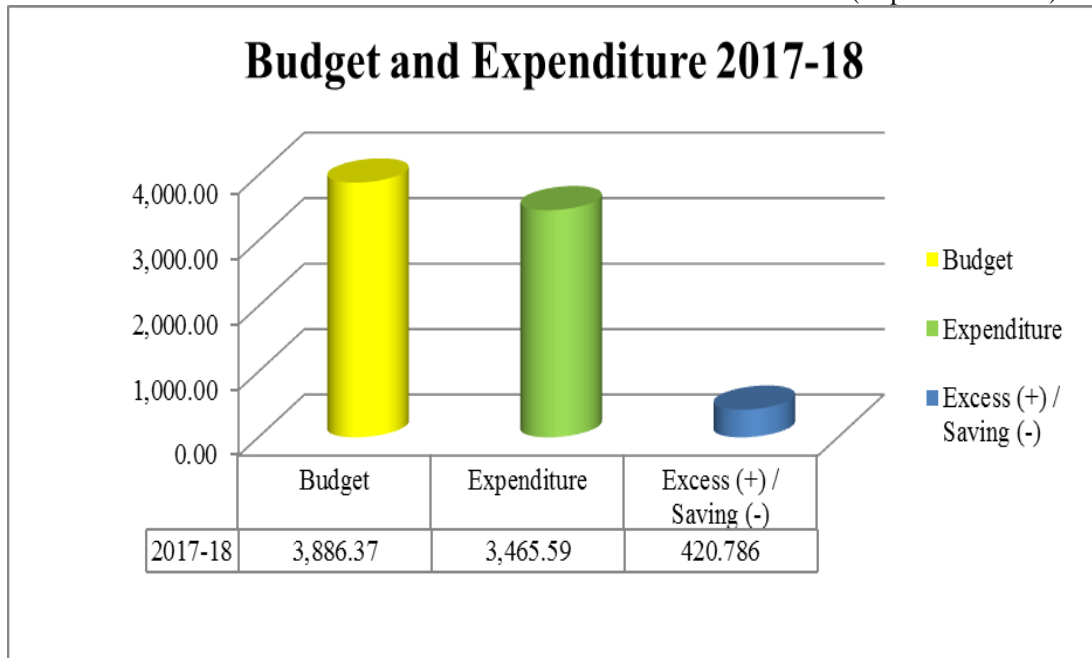
(Rupees in million)



As per the Appropriation Accounts 2017-18 of the District Education Authority, Rajanpur, total original budget (Development and Non-Development) was Rs 3,886.373 million. Against the budget, total expenditure of Rs 3,465.587 million was incurred by the District Education Authority during 2017-18. Lapse of funds amounting to Rs 420.786 million came to the notice of audit due to inefficient financial management in release of budget by Deputy Director (Finance). (Annexure-B)



(Rupees in million)



Due to inefficient financial management in release of budget by Deputy Director (Finance), major portion of funds lapsed occurred as detailed below:

- (i) Excessive budget was blocked by allocating heavy amounts in non-development portion which resulted in lapse of Rs 399.284 million (23 per cent).
- (ii) An amount of Rs 21.502 million (48 per cent) remained unutilized under Grant 36 “Development” due to less development activities.

### **7.1.3 Brief Comments on the Status of Compliance of MFDAC Audit paras 2017-18**

Audit paras reported in MFDAC of last year Audit Report, which have not been attended in accordance with the directives of DAC, have now been reported in part-II of Annexure-A.

### **7.1.4 Brief Comments on the Status of Compliance with PAC Directives**

The Audit Report pertaining to the following year 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

## 7.2 AUDIT PARAS

### 7.2.1 Non-Production of Record

#### 7.2.1.1 Non-production of record – Rs 89.777 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.

During audit of DEA Rajanpur, it was observed that the DDOs of various departments incurred expenditure of Rs 89.777 million during 2017-18, but vouched accounts of the expenditure of contingencies, procurement, consumption and pay and allowances were not produced for audit verification.

(Rupees in million)

Sr. No.	DDOs	Nature of Record	Amount
1	CEO, DEA	TA and Honoraria	1.240
2	Dy. DEO (MEE) Rojhan	Inspection allowance	2.084
3	GHS Muhammad Pur	Transferred to DO Building	0.050
4	Dy. DEO (MEE) Jampur	Arrears Adjustment Bills	10.010
5	Dy. DEO (WEE) Jampur	Inspection allowance	2.430
6	Dy. DEO (MEE) Rajanpur	Inspection allowance	3.760
7	Dy. DEO (WEE) Rajanpur	Inspection allowance	1.545
8	Dy. DEO (WEE) Rajanpur	Arrears Adjustment Bills	35.214
9	Dy. DEO (WEE) Rojhan	Arrears bills and leave encashment	20.306
10	GBHSS Tariq Shaheed Kot Mithan	Leave encashment	2.414
		Arrears Adjustment Bills	3.800
11	GGHS Harrant	Arrears Adjustment Bills	0.192
12		Contingency and Pay & allowances	6.732
<b>Total</b>			<b>89.777</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 89.777 million.

The matter was reported to the CEO and DDOs concerned in December, 2018. 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: 9,6,11,22,17,16,3,15,14,1,1,3,10,11]

## **7.2.2 Irregularities & Non-Compliance**

### **7.2.2.1 Irregular Payments against arrears of pay and allowances - Rs 42.017 million**

According to Rule 2.27 of PFR Vol-I, “no payment for arrears of pay & allowances be made until additional budget & the sanction have been accorded”.

During audit of DEA Rajanpur, it was observed that Deputy District Education Officer (M-EE) Rojhan made payment of Rs 42.017 million against arrears of pay and allowances without additional budget. Furthermore the vouched accounts were also not produced to audit for verification.

Due to weak internal controls, payment against arrears of pay and allowances was made without additional budget.

Payment of arrears without additional budget resulted in irregular expenditure of Rs 42.017 million.

The matter was reported to the CEO and DDO concerned in December, 2018. 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 from the competent authority, under intimation to Audit.

[AIR Para: 7]

### **7.2.2.2 Irregular payments in cash instead of crossed cheques – Rs 32.282 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.

During audit of DEA Rajanpur, it was observed that the following DDOs of education department made payments of Rs 32.282 million during 2017-18 to various contractors and suppliers on account of contingent expenditure in cash instead of crossed cheques.

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	GHS Muhammad Pur	Payment to suppliers/ employees	1.496
2	CEO, DEA		0.322
3	Dy. DEO (MEE) Jampur		27.00
4	HM GHS Allah Abad		0.530
5	DEO (SE)		1.090
6	Dy. DEO (WEE) Rojhan		0.402
<b>Total</b>			<b>32.282</b>

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

Cash payments made to contractors / employees resulted in irregular payments of Rs 32.282 million.

The matter was reported to the CEO and DDOs concerned in December, 2018. 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, under intimation to Audit.

[AIR Paras:7,15,16,13,4,3,22]

### **7.2.2.3 Unauthorized utilization of DEA funds without pre-audit – Rs 23.110 million**

According to the Govt. 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.

During audit of DEA Rajanpur, it was observed that the CEO DEA, incurred an expenditure of Rs 23.110 million out of cost center “RC8996 CEO Education Development” against various claims of contractors for construction of schools. Vouchers were neither sanctioned by the CEO nor MB and other

documents relating to payments were verified by the CEO being the DDO of said cost center. Accounts Officer could not observe the above instructions regarding pre audit of claims. Hence total payment valuing Rs 23.110 million made through the cost center of CEO was unauthorized.

Due to non-compliance of rules, payment was made without necessary monitoring of higher authorities.

Non-observance of the Government instructions resulted in unauthorized expenditure of Rs 23.110 million.

The matter was reported to the CEO and DDOs concerned in December, 2018. DDOs did not submit replies.

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

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

[AIR Para No.6]

#### **7.2.2.4 Unauthorized payment of inadmissible pay and allowances – Rs 11.522 million**

According to Rule 1.15(2) of the Punjab Traveling Allowance Rules, Conveyance Allowance will be admissible only for the period during which the civil servant held the post to which the conveyance is attached and will not be admissible during leave or joining time. According to rule 1.7 of Punjab TA rules, a controlling officer in order to ensure that traveling allowance is not turned into a source of profit. Further according to Rule 2.10 (A)(6) of PFR Vol-I, The amount of allowances, such as travelling allowances, granted to meet expenditure of a particular type should not on the whole be sources of profit to the recipients. Further 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.

During audit of DEA Rajanpur, it was observed that DDOs of District Education Authority, allowed payment of Charge allowance, inspection

allowance, Hill allowance, Qualification allowance, Ad hoc allowances etc. amounting to Rs 11.522 million during 2017-18, which were not admissible. (Annexure-U/RP)

Due to weak financial controls, payment of inadmissible allowances was made.

Payment of inadmissible allowances resulted in loss of Rs 11.522 million.

The matter was reported to the CEO and DDOs concerned in December, 2018. DDOs did not submit replies.

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

Audit recommends recovery of Rs 11.522 million, besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Paras: 5,6,10,1,2,5,8,18,19,3,5,9,12,15,17,5,2,5,15,16,1,4,7,12, 15,1,2,5,10,16,22,5,6,7,4,8,9,11,12,17,18,19,10,1,2,2,4,11]

#### **7.2.2.5 Expenditure without advertisement on PPRA website - Rs 10.510 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.

During audit of DEA Rajanpur, it was observed that the following Officers of District Education Authority, incurred an expenditure of Rs 10.510 million for purchase of various items without tender advertisement on PPRA website by splitting and without the following advertisement procedure. The detail is given below:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Description</b>	<b>Amount</b>
1	CEO, DEA	Furniture, Plant and Machinery, Stationery, Others, COS	2.340
2	HM GHS Muhammad Pur		2.001
3	HM GHS Allah Abad		1.004



Sr. No.	DDOs	Description	Amount
		Furniture	0.383
4	DEO (SE)	Others, COS	0.734
5	GGHSS Dajal	Furniture	0.578
			0.298
6	GBHSS Tariq Shaheed Kot Mithan	Stationery, Others, COS	2.841
7	HM Deaf & Defective Hearing School, Rajanpur	Uniform	0.331
<b>Total</b>			<b>10.510</b>

Due to weak financial controls, advertisement was not floated on PPRA website.

Non-compliance of the Government instructions resulted in irregular expenditure of Rs 10.510 million.

The matter was reported to the CEO and DDOs concerned in December, 2018. DDOs did not submit replies.

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

Audit recommends fixing the responsibility on the Officer concerned besides regularization of the expenditure, under intimation to Audit.

[AIR Paras:1,1,1,6,2,3,8,13,5]

#### **7.2.2.6 Unauthorized payment of conveyance allowance – Rs 9.407 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.

During audit of DEA Rajanpur, it was observed that DDOs under the administrative control of CEO DEA, paid conveyance allowance of Rs 9.407 million to the employees despite the fact that the said allowance was not admissible during vacations, leave period and to the employees availing facility of vehicle. (Annexure-V/RP)

Due to weak administrative controls, inadmissible conveyance allowance was paid.

Payment of inadmissible conveyance allowance resulted in loss of Rs8.718 million.

The matter was reported to the CEO and DDOs concerned in December, 2018. 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 8.718 million, under intimation to Audit.

[AIR Paras: 4,8,9,3,17,20,1,7,8,20,21,2,7,4,6,3,5,6,8,11,21,1,15,3,4,5,5,6,13,1,6,3,5,6,7,1,2,3]

#### **7.2.2.7 Unauthorized expenditure out of SMC / NSB fund – Rs 8.096 million**

According to Government of Punjab School Education Department letter No.SO(S-III)2-12/2006 dated 06.08.2007, School Council Policy 2007 amended in 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. Furthermore, according to Sr. No.(6.1 and 6.2) of above policy the EDO (Education) will monitor, through Dy. DEOs, the utilization of school council funds. Dy. DEO/AEOs will monthly inspect the record, work and performance of School Council.

During audit of DEA Rajanpur, it was observed that various head teachers under the administrative controls of District Education Authority, withdrew an amount of Rs 8.096 million during 2017-18 out of NSB/SMC without proof of actual work done, without completion report, without rough cost estimate,

measurement, stock entry, approval of valid school management council and proof of consumption of stores. Furthermore, the work done was never inspected and verified by the SMC/ education authorities. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Dy. DEO (MEE) Jampur	Repair maintenance work, misc. stores	1.390
2	Dy. DEO (WEE) Jampur		2.684
3	Dy. DEO (MEE) Rajanpur	Repair maintenance work, misc. stores, furniture	2.228
4	Dy. DEO (WEE) Rajanpur	Repair maintenance work, misc. stores	1.084
5	Dy. DEO (WEE) Rojhan		0.480
6		Shown Paid to temporary teachers	0.230
<b>Total</b>			<b>8.096</b>

Due to non-compliance of rules, payment was made without necessary monitoring of higher authorities.

Incurrence of expenditure without observing the Government instructions resulted in unauthorized expenditure of Rs 8.096 million.

The matter was reported to the CEO and DDOs concerned in December, 2018. 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, under intimation to Audit.

[AIR Paras: 11,12,11,18,23,25]

#### **7.2.2.8 Non-reduction of allowances after regularization of services – Rs 6.836 million**

According to Clause J,K & L of S&GAD Department Notification No. DS (O&M)5-3/2004 contract (MF) dated 14th October, 2009, the salary of the regularized employees shall be fixed in accordance with the pay / scale (s) plus usual allowances prescribed for the post (s) against which they have been appointed. The officials will also not be entitled to the payment of 30% social security benefit.

During audit of DEA Rajanpur, it was observed that DDOs did not reduce / discontinue the allowances upon regularization of services of the contract employees which resulted in overpayment of Rs 6.836 million during 2017-18. (Annexure-W/RP)

Due to weak financial management, inadmissible allowances were not discontinued/ reduced from the pay of the employees whose services were regularized.

The payment of inadmissible allowances resulted in overpayment of Rs 6.836 million to the employees.

The matter was reported to the CEO and DDOs concerned in December, 2018. 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 6.836 million, under intimation to Audit.

[AIR Paras: 4,14,15,16,2,4,10,8,13,1,2,13,13,14,17,2,3,7,2,8,9,10]

#### **7.2.2.9 Unauthorized retention of public money in DDO account - Rs 2.754 million**

According to Rule 2.10(3) of PFR Vol-1, all inevitable payments are ascertained and liquidated at the earliest possible date. Furthermore, Rule 2.10(5) of ibid states that no money is withdrawn from the treasury unless it is required for immediate disbursement or has already been paid out of the permanent advance.

During audit of DEA Rajanpur, it was observed that the following DDOs withdrew an amount of Rs 2.754 million out of the Government treasury during 2017-18. However, the same was not disbursed to the concerned claimants till June 2018. A heavy closing balance was being shown in the bank statements concerned. The detail is given below:

(Rupees in million)

Sr. No.	DDO	Account No.	Closing Balance as on 30.06.18
1	DEO (SE)	3035719971NBP	1.089
2	HM Deaf & Defective Hearing School, Rajanpur	Cash	0.078
		No.3035754469 NBP	0.497
3	CEO (DEA)	4141791333 NBP	1.090
<b>Total</b>			<b>2.754</b>

Due to weak financial management, the Government funds drawn from the Government treasury was not promptly disbursed to the claimant concerned.

Delay in disbursement of the Government money resulted in unauthorized retention of public money of Rs 2.754 million.

The matter was reported to the CEO and DDOs concerned in December, 2018. 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, under intimation to Audit.

[AIR Paras: 4,7,10,14]

#### **7.2.2.10 Unauthorized payments of salaries against bogus appointments - Rs 1.794 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.

During audit of DEA Rajanpur, it was observed that the following DDOs allowed pay and allowances amounting Rs 1.794 million to the detailed below teachers during the period mentioned against each out of cost centers. But the same teachers were appointed through bogus orders and joined the duties on 3.8.2017. The names of teachers were not mentioned in merit list of competent authority. And Dy DEO W-EE Roojhan District Rajanpur confirmed the fake appointment after enquiry vide letter No. 9147 dated 20.10.18. The payment was illegal and unauthorized, Government sustained a loss.

(Amount in rupees)

Personal No.	Name	Designation	Office	Period	Pay drawn
32024919	Asia Batool	ESE	Dy. DEO WEE Jampur	3.8.2017 to 30.09.18	358,649
32024880	Shazia Jahan				358,649
32024900	Sadia Mehreen				358,649
32041370	Sadia Batool	ESE	Dy. DEO (WEE) Rojhan	3.8.17 to 30.9.18	359,140
32041381	Mehwish Khan				359,140
<b>Total</b>					<b>1,794,227</b>

Due to non-compliance of rules, payment was made without necessary monitoring of higher authorities.

Incurrence of expenditure without observing the Government instructions resulted in unauthorized expenditure of Rs 1.794 million.

The matter was reported to the CEO and DDOs concerned in December, 2018. 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, under intimation to Audit.

[AIR Paras: 1,1]

#### **7.2.2.11 Unjustified purchases of store items – Rs 1.537 million**

According to Rule 15.4(a) and 15.5 of the PFR, Vol-I, all materials received should be examined, counted, measured and weighed, as the case may be, when delivery is taken and they should be kept in charge of a responsible Government servant. The receiving Government servant should also be required to give a certificate that he has actually received the materials and recorded them in his appropriate stock registers. When materials are issued a written acknowledgement should be obtained from the person to whom they are ordered to be delivered or dispatched and when materials are issued from stock for departmental use, manufacture or sale, etc., the Government servant in charge of the stores should see that an indent in PFR Form 26 has been made by a properly authorized person.

During audit of DEA Rajanpur, it was observed that the following DDOs purchased stores items of Rs 1.537 million during 2017.18, was drawn on

account of purchase of detailed below items but the stock entry along with certificate from the employee/ store keeper receiving delivery of the purchased items was not available to verify the purchase. Further issuance record along with request/demands and issuance approved indents/acknowledgement of end user was not maintained and not produced for audit scrutiny. The amount was drawn against Uniform/ stationary/ bags etc for students but rate and quantity was not mentioned and distribution record along with parentage NIC and receiving was not available.

(Amount in rupees)

<b>Sr. No</b>	<b>DDOs</b>	<b>Nature of items shown purchased</b>	<b>Total</b>
1	CEO, DEA	Stores, stationery	727,909
2	GGHS Harrand	Stores, electric items, uniform for students etc.	500,345
3	GGHSS Dajal	Stores, stationery	308,980
<b>Total</b>			<b>1,537,234</b>

Due to weak financial management, proper stock entry of medicine was not maintained and no consumption record was maintained.

Incurrence of expenditure without maintenance of stock register resulted in irregular expenditure of Rs 1.537 million.

The matter was reported to the CEO and DDOs concerned in December, 2018. DDOs 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, under intimation to Audit.

[AIR Paras: 12,9,9]

## **CHAPTER 8**

### **8.1 District Education Authority, Chiniot**

#### **8.1.1 Introduction**

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

The functions of District Education Authority, Chiniot 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 in the district;
- 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 the 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; and
- 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.

Total No. of educational institutions under the jurisdiction of District Education Authority, Chiniot:

<b>Description</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
Primary Schools	196	331	527
Elementary Schools	38	34	72
High Schools	54	44	98
Higher Secondary Schools	2	3	5
Special Education Schools / Centers	3	1	4
<b>Total</b>	<b>290</b>	<b>412</b>	<b>706</b>

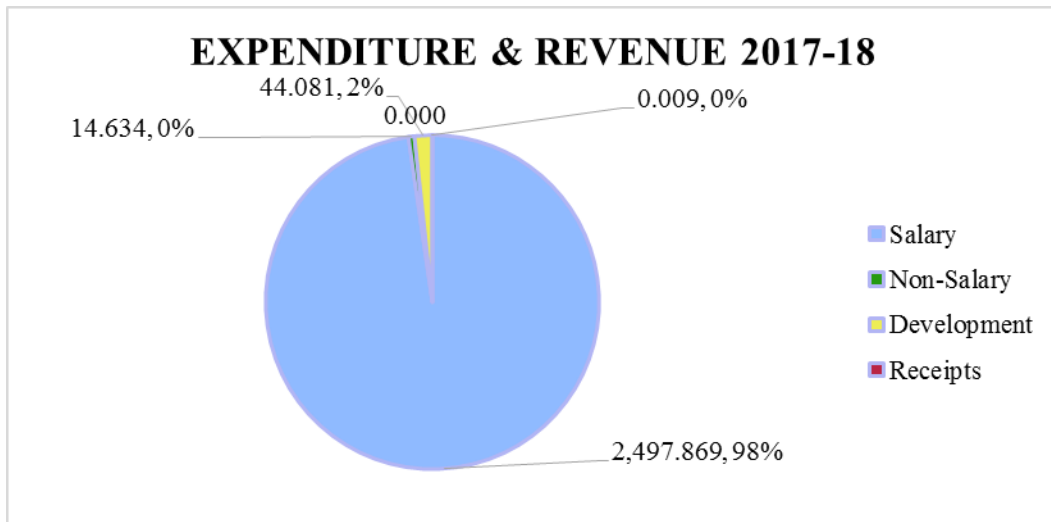
### 8.1.2 Comments on Budget and Accounts

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

(Rupees in million)

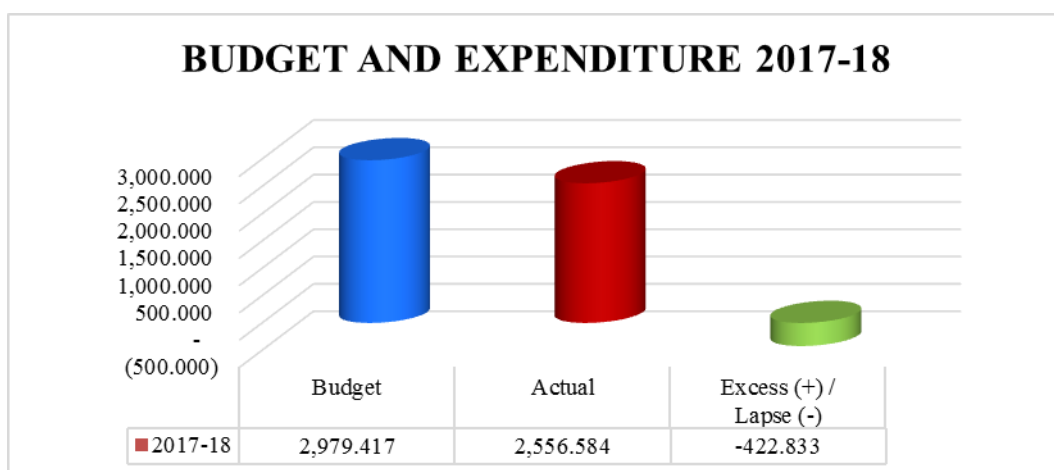
<b>2017-18</b>	<b>Budget</b>	<b>Actual</b>	<b>Excess (+)/</b>	<b>%</b>
			<b>Lapse (-)</b>	<b>(Lapse)</b>
Salary	2,578.345	2,497.869	-80.476	-3.12%
Non-Salary	48.391	14.634	-33.757	-69.76%
Development	352.681	44.081	-308.600	-87.50%
<b>Total</b>	<b>2,979.417</b>	<b>2,556.584</b>	<b>-422.833</b>	<b>-14.19%</b>
Receipts	0.000	0.009	0.009	-

(Rupees in million)



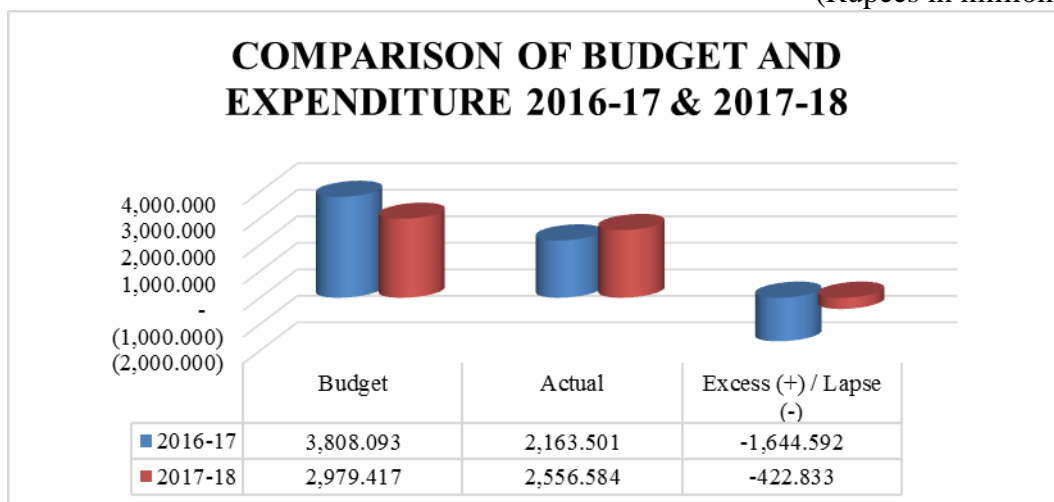
As per Appropriation Accounts 2017-18 of the District Education Authority Chiniot, total budget (Development & Non-Development) was Rs 2,979.417 million. Against the final budget, total expenditure of Rs 2,556.584 million was incurred by the District Education Authority during 2017-18. A budget lapse of Rs 422.833 million came to the notice of Audit due to inefficient financial management in release of budget by Authorities. No plausible explanation was provided by the PAO and management of District Education Authority (Annexure-B). The comparison of budget and expenditure for FY 2017-18 showing huge lapse is given in the following graph:

(Rupees in million)



The comparative analysis of the budget and expenditure of current and previous financial years is depicted as under:

(Rupees in million)



### 8.1.3 Brief Comments on the Status of Compliance of MFDAC Audit Paras of Audit Report 2017-18

Audit Paras reported in MFDAC of last year Audit Report, which have not been attended in accordance with the directives of DAC, have now been reported in Part-II of Annex-A.

#### **8.1.4 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 for causing it to be laid before the Provincial Assembly. PAC has not been constituted for Audit Reports of District Education Authorities.

#### **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	11	PAC not constituted

## 8.2 AUDIT PARAS

### 8.2.1 Fraud/Misappropriations

#### 8.2.1.1 Embezzlement of public funds – Rs 0.262 million

According to Rule 2.31(a) of the Punjab Financial Rules, Volume-I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any overcharges, frauds and misappropriations.

During audit of District Education Authority, Chiniot, it was observed that two Drawing and Disbursing Officers working under the administrative control of CEO, DEA embezzled an amount of Rs 0.262 million from NSB and Farogh-e-Taleem Fund during 2017-18. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Deputy District Education Officer (EE-M), Chiniot	Withdrawal of funds without actual expense	0.158
2	Headmistress Government Girls High School 223 JB	Double drawal of temporary teacher salary	0.050
		Drawal of funds through fictitious bills	0.054
<b>Total</b>			<b>0.262</b>

Due to weak internal controls, public funds were embezzled.

Embezzlement of Rs 0.262 million resulted in loss to public exchequer.

The matter was reported to the PAO and DDOs concerned in November and December, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends to probe the matter to fix responsibility on the person(s) at fault besides recovery of Rs 0.262 million.

[AIR Paras: 9, 3, 4]

## **8.2.2 Irregularities and Non-Compliance**

### **8.2.2.1 Unlawful conduct of business of District Education Authority – Rs 2,632.888 million**

According to Section 30(3) of the Punjab Local Government Act, 2013 (as amended on 08.11.2017), when an elected local government is, for any reason, not in office, the Government may appoint an administrator to perform the functions of the local government until the elected local government assumes office but such period shall not exceed twelve months. Further, according to Section 64 of the Act *ibid*, the executive authority of a local government shall vest in and be exercised by its Mayor or Chairman. Furthermore, according to Government of the Punjab, Local Government and Community Development Department Notification 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.

During the audit of District Education Authority (DEA), Chiniot, it was observed that Deputy Commissioner, Chiniot continued to hold the office as Administrator and exercised the powers of the Authority beyond lawful tenure of 12 months which expired on 31.12.2017. Therefore, conduct of business of the Education Authority, Chiniot including approval/ authentication of Revised Budget amounting to Rs 2,632.888 million and incurrence of expenditure during January to June, 2018 was held unlawful. Furthermore, powers of the House / Authority were concentrated in and used by a Government servant.

Due to negligence, business of the District Education Authority was run by Deputy Commissioner beyond lawful tenure of 12 months.

Exercising the powers of the House by the Deputy Commissioner beyond 12 months resulted in unlawful authentication / approval of Revised Budget amounting to Rs 2,632.888 million and unlawful conduct of business of District Education Authority.

The matter was reported to the PAO and DDO concerned in November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends investigation for fixing responsibility on the person(s) at fault besides regularization of the matter from the Competent Authority.

[AIR Para: 1]

#### **8.2.2.2 Irregular utilization of development funds on pay and allowances – Rs 60.869 million**

According to Rule 5(1)(h) of the Punjab District Authorities (Budget) Rules, 2017, the heads of offices and institutions shall ensure that the total expenditure is kept within the limits of authorized appropriation. Further, according to Rule 36(1) of the rules *ibid*, as far as possible, development project shall be completed within the financial year. Furthermore, according to Rule 31 of the rules *ibid*, an ongoing development project approved by the Authority shall be funded and completed as approved.

District Education Authority, Chiniot released funds amounting to Rs 172.754 million to Executive Engineer, Building Division, Chiniot for execution of development schemes during 2017-18. However, development works costing Rs 111.85 million were executed and remaining funds of Rs 60.869 million were utilized by the Chief Executive Officer (CEO), DEA, Chiniot for payment of pay and allowances.

Due to violation of rules, development funds were utilized on pay and allowances.

Utilization of development funds amounting to Rs 60.869 million on pay and allowances resulted in non-achievement of development objectives.

The matter was reported to the PAO and DDO concerned in November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

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

[AIR Para: 2]

### **8.2.2.3 Less deduction of General Provident Fund contribution – Rs 18.202 million**

According to Note (a) of Government of the Punjab, Finance Department Notification for change in GPF (General Provident Fund) deduction rate No.FD.SR-I/2-1/95(P) Dated 16.08.2017, the deduction on the basis of the rates mentioned in letter shall be made with effect from the pay for August, 2017 payable on 1<sup>st</sup> September, 2017.

Scrutiny of SAP/R-3 HR Data of office of the CEO, DEA, Chiniot for the financial year 2017-18 revealed that General Provident Fund was not deducted at revised rates w.e.f August, 2017 and excess payment of Rs 18.202 million was made to the employees.

Due to weak internal control, deduction of GPF contribution was not made on revised rate.

Non-application of revised GPF deduction rates resulted in excess payment to the employees amounting to Rs 18.202 million.

The matter was reported to the PAO and DDOs concerned in November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends recovery of GPF contribution amounting to Rs 18.202 million.

[AIR Paras: 8, 11]

### **8.2.2.4 Irregular expenditure without tenders / quotations – Rs 14.015 million**

According to Rule 9 of the Punjab Procurement Rules, 2009/2014, a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any



splitting or regrouping of the procurements so planned. Further, according to Rule 12 of the rules ibid, a procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority. Furthermore, according to Rule 59(b) of the Punjab Procurement Rules, 2014, a procuring agency may provide for petty purchases through at least three quotations where the cost of the procurement is more than fifty thousand rupees but less than one hundred thousand rupees.

During the audit of DEA, Chiniot, it was observed that School Councils of 62 primary/elementary, high/higher secondary schools and Special Education Centers / Schools incurred expenditure of Rs 14.015 million for purchase of furniture, uniform, building material etc. from local market during 2009-18. 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. **(Annexure-C/CHN)**

Due to weak internal controls and lack of planning, expenditure was incurred without open competition.

Procurement without tendering / quotations resulted in mis-procurement and irregular expenditure of Rs 14.015 million

The matter was reported to the PAO and DDOs concerned in November and December, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

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

[AIR Paras: 1, 8, 4, 8, 7, 4, 3, 3, 5, 8, 2, 3, 2, 2, 5]

#### **8.2.2.5 Irregular withdrawal of pay & allowances through adjustment – Rs 13.748 million**

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. Furthermore, 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.

During the audit of DEA, Chiniot, it was observed that 147 employees working under the administrative control of different DDOs of District Education Authority, Chiniot withdrew pay and allowances amounting to Rs 13.748 million through adjustments in automated Payroll System of SAP/R3 during 2017-18. Contrary to the above provisions, adjustment in pay & allowances did not support any change statement notified to DAO, Chiniot. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	No. of Employees	Financial Year	Amount
1	Deputy District Education Officer (EE-W), Lalian	56	2017-18	5.068
2	Deputy District Education Officer (EE-W), Bhowana	34	2017-18	2.181
3	Deputy District Education Officer (EE-W), Chiniot	57	2017-18	6.499
<b>Total</b>		<b>147</b>		<b>13.748</b>

Due to weak internal and financial controls, changes/adjustments in pay & allowances were made without maintaining proper record.

Changes/adjustments in pay & allowance without change statements and proper record resulted in irregular / unauthentic expenditure of Rs 13.748 million.

The matter was reported to the PAO and DDOs concerned in November and December, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends fixing responsibility on the person(s) at fault besides maintenance and provision of all the ancillary record for verification to Audit without further delay.

[AIR Paras: 4, 4, 12]

### 8.2.2.6 Irregular expenditure on civil works without approval of design and specifications – Rs 12.205 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.

Sixty-eight primary / elementary / high and higher secondary schools working under the administrative control of District Education Authority, Chiniot incurred expenditure of Rs 12.205 million on construction of class rooms, soling, boundary walls, toilet blocks, repair of school building etc. during 2014-17. Contrary to the above provisions, civil works were executed without preparation of detailed design / specification / estimates and approval of the same from the Competent Authority. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Funds Utilized
1	Deputy District Education Officer, (EE-W), Bhowana	26	2.588
2	Deputy District Education Officer, (EE-W), Lalian	8	2.258
3	Deputy District Education Officer, (EE-M) Lalian	5	1.902
4	Headmistress Government Girls High School 134 JB	1	0.420
5	Headmistress Government Girls High School, Barana	1	0.488
6	Headmaster Government High School Rajoya	1	0.807
7	Headmaster Government Islamia High school	1	0.175
8	Deputy District Education Officer, (EE-W), Chiniot	14	2.704
9	Deputy District Education Officer, (EE-W), Bhowana	11	0.863
	<b>Total</b>	<b>68</b>	<b>12.205</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 12.205 million.

The matter was reported to the PAO and DDOs concerned in November and December, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

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

[AIR Paras: 2, 6, 9, 3, 3, 1, 1, 3, 1]

#### **8.2.2.7 Payment of inadmissible Conveyance Allowance – Rs 11.144 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.

Thirteen Drawing and Disbursing Officers of District Education Authority, Chiniot made excess payment of salary amounting to Rs 11.144 million to the employees due to non-deduction of inadmissible Conveyance Allowance. (**Annexure-D/CHN**)

Due to weak internal controls, payment of inadmissible Conveyance Allowance was made to employees.

Payment of inadmissible Conveyance Allowance resulted in excess payment to the employees amounting to Rs 11.144 million.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends recovery of excess paid amount of Rs 11.144 million at the earliest from the employees concerned.

[AIR Paras:1, 4, 1, 1, 4, 2, 9, 2, 1, 5, 10, 1, 5, 1, 3]

#### **8.2.2.8 Unauthorized deposit of unspent balance into Account-I – Rs 10.462 million**

According to Rules 4(1)(h) and 68(1) of the Punjab District Authorities (Budget) Rules, 2017, the Chief Executive Officer shall act as Principal Accounting Officer (PAO) of the Authority and shall monitor the receipts and expenditure of District Authority, offices, institutions to be carried out in accordance with the approved budget and the rules. The primary obligation of the

collecting Officer shall be to ensure that all revenue due is claimed, realized and credited immediately to the District Authority Funds and to record entries under proper receipt head.

During the audit of DEA, Chiniot, it was observed that Rs 10.462 million were received as unspent balance of Development Schemes for the financial year 2017-18 from Executive Engineer, Buildings Division, Chiniot and the same were deposited in provincial Account- I instead of Account-V of DEA Chiniot.

Due to negligence, DEA Funds were deposited into Account-I instead of Account-V of DEA, Chiniot.

Deposit of unspent balances into Account-I instead of Account-V of the DEA resulted in unauthorized transfer of DEA funds amounting to Rs 10.462 million to the Provincial Government.

The matter was reported to the PAO and DDOs concerned in November and December, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends re-imburement of funds amounting to Rs 10.462 million from Provincial Government.

[AIR Para: 3]

#### **8.2.2.9 Non-recovery Pension Fund share – Rs 8.763 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.

During the audit of DEA, Chiniot, it was observed that erstwhile District Government deposited PLS Term Deposit Receipt (TDR) of Education Department in Pension Fund account maintained in the Bank of Punjab @ 9% interest. Neither deposited funds of Education Department were got returned nor profit was recovered from erstwhile District Government which resulted into non-recovery of share amounting to Rs 8.763 million. The detail is as under:

(Amount in million)

TDR No Deposited in BOP	Date of Deposit of TDR	Account -No	Deposited amount	No of years	Interest @ 9%	Recoverable Amount
4706939	26.05.2015	9670-1	6,900	3	1.863	8.763

Due to non-compliance of Government instructions and laxity on the part of DEA, Pension Fund share was not recovered.

Non-recovery of Pension Fund share resulted in shortage of fund amounting to Rs 8.763 million.

The matter was reported to the PAO and DDOs concerned in November and December, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends recovery of Pension Fund share along with interest amounting to Rs 8.763 million.

[AIR Para: 4]

#### 8.2.2.10 Irregular expenditure by School Councils – Rs 8.368 million

According to Para 4.9.1 of the School Council Policy, 2007, School Council can incur expenditure up to Rs 400,000 during one financial year.

School Councils of 36 primary/elementary, high and higher secondary schools under the administrative control of District Education Authority, Chiniot incurred expenditure amounting to Rs 22.768 million against permissible limit of Rs 14.400 million. Resultantly, excess expenditure amounting to Rs 8.368 million was incurred beyond the permissible limit. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	No. of Years	No. of Schools	Permissible Limit	Total Expenditure	Excess Expenditure
1	Deputy District Education Officer (EE-M), Chiniot	1	8	3.200	5.013	1.813
2	Deputy District Education Officer, (EE-W), Bhowana	1	10	4.00	5.856	1.856
3	Headmistress Government Girls High School Rajoya Chiniot	2	1	0.400	0.515	0.115
4	Headmistress Government Girls High	2	1	0.400	1.845	1.445

Sr. No.	DDOs	No. of Years	No. of Schools	Permissible Limit	Total Expenditure	Excess Expenditure
	School, Chiniot					
5	Deputy District Education Officer (EE-W), Chiniot	1	16	6.400	9.539	3.139
<b>Total</b>			<b>36</b>	<b>14.400</b>	<b>22.768</b>	<b>8.368</b>

Due to weak internal controls, excess expenditure was incurred than authorized/permissible limit.

Incurrence of expenditure excess than authorized / permissible limit resulted in irregular expenditure amounting to Rs 8.368 million.

The matter was reported to the PAO and DDOs concerned in November and December, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

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

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

#### **8.2.2.11 Expenditure through irregular School Councils – Rs 6.442 million**

According to Section 3.3.2 of School Council Policy, 2007, tenure of School Council will be two years from the date of School Council notification, issued by Assistant Education Officer (AEO). Further, according to Para 3.1.1 of notification No.SO(SNE) PMIU/2010(P) dated 11.03.2013 issued by Government of the Punjab, School Education Department, the School Council earlier comprising a minimum of 07 and a maximum of 15 members will be enhanced to a minimum of 09 and maximum of 17 members and general members. The total strength of the School Council has to be in odd number.

School Councils of 24 primary / elementary schools under administrative control of different DDOs of District Education Authority, Chiniot remained working even after expiry of tenure of two years. Hence, expenditure of Rs 6.442 million was incurred by irregular School Councils during 2017-18. The detail is as under:

(Rupees in million)

Sr. No.	Name of School	No. of Schools	Expenditure out of		
			NSB	FTF	Total
1	Deputy District Education Officer (EE-W), Bhowana	5	1.046	-	1.046
2	Headmistress Government Girls High School 223 JB	1	0.631	-	0.631
3	Headmistress Government Girls High School, Shah Burhan	1	1.092	-	1.092
4	Deputy District Education Officer (EE-W), Bhowana	17	3.673	-	3.673
<b>Total</b>		<b>24</b>	<b>6.442</b>	<b>-</b>	<b>6.442</b>

Due to weak monitoring controls, School Councils remained working after expiry of prescribed tenure.

Expenditure incurred through irregular School Councils resulted in irregular expenditures amounting to Rs 6.442 million.

The matter was reported to the PAO and DDOs concerned in November and December, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends constitution of new school councils besides regularization of expenditure from the Competent Authority.

[AIR Paras: 3, 6, 6, 7]

#### **8.2.2.12 Payment of inadmissible pay and allowances – Rs 5.188 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.

One hundred and seventy-seven employees working under the administrative control of different DDOs of District Education Authority, Chiniot withdrew excess pay and allowances amounting to Rs 5.188 million due to various reasons i.e. excess payment of salaries after regularization, withdrawal of inadmissible Personal Allowance, Inspection Allowance, Charge Allowance, Incentive Allowance, Risk Allowance and Adhoc Relief Allowance 2010. (Annexure-E/CHN)



Due to weak internal controls, payment of pay and allowances was made either at excessive rates or without admissibility.

Payment of pay and allowances at excessive rates or without admissibility resulted in excess payment of Rs 5.188 million to the employees concerned.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends recovery of excess paid amount of Rs 5.188 million from the employees concerned at the earliest.

[AIR Paras: 1, 7, 7, 9, 3, 9, 6, 7, 8, 9, 11, 2, 1, 1, 5, 7, 4, 3, 11, 1, 6, 7, 9, 8, 9, 10, 12, 13]

#### **8.2.2.13 Loss due to non-realization of income – Rs 3.731 million**

According to Rules 5(2)(m) and 9 of the Punjab District Authorities (Budget) Rules, 2017, the head of offices and institutions shall be responsible for guarding against waste and loss of public money. Collecting officer shall be responsible to prepare estimates of receipts for each head of income and their timely submission to Chief Executive Officer. Further, according to Rules 4(1)(h) and 68(1) of the Punjab District Authorities (Budget) Rules, 2017, the Chief Executive Officer shall act as Principal Accounting Officer (PAO) of the Authority and shall monitor the receipts and expenditure of District Authority, offices, institutions. The primary obligation of the collecting Officer shall be to ensure that all revenue due is claimed, realized and credited immediately to the District Authority Funds and to record entries under proper receipt head.

During the audit of DEA, Chiniot, it was observed that Deputy District Education Officer (DDEO), (EE-M) Chiniot, Headmaster Government High School Rajoya and Headmaster Government Special Education Centre for Deaf Chiniot did not auction the unserviceable vehicle/dried trees. Further, various DDOs working under the administrative control of DEA, Chiniot did not deposit fine in Government Treasury. Resultantly, Government sustained a loss of Rs

3.731 million due to non-realization of income from these sources. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Description	Amount
1	Chief Executive Officer, District Education Authority, Chiniot	11	Non-recovery of fine	0.063
2	Deputy District Education Officer, (EE-M), Chiniot	12	Non-auction of trees	0.196
		5	Non-recovery of fine	0.011
3	Headmaster Government High School Rajoya	1	Non-auction of trees	0.010
4	Headmaster Government Islamia High school	1	Non-auction of old furniture and paper	0.038
5	Headmaster Government Special Education Centre for Deaf Chiniot	1	Non-auction of wood/furniture	0.200
			Non-auction of vehicle	2.500
6	Headmistress Government Girls High School Rajoya Chiniot	1	Non-auction of trees	0.034
7	Deputy District Education Officer, (EE-M), Lalian	36	Non-recovery of monitoring fine	0.085
8	Deputy District Education Officer, (EE-W), Bhowana	30	Non-recovery of fine	0.208
9	Deputy District Education Officer, (EE-W), Lalian	28	Non-recovery of fine	0.210
10	Deputy District Education Officer, (EE-W), Chiniot	32	Non-recovery of monitoring fine	0.176
<b>Total</b>		<b>158</b>		<b>3.731</b>

Due to weak internal controls and negligence, fine/penalty money was not recovered from the defaulters and income source was not auctioned.

Non-recovery of fine / penalty from defaulters and non-auction of source of income resulted in loss of Rs 3.731 million to the public exchequer.

The matter was reported to the PAO and DDOs concerned in November and December, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

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

[AIR Paras: 6, 12, 3, 5, 7, 15, 12, 3, 9, 2, 10, 10]

#### **8.2.2.14 Non/less deduction of taxes – Rs 2.686 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, 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 128 primary/elementary, high/ higher secondary schools under administrative control of different DDOs of DEA, Chiniot and CEO, DEA, Chiniot made payments to different suppliers and service providers against supply of goods and rendering of services during 2014-18. Contrary to the above provisions, Income Tax amounting to Rs 0.890 million was not deducted or deducted at lesser rate from claims of the suppliers due to non-availability of proof of filer status. Further, Punjab Sales Tax on Services, General Sales Tax including 1/5<sup>th</sup> of GST amounting to Rs 1.796 million was also not deducted before making payments to suppliers and service providers. Resultantly, taxes amounting to Rs 2.686 million were less/not deducted from claims of the suppliers/service providers. Further, monthly returns not filed for verification of 80% of Sales Tax. **(Annexure-F/CHN)**

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 payment of Rs 2.686 million to the suppliers/service providers.

The matter was reported to the PAO and DDO concerned in November and December, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends recovery of taxes amounting to Rs 2.686 million from the concerned and depositing the same into Government Treasury.

[AIR Paras: 12, 5, 8, 10, 2, 9, 10, 2, 10, 11, 10, 9, 8, 5, 6, 6, 8, 2, 2, 4, 2, 5, 8, 11, 3, 4]

#### **8.2.2.15 Irregular transfer and utilization of NSB fund through local bank account – Rs 2.024 million**

According to Para 2.1 of Non-Salary Budget Guideline for High and Higher Secondary Schools, Non-Salary Budget being introduced for recurrent expenditures other than salary. Further, according to Para 2.5 of ibid and Para 2(c)(ii), High and Higher Secondary Schools shall submit their detailed head-wise budget as per circulated total NSB entitlements for inclusion in respective district budget. District Budget shall include NSB funds on school specific basis as communicated by PMIU-PESRP with EMIS codes of schools in respect of High / Higher Secondary Schools. Further, according to Para 3 & 4 of ibid, Headmistress will prepare long term plan and procurement plan. Further, according to Para 2.4 of ibid, District Governments will not utilize NSB fund for the purpose other than specified. Schools could use this fund according to prescribed procedure through District Accounts Office.

Two DDOs working under administrative control of CEO, DEA, Chiniot transferred funds amounting to Rs 2.024 million directly in local bank accounts of School Councils instead of release through regular budget. Thereafter, funds were utilized by directly drawing funds from local bank account, without involvement of District Accounts Office. Further, expenditure was incurred without preparation of long term plan and procurement plan. The detail is as under:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Financial Year</b>	<b>Amount</b>
1	Headmistress Government Girls High School 223 JB	2012-18	0.681
2	Headmistress Government Girls High School, Shah Burhan	2010-18	1.343
<b>Total</b>			<b>2.024</b>

Due to weak internal controls, prescribed procedure for NSB was not observed.

Non-observation of prescribed procedures for utilization of NSB fund resulted in irregular utilization of fund amounting to Rs 2.024 million.

The matter was reported to the PAO and DDOs concerned in November and December, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends investigation besides regularization of expenditure from the Competent Authority.

[AIR Paras: 5, 5]

#### **8.2.2.16 Unauthorized utilization of NSB funds on salaries – Rs 1.226 million**

According to Government of the Punjab, School Education Department letter No.SO(DEA)1-46/2017 dated 16.05.2017, 740 Government Girls Elementary Schools were upgraded at High Level. Further, according to para 6 of above referred letter, PMIU will allocate additional funds through NSB to such schools for their requirements and smooth functioning.

During the audit of DEA, Chiniot, it was observed that four head teachers of primary/elementary schools working under the administrative control of to DDEOs paid an amount of Rs 1.226 million to the teachers hired for 2nd shift classes without provision of additional funds by PMIU for the purpose. The detail is as under:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>No. of Schools</b>	<b>Financial Year</b>	<b>Amount</b>
1	Deputy District Education Officer (EE-M), Bhowana	3	2017-18	0.730
2	Deputy District Education Officer (EE-W),Chiniot	1	2017-18	0.496
	<b>Total</b>	<b>4</b>		<b>1.226</b>

Due to weak internal controls, salaries were paid from NSB without provision of additional funds.

Payment of salaries without provision of additional funds resulted in irregular expenditure of Rs 1.226 million from NSB.

The matter was reported to the PAO and DDOs concerned in November and December, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends reimbursement of funds amounting to Rs 1.226 million from PMIU besides fixing responsibility on the person(s) at fault.

[AIR Paras: 6, 5]

### **8.2.3 Performance**

#### **8.2.3.1 Non-maintenance of assets record – Rs 17.927 million**

According to Provisions 2.2.5.2, 2.2.7.1 and 7.2 of Financial Reporting Manual read with Para 13.4.1.1 of Accounting Policies and Procedures Manual, the accounts will include Statement of Fixed Assets that will provide the details of ownership, asset categories, cost at beginning of the reporting period, additions during the reporting period, disposals during the period and Cost at end of reporting period. This statement will be based on information supplied by the Division/ Departments on a specified form i.e. "Fixed Assets Registers" as set out in chapter 13 of APPM before the 7<sup>th</sup> of each month duly signed by the PAO. Further, according to Section 129 of the Punjab Local Government Act, 2013, every local government shall once in every year in July, take the physical stock of its movable and immovable properties and publish the report in the prescribed manner. The report shall contain particulars of the properties, total value of the property, annual return therefrom and change in its value, particulars of unserviceable articles, particulars of losses and proposal for utilization, development and improvement during the following year.

District Education Authority, Chiniot incurred expenditure under head of A09-Physical Assets amounting to Rs 17.927 million during 2016-18 in addition to assets already procured before the constitution of District Education Authority. Contrary to the above referred Section of APPM Assets Register was not maintained, identification numbers were not marked on assets and physical verification was not carried out.

Due to weak internal controls, Assets Register was not maintained, identification numbers were not marked on assets and physical verification of assets was not carried out.

Non-maintenance of physical assets register, non-marking identification numbers on assets and non-conducting physical verification resulted in violation of rules and may result into misuse and pilferage of assets.

The matter was reported to the PAO and DDO in November and December, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends maintenance of Assets Register besides marking identification numbers on assets and physical verification.

[AIR Paras: 13, 9, 13, 4, 7, 12, 8, 8]

### 8.2.3.2 Non-completion of development schemes – Rs 6.848 million

According to Rules 4(b) of the Punjab District Authorities (Budget) Rules, 2017, the Chief Executive Officer shall act as Principal Accounting Officer (PAO) of the Authority and shall review progress of the development works for their timely completion.

CEO, DEA, Chiniot got executed five development schemes to be completed during the Financial Year 2017-18 through Executive Engineer, Buildings Division, Chiniot. The executing agency could not complete these development schemes in the stipulated time for completion and expenditure to the tune of Rs 22.238 million was incurred during 2017-18 against the allocated budget of Rs 29.086 million leaving unspent funds of Rs 6.848 million. The detail is as under:

(Rupees in million)				
Sr. No.	Nomenclature of Scheme	Approved Cost	Expenditure	Unspent Amount
1	Provision of missing facilities at GHS Kandi wall Tehsil Lalian District Chiniot	1.244	0.616	0.628
2	Provision of missing facilities at GMPS Hamboana Tehsil Lalian District Chiniot	0.799	0.399	0.400
3	Provision of missing facilities at GGPS Bhaloka Tehsil Lalian District Chiniot	1.019	0.700	0.319
4	Construction of 12-No Class Rooms in Govt. Boys Al-Islah High School, Chiniot	20.637	17.127	3.510
5	Up-Gradation of Govt. Boys Primary School, Ahmad Pura To Middle Level Tehsil & District Chiniot	5.387	3.396	1.991
<b>Grand Total</b>		<b>29.086</b>	<b>22.238</b>	<b>6.848</b>

Due to weak monitoring, schemes were not completed within stipulated period.



Non-completion of schemes amounting to Rs 6.848 million resulted in non-achievement of envisaged objectives regarding provision of missing facilities in the schools.

The matter was reported to the PAO and DDO concerned in November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends fixing responsibility on the person(s) at fault besides early completion of schemes.

[AIR Paras: 7, 1]

### **8.2.3.3 Lapse of development funds – Rs 5.946 million**

According to Government of the Punjab, School Education Department Letter No. SO(ADP)Review-418/420/2017-18 dated 24.02.2017, unspent funds, if any, on completion of a scheme, may be retrieved, for accounting/ audit purpose. No adjustments of savings against a scheme may be left for utilization on another scheme of the District Education Authority (DEA), under execution with the Executive Engineer (XEN) concerned. Final statement of expenditure against each scheme, on its completion, may be obtained duly verified by the XEN and Divisional Accounts officer.

CEO, DEA, Chiniot transferred funds amounting to Rs 11.755 million to Executive Engineers, Buildings Division, Chiniot during Financial Year 2017-18 for execution of five development schemes. Contrary to the provisions of the above letter, Executive Engineer, Buildings Division, Chiniot returned unspent funds of Rs 5.946 million to District Education Authority, Chiniot in February, 2018 before completion of development schemes. Subsequently, in April, 2018 CEO, DEA, Chiniot deposited these unspent funds into Provincial Account – I due to which development funds were lapsed. The detail is as under:

(Rupees in million)		
Sr. No.	Name of Schemes	Amount
1	Re-construction of Dilapidated building at Govt. Girls School Chak No. 137/JB Khokhran, Tehsil & District Chiniot	0.448

Sr. No.	Name of Schemes	Amount
2	Re-construction of Dilapidated building at Govt. Model Primary School Chak No. 141/JB Khokhran, Tehsil & District Chiniot	0.222
3	Re-construction of Dilapidated building at Govt. Girls Elementary School Mouza Kull, Tehsil Lalian District Chiniot	0.481
4	Reconstruction of dangerous building at Govt. Primary School Pilowal Sydan, Tehsil Lalian District Chiniot.	0.39
5	Up-Gradation of Govt. Girls Elementary School Jadeed No. 2 Thana City Road to High Level District Chiniot	4.405
		5.946

Due to weak financial management, unspent funds were returned before completion of schemes.

Return of unspent funds before completion of schemes resulted in lapse of development funds amounting to Rs 5.946 million.

The matter was reported to the PAO and DDO concerned in November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends retrieval of funds from Government of the Punjab for early completion of schemes.

[AIR Para: 5]

#### **8.2.3.4 Irregular budgeting of receipts and expenditure of Authority**

According to Rules 4(g) of the Punjab District Authorities (Budget) Rules 2017, Chief Executive Officer shall be responsible to ensure the traditional budget formulation is shifted to the performance budget framework. Further, according to Rules 10(2)(c) *ibid*, all items of income and expenditure shall be specific in programs and activities and no lump-sum allowed. Further, according to Rule 13 *ibid*, the estimate of credits and disbursement relating to Public Accounts shall be prepared by the budget and accounts officer on receipt of figures from the offices and institutions. Further, according to Rule 16(2)(a) *ibid*, the collecting officer, while preparing estimates of receipts, shall diligently and accurately prepare the estimates of receipts by developing performance indicators. Further, according to Rule 16(2)(b) *ibid*, no Provincial Finance Commission

Award, grant, contribution shall be included in the estimates of receipts until a definite communication is received in this regard.

CEO, DEA, Chiniot prepared annual budget for the financial year 2017-18. However, following discrepancies were observed in budgeting process:

- i. Development budget book neither prepared by the District Education Authority nor approved by the Competent Authority.
- ii. Expected receipt of PFC Award and local receipt was not incorporated in budget book.
- iii. Traditional Budget formulation was not shifted to performance budget framework.
- iv. Opening balance of Account-V not incorporated in budget book.
- v. Performance indicators for receipts were not developed.

Due to weak monitoring control, budgeting rules were not observed while preparing annual budget of the Authority.

Non-observing budgeting rules resulted in defecting budgeting in violation of Rules.

The matter was reported to the PAO and DDOs concerned in November and December, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends fixing responsibility on the person(s) at fault besides regularization of matter regarding adoption of proper process of budgeting.

[AIR Para: 9]

## 8.2.4 Internal Control Weaknesses

### 8.2.4.1 Excess expenditure without appropriation of budget – Rs 1.289 million

According to Rule 5(2)(h) of the Punjab District Authorities (Budget) Rules 2013, DDO will ensure that the total expenditure shall be kept within the limits of authorized appropriation. Further, according to Rules 9 and 12 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.

During the audit of DEA, Chiniot, it was observed that Principal Government Islah High School, Chiniot incurred excess expenditure amounting to Rs 1.289 million against final appropriated amount in pay and allowances which resulted in excess expenditure. The detail is as under:

(Rupees in million)

Year	Object Code	Final Grant	Actual Expenditure	Excess
2014-15	Primary School	3.709	3.733	0.024
2015-16	Primary School	4.050	4.087	0.037
2016-17	Primary School	4.398	4.471	0.073
2014-15	High School	16.743	17.038	0.295
2015-16	High School	16.935	17.795	0.860
<b>Total</b>		<b>45.835</b>	<b>47.124</b>	<b>1.289</b>

Due to weak internal and financial controls, excess expenditure was incurred without appropriation of budget.

Expenditure without appropriation of budget resulted in irregular expenditure of Rs 1.289 million.

The matter was reported to the PAO and DDOs concerned in November and December, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

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

[AIR Para: 4]

## **CHAPTER 9**

### **9.1 District Education Authority, Faisalabad**

#### **9.1.1 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.

The functions of District Education Authority, Faisalabad 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 in the district;
- 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; and
- 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.

Total No. of educational institutions under the jurisdiction of District Education Authority, Faisalabad:

Description	Male	Female	Total
Primary Schools	763	548	1,311
Elementary Schools	169	314	483
High Schools	213	251	464
Higher Secondary Schools	24	36	60
Special Education Schools / Centers	15	1	16
<b>Total</b>	<b>1,169</b>	<b>1,149</b>	<b>2,334</b>

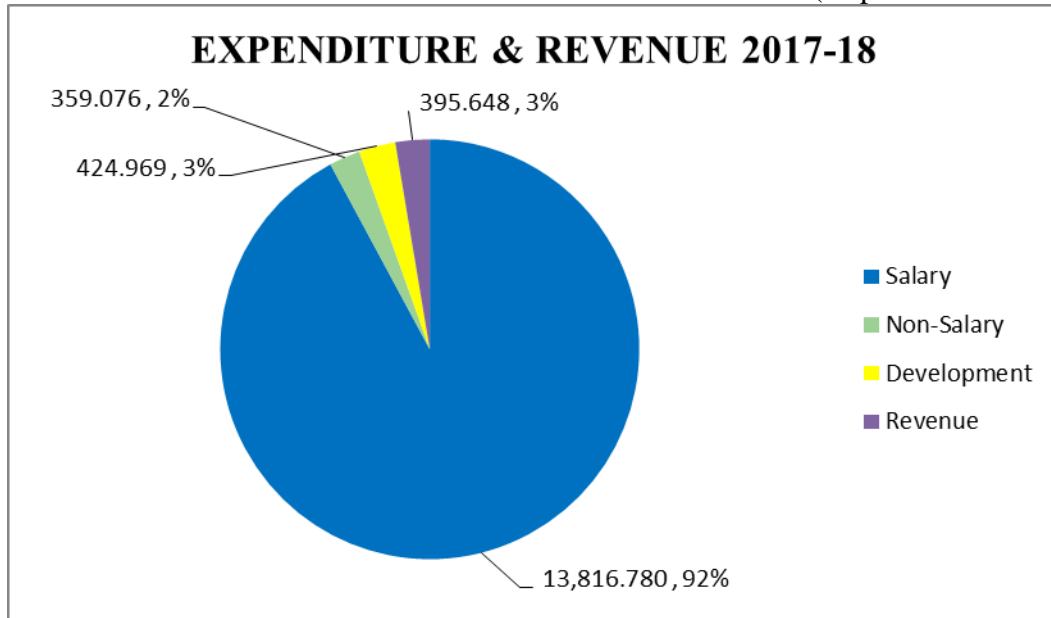
### 9.1.2 Comments on Budget and Accounts

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

(Rupees in million)

2017-18	Budget	Actual	Excess (+)/ Lapse (-)	% (Lapse)
Salary	14,724.854	13,816.780	(-)908.074	6.16%
Non-Salary	610.565	359.076	(-)251.489	41.19%
Development	2,035.759	424.969	(-)1610.79	79.12%
<b>Total</b>	<b>17,371.178</b>	<b>14,600.825</b>	<b>(-)2,770.353</b>	<b>15.95%</b>
Receipts	-	395.648		

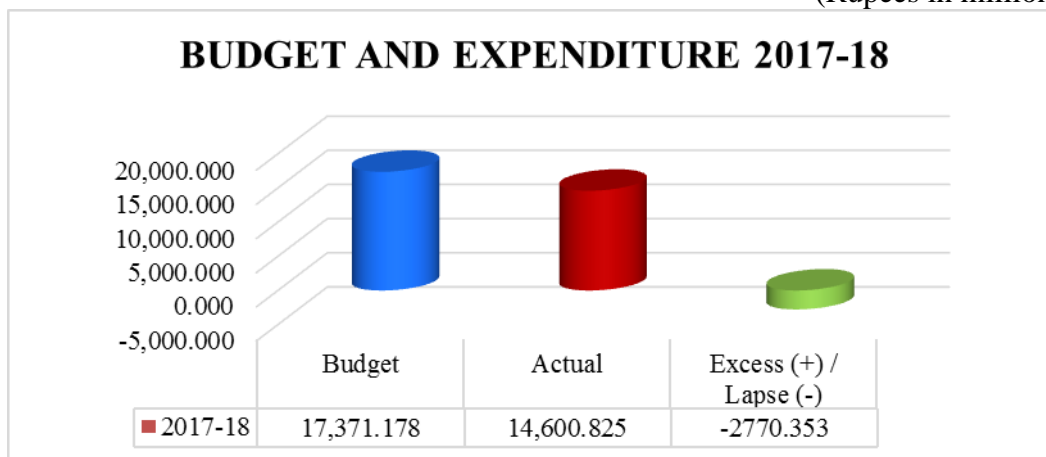
(Rupees in million)



As per Appropriation Accounts 2017-18 of District Education Authority, total original budget (Development & Non-Development) was Rs 17,329.613 million, Supplementary Grant of Rs 41.565 million was provided and the final budget was Rs 17,371.178 million. Against the final budget, total expenditure of Rs 14,600.825 million was incurred by the District Education Authority during 2017-18. A budget lapse of Rs 2,770.353 million came to the notice of Audit due to inefficient financial management in release of budget by Authorities. No plausible explanation was provided by the PAO and management of District Education Authority (Annexure-B). The comparison of budget and expenditure for FY 2017-18 showing huge lapse is as under:

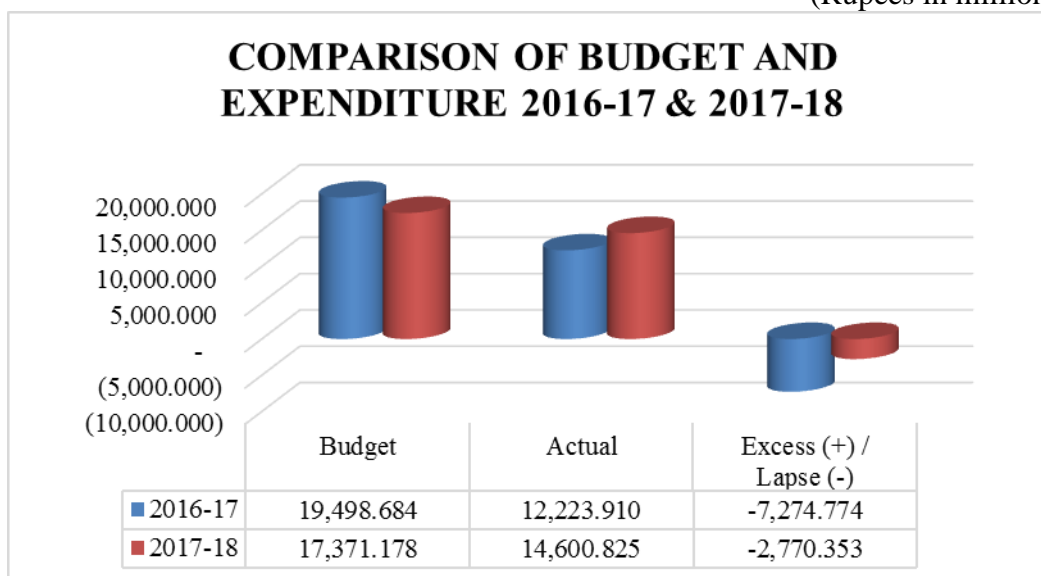


(Rupees in million)



The comparative analysis of the budget and expenditure of current and previous financial years is depicted as under:

(Rupees in million)



### **9.1.3 Brief Comments on the Status of Compliance of MFDAC Audit Paras of Audit Report 2017-18**

Audit Paras reported in MFDAC of last year Audit Report, which have not been attended in accordance with the directives of DAC, have now been reported in Part-II of Annex-A.

### **9.1.4 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 for causing it to be laid before the Provincial Assembly. PAC has not been constituted for Audit Reports of District Education Authorities.

#### **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 not constituted

## **9.2 AUDIT PARAS**

### **9.2.1 Misappropriations/Fraud**

#### **9.2.1.1 Doubtful expenditure on development works – Rs 370.338 million**

According to Rule 2.10(b)(1) of the Punjab Financial Rules, Volume-I, in incurring and sanctioning expenditure the authorities should be guided by fundamental canons of financial propriety and should further see that special or general sanction of the competent authority for the expenditure exists. Further, according to Rule 27(a) of District Authorities (Accounts) Rules, 2017, the DDO, Budget and Accounts Officer of District Authority and Accounts Officer shall ensure the implementation of sanctioning of expenditure from competent authority.

During the audit of Chief Executive Officer (CEO), District Education Authority (DEA), Faisalabad for the financial year 2017-18, it was observed that an expenditure of Rs 370.338 million was incurred from Account-V of DEA, Faisalabad under Cost Center FY-8996 for execution of development works by Executive Engineers Buildings Divisions, Faisalabad. However, genuineness of claims could not be ascertained due to the following reasons:

- i. Executive Engineers, Buildings Divisions, Faisalabad drew funds from Account-V of DEA, Faisalabad without sanction by CEO, DEA, Faisalabad and without getting the claims pre-audited by the Divisional Accounts Officer(s);
- ii. Cash book for payments was not maintained by the District Education Authority;
- iii. Relevant record regarding development works was not available with the DEA, Faisalabad;
- iv. In revised budget estimates for the financial year 2017-18 no funds for development works were appropriated.

Due to malafide intentions of the management, funds were utilized without sanction of payments by the CEO, DEA.

Withdrawal of funds amounting to Rs 370.338 million without sanction of DDO resulted in doubtful expenditure from Account-V of DEA.

The matter was reported to the PAO and DDO concerned in August, 2018. In DAC meeting held in December, 2018, it was replied that the DEA was at its inception due to which its Cost Centre FY8996 was solely being operated by the Executing Agencies and pre-audit was directly conducted by the District Accounts Office, Faisalabad in terms of Section 107(4) of the Punjab Local Government Act, 2013. The reply was not tenable because the executing agencies drew funds from the cost center of CEO, DEA without appropriation and without sanction by the competent authority. DAC directed to probe the matter for facts finding about unauthorized withdrawal of funds by the Executive Engineers, Buildings Divisions and report progress to Audit. No progress was intimated to Audit till finalization of this Report.

Audit recommends to investigate the matter for fixing responsibility on the person(s) at fault.

[AIR Para: 6]

#### **9.2.1.2 Likely misappropriation of funds – Rs 36.614 million**

According to Section 2.3.1 of Chapter 8 of the Accounting Policies and Procedures Manual (APPM), Government employees shall be held personally responsible for any loss or deficiency sustained by the Government through their theft, robbery, fraud or negligence.

Scrutiny of original and revised budget books of District Education Authority, Faisalabad for the FY 2017-18 revealed difference of Rs 36.614 million in opening cash balance as shown in original budget and revised budget estimates. The detail is as under:

(Rupees in million)				
<b>Balance as on</b>	<b>Balance as per Original Budget</b>	<b>Balance as per Revised Budget</b>	<b>Balance as per SBP</b>	<b>Difference</b>
08.07.2017	1,118.376	1,081.762	1,118.376	36.614

No plausible justification was forthcoming from financial records of DEA, Faisalabad.

Due to malafide intention of management, opening cash balance was shown less in revised budget estimates.

Decrease in opening cash balance resulted in likely misappropriation of funds amounting to Rs 36.614 million.

The matter was reported to the PAO and DDO concerned in August, 2018. In DAC meeting held in December, 2018, it was replied that opening balance had been taken as Rs 1,118.376 million by correcting the District Accounts Officer's mistake which was taken as Rs 1,081.762 million. The said mistake was corrected as per Audit discovery. The reply was not tenable because opening balance (as on 08.07.2017) was shown less than actual while preparing revised budget and District Accounts Officer has no role in preparation of budget estimates.

DAC directed to probe the matter and report progress to Audit at the earliest. 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.

[AIR Para: 8]

### **9.2.1.3 Appointment of teachers on bogus educational certificates – Rs 9.357 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.

During the audit of DEA, Faisalabad, it was observed that services of 15 Educators of BPS-9 were terminated by District Education Officer (EE-W), Faisalabad in July, 2018 due to appointment of the employees on bogus educational certificates. DDOs allowed the employees to draw pay & allowances amounting to Rs 9.357 million without verification of their educational certificates. The detail is as under:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>No. of Employees</b>	<b>Designation</b>	<b>Period</b>	<b>Amount</b>
1	Deputy District Education Officer (EE-W), Faisalabad Sadar,	4	Elementary School Educator	19.04.2014 to 07.05.2018	2.779

Sr. No.	DDOs	No. of Employees	Designation	Period	Amount
2	Deputy District Education Officer (EE-W), Jaranwala	7	Senior Elementary School Educator	2016-18	1.666
3	Deputy District Education Officer (EE-W), Samundari	3	Senior Elementary School Educator	2014-18	2.503
4	Deputy District Education Officer (EE-W), City, Faisalabad	1	Elementary School Educator	2004-18	2.409
<b>Total</b>		<b>15</b>			<b>9.357</b>

Due to negligence, employees were appointed on forged documents and allowed to draw salaries without verification of the same.

Appointment of Educators on bogus documents and payment of pay & allowances resulted in irregular expenditure amounting to Rs 9.357 million.

The matter was reported to the PAO and DDOs concerned in August, 2018. In DAC meeting held in December, 2018, it was replied that the teachers concerned were directed to deposit the recovery as pointed out by the Audit but they stated that her appeal is under trial before Punjab Service Tribunal. The cases had been submitted to Director Anti-Corruption, Faisalabad for recovery of loss. DAC directed the DDOs concerned to pursue the matter vigorously with the authorities concerned and report progress to Audit. No progress was intimated to Audit till finalization of this Report.

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

[AIR Paras: 1, 5, 1, 4]

#### **9.2.1.4 Embezzlement of Government money – Rs 0.866 million**

According to Rule 2.31(a) of the Punjab Financial Rules, Volume-I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any overcharges, frauds and misappropriations.

During the audit of District Education Authority (DEA), Faisalabad, it was observed that two head teachers working under the administrative control of Deputy District Education Officer (EE-M), Jaranwala embezzled an amount of Rs 0.866 million from Non-salary Budget (NSB) and Farogh-e-Taleem Fund (FTF) during 2016-18. The authorities did not make strenuous efforts to get the embezzled amount recovered from the teachers concerned. The detail is as under:

(Rupees in million)

<b>Sr. No.</b>	<b>Name of Teacher</b>	<b>Name of School</b>	<b>Fund</b>	<b>Amount</b>
1	Mr. Abdul Ghaffar	GPS 95 GB	FTF	0.714
2	Mr. Abdul Waheed	GES 240 GB	NSB	0.152
<b>Total</b>				<b>0.866</b>

Due to weak internal controls, embezzled amount was not recovered.

Non recovery of embezzled amount of Rs 0.866 million resulted in loss to public exchequer.

The matter was reported to the PAO and DDO concerned in July, 2018. In DAC meeting held in December, 2018, it was replied that enquiry was under process and embezzled amount would be got recovered after completion of inquiry. Audit stressed upon active pursuance of the matter for recovery of loss. DAC directed to recover the embezzled amount from the concerned and report progress to Audit. No progress was intimated to Audit till finalization of this Report.

Audit recommends appropriate action against the persons involved in embezzlement besides recovery of Rs 0.866 million.

[AIR Para: 2]

## **9.2.2 Irregularities and Non-Compliance**

### **9.2.2.1 Unlawful conduct of business of District Education Authority – Rs 15,335.419 million**

According to Section 30(3) of the Punjab Local Government Act, 2013 (as amended on 08.11.2017), when an elected local government is, for any reason, not in office, the Government may appoint an administrator to perform the functions of the local government until the elected local government assumes office but such period shall not exceed twelve months. Further, according to Section 64 of the Act *ibid*, the executive authority of a local government shall vest in and be exercised by its Mayor or Chairman. Furthermore, according to Government of the Punjab, Local Government and Community Development Department Notification 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.

During the audit of District Education Authority (DEA), Faisalabad, it was observed that Deputy Commissioner, Faisalabad continued to hold the office as Administrator and exercised the powers of the Authority beyond lawful tenure of 12 months which was expired on 31.12.2017. Therefore, conduct of business of the Education Authority, Faisalabad including approval/authentication of Revised Budget amounting to Rs 15,335.419 million and incurrence of expenditure during January to June, 2018 was held unlawful. Furthermore, powers of the House / Authority were concentrated in and used by a Government servant.

Due to negligence, business of the District Education Authority was run by Deputy Commissioner beyond lawful tenure of 12 months.

Exercising the powers of the House by the Deputy Commissioner beyond 12 months resulted in unlawful authentication / approval of Revised Budget amounting to Rs 15,335.419 million and unlawful conduct of business of District Education Authority.

The matter was reported to the PAO and DDO concerned in August, 2018. In DAC meeting held in December, 2018, it was replied that the matter had been taken up with the Deputy Commissioner / Administrator, DEA, Faisalabad.



Audit stressed upon investigation for fixing responsibility on the person(s) at fault besides regularization of the matter from the Competent Authority. DAC directed to take up the matter with the Government / Authorities concerned besides getting the matter regularized from the Competent Authority. No progress was intimated to Audit till finalization of this Report.

Audit recommends investigation for fixing responsibility on the person(s) at fault besides regularization of the matter from the Competent Authority.

[AIR Para: 17]

### 9.2.2.2 Irregular expenditure on civil works without approval of design and specifications – Rs 52.809 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.

During the audit of DEA, Faisalabad, it was observed that School Councils of 204 schools incurred expenditure of Rs 52.809 million on construction of class rooms, soling, boundary walls, toilet blocks and repair of school buildings during 2009-18. However, works were executed without preparation of detailed design/estimates and approval of the same from the Competent Authority. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Funds Utilized
1	Deputy District Education Officer (EE-M), Sadar Faisalabad	39	9.614
2	Deputy District Education Officer (EE-W), Sadar Faisalabad	6	1.707
3	Deputy District Education Officer (EE-M), Jaranwala	9	1.583
4	Deputy District Education Officer (EE-W), Tandlianwala	33	3.044
5	Deputy District Education Officer (EE-W), Samundari	42	8.802
6	Deputy District Education Officer (EE-M), Samundari	38	11.823
7	Deputy District Education Officer (EE-W), City Faisalabad	15	4.675
8	Headmistress, Govt. Girls Higher Secondary School, Dijkot	1	0.655
9	Headmistress, Govt. Girls High School, 563 GB	1	0.225
10	Deputy District Education Officer (EE-M), City Faisalabad	20	10.681
<b>Total</b>		<b>204</b>	<b>52.809</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 works without preparation/approval of design and specifications resulted in irregular expenditure amounting to Rs 52.809 million.

The matter was reported to the PAO and DDOs concerned in July and August, 2018. In DAC meeting held in December, 2018, it was replied that action plans were approved by the AEOs and DDEOs concerned. The reply was not tenable because expenditure was incurred without approval of design and specification. DAC directed to probe the matter at appropriate level and get the expenditure regularized 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, 6, 1, 1, 3, 2, 2, 5, 4, 3]

### **9.2.2.3 Irregular expenditure without tenders/quotations – Rs 38.002 million**

According to Rule 9 of the Punjab Procurement Rules, 2009/2014, a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. Further, according to Rule 12 of the rules *ibid*, a procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority. Furthermore, according to Rule 59(b) of the Punjab Procurement Rules, 2014, a procuring agency may provide for petty purchases through at least three quotations where the cost of the procurement is more than fifty thousand rupees but less than one hundred thousand rupees.

During the audit of DEA, Faisalabad, it was observed that School Councils of 160 primary/elementary, high/higher secondary schools and 15 Drawing & Disbursing Officers (DDOs) incurred expenditure of Rs 38.002 million for purchase of furniture, uniform, building material etc. from local

market during 2009-18. 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. **(Annexure-G/FSD)**

Due to weak internal controls and lack of planning, expenditure was incurred without open competition.

Procurement without tendering/quotations resulted in mis-procurement and irregular expenditure of Rs 38.002 million.

The matter was reported to the PAO and DDOs concerned in July and August, 2018. In DAC meeting held in December, 2018, it was replied that the School Councils were not fully aware of the PPRs so they had been directed through AEOs to observe procurement rules in future. The reply was not tenable because procurements were made in violation of Procurement Rules and NSB Guidelines. DAC directed the District Officers concerned to probe the matter besides regularization of expenditure from the Competent Authority. No progress was intimated to Audit till finalization of this Report.

Audit recommends investigation and fixing responsibility on the person(s) at fault besides regularization of expenditure from the Competent Authority.

[AIR Paras: 5, 7, 1, 1, 1, 2, 6, 5, 2, 9, 1, 4, 3, 3, 2, 2]

#### **9.2.2.4 Irregular expenditure beyond the competence of School Councils – Rs 28.076 million**

According to Section 4.9.1 of the School Council Policy, 2007, a School Council can incur expenditure up to Rs 400,000 during one Financial Year.

During the audit of DEA, Faisalabad, it was observed that School Councils of 53 primary / elementary schools, under the administrative control of five DDEOs incurred expenditure of Rs 52.876 million during 2016-18. Contrary to the above provision, expenditure was incurred without observing the maximum ceiling/prescribed limit of Rs 400,000 for each school, which resulted into incurrence of excess expenditure amounting to Rs 28.076 million beyond the permissible limit of Rs 24.800 million. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Expenditure			Permissible Limit	Expenditure Beyond ceiling
			NSB	FTF	Total		
1	Deputy DEO (EE-M), City Faisalabad	14	23.576	-	23.576	9.200	14.376
2	Deputy DEO (EE-W), City Faisalabad	12	9.731	1.891	11.622	4.800	6.822
3	Deputy DEO (EE-W), Sadar Faisalabad	6	4.584	-	4.584	2.400	2.184
4	Deputy DEO (EE-M), Samundari	9	5.423	0.684	6.107	3.600	2.507
5	Deputy DEO (EE-W), Samundari	12	6.069	0.918	6.987	4.800	2.187
<b>Total</b>		<b>53</b>	<b>49.383</b>	<b>3.493</b>	<b>52.876</b>	<b>24.800</b>	<b>28.076</b>

Due to weak internal controls and poor monitoring mechanism, expenditure was incurred beyond the competence of School Councils.

Incurrence of expenditure beyond the competence/prescribed limit resulted in irregular expenditure amounting to Rs 28.076 million.

The matter was reported to the PAO and DDOs concerned in July and August, 2018. In DAC meeting held in December, 2018, it was replied that School Councils funds were released in instalments in different times and School Councils utilized the available funds according to the actual requirements. The reply was not tenable because the School Councils incurred expenditure over and above their authorization for each financial year. DAC directed the District Officer concerned to probe the matter at appropriate level besides getting the expenditure regularized from the Competent Authority. No progress was intimated to Audit till finalization of this Report.

Audit recommends investigation and fixing responsibility on the person(s) at fault besides regularization of expenditure from the Competent Authority.

[AIR Paras: 1, 7,8, 9,17]

#### **9.2.2.5 Irregular appointment of teachers having irrelevant qualifications – Rs 21.565 million**

According to Rule 2.33 of the Punjab Financial Rules, Volume-I, every Government servant should realize fully and clearly that he will be held

personally responsible for any loss sustained by the Government through fraud or negligence on his part.

During the audit of DEA, Faisalabad, it was observed that 24 Elementary School Educators (Science/Math) were appointed on contract basis by the District Education Officer (EE-M), Faisalabad during 2012 and posted in different schools under the administrative control of five DDEOs. Subsequently, their services were terminated in July, 2017 due to possessing irrelevant qualifications i.e. B.Com. However, they drew pay and allowances amounting to Rs 21.565 million during 2012-17. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	No. of Employees	Amount
1	Deputy District Education Officer (EE-M), City, Faisalabad	9	8.563
2	Deputy District Education Officer (EE-W), Sadar, Faisalabad	2	2.000
3	Deputy District Education Officer (EE-M), Samundari	2	1.383
4	Deputy District Education Officer (EE-W), Tandlianwala	4	2.100
5	Deputy District Education Officer (EE-M), Jaranwala	7	7.519
<b>Total</b>		<b>24</b>	<b>21.565</b>

Due to negligence and weak internal controls, educators were appointed on the basis of irrelevant qualifications.

Appointment on the basis of irrelevant qualifications and withdrawal of salaries amounting to Rs 21.565 million resulted in irregular expenditure.

The matter was reported to the PAO and DDOs concerned in July and August, 2018. In DAC meeting held in December, 2018, it was replied that the matter was pending in the Court and decision was awaited. Audit stressed to probe the matter for fixing responsibility against the person(s) involved in appointment of ineligible personnel besides active pursuance of the matter. DAC directed the DDOs concerned to pursue the matter vigorously with the authorities concerned and report progress to Audit. No progress was intimated to Audit till finalization of this Report.

Audit recommends investigation and fixing responsibility on the person(s) at fault.

[AIR Paras: 4, 3, 14, 3, 6]

### 9.2.2.6 Expenditure through irregular School Councils – Rs 9.872 million

According to Section 3.3.2 of the School Council Policy, 2007, tenure of School Council will be two years from the date of School Council notification, issued by AEO.

During the audit of DEA, Faisalabad, it was observed that School Councils of nine elementary / primary schools under the administrative control of DDEO (EE-W), Jaranwala incurred irregular expenditure of Rs 9.872 million during 2016-18 after expiry of their tenure of two years. The detail is as under:

(Rupees in million)

Sr. No.	Name of School	FTF	NSB	Total
1	GGEMS Chak No.229 RB	0.392	1.958	2.350
2	GGES Chak No.73/GB	0.251	1.193	1.443
3	GGES Chak No.205/RB-I	0.128	0.656	0.784
4	GG CM PS Chak No.238/GB-I	0.109	0.529	0.638
5	GGES Chak No.36/GB	0.130	1.213	1.343
6	GGPS Chak No.194/RB-I Khurrianwala	0.139	0.844	0.983
7	GGPS Chak No.239/GB-1	0.598	0.112	0.710
8	GGPS Chak No.144/GB	0.680	0.081	0.761
9	GGPS Chak No.127/GB-II	0.125	0.734	0.860
<b>Total</b>		<b>2.553</b>	<b>7.319</b>	<b>9.872</b>

Due to weak monitoring mechanism, School Councils remained working after expiry of tenure.

Expenditure incurred through irregular School Councils resulted in irregular expenditure amounting to Rs 9.872 million.

The matter was reported to the PAO and DDO concerned in August, 2018. In DAC meeting held in December, 2018, it was replied that All the Assistant Education Officers (W) in Tehsil Jaranwala have been directed to replace all the School Councils whose tenure has expired. Audit stressed upon regularization of expenditure from the Competent Authority besides constitution of new School Councils according to procedure prescribed in School Councils Policy. DAC directed to get the matter regularized from the Competent Authority. DAC further directed Dy. DEO concerned to report all such School Councils whose tenure had been expired and take appropriate measures for reconstitution of such School Councils. No progress was intimated to Audit till finalization of this Report.

Audit recommends regularization of expenditure from the Competent Authority besides ensuring compliance of School Council Policy.

[AIR Para: 6]

#### **9.2.2.7 Non-deduction of Income Tax and Sales Tax – Rs 8.512 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, 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 227 primary and elementary schools under the administrative control of District Education Authority, Faisalabad made payments against supply of goods, rendering of services and execution of contracts during 2010-18. Contrary to the above provisions, an amount of Rs 8.512 million on account of Income Tax, General Sales Tax and Punjab Sales Tax on Services was not/less deducted from the payments. (**Annexure-H/FSD**)

Due to weak internal controls, taxes were not deducted/withheld at specified rates before making payments.

Non-deduction of taxes at specified rates resulted in excess payment of Rs 8.512 million to the suppliers/service providers/contractors concerned.

The matter was reported to the PAO and DDOs concerned in July and August, 2018. In DAC meeting held in December, 2018, it was replied that partial recovery had been made and the head teachers concerned had been directed to recover the remaining amount from the suppliers/firms and deposit the same in

the relevant head of accounts. Audit stressed on recovery of excess paid amount at the earliest. DAC directed the DDOs to expedite the recovery and report progress to Audit. No progress was intimated to Audit till finalization of this Report.

Audit recommends recovery of taxes amounting to Rs 8.512 million from the concerned.

[AIR Paras: 4, 5, 3, 14, 1a&b, 10, 9, 2, 12, 6, 7, 8]

#### **9.2.2.8 Non-maintenance of prescribed record – Rs 7.181 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. Furthermore, according to Para 2.4 & 6 of Guideline for utilizing Non-Salary Budget (NSB), School Councils are required to prepare School Based Action Plan, Procurement Plan and Budget Register.

During the audit of DEA, Faisalabad, it was observed that School Councils of six primary / elementary schools, under administrative control of Deputy District Education Officer (EE-W), Jaranwala incurred expenditure of Rs 7.181 million during 2016-18 without maintaining supporting record as mentioned above. The detail is as under:

(Rupees in million)

<b>Sr. No.</b>	<b>Name of School</b>	<b>FTF</b>	<b>NSB</b>	<b>Total</b>
1	GGEMS Chak No.229/RB	0.392	1.958	2.350
2	GGES Chak No.73/GB	0.251	1.193	1.443
3	GGES Chak No.205/RB-I	0.128	0.656	0.784
4	GGPS Chak No.194/RB-I Khurrianwala	0.139	0.844	0.983
5	GGPS Chak No.144/GB	0.680	0.081	0.761
6	GGPS Chak No.127/GB-II	0.125	0.734	0.860
<b>Total</b>		<b>1.715</b>	<b>5.466</b>	<b>7.181</b>

Due to negligence, supporting record of expenditure incurred through School Council was not maintained.

Non-maintenance of record of expenditure incurred through School Councils amounting to Rs 7.181 million resulted in irregular expenditure.

The matter was reported to the PAO and DDO concerned in August, 2018. In DAC meeting held in December, 2018, it was replied that the relevant



record had been maintained and would be shown to Audit. The reply was not tenable because the requisite record was not produced to Audit for verification in support of reply. DAC directed the DDO to produce record in support of reply to Audit for verification. No progress was intimated to Audit till finalization of this Report.

Audit recommends regularization of expenditure besides maintenance and provision of prescribed record to Audit.

[AIR Para: 7]

#### **9.2.2.9 Irregular cash payments – Rs 5.718 million**

According to Rule 4.49(a) of the Punjab 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 (DDOs). 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 favour of contractor / supplier. Furthermore, according to Rule 4(1)(b) of the Punjab District Authorities (Accounts) Rules, 2017, payments exceeding Rs 1,000 from Local Fund of a District Authority shall be made through crossed non-negotiable cheque.

During the audit of DEA, Faisalabad, it was observed that head teachers of 27 primary and elementary schools under the administrative control of DDEO (EE-M), Samundari made payment of Rs 5.718 million to different suppliers/contractors for purchase of weather shield, building material, tablet phones, desk benches, stationery etc. during 2015-18. However, scrutiny of bank statement of non-salary bank accounts revealed amount was withdrawn by the head teachers in cash and payments were also made in cash instead of making payments through crossed cheques to suppliers / contractors in violation of above mentioned rules. **(Annexure-I/FSD)**

Due to weak internal controls, payments to the suppliers/contractors were made in cash.

Cash payments of Rs 5.718 million in violation of rules resulted in irregular payments to the suppliers/contractors concerned.

The matter was reported to the PAO and DDO concerned in August, 2018. In DAC meeting held in December, 2018, it was replied that head teachers had been warned strictly to observe the rules. Audit stressed upon fixing responsibility on the persons(s) at fault besides getting the matter regularized from the Competent Authority. DAC directed the DDO to probe the matter for fixing responsibility besides getting the matter regularized from the Competent Authority. No progress was intimated to Audit till finalization of this Report.

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

[AIR Para: 15]

#### **9.2.2.10 Withdrawal of Social Security Benefit and pay & allowances at excessive rates – Rs 5.241 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. Furthermore, according to Government of the Punjab, Finance Department Notification No.FD(SRI)-I-39/70 (Vol. III) dated 02.06.1972, the annual increments in the basic pay scales shall fall due on the first day of December, following the completion of at least six months' service at a stage in relevant basic pay scale.

During the audit of DEA, Faisalabad, it was observed that services of 140 employees working under the administrative control of different DDOs were regularized during October, 2009 to August, 2017. However, payment of Social Security Benefit was made without admissibility after regularization of services. Furthermore, some employees drew pay and allowances after retirement / termination / removal from services and during absence period. Resultantly, an amount of Rs 5.241 million was overpaid to these employees during the period from October, 2009 to June, 2018. **(Annexure-J/FSD)**

Due to non-compliance of rules, excess payment was made to the employees.

Payment of pay and allowances at excessive rates resulted in loss of Rs 5.241 million to the Government exchequer.

The matter was reported to the PAO and DDOs concerned in July and August, 2018. In DAC meeting held in December, 2018, it was replied that the overpaid amount would be recovered from the concerned. Audit stressed upon early recovery from the concerned. DAC directed DDOs concerned to effect recovery of overpaid amount from the concerned at the earliest. No progress was intimated to Audit till finalization of this Report.

Audit recommends early recovery of overpaid pay and allowances amounting to Rs 5.241 million from the concerned.

[AIR Para: 5, 5, 4, 2, 1, 10, 11a&b, 10, 8, 9, 8, 11, 10, 1, 2, 1, 6]

#### **9.2.2.11 Doubtful expenditure – Rs 4.621 million**

According to Rule 2.33 of the Punjab Financial Rules, Volume-I, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part. Furthermore, according to Para 13(4) of Government of the Punjab, School Education Department letter No.SO (SE-IV) 2-50//2015 dated 09.09.2016, Assistant Education Officer (AEO) must audit the accounts of FTF, NSB, salaries and stocks of schools to control the occurrence of irregularities, misappropriation and embezzlement and would monitor the progress of all school related development schemes in his / her Markaz.

During the audit of DEA, Faisalabad, it was observed that head teachers of three primary / elementary schools under the administrative control of DDEO (EE-M), Faisalabad City incurred expenditure of Rs 4.621 million during 2016-18, as summarized below:

(Rupees in million)		
Sr. No.	Name of School	Amount
1	Government Elementary School Chak No.219/RB Sher Singh Wala	0.482
2	Government Elementary School Chak No.7/JB Panjwar	3.606
3	Government Primary School Chak No.100/JB II	0.533
<b>Total</b>		<b>4.621</b>

However, incurrence of expenditure was held irregular and doubtful on the following grounds:

- 1) Inquiry reports against Head Teacher of GPS Chak No.100/JB-II revealed that funds were drawn either without approval of School Council or by manipulating record. Furthermore, sequence of invoices revealed that these were managed without actual procurement because invoices of different months were issued at one time having sequential numbers i.e. invoice No.84, 85, 86 and 87 dated 18.07.16, 28.08.16, 12.09.16 and 16.11.16 respectively and that too without mentioning Sales Tax Registration No. of the supplier.
- 2) Head Teacher of GES Chak No.219/RB, Sher Singh Wala incurred expenditure without approval of School Council and without preparation of School Based Action Plan.
- 3) Head Teacher of GES Chak No.7/JB Panjwar drew funds by maintaining duplicate record of School Council proceedings. Signatures of School Council Members on different proceedings also mismatch. Member from General category was delegated the powers of co-signatory instead of mandatory requirement of co-signatory from parent members. Stock register did not show true picture of materials actually to be present in the school because stock entries for 13 years i.e. from 1999 to 2012 were missing. Huge amount was spent on purchase / repair of furniture and white wash / painting, distempering of building but physical inspection revealed miserable condition of furniture and class rooms. Most of the procurements were made from the persons(s) not registered with FBR.

Due to negligence and poor monitoring mechanism, funds were drawn either by manipulating or improper maintenance of record.

Drawal of funds by manipulating / improper maintenance of record resulted in irregular and doubtful expenditure amounting to Rs 4.621 million.

The matter was reported to the PAO and DDO concerned in July, 2018. In DAC meeting held in December, 2018, DDO neither submitted annotated reply nor attended the meeting. The Cahir showed displeasure over the absence of DDO and directed the District Education Officer (EE-M) to initiate disciplinary action against the concerned besides investigation of the matter and report progress to Audit at the earliest. No progress was intimated to Audit till finalization of this Report.

Audit recommends investigation of the matter and fixing responsibility on the person(s) at fault besides detailed checking / scrutiny of record of all the schools through a committee.

[AIR Para: 15]

**9.2.2.12 Irregular and unauthentic expenditure on vehicles' repair and POL – Rs 2.942 million**

According to Rule 2.33 of the Punjab Financial Rules, Volume-I, every Government Servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part. Furthermore, according to Government of the Punjab, Services and General Administration Department (Transport Pool) letter No. MTO(S&GAD)AT-II/2-9/2006 dated 26.12.2008, necessary arrangements be made for sealing of speedometer / milometer of all the vehicles under use in the Government offices to minimize the chances of pilferage / misappropriation of fuel. This practice would save Government exchequer.

Three DDOs of different departments of District Education Authority, Faisalabad incurred expenditure of Rs 2.942 million during 2012-18 for repair of vehicles and consumption of POL against the Government vehicles. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Amount
1	Deputy District Education Officer,(EE-M) City, Faisalabad	0.487
2	Chief Executive Officer, District Education Authority, Faisalabad	0.560
3	Principal, Government National Special Education Centre, Faisalabad	1.895
<b>Total</b>		<b>2.942</b>

Following discrepancies were observed in running of vehicles and consumption of POL:

1. Speedometers / milometers of motor vehicles were not got sealed;
2. Funds against bill No.174 dated 13.05.2017 were drawn for purchase of parts for vehicle No. TSA-1378 without claiming mechanical and engineering labour;

3. Purchase of radiator for one vehicle i.e. TSA-1378 was shown thrice during one year;
4. Funds for engine overhauling and engine head work of vehicle No. TSA-1378 were drawn for four times during November 2016 to May 2018 i.e. just within 18 months.
5. In two bills engine overhauling / engine head work of vehicle No. TSA-1378 was shown without replacement of compulsory item of head gasket;
6. Engine overhauling and complete denting painting of vehicle No. TSA-1378 was shown in just one day;
7. No running/travelling of vehicles from office to workshops and back to office was shown in the log book;
8. Funds were also drawn for POL and repair work of un-allotted vehicle i.e. FDJ-101; and
9. Filling of petrol in vehicle FDG-11 from Renala Khurd (Okara) was shown on 23.12.2017 but its Log Book indicated no visit to that area.  
Due to weak internal controls, irregular and unauthentic expenditure was incurred on vehicle repair and POL.

Unauthentic / illogical repair work and irregular consumption of POL created doubts about the genuineness of incurrence of expenditure amounting to Rs 2.942 million.

The matter was reported to the PAO and DDOs concerned in July and August, 2018. In DAC meeting held in December, 2018, one DDO replied that the CEO visited the Okara District as an Inquiry Officer and log book of the vehicle was available as per journey undertaken as an official tour. Further vehicle duly allotted to the CEO education for Official use. Speedometer had also been sealed after Audit observation. The reply was not tenable because no documentary evidence was produced to Audit for verification in support of reply. However, the remaining two DDOs neither submitted replies nor attended the DAC meeting. DAC showed displeasure over the absence of DDOs and directed the District Officers concerned to initiate disciplinary action against the concerned. DAC further directed to probe the matter for fixing responsibility besides regularization of expenditure by the Competent Authority.

Audit recommends investigation and fixing responsibility on the person(s) at fault besides regularization of expenditure from the Competent Authority.

[AIR Paras: 7, 5, 16]

**9.2.2.13 Non-realization of revenue due to non-registration of private schools – Rs 2.475 million**

According to Government of the Punjab, School Education Department Letter No. SO(A-II)3-3/99(P) dated 22.01.2009, the initial period of registration of private institutions would be five years and each extension on fulfilling the prescribed conditions would be for 10 years in case of self-owned buildings and for five years in case of rented buildings. Further, registration and annual inspection fee for each high / higher secondary school was Rs 7,000 and 1,000 respectively. Furthermore, registration and annual inspection fee for each elementary school was Rs 5,000 and Rs 500 respectively.

Scrutiny of record of CEO, DEA, Faisalabad for the F.Y. 2017-18 revealed that 450 private schools were opened / established in District Faisalabad. However, appropriate action was not taken for getting these private schools registered and realization of revenue amounting to Rs 2.475 million on account of registration fee and annual inspection fee. The detail is given in the following table:

(Rupees in million)

No. of Schools	Registration Fee*		Annual Inspection Fee*		Total Amount
	Rate	Amount	Rate	Amount	
450	0.005	2.250	0.0005	0.225	2.475

\*Fees are calculated on the basis of fees applicable to elementary schools because number of school in each category were not known

Due to weak monitoring mechanism, private schools were not got registered by Education Authorities.

Non-registration of private schools resulted in non-realization of revenue amounting to Rs 2.475 million besides non-supervision and non-assessment of service delivery by these unregistered schools.

The matter was reported to the PAO and DDO concerned in August, 2018. In DAC meeting held in December, 2018, it was replied that partial recovery had been made from the private institutions and remaining amount would be recovered soon. Audit stressed upon production of evidence regarding amount recovered besides effecting the balance amount at the earliest. DAC directed DEO (SE) to expedite action against the un-registered private schools and produce evidence for amount recovered and deposited into the Government Treasury besides effecting balance recovery at the earliest. No progress was intimated to Audit till finalization of this Report.

Audit recommends active pursuance of the matter for registration of the schools and realization of revenue.

[AIR Para: 5]

**9.2.2.14 Loss due to award of consultancy contracts at higher rates – Rs 2.447 million**

According to Rule 2.33 of the Punjab Financial Rules, Volume-I, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part. Furthermore, according to Rule 45(2) of the Punjab Procurement Rules, 2014, Least Cost Selection is the preferred method for selecting consultants for assignments of standard or routine nature such as audit, simple engineering design or supervision of noncomplex works, where the well-established practices and standards exist.

Executive District Officer (Education), Faisalabad invited Requests for Proposals (RFPs) on 04.11.2016 for consultancy services for construction of dilapidated school buildings and provision of missing facilities in District Faisalabad by mentioning selection criteria as Least Cost Selection Basis (LCSB). These RFPs were invited from 24 consultancy firms duly prequalified by Government of the Punjab, P&D Department. However, the consultancy services contract was awarded to the consultant who offered higher rate of bid i.e. Rs 8.935 million instead of the consultant who offered the lowest bid i.e. Rs 7.191 million which resulted in loss of Rs 1.744 million to DEA, Faisalabad.



Furthermore, RFPs were invited on 11.10.2017 for consultancy services for construction of dilapidated school buildings and provision of missing facilities in District Faisalabad. Six consultants submitted their bids ranging from Rs 5.162 million to Rs 8.685 million. Time frame for consultancy supervision was nine months but one bidder submitted bid on the basis of seven months' supervision cost merely to show the bid price on lower side i.e. Rs 5.162 million whereas actual bid price on the basis of nine months' supervision was Rs 6.636 million which was higher than the lowest bid of Rs 5.933 million. It resulted in extra burden of Rs 0.703 million. The detail is as under:

(Rupees in million)

Particulars of Contract Awarded				Particulars of the Lowest Bid		Excess Cost
Name of Consultant	Bid Amount (7-Months)	Bid Amount Per month	Actual Bid Amount (9-Months)	Name of Consultant	Bid Value	
A	B	c = b/7	d = c x 9	e	F	g = d - f
M/S Team Consultants	5.162	0.737	6.636	M/S Pakistan Engineering Services	5.933	0.703

Due to weak internal controls, contracts was awarded to the contractors who offered higher prices of financial bids.

Award of contracts on higher prices resulted in loss of Rs 2.447 million to the District Education Authority.

The matter was reported to the PAO and DDO concerned in August, 2018. In DAC meeting held in December, 2018, it was replied that the amount of Rs 703,020 had been recovered. As regards to the instruction to consultants under Section 5.6 of the bidding documents in case of LCSB, the lowest evaluated Financial Proposal will be given the maximum financial score (Sf) of 100 points. The reply was not tenable because no documentary evidence indicating recovery effected was produced to Audit for verification. Further, the contract during 2016-17 was awarded to the bidder who offered higher rate as compared to the rate offered by the lowest bidder by violating the selection / evaluation criteria of Least Cost Selection Basis (LCSB) under Rule 45(2) of the Punjab Procurement Rules as mentioned in Memo No. 42/P&D/23843 dated 04.11.2016 issued by the EDO (Education), Faisalabad for invitation of Requests for Proposals (RFPs). DAC directed to produce evidence of amount recovered and probe the matter for award of contract to the bidders who

offered higher bid prices besides fixing responsibility and recovery of loss from the concerned.

Audit recommends investigation and recovery of loss amounting to Rs 2.447 million from the concerned.

[AIR Paras: 1, 4]

**9.2.2.15 Unauthorized withdrawal of Conveyance Allowance, House Rent Allowance and Charge Allowance – Rs 2.260 million**

According to Rule 1.15(2) of the Punjab TA Rules, Conveyance Allowance will not be admissible during leave or joining time. 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. Furthermore, according to Government of the Punjab, Finance Department letter No.FD.PC.2-1/87 dated 27.07.1987, House Rent Allowance at all the stations other than Lahore, Rawalpindi, Multan and Faisalabad shall be admissible at 30% of the minimum of the relevant basic pay scale. Furthermore, according to Government of the Punjab, School Education Department letter No. SO (SE-III) 2-16/2007 dated 29.10.2009, Charge Allowance at prescribed rates was sanctioned w.e.f. 01.12.2009 for teaching staff working on administrative posts.

Seven DDEOs and three head teachers of high/higher secondary schools under the administrative control of District Education Authority, Faisalabad made payment of Conveyance Allowance, House Rent Allowance and Charge Allowance amounting to Rs 2.260 million during 2010-18. Contrary to the above, payment of inadmissible Conveyance Allowance was made during summer/winter vacations and earned leave. Further, payment of House Rent Allowance was made @ 45% instead of 30%. Furthermore, Charge Allowance was paid without admissibility. **(Annexure-K/FSD)**

Due to weak internal controls, inadmissible allowances were paid to employees.

Payment of inadmissible allowances resulted in excess payment of Rs 2.260 million to the employees.

The matter was reported to the PAO and DDOs concerned in July and August, 2018. In DAC meeting held in December, 2018, it was replied that partial recovery had been made and the remaining amount would be recovered from the payroll of the employees concerned. Audit stressed upon early recovery. DAC directed the DDOs concerned to recover the excess paid allowances from the concerned at the earliest.

Audit recommends early recovery of excess paid amount of Rs 2.260 million from the concerned.

[AIR Paras: 5, 12, 4, 10, 12, 10, 11, 12, 9, 3, 4, 12, 11, 7, 9, 10, 1, 3, 6]

#### **9.2.2.16 Excess withdrawal of pay and allowances – Rs 2.051 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. Furthermore, according to Government of the Punjab, Finance Department letter No.FD.SR-II/9-214/2013 dated 02.04.2014, Personal Allowance will be discontinued upon fresh appointment, promotion, retirement and posting to another cadre post.

Ninety-eight employees working under the administrative control of nine DDOs of District Education Authority, Faisalabad withdrew excess pay and allowances amounting to Rs 2.051 million due to wrong fixation of pay, withdrawal of Personal Allowance & Adhoc Allowance-2010 at excessive rates and inadmissible payment of Personal Allowance. The detail is as under:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Description</b>	<b>No. of Employees</b>	<b>Amount</b>
1	Deputy District Education Officer (EE-W), Tandlianwala	Withdrawal of Personal Allowance at excessive rates	20	0.232
2	Deputy District Education Officer (EE-W), Samundari		15	0.577
3	Deputy District Education Officer (EE-M), Samundari		04	0.083
4	Deputy District Education Officer (EE-W), City Faisalabad		11	0.038

Sr. No.	DDOs	Description	No. of Employees	Amount
5	Deputy District Education Officer (EE-W), Tandlianwala	Withdrawal of Adhoc Allowance-2010 at excessive rates	04	0.065
6	Headmistress, Government Girls High School, Jhamra	Withdrawal of Personal Allowance and Adhoc Allowance-2010 at excessive rates	01	0.121
7	Deputy District Education Officer (EE-W), Samundari	Withdrawal of Adhoc Allowance-2010 at excessive rates	19	0.758
8	Deputy District Education Officer (EE-M), Samundari		6	0.156
9	Deputy District Education Officer (EE-W), City Faisalabad		18	0.021
<b>Total</b>			<b>98</b>	<b>2.051</b>

Due to weak internal controls, payment of allowances was made either at excessive rates or without admissibility.

Payment of allowances at excessive rates and without admissibility resulted in excess payment of Rs 2.051 million to the employees concerned.

The matter was reported to the PAO and DDOs concerned in July and August, 2018. In DAC meeting held in December, 2018, it was replied that partial recovery had been made and the remaining amount would be recovered from the concerned. Audit stressed upon early recovery from the concerned. DAC directed DDOs concerned to effect recovery of excess paid amount from the concerned at the earliest. No progress was intimated to Audit till finalization of this Report.

Audit recommends recovery of excess paid amount of Rs 2.051 million from the concerned at the earliest.

[AIR Paras: 6, 6, 5, 7, 14, 3, 7, 6, 6]

#### **9.2.2.17 Non-deposit of receipts into the Government Treasury – Rs 1.987 million**

According to Rule 76(1) of the Punjab District Government and Tehsil Municipal Administration (Budget) Rules, 2003 and Rule 68(1) of the Punjab District Authorities (Budget) Rules, 2017, the primary obligation of the collecting officers shall be to ensure that all revenue due is claimed, realized and credited immediately into Local Government / District Authority Fund and to record entries under proper receipt

head. Furthermore, according to Rule 7(1) of the Punjab Subsidiary Treasury Rules, receipt realized on behalf of the Government should at once be deposited into the Government Treasury without any delay.

Five DDOs of high/higher secondary schools under the administrative control of District Education Authority, Faisalabad collected receipts amounting to Rs 1.906 million on account of auction of old building material, trees, canteen etc. during 2009-18. Contrary to the above rules, the receipts were deposited in Farogh-e-Taleem Fund (FTF) instead of depositing into the Government Treasury. Furthermore, profit amounting to Rs 0.081 million, earned against balances available in bank accounts of two schools, was retained in the bank accounts instead of depositing the same into the Government Treasury. The detail is given in the following table:

(Rupees in million)

Sr. No.	DDOs	Description of Receipt	Financial Years	Amount
1	Headmistress, Government Girls High School 563 GB Lundianwala	Auction money of canteen	2011-12	0.480
2	Deputy District Education Officer (EE-W) City Faisalabad	Auction money of old building material and trees	2016-17	1.115
3	Deputy District Education Officer (EE-M) Jaranwala	Auction money of trees	2016-18	0.281
4	Deputy District Education Officer (EE-W) City Faisalabad	Profit credited by bank on DDO bank account	2016-18	0.081
5	Deputy District Education Officer (EE-M) City Faisalabad	Auction of iron and fans	2016-17	0.030
<b>Total</b>				<b>1.987</b>

Due to weak internal controls and financial indiscipline, receipts were not got deposited into the Government Treasury.

Non-deposit of receipts into the Government Treasury resulted in non-realization of revenue to the Government amounting to Rs 1.987 million.

The matter was reported to the PAO and DDOs concerned in July and August, 2018. In DAC meeting held in December, 2018, it was replied that the auction money has been utilized by the head teachers for the betterment of school through the School Councils. The reply was not tenable because auction money was to be deposited into the Government Treasury so Audit stressed upon early compliance.

DAC directed the DDOs concerned to get the auction money deposited into the Government Treasury and report progress to Audit.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides depositing Rs 1.987 into the Government Treasury.

[AIR Paras: 2, 5, 5, 8, 13]

### 9.2.2.18 Irregular deposit of Government receipt into DDO account – Rs 1.957 million

According to Rule 15(d) of the Punjab District Authorities (Accounts) Rules, 2017, the drawing and disbursing officer shall be responsible to maintain cash book, promptly record entries of each transaction of amount withdrawn, disbursed and credited to the local fund. Furthermore, according to Rule 11(2) of the Rules ibid, the Chief Executive Officer shall ensure that any sums due to a District Authority are promptly realized and credited to the local fund and the amounts reported to the local fund, as reported by the accounts officer, are reconciled or verified with the records on monthly and annual basis.

CEO, DEA, Faisalabad made procurement of material for Information Technology Laboratories (IT Labs) of various Government elementary/high schools of Faisalabad. However, two suppliers made supplies of material after lapse of stipulated supply dates for which late delivery charges amounting to Rs 1.957 million were recovered from them but the same were deposited into the commercial bank account of the DDO instead of depositing into local fund / Government account. Furthermore, this receipt was also not recorded in the cash book of DDO, which could have led to misappropriation of receipts had the issue been not pointed out. The detail is as under:

(Rupees in million)

Sr. No.	Name of Supplier	Instrument No. & Date	Deposit Date	DDO Bank Account	Amount
1	M/s Technosol (Pvt.) Ltd.	Pay Order No.12061611 dated 11.05.2018	21.05.2018	BOP D. Ground Faisalabad A/C No. 5010028866700021	1.702
2	M/s Sicom Traders	Pay Order No.104925951 dated 14.05.2018			0.255
<b>Total</b>					<b>1.957</b>

Due to weak internal controls, Government receipt was deposited into commercial bank account of the DDO.

Non-deposit of late delivery charges amounting to Rs 1.957 million into Government account resulted in non-realization of revenue to the Government besides its further vulnerability due to non-recording receipt in the cash book.

The matter was reported to the PAO and DDOs concerned in August, 2018. In DAC meeting held in December, 2018, it was replied that the amount was kept in the DDO Bank account maintained at Bank of Punjab D-Ground Branch due the reason that the matter was pending before The Secretary, School Education Department for the final adjudication in respect of disputed amount of Rs.1.702 million. The reply was not tenable because concealment of Government receipt was attempted by not recording the same in the books of accounts. DAC recommended to probe the matter for fixing responsibility besides depositing the penalty amount into the Government Treasury. No progress was intimated to Audit till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides transfer of Rs 1.957 million from DDOs account to Government Treasury.

[AIR Para: 2]

#### **9.2.2.19 Non-submission of GST Returns – Rs 1.651 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 56 schools, under administrative control of District Education Authority, 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 1.651 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), Samundari	White wash material, furniture, building material, etc.	22	0.459
2	Deputy DEO (EE-W), Samundari		19	0.316
3	Deputy DEO (EE-W), City, Faisalabad		10	0.229
4	Principal, Government National Special Education Centre, Faisalabad	Purchase of stationery, & Cost of other store, etc.	01	0.176
5	Principal, Government Girls Higher Secondary School, Dijkot	Purchase of stationery, white was material, building material etc.	01	0.130
6	Headmistress, Government Girls High School, Jhamra		01	0.121
7	Headmistress, Government Girls High School No.2 Tandlianwala	Purchase of stationery, furniture & cost of other store, ,etc.	01	0.090
8	Headmistress, Government Girls High School 563,GB Lundianwala	Purchase of stationery, furniture & white wash material, ,etc.	01	0.130
<b>Total</b>			<b>56</b>	<b>1.651</b>

Due to negligence, monthly returns for 1/5th of GST were not submitted.

Non-submission of monthly returns might result in concealment of 4/5th GST amounting to Rs 1.651 million by the suppliers.

The matter was reported to the PAO and DDOs concerned in July and August, 2018. In DAC meeting held in December, 2018, it was replied that the verification of GST had been made through FBR website. The reply was not tenable because no documentary evidence was produced in support of reply. DAC directed the DDOs concerned to produce relevant record in support of reply to Audit for verification. No progress was intimated to Audit till finalization of this Report.

Audit recommends verification of deposit of 4/5<sup>th</sup> of GST by the suppliers.

[AIR Paras: 9, 10, 8, 4, 7, 5, 4, 6]

#### **9.2.2.20 Non-competitive procurement through managed quotations – Rs 1.333 million**

According to Rule 4 of the Punjab Procurement Rules, 2014, a procuring agency, while making any procurement, shall ensure that the procurement is made in a



fair and transparent manner, the object of procurement brings value for money to the procuring agency and the procurement process is efficient and economical. Furthermore, according to Rule 2(p) of the Rules *ibid*, corrupt and fraudulent practices 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.

During the audit of DEA, Faisalabad, it was observed that head teacher of Government Elementary School 7/JB Panjwar and DDEO (EE-M) Tehsil City, Faisalabad made procurement of furniture, machinery / equipment, construction material, etc. costing Rs 1.333 million from M/s Zain Enterprises during 2016-18. However, procurement was made through managed quotations to keep the bid prices at artificial / non-competitive level because business of the supplier and so called competitors i.e. M/s L.A. International and M/s S.S. Traders was actually being run by the same management.

Due to negligence and dereliction of duties, procurements were made through managed quotations.

Procurements through managed quotations resulted in mis-procurement amounting to Rs 1.333 million on non-competitive rates.

The matter was reported to the PAO and DDO concerned in July, 2018. In DAC meeting held in December, 2018, DDO neither submitted annotated reply nor attended the DAC meeting. Audit stressed upon investigation and fixing responsibility on the person(s) at fault besides regularization of expenditure from the Competent Authority. The Cahir showed displeasure over the absence of DDO and directed the District Education Officer (EE-M) to initiate disciplinary action against the concerned besides investigation for fixing responsibility and regularization of expenditure from the Competent Authority. No progress was intimated to Audit till finalization of this Report.

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

[AIR Para: 14]

### 9.2.2.21 Overpayment of General Sales Tax – Rs 0.972 million

According to Section 3 of Finance Act, 2015 regarding Amendments of Sales Tax Act, 1990, General Sales Tax for supply of bricks was exempted up to 30.06.2018. Furthermore, according to serial No. 131 and 132 of Sixth Schedule of Sales Tax Act 1990, laptop computers and personal computers are exempted supplies under headings 8471.3010 and 8471.3020 respectively.

Head teachers of 194 schools under the administrative control DEA, Faisalabad incurred expenditure of Rs 10.086 million for purchase of bricks, crush stone and computers out of Non Salary Budget (NSB) and paid General Sales Tax amounting to Rs 0.972 million to suppliers on exempted items. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Expenditure	Amount of GST
1	Deputy District Education Officer (EE-M) Sadar, Faisalabad	21	1.916	0.278
2	Deputy District Education Officer (EE-M), Jaranwala	12	0.629	0.101
3	Deputy District Education Officer (EE-W), Jaranwala	6	0.885	0.150
4	Deputy District Education Officer (EE-W), Samundari	41	2.137	0.058
5	Deputy District Education Officer (EE-M), Samundari	84	2.761	0.101
6	Deputy District Education Officer (EE-W) City, Faisalabad	17	0.319	0.039
7	Deputy District Education Officer (EE-M) City, Faisalabad	13	1.439	0.245
<b>Total</b>		<b>194</b>	<b>10.086</b>	<b>0.972</b>

Due to weak internal controls, inadmissible General Sales Tax was charged by the suppliers and paid by the DDOs.

Charging and payment of inadmissible Sales Tax resulted in overpayment of Rs 0.972 million to the suppliers.

The matter was reported to the PAO and DDOs concerned in July and August, 2018. In DAC meeting held in December, 2018, it was replied that the amount had been recovered partially and remaining amount would also be

recovered and shown to Audit. DAC directed the DDOs concerned to effect recovery of exempted GST from the concerned at the earliest.

Audit recommends recovery of overpaid amount of Rs 0.972 million from the suppliers concerned.

[AIR Paras: 7, 4, 3, 9, 8, 13, 9]

### 9.2.3 Performance

#### 9.2.3.1 Encroachment of Government/State land – Rs 13.925 million

According to Section 127(3) of the Punjab Local Government Act 2013, the successor local governments shall, subject to policy of the Government or contractual obligations, make bye-laws for the use, development and management of the local government properties.

During the audit of DEA, Faisalabad, it was observed that land measuring 69 kanals and 10 marlas valuing Rs 13.925 million belonging to 13 Government Elementary/Primary Schools under the administrative control of DDEO (EE-W), Tehsil Sadar, Faisalabad was encroached by illegal occupants. Authorities did not take action to get the Government/State land vacated from the illegal occupants. The detail is as under:

(Rupees in million)

Sr. No.	DDO	Area of Land		Rate Per Marla	Amount
		Kanal	Marla		
1	DDEO (EE-W), Sadar, Faisalabad	69	10	10,018	13.925

Due to negligence and weak management, encroached Government/State land was not got vacated from the illegal occupants.

Encroachment of the Government/State land valuing Rs 13.925 million resulted in misuse of public resources by encroachers for personal benefit.

The matter was reported to the PAO and DDO concerned in August, 2018. In DAC meeting held in December, 2018, it was replied that report regarding illegal occupation of land had been sent to the DEO (EE-W), Faisalabad and request for vacation of illegally encroached Land was also made to Assistant Commissioner, Faisalabad Audit stressed upon vigorous efforts for vacation of state land from encroachers at the earliest. DAC directed the DEO (EE-W) to take up the matter with District Collector for vacation of state land. No progress was intimated to Audit till finalization of this Report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides vacation of Government/State land from the land grabbers.

[AIR Para: 2]

**9.2.3.2 Incurrence of expenditure without observing Student Teacher Ratio – Rs 11.408 million**

According to letter issued by the Chief Executive Officer, District Education Authority, Faisalabad, each Markaz should have Student Teacher Ratio (STR) of 40:1.

During the audit of DEA, Faisalabad, it was observed that head teachers of two elementary / primary schools under the administrative control of DDEO (EE-W), Tehsil Sadar, Faisalabad incurred expenditure of Rs 11.408 million on pay and allowances of teachers and contingencies during financial year 2017-18. However, expenditure was incurred without observing STR. The detail is as under:

(Amount in Rupees)

Sr. No.	Name of School	No. of Teachers	No of Students	No. of students per Teacher	Average Pay and Allowances per annum	Total Expenditure per year including FTF & NSB	Expenditure Per Student per Month
1	GGPS 254/RB	2	32	16	1,200,000	1,289,000	3,357
2	GGPS 104 JB Bungalow Kot Khuda Yar	2	23	11	1,200,000	1,272,416	4,610
3	GGES CHAK 34 JB N	7	141	20	4,200,000	4,374,000	2,585
4	GGES 79 GB	7	138	20	4,200,000	4,473,000	2,701
<b>Total</b>		<b>18</b>	<b>334</b>	<b>67</b>	<b>10,800,000</b>	<b>11,408,416</b>	

Due to weak administration and poor monitoring mechanism, expenditure was incurred without observing STR.

Incurrence of expenditure of Rs 11.408 million without observing STR resulted in non-compliance of instructions.

The matter was reported to the PAO and DDO concerned in August, 2018. In DAC meeting held in December, 2018, it was replied that the Government policy required appointment of minimum four teachers in each school. Posts of teachers are sanctioned by the Finance Department in each and every school irrespective of their enrollment. The reply was not tenable because STR was not observed while posting the teachers. DAC decided to take up the matter with School Education Department for rationalizing the policy regarding posting of minimum four teachers in the schools having low enrollment of students. No progress was intimated to Audit till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides maintaining prescribed STR.

[AIR Para: 8]

## **9.2.4 Internal Control Weaknesses**

### **9.2.4.1 Extra burden of pension payments – Rs 630 million**

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

CEO, DEA, Faisalabad made payment of pension amounting to Rs 446.816 million during 2017-18 to 884 retired employees / pensioners of Municipal Corporation / Zila Council without any release of grant by the Government of Punjab. The estimated pension liability for the year 2017-18 was Rs 183.184 million thus creating a financial burden of Rs 630 million for DEA, Faisalabad. Government of the Punjab did not transfer the required funds and DEA managed pension payments from its own resources. Further, the management of DEA did not create pension fund which was required to be created as per PLGA, 2013.

Due to weak management, matter regarding shifting of additional resources for pension payment was not taken up at appropriate forum.

Non-pursuance of matter for provision of additional resources for pension payment resulted in extra burden of Rs 630 million on the local fund of the DEA, Faisalabad.

The matter was reported to the PAO and DDO concerned in August, 2018. In DAC meeting held in December, 2018, it was replied that extra resources on account of payment of pensionary dues were incurred in the light of Letter No. FD(DG)1-Instruction-Act-13/2018 dated 26.05.2017 issued by Government of the Punjab, Finance Department. The reply was not tenable because Pension Fund was not established and extra burden of pension payments was borne by the DEA beyond the actual liability of pension contribution and claims were being processed without proper pre-audit. DAC decided to take up the matter with the authorities concerned for provision of funds for payment of pension. No progress was intimated to Audit till finalization of this Report.

Audit recommends active pursuance of the matter for provision of extra resources beyond the required amount of pension contribution besides devising sound mechanism to avoid wrong / over payments.

[AIR Para: 15]

#### 9.2.4.2 Unjustified payments through adjustments – Rs 12.673 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.

Three DDOs of District Education Authority, Faisalabad made payment of Rs 12.673 million to different employees through adjustments in pay and allowances during 2017-18 without maintaining ancillary record. The detail is as under:

(Rupees in million)

Sr. No.	Name of Formation	Amount
1	Chief Executive Officer, District Education Authority, Faisalabad	2.075
2	Deputy District Education Officer (EE-W), Tehsil Sadar, Faisalabad	7.030
3	Deputy District Education Officer (EE-W), Tehsil City, Faisalabad	3.568
<b>Total</b>		<b>12.673</b>

Due to weak internal and financial controls, pay and allowance were paid without maintaining supporting record.

Payment of pay and allowances through adjustment / without maintaining ancillary / supporting record resulted in unjustified payment of Rs 12.673 million to the employees concerned.

The matter was reported to the PAO and DDOs concerned in August, 2018. In DAC meeting held in December, 2018, it was replied that the requisite record had been maintained. Audit stressed upon production of all the supporting record regarding payments made through adjustments. DAC directed DDOs



concerned to produce the requisite record to Audit within four days for verification. No progress was intimated to Audit till finalization of this Report.

Audit recommends investigation and fixing responsibility on the person(s) at fault besides maintenance and provision of all the ancillary record for verification to Audit without further delay.

[AIR Paras: 12, 11, 18]

#### **9.2.4.3 Suspicious / doubtful expenditure without supporting record – Rs 1.550 million**

According to Rule 2.32(a) of the Punjab Financial Rules, Volume-I, it is not sufficient that a Government Servants accounts should be correct to his own satisfaction. He has to satisfy not only himself but also the Accountant General that a claim which has been accepted is valid, voucher is a complete proof of the payment which it supports and account is correct in all respects.

Four DDOs of District Education Authority, Faisalabad incurred expenditure of Rs 1.550 million on the procurement of uniforms, shoes, bags, stationery and prizes for students and repair of furniture, machinery & equipment during 2011-18. However, following record was not maintained in support of validity/authenticity of payment.

1. Applications of deserving students/parents/guardian duly recommended by class teacher/School Council's members, was not available in the school record.
2. Acknowledgement of items showing name of student, registration/roll number and class was not available.
3. A certificate to the effect that the material procured was distributed among the needy students in the presence of School Council members / teachers was not forthcoming from the school record. In the absence of maintenance of above record, the chances of misappropriation of Government funds cannot be ruled out.
4. History sheet register showing detail of repair of furniture and machinery / equipment was not being maintained.
5. Unserviceable items i.e. bearing, coper wire for winding, capacitor etc. were not taken in stock register.
6. The satisfactory repair certificate was not available in the record. DDO wise detail of expenditure is as under:

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Description	Amount
1	DDEO (EE-M) Sadar, Faisalabad	05	Uniform, bags, shoes, stationery	0.934
2	Government Girls High School, Jhamra	01	Repair of furniture, machinery and equipment	0.211
3	Government Girls High School No.2, Tandlianwala	01	Repair of furniture, machinery and equipment	0.210
4	Government Girls High School Chak No.563 GB, Lundianwala	01	Repair of furniture, machinery and equipment	0.195
<b>Total</b>				<b>1.550</b>

Due to weak financial management, amount was withdrawn out of NSB Grant without maintenance of record.

Non-maintenance of supporting record resulted in loss to the public exchequer amounting to Rs 1.550 million.

The matter was reported to the PAO and DDOs concerned in July and August, 2018. In DAC meeting held in December, 2018, it was replied that stock register had already been made. The reply was not tenable because expenditure was incurred without maintenance of requisite record and no documentary evidence was provided in support of reply. DAC directed DDOs concerned to provide the requisite record to Audit for verification besides regularization of expenditure from the Competent Authority. No progress was intimated to Audit till finalization of this Report.

Audit recommends maintenance / production of relevant record for verification besides fixing responsibility on the person(s) at fault.

[AIR Paras: 11, 4, 3, 8]

#### **9.2.4.4 Irregular payment of salaries without performing duty in District Education Authority – Rs 0.986 million**

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

Chief Executive Officer, District Education Authority, Faisalabad paid salaries amounting to Rs 0.986 million to Mr. Muhammad Khalid, Registrar during

2017-18. However, scrutiny of attendance register revealed that he did not perform duties in CEO, District Education Authority (DEA) office during that period.

Due to weak internal controls, salaries were paid without performing duty in District Education Authority, Faisalabad.

Payment of salaries without performing duty at DEA, Faisalabad resulted in irregular payment amounting to Rs 0.986 million.

The matter was reported to the PAO and DDO concerned in August, 2018. In DAC meeting held in December, 2018, it was replied that the said employee was deputed on stopgap administrative arrangement in the office of the Deputy Secretary School Education Department Lahore Vide order Dated 04.08.2016, letter No. Mse/DSG, dated 04.01.2017, Letter No. DSG/MISE/2017, dated 30.01.2017 for the period from 05.08.2016 to 31.12.2017 and in the office of the under Secretary (Lit), Government of the Punjab School Education Department Lahore for the period from 01.01.2018 to 14.11.2018. The reply was not tenable because no documentary evidence was produced in its support. Further, the employee drew pay beyond the permissible limit of three months for general duty / shifting of headquarters. DAC observed that it was a wrong practice which must be discontinued. DAC further directed to obtain the attendance record of the employee to verify his services. No progress was intimated to Audit till finalization of this Report.

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

[AIR Para 13]

## **CHAPTER 10**

### **10.1 District Education Authority, Jhang**

#### **10.1.1 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.

The functions of District Education Authority, Jhang 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 in the district;
- 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 student's 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; and
- 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.

Total No. of educational institutions under the jurisdiction of District Education Authority, Jhang:

<b>Description</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
Primary Schools	476	792	1,268
Elementary Schools	100	89	189
High Schools	93	68	161
Higher Secondary Schools	09	07	16
Special Education Schools / Centers	07	02	9
<b>Total</b>	<b>685</b>	<b>958</b>	<b>1,643</b>

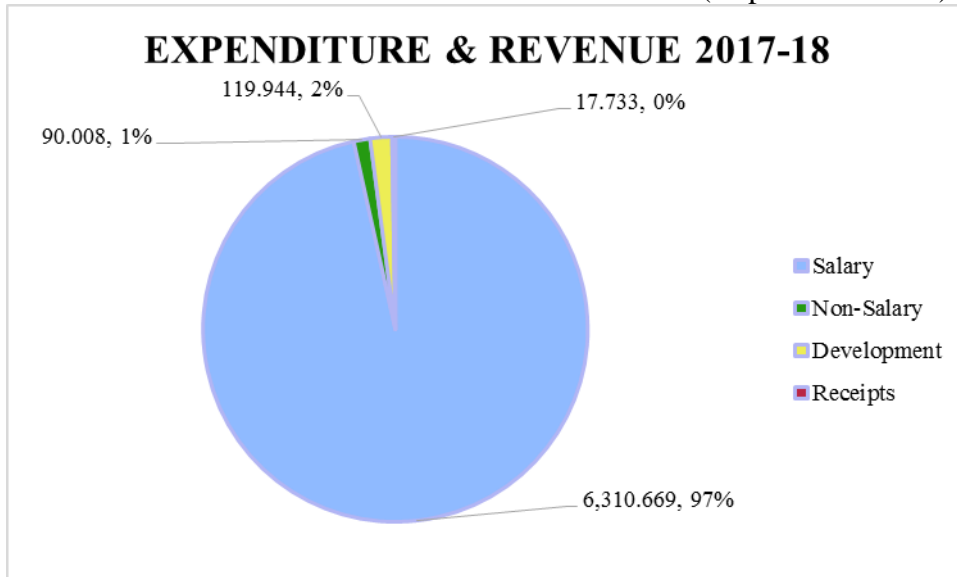
### 10.1.2 Comments on Budget and Accounts

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

(Rupees in million)

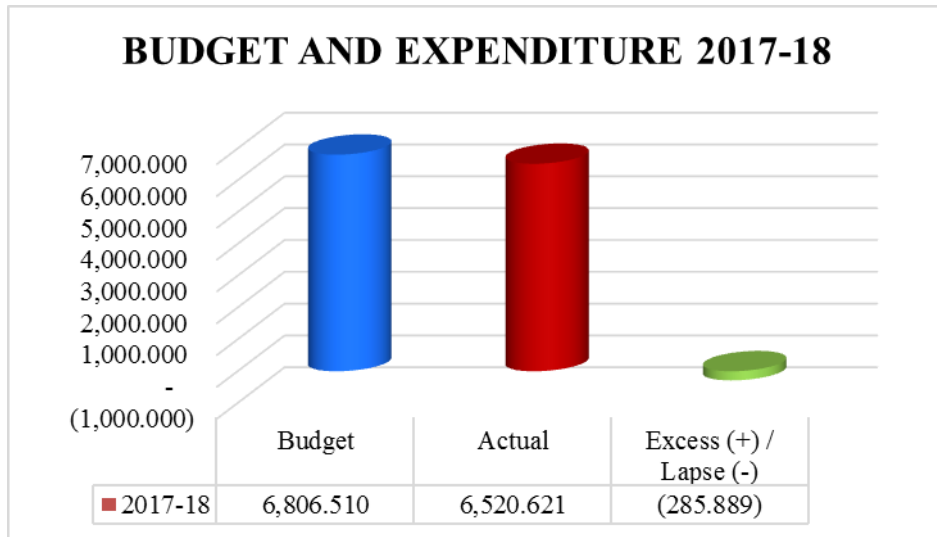
<b>2017-18</b>	<b>Budget</b>	<b>Actual</b>	<b>Excess (+)/ Lapse (-)</b>	<b>% Excess/ (Lapse)</b>
Salary	6,169.168	6,310.669	141.501	2.29%
Non-Salary	125.468	90.008	-35.460	28.26%
Development	511.874	119.944	-391.930	76.57%
<b>Total</b>	<b>6,806.510</b>	<b>6,520.621</b>	<b>-285.889</b>	<b>4.20%</b>
Receipts	-	17.733	17.733	-

(Rupees in million)



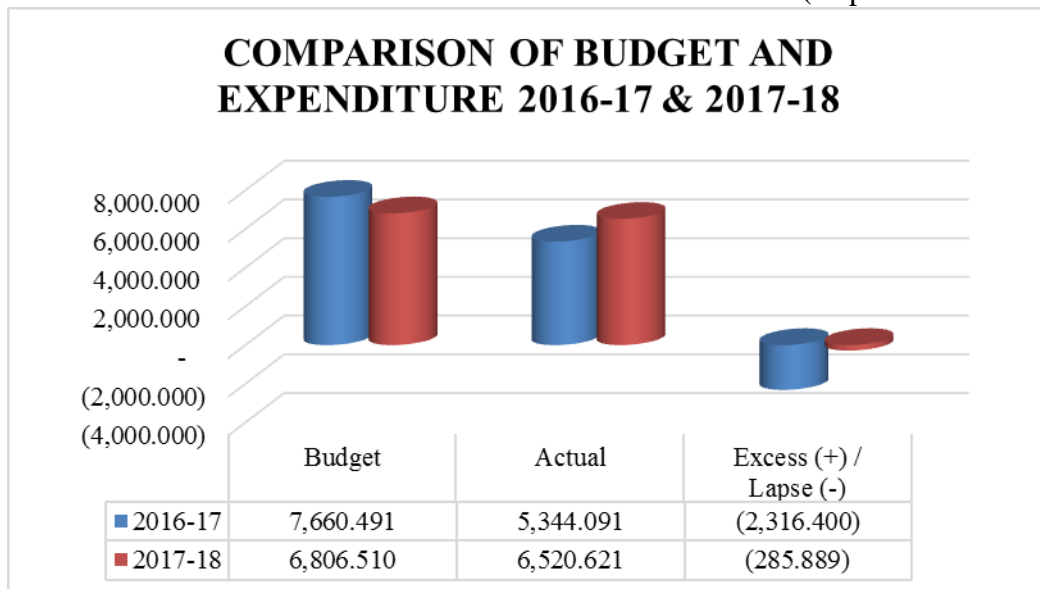
As per Appropriation Accounts 2017-18 of the District Education Authority, Jhang, total original budget (Development & Non-Development) was Rs 6,184.500 million, Supplementary Grant of Rs 622.010 million was provided and the final budget was Rs 6,806.510 million. Against the final budget, total expenditure of Rs 6,520.621 million was incurred by the District Education Authority during 2017-18. A budget lapse of Rs 285.889 million came to the notice of Audit due to inefficient financial management in release of budget by Authorities. No plausible explanation was provided by the PAO and management of District Education Authority (**Annexure-B**). The comparison of budget and expenditure for FY 2017-18 showing huge lapse is as under:

(Rupees in million)



The comparative analysis of the budget and expenditure of current and previous financial years is depicted as under:

(Rupees in million)



### **10.1.3 Brief Comments on the Status of Compliance of MFDAC Audit Paras of Audit Report 2017-18**

Audit Paras reported in MFDAC of last year Audit Report, which have not been attended in accordance with the directives of DAC, have now been reported in Part-II of Annex-A.

### **10.1.4 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 for causing it to be laid before the Provincial Assembly. PAC has not been constituted for Audit Reports of District Education Authorities.

#### **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



## **10.2 AUDIT PARAS**

### **10.2.1 Misappropriations / Fraud**

#### **10.2.1.1 Withdrawal of DEA funds by Executive Engineer – Rs 67.140 million**

According to Rule 2.10(b)(1) of the Punjab Financial Rules, Volume-I, in incurring and sanctioning expenditure the authorities should be guided by fundamental canons of financial propriety and should further see that special or general sanction of the competent authority for the expenditure exists. Further, according to Rule 27(a) of District Authorities (Accounts) Rules, 2017, the DDO, Budget and Accounts Officer of District Authority and Accounts Officer shall ensure the implementation of sanctioning of expenditure from competent authority.

District Education Authority, Jhang allocated funds against Cost Center JY-8996 for execution of development works / schemes during 2017-18. However, Executive Engineer, Building Division, Jhang utilized funds amounting to Rs 67.140 million against execution of development works from the said Cost Center by submitting claims of the contractors directly to District Account Office, Jhang without approval / sanction of authorized incumbent or Competent Authority of District Education Authority. Furthermore, the record of utilization of these funds was also not available with the District Education Authority.

Due to financial indiscipline and negligence, District Education Authority's funds were utilized by the Building Department without authority.

Utilization of fund of District Education Authority by Buildings Department without authority resulted in unauthentic utilization of funds amounting to Rs 67.140 million.

The matter was reported to the PAO and DDO concerned in November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends investigation and fixing responsibility on the person(s) at fault.

[AIR Para: 13]

## **10.2.2 Irregularities and Non-Compliance**

### **10.2.2.1 Unlawful conduct of business of District Education Authority – Rs 6,806.510 million**

According to Section 30(3) of the Punjab Local Government Act, 2013 (as amended on 08.11.2017), when an elected local government is, for any reason, not in office, the Government may appoint an administrator to perform the functions of the local government until the elected local government assumes office but such period shall not exceed twelve months. Further, according to Section 64 of the Act *ibid*, the executive authority of a local government shall vest in and be exercised by its Mayor or Chairman. Furthermore, according to Government of the Punjab, Local Government and Community Development Department Notification 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.

During the audit of District Education Authority (DEA), Jhang, it was observed that Deputy Commissioner, Jhang continued to hold the office as Administrator and exercised the powers of the Authority beyond lawful tenure of 12 months which was expired on 31.12.2017. Therefore, conduct of business of the Education Authority, Faisalabad including approval/ authentication of Revised Budget amounting to Rs 6,806.510 million and incurrence of expenditure during January to June, 2018 was held unlawful. Furthermore, powers of the House / Authority were concentrated in and used by a Government servant.

Due to negligence, business of the District Education Authority was run by Deputy Commissioner beyond lawful tenure of 12 months.

Exercising the powers of the House by the Deputy Commissioner beyond 12 months resulted in unlawful authentication / approval of Revised Budget amounting to Rs 6,806.510 million and unlawful conduct of business of District Education Authority.

The matter was reported to the PAO and DDO concerned in November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends investigation for fixing responsibility on the person(s) at fault besides regularization of the matter from the Competent Authority.

[AIR Para: 6]

#### **10.2.2.2 Unauthorized utilization of Public Account Fund – Rs 169.873 million**

According to Note 14.1 of Financial Statements for the year 2017-18, 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. Furthermore, 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.

Books of accounts of District Education Authority, Jhang for the financial year 2017-18 revealed that closing balance of Public Account was Rs 577.846 million while closing balance of Cash at Bank Account was Rs 407.973 million only as on 30.06.2018 which depicted that funds of Public Account amounting to Rs 169.873 million were utilized by District Education Authority.

Due to financial mismanagement and violation of rules, funds of Public Account were utilized without authority.

Non-maintenance of cash balance equalling the closing balances of Public Account balances resulted in unauthorized utilization of Public Account fund of Rs 169.873 million.

The matter was reported to the PAO and DDO concerned in November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

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

[AIR Para: 14]

### **10.2.2.3 Payment of inadmissible pay and allowances – Rs 30.411 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.

Three thousand two hundred and ten employees working under the administrative control of different DDOs of DEA, Jhang withdrew excess pay and allowances amounting to Rs 30.411 million due to payment of salaries after retirement or during EOL, wrong fixation of pay, withdrawal of inadmissible Science Teaching Allowance, Inspection Allowance, Charge Allowance and Adhoc Relief Allowances. **(Annexure-L/JHG)**

Due to weak financial indiscipline, payment of pay and allowances was made either at excessive rates or without admissibility.

Payment of pay and allowances at excessive rates or without admissibility resulted in excess payment of Rs 30.411 million to the employees concerned.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends recovery of excess paid amount of Rs 30.411 million from the employees concerned at the earliest.

[AIR Paras: 8, 7, 12, 10, 8, 7, 3, 2, 1, 6, 8, 7, 5, 4, 14, 11, 10, 7, 5, 9, 5, 7, 6, 6, 5, 2, 14, 6, 7, 8, 9, 10, 13, 6, 9, 10, 11, 12, 14, 1, 9, 10, 14]

#### **10.2.2.4 Less recovery of proportionate share out of Pension Fund maintained by District Government – Rs 19.517 million**

According to Para 4(c) of Government of the Punjab, Finance Department letter No.FD(DG)1-Instructions-Act-13/2016 dated 25.05.2017, the liability of person of the retired and retiring employees of Health and Education Sectors of erstwhile local governments shall be borne by the respective District Authorities. Moreover, the “Pension Fund” maintained by the erstwhile District Government shall be apportioned proportionately amongst the District Education Authority, District Health Authority and respective District Council.

DEA, Jhang upon its constitution had to receive an amount of Rs 34.023 million as its proportionate share out of Pension Fund of erstwhile District Government, Jhang maintained in The Bank of Punjab. However, the District Government, Jhang transferred only an amount of Rs 14.505 million to DEA, Jhang. Resultantly, an amount of Rs 19.517 million was less received / transferred till the date of audit. Furthermore, record regarding total fund available in pension fund of erstwhile District Government and profit earned on investments and basis of distribution of pension was either not available or not produced to Audit for further calculation of actual share of DEA.

Due to weak internal controls and financial indiscipline, proportionate share of pension fund was not gat transferred from the erstwhile District Government.

Less recovery of proportionate share of pension fund amounting to Rs 19.517 million resulted in non-payment of pension to pensioners and loss of expected profit on investments.

The matter was reported to the DDO in October, 2018. It was replied that Para seen for compliance. Audit Stressed on recovery at the earliest.

Audit recommends justified distribution and transfer of proportionate share of Pension Fund maintained by the erstwhile District Government at the earliest.

[AIR Para: 4]

#### 10.2.2.5 Unjustified payments through adjustments – Rs 19.115 million

According to Rule 2.20 of the Punjab Financial Rules, Volume-I, 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. 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.

Seven DDOs of DEA, Jhang made payment of Rs 19.115 million to different employees on account of arrear claims of pay and allowances through adjustments in automated Payroll of SAP/R3 during 2017-18. Contrary to the above provisions, the claims were entertained without maintaining ancillary record i.e. arrear bills on specified form and change statements duly notified to District Accounts Officer concerned. The detail is as under:

(Rupees in million)

Sr. No.	Name of Formation	Amount
1	Deputy District Education Officer (EE-W), Ahmad Pur Sial	0.167
2	Deputy District Education Officer (EE-W), 18-Hazari	1.366
3	Deputy District Education Officer (EE-W), Shorkot	13.749
4	Principal, Government Comprehensive Model High School, Jhang	0.663
5	Headmaster, Government Special Education Centre, Ahmad Pur Sial	0.632
6	Deputy District Education Officer (EE-M), Shorkot	0.747
7	Deputy District Education Officer (EE-M), 18-Hazari	1.791
<b>Total</b>		<b>19.115</b>

Due to weak financial controls and negligence, arrears claims of pay and allowance were paid to employees without maintaining necessary supporting record.

Payment of pay and allowances without maintaining necessary supporting record resulted in unauthentic expenditure of Rs 19.115 million.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends fixing responsibility on the incumbent(s) at fault besides maintenance and provision of supporting record.

[AIR Paras: 9, 8, 10, 5, 2, 8, 17]

#### **10.2.2.6 Irregular expenditure without tenders / quotations – Rs 17.982 million**

According to Rule 9 of the Punjab Procurement Rules, 2009/2014, a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. Further, according to Rule 12 of the rules *ibid*, a procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority. Furthermore, according to Rule 59(b) of the Punjab Procurement Rules, 2014, a procuring agency may provide for petty purchases through at least three quotations where the cost of the procurement is more than fifty thousand rupees but less than one hundred thousand rupees.

School Councils of 104 primary / elementary, high / higher secondary schools and DDOs of Government Special Education Centers / Schools of District Education Authority, Jhang incurred expenditure of Rs 17.982 million for purchase of furniture, uniform, building material etc. from local market during 2009-18. 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. (**Annexure-M/JHG**)

Due to weak internal controls and lack of planning, expenditure was incurred without open competition.

Procurement without tendering / quotations resulted in mis-procurement and irregular expenditure of Rs 17.982 million

The matter was reported to the PAO and DDOs concerned in October and November, 2018.



No DAC meeting was convened by the PAO despite repeated requests by Audit.

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

[AIR Paras: 1, 5, 11, 4, 1, 4, 1, 2, 17, 1, 5, 2, 2, 2]

#### **10.2.2.7 Unauthorized use of DDO Bank Account – Rs 12.399 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 2.10(b)5 of Punjab Financial Rules, no money is withdrawn from the treasury unless it is required for immediate disbursement or has already, been paid out of the permanent advance and that it is not permissible to draw advances from the treasury for the execution of works the completion of which is likely to take a considerable time. Further, according to Note II against Sr. No.04 of Second Schedule of the Punjab District Government (Delegation of Financial Powers) Rules 2017, no expenditure shall be incurred on a scheme unless there is a budget provision in the Annual Development Program.

CEO, DEA, Jhang and Executive District Officer (Education) of erstwhile District Government, Jhang maintained a (PLS) DDO Bank Account at National Bank, Main Branch, Jhang (A/c No.3035341431). The DDOs withdrew funds from treasury against specific claims i.e. funds of vertical grants of schools, unspent balance of civil works and parked these funds into the DDO bank account time to time and thereafter utilized the accumulated balance according to their own discretion for the purposes other than those for which the funds were withdrawn from the treasury, as detail given in the following tale:

- Unspent balance lying in DDO Bank account was spent on execution of civil work, purchase of furniture, stationary, computers, weapon and payment of License Fee / WAPDA demand notices amounting to Rs 11.754 by ignoring the actual purposes for which these fund were withdrawn from the treasury.
- Furthermore, unspent balance of schemes, unclaimed cheques and profit earned amounting to Rs 0.645 million lying in the account was also

utilized by the DDOs instead of depositing the same into the Government Treasury.

- It is pertinent to mention that these transactions were also not accounted for in Cash Book.

Due to financial indiscipline, funds were utilized for purpose other than those for which these were withdrawn from treasury.

Utilization of funds for the purpose other than for which these were withdrawn resulted in unauthorized / unlawful utilization of funds amounting to Rs 12.399 million.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends regularization of the expenditure from the Competent Authority besides fixing responsibility on the incumbent(s) at fault.

[AIR Para: 17]

#### **10.2.2.8 Irregular expenditure on civil works without approval of design and specifications – Rs 12.146 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.

School Councils of 75 primary / elementary / high and higher secondary schools working under the administrative control of District Education Authority, Jhang incurred expenditure of Rs 12.146 million on construction of class rooms, soling, footpath, boundary walls, toilet blocks, repair of school building etc. during 2009-17. Contrary to the above provisions, civil works were executed without preparation of detailed design / specification / estimates and approval of the same from the Competent Authority. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Funds Utilized
1	Deputy District Education Officer (EE-M), Jhang	11	2.165
2	Deputy District Education Officer (EE-M), Shorkot	4	0.524
3	Deputy District Education Officer (EE-W), Ahmad Pur Sial	20	1.638
4	Deputy District Education Officer (EE-W), 18 Hazari	14	1.357
5	Principal, Government Higher Secondary School, Bagh	1	0.767
6	Deputy District Education Officer (EE-W), Shorkot	1	0.182
7	Principal, Govt. Comprehensive Model High School, Jhang	1	2.374
8	Deputy District Education Officer (EE-M), Ahmad Pur Sial	5	0.538
9	Deputy District Education Officer (EE-W), Jhang	10	1.332
10	Deputy District Education Officer (EE-M), 18-Hazari	8	1.269
	<b>Total</b>	<b>75</b>	<b>12.146</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 12.146 million.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

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

[AIR Paras: 1, 10, 2, 2, 3, 19, 2, 1, 1, 3]

#### **10.2.2.9 Irregular drawl of Inspection Allowance – Rs 6.536 million**

According to Government of the Punjab, School Education Department Notification No.SO(ADP)MISC-409/2012 dated 29.08.2012, following SOPs are for payment of Inspection Allowance to AEOs, the allowance shall be payable to AEOs on the basis of at least 50-inspections of Schools in a month. In case of less than 50-schools' inspection, it shall be claimed @ Rs 100 per school inspection, subject to submission of Inspection Report to Deputy DEOs concerned along with Follow-up Report of previous month's inspections. The allowance shall be paid after due verification of Inspection Report by the immediate controlling officer of

the AEOs concerned. The allowance shall be admissible during the vacation subject to prior approval of the Competent Authority.

Seventy-six Assistant Education Officers working under the administrative control of District Education Authority, Jhang withdrew Inspection Allowance amounting to Rs 6.536 million during 2017-18. However, allowance was withdrawn without producing Inspection Reports and Follow-up Reports and due verification of Controlling Officer. Furthermore, record regarding claim vouchers / change Statements were also not maintained by the DDOs and same was not produced to Audit for further scrutiny. The detail is as under:

(Rupees in million)

Sr. No.	Name of DDO	Period	No. of AEOs	Amount
1	Deputy District Education Officer (EE-W), Ahmad Pur Sial	2017-18	9	0.885
2	Deputy District Education Officer (EE-W), 18-Hazari	2017-18	5	0.316
3	Deputy District Education Officer (EE-W), Shorkot	2017-18	11	1.177
4	Deputy District Education Officer (EE-M), Shorkot	2017-18	5	0.400
5	Deputy District Education Officer (EE-M), Ahmad Pur Sial	2017-18	6	0.616
6	Deputy District Education Officer (EE-W), Jhang	2017-18	35	2.745
7	Deputy District Education Officer (EE-M), 18-Hazari	2017-18	5	0.397
<b>Total</b>			<b>76</b>	<b>6.536</b>

Due to weak financial management, Inspection Allowance was withdrawn by the AEOs without compliance of SOPs and record of payment was also not maintained by the DDOs concerned.

Withdrawal of allowance in violation of SOPs and non-maintenance / production of supporting record of payment resulted in unauthentic expenditure amounting to Rs 6.536 million.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends regularization of expenditure from the Competent Authority besides production of supporting of record at the earliest.

[AIR Paras: 6, 6, 2, 6, 11, 7, 8]

#### 10.2.2.10 Irregular expenditure by School Councils – Rs 5.570 million

According to Para 4.9.1 of the School Council Policy, 2007, School Council can incur expenditure up to Rs 400,000 during one financial year.

School Councils of 10 higher secondary, elementary and primary schools working under the administrative control of District Education Authority, Jhang incurred expenditure amounting to Rs 10.770 million against permissible limit of Rs 5.200 million. Resultantly, incurrence of excess expenditure amounting to Rs 5.570 million than the permissible limit. The detail is as under:

(Rupees in million)

Sr. No.	Name of DDO	No. of Years	No. of Schools	Permissible Limit	Total Expenditure	Excess Expenditure
1	Deputy District Education Officer (EE-M), Jhang	1	6	2.400	3.429	1.029
2	Principal, Government Higher Secondary School, Bagh	3	1	1.200	5.214	4.014
3	Deputy District Education Officer (EE-M), 18-Hazari	1	2	0.800	1.172	0.372
		2	1	0.800	0.955	0.155
<b>Total</b>			<b>10</b>	<b>5.200</b>	<b>10.770</b>	<b>5.570</b>

Due to violation of Government instructions, excess expenditure was incurred than authorized/permissible limit.

Incurrence of expenditure excess than authorized / permissible limit resulted in irregular expenditure amounting to Rs 5.570 million.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends regularization of expenditure from the Competent Authority.

[AIR Paras: 2, 1, 15]

#### **10.2.2.11 Non-deduction of Income Tax and Sales Tax – Rs 4.556 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, 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 325 primary/elementary and high/higher secondary schools working under the administrative control of District Education Authority, Jhang made payments against supply of goods, rendering of services and execution of contracts during 2010-18. Contrary to the above provisions, an amount of Rs 4.556 million on account of Income Tax, General Sales Tax and Punjab Sales Tax on Services was not / less deducted from the payments. Further, GST was either paid on exempted supplies or previous recovery of taxes was paid out of NSB funds. **(Annexure-N/JHG)**

Due to weak internal controls, taxes were not deducted/withheld at specified rates before making payments.

Non-deduction of taxes at specified rates resulted in excess payment of Rs 4.556 million to the suppliers/service providers/contractors concerned.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends recovery of taxes amounting to Rs 4.556 million from the concerned.

[AIR Paras: 2, 12, 9, 4, 3, 11, 15, 13, 12, 12abc, 11, 10, 8, 4, 18, 16, 12, 11, 9, 11,10, 3, 4, 6, 3, 4, 4, 5, 6, 7]

**10.2.2.12 Irregular expenditure / transfer of funds for brick kiln children/ parents – Rs 3.667 million**

According to Rule 2.31(a) of the Punjab Financial Rules, Volume-I, a drawer of bill for pay and allowances contingent and other expenses will be held responsible for any over charge, frauds and misappropriations. Further, according to Section 6.5.3.2 of the Accounting Policies and Procedures Manual (APPM), the delegated officer shall investigate individual items only where the daily balances do not agree he shall take into account the main reasons of any differences (e.g. misclassification). Furthermore, according to Section 2.3.2.2 of the Manual *ibid*, the information in the accounts and the supporting subsidiary records should 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 the audit of DEA, Jhang, it was observed that District Education Officer (EE-M), Jhang withdrew funds of Rs 3.667 million for distribution of quarterly stipend to each child and incentive for parents of brick kiln children / parents during 2016-17. Later on the same was given to DEO (SE) for distribution among brick kiln children of high and higher secondary schools. The expenditure was held irregular because high and higher secondary schools were working under the DEO, Secondary Education and the same was to be claimed by that office. Further, relevant record i.e. vouched account was also not obtained from the concerned office.

Due to weak internal controls and financial indiscipline, irregular transfer of funds was made.

Irregular expenditure and transfer of funds amounting to Rs 3.667 million resulted in misrepresentation of facts in the accounts of the Authority.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends regularization of expenditure from the Competent Authority besides provision of vouched account.

[AIR Para: 11]

**10.2.2.13 Unauthorized payment of pension to employees of District Education Authority, Chiniot – Rs 3.433 million**

According to Para 4(c) of Government of the Punjab, Finance Department letter No.FD(DG)1-Instructions-Act-13/2016 dated 25.05.2017, the liability of person of the retired and retiring employees of Health and Education Sectors of erstwhile local governments shall be borne by the respective District Authorities. Moreover, the “Pension Fund” maintained by the erstwhile District Government shall be apportioned proportionately amongst the District Education Authority, District Health Authority and respective District Council.

DEA, Jhang made payment of pension to retired employees of DEA, Chiniot for the period from March, 2017 to September, 2018 amounting to Rs 3.433 million. Contrary to the above provisions, funds of DEA, Jhang were utilized to pay the liabilities of other District Education Authority which was not a valid claim.

Due to weak internal controls, liabilities of other District Education Authority were paid out of funds of District Education Authority, Jhang beyond the authority.

Payment of pension to retired employees of District Education Authority, Chiniot beyond authority, resulted in unauthorized payment amounting to Rs 3.433 million.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.



No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends reimbursement of expenditure incurred on pension payment on behalf of DEA, Chiniot.

[AIR Para: 3]

**10.2.2.14 Payment of inadmissible Qualification Allowance – Rs 3.035 million**

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

During the audit of DEA, Jhang, it was observed that 448 employees working under the administrative control of Deputy District Education Officer (EE-W), Jhang withdrew Qualification Allowance amounting to Rs 3.035 million during 2017-18. However, evidence for higher qualifications was not produced for verification.

Due to weak internal and financial controls, inadmissible allowance was paid to the employees.

Payment of inadmissible allowance resulted in excess payment of Rs 3.035 million to employees.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends production of record besides recovery of overpayment.

[AIR Para: 13]

**10.2.2.15 Payment of inadmissible House Rent and Conveyance Allowance – Rs 2.960 million**

According to Rule 1.15(2) of the Punjab TA Rules, Conveyance Allowance will not be admissible during leave or joining time. 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. Furthermore, according to Government of the Punjab, Finance Department letter No.FD.PC.2-1/87 dated 27.07.1987, House Rent Allowance at all the stations other than Lahore, Rawalpindi, Multan and Faisalabad shall be admissible at 30% of the minimum of the relevant basic pay scale.

Eight DDOs of DEA, Jhang made excess payment of salary amounting to Rs 2.960 million to the employees due to payment of inadmissible Conveyance & House Rent Allowance and less / non-deduction of House Rent Charges. The detail is given in the following table:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Chief Executive Officer, District Education Authority, Jhang	Payment of House Rent Allowance at excessive rate	0.012
2	Principal, Government Special Education Centre for HIC, Jhang	Unauthorized withdrawal of Conveyance and House Rent Allowance	0.323
		Non / Less deduction of 5% House Rent Charges	0.188
		Unauthorized payment of conveyance allowance	0.145
		Unauthorized withdrawal of conveyance allowance during winter vacation	0.099
0.022			
3	District Education Officer (EE-M), Jhang	Overpayment of conveyance allowance despite the availability of official bikes	1.435
4	Deputy District Education Officer (EE-M), Shorkot	Unauthorized withdrawal of conveyance allowance during winter vacation	0.387
5	Principal, Government Higher Secondary School, Bagh	Unauthorized withdrawal of conveyance allowance during leave	0.058
6	Deputy District Education Officer (EE-W), Shorkot	Unauthorized withdrawal of conveyance allowance during summer/winter vacation	0.082
7	Principal, Government Comprehensive Model High School, Jhang	Unauthorized withdrawal of conveyance allowance during winter vacation	0.086
8	Headmaster, Government Special	Unauthorized withdrawal of conveyance	0.045

Sr. No.	DDOs	Description	Amount
	Education Centre, Ahmad Pur Sial	allowance during leave	
		Unauthorized withdrawal of conveyance allowance during winter vacation	0.078
<b>Total</b>			<b>2.960</b>

Due to violation of Government instruction and negligence, payment of inadmissible allowances was made to employees and necessary deduction were also not be made from salaries.

Payment of inadmissible allowances and non-deduction of House Rent Charges resulted in excess payment to the employees amounting to Rs 2.960 million.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends recovery of excess payment amounting to Rs 2.960 million at the earliest from the employees concerned.

[AIR Paras: 9, 8, 10, 7, 9, 13, 5, 2, 5, 3, 10, 12, 8]

#### **10.2.2.16 Irregular procurements without adopting proper purchase procedure – Rs 2.555 million**

According to Rules 4 10(1) and 25(2) of PPRA Rules, 2014, a procuring agency, while making any procurement, shall ensure that the procurement is made in a fair and transparent manner, the object of procurement brings value for money to the procuring agency and the procurement process is efficient and economical. A procuring agency shall determine specifications in a manner to allow the widest possible competition which shall not favour any single contractor nor put others at a disadvantage.

During the audit of DEA, Jhang, it was observed that head teachers of 45 elementary and primary schools under the administrative control of DDEO (EE-W), Jhang and (EE-M), Ahmad Pur Sial incurred expenditure of Rs 2.555 million on procurement of smartphones, LED TV, furniture, fixtures, computers etc. during 2017-18. Contrary to the above provisions, procurement was made

without specifying any specifications of goods so procured which resulted in unhealthy price competition. The detail is as under:

(Rupees in million)

<b>Sr. No.</b>	<b>DDO</b>	<b>No. of Schools</b>	<b>Amount</b>
1	Deputy District Education Officer (EE-W), Jhang	37	2.159
2	Deputy District Education Officer (EE-M), Ahmad Pur Sial	8	0.396
<b>Total</b>		<b>45</b>	<b>2.555</b>

Due to financial mismanagement and violation of rules, procurement was made through doubtful procurement process and unhealthy competitive bidding.

Procurement through unhealthy procurement procedure and without proper specifications resulted in irregular/uneconomical expenditure amounting to Rs 2.555 million.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends fixing responsibility on the incumbent(s) at fault besides regularization of expenditure from the Competent Authority.

[AIR Paras: 5, 5]

#### **10.2.2.17 Irregular cash payments – Rs 1.771 million**

According to Rule 4.49(a) of the Punjab 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 (DDOs). 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 favour of contractor / supplier.

Three DDOs of District Education Authority, Jhang made payment of Rs 1.771 million to different suppliers / contractors during 2014-18. Contrary to

the above, bank statements showed that whole amount was withdrawn by the head teachers in cash and payments were also made accordingly in cash instead of through crossed cheques or direct vendor payments to suppliers / contractors. The detail is as under:

(Rupees in million)

Sr. No.	Name of DDO	Period	Amount
1	Deputy District Education Officer (EE-W), Shorkot	2017-18	0.447
2	Principal, Government Comprehensive Model High School, Jhang	2015-18	0.772
3	Headmaster, Government Special Education Centre, Ahmad Pur Sial	2014-15	0.552
<b>Total</b>			<b>1.771</b>

Due to violation of rules, payments to the suppliers / contractors were made in cash instead of payment through crossed cheque or vendor payment directly through DAO.

Cash payments of Rs 1.771 million in violation of rules resulted in irregular payments to the suppliers / contractors concerned.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

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

[AIR Paras: 11, 4, 3]

#### **10.2.2.18 Irregular expenditures under head of POL – Rs 1.518 million**

According to Para 5 of Government of the Punjab, Special Education Department Letter No. SO (SE) 2-78/2008(Vol.III), the route of the bus will be recommended by the School Management Council and approved by District Education Officer. In case the School Management Council is unable to take decision within 5-days of submission of a proposal then head of the institution will refer matter to the EDO (CD) concerned to take a decision. Further, according to Government of the Punjab, Services and General Administration Department (Transport Pool) letter No. MTO(S&GAD)AT-II/2-9/2006 dated 26.12.2008, necessary arrangements be made for sealing of speedometer /

milometer of all the vehicles under use in the Government offices to minimize the chances of pilferage / misappropriation of fuel.

Three DDOs of District Education Authority, Jhang including Chief Executive Officer, Deputy District Education Officer and Headmaster, Government Special Education Centre, incurred expenditure amounting to Rs 1.518 million on POL of vehicles without sealing of speedometers of motor vehicles. Furthermore, Headmaster of Special Education Centre incurred expenditure on POL without recommendation of route of student bus from School Council duly approved by the District Education Officer concerned. The detail is given below:

(Rupees in million)

Sr. No.	Name of DDO	Amount
1	Chief Executive Officer, District Education Authority, Jhang	0.355
2	Headmaster, Government Special Education Centre, Ahmad Pur Sial	0.739
3	Deputy District Education Officer (EE-M), 18-Hazari	0.424
<b>Total</b>		<b>1.518</b>

Due to weak internal controls, expenditure on POL of vehicles was incurred without sealing of speedometers and approval of route of the bus by the Competent Authority / forum.

Expenditure on POL without sealing of speedometers and non-approval of route from the Competent Authority / forum resulted in irregular expenditure amounting to Rs 1.518 million.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends regularization of expenditure and approval of route of bus from the Competent Authority besides sealing of speedometers of the vehicles.

[AIR Paras: 15, 01, 18]

**10.2.2.19 Non-deposit of receipts into the Government Treasury –  
Rs 1.494 million**

According to Rule 76(1) of the Punjab District Government and Municipal Administration (Budget) Rules, 2003 and Rule 68(1) of the Punjab District Authorities (Budget) Rules, 2017, the primary obligation of the collecting officers shall be to ensure that all revenue due is claimed, realized and credited immediately into Local Government / District Authority Fund and to record entries under proper receipt head. Furthermore, according to Rule 7(1) of the Punjab Subsidiary Treasury Rules, receipt realized on behalf of the Government should at once be deposited into the Government Treasury without any delay.

Five DDOs of District Education Authority, Jhang collected receipts on account of Admission / Tuition Fee, auction money and earned bank profit etc. amounting to Rs 1.494 million during 2014-18. Contrary to the above rules, the receipts were not deposited into the Government Treasury and retained either in DDOs bank accounts or student fund bank accounts. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description of Receipt	Financial Years	Amount
1	Chief Executive Officer, District Education Authority, Jhang	Bank Profit, Unclaimed amount	2015-18	1.414
2	District Education Officer (EE-M), Jhang	Bank Profit	2015-18	0.033
3	Principal, Government Higher Secondary School, Bagh	Admission/Tuition fee	2017-18	0.016
4	Principal, Government Comprehensive Model High School, Jhang	Bank Profit	2014-18	0.018
5	Deputy District Education Officer (EE-M), 18 Hazari	Auction money	2016-18	0.013
<b>Total</b>				<b>1.494</b>

Due to weak internal controls and financial indiscipline, receipts were not got deposited into the Government Treasury.

Non-deposit of receipts into the Government Treasury resulted in non-realization of revenue to the Government amounting to Rs 1.494 million.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides deposit of Rs 1.494 million in Government Treasury.

[AIR Paras: 16, 9, 10, 13, 13]

**10.2.2.20 Unauthorized use of canteen building for the purpose other than specified – Rs 1.209 million**

According to Rule 3 of Punjab Local Government (Property) Rules, 2003, the Local Government concerned shall take such steps as may be necessary to ensure that the property vested is managed in the best interest of the public for the purpose of the Ordinance. Further, according to Rules 4(f) of ibid, the manager shall prevent the use of property for any purpose and in any manner other than specified.

Chief Executive Officer, District Education Authority, Jhang did not auction the building of canteen of Education Complex since 2011 and handed over to District Monitoring Officer, Jhang after incurrence of additional expenditure on modification amounting to Rs 0.915 million without disclosing the detail of expenditure. Furthermore, rent of building amounting to Rs 0.294 million was also not recovered from District Monitoring Officer, Jhang as per rent assessment by Excise & Taxation Department.

Audit is of the view that due to mis-management of properties, canteen building was used for the purpose other than specified.

Utilization of canteen building for the purpose other than specified after incurrence of additional expenditure of Rs 0.915 million and non-recovery of rent of Rs 0.294 million resulted in unauthorized use of property and loss of rent.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.



No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends auction of canteen besides recovery of rent and fixing responsibility on the person(s) at fault.

[AIR Para: 22]

### 10.2.3 Performance

#### 10.2.3.1 Non-maintenance of record of Assets of Authority – Rs 333.386 million

According to Provisions 2.2.5.2, 2.2.7.1 and 7.2 of Financial Reporting Manual read with Para 13.4.1.1 of Accounting Policies and Procedures Manual, the accounts will include Statement of Fixed Assets that will provide the details of ownership, asset categories, cost at beginning of the reporting period, additions during the reporting period, disposals during the period and Cost at end of reporting period. This statement will be based on information supplied by the Division/ Departments on a specified form i.e. "Fixed Assets Registers" as set out in chapter 13 of APPM before the 7<sup>th</sup> of each month duly signed by the PAO. Further, according to Section 129 of the Punjab Local Government Act, 2013, every local government shall once in every year in July, take the physical stock of its movable and immovable properties and publish the report in the prescribed manner. The report shall contain particulars of the properties, total value of the property, annual return therefrom and change in its value, particulars of unserviceable articles, particulars of losses and proposal for utilization, development and improvement during the following year.

Various DDOs of District Education Authority, Jhang including CEO, DEA incurred expenditure of Rs 333.386 million on procurement of Physical Assets and execution of Civil Works during financial year 2016-18. Contrary to the above Section, Fixed Assets Register was neither maintained nor was any physical verification carried out by the authorities during the period to safeguard the public resources. The detail is as under:

(Rupees in million)

Sr. No.	Description	2016-17	2017-18	Total
1	Physical Assets	1.619	2.970	4.589
2	Civil Work	242.194	86.603	328.797
<b>Total</b>		<b>243.813</b>	<b>89.573</b>	<b>333.386</b>

Due to weak internal controls, Assets Register was not maintained not was physical verification carried out.

Non-maintenance of Fixed Assets Register costing Rs 333.386 million and non-conducting physical verification resulted in violation of rules and may result into misuse and pilferage of assets.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends maintenance of Assets Register besides physical verification.

[AIR Paras: 25, 12, 13, 13, 15]

#### **10.2.3.2 Unknown whereabouts of DEA receipt – Rs 124.779 million**

According to Rule 11(2)(c) of the Punjab District Authorities (Accounts) Rules, 2017, the Chief Executive Officer shall ensure that any sums due to District Authority are promptly realized and credited to the local fund. Further, according to Rule 9(c) of the 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.

Scrutiny of receipts challans of District Education Authority, Jhang for the financial year 2017-18 depicted that challans of recovery of Conveyance Allowance against earned leave amounting to Rs 0.055 million were not reflected in SAP/R3 data. Further, deposit challans of unspent balance of deposit work amounting to Rs 124.724 million received from Buildings Division, Jhang were also not reflected in SAP/R3 data and same were also not accounted for in cash book.

Due to weak financial management and internal controls, deposit receipts was not reconciled / authenticated with DAO.

Non-reconciliation of receipt with DAO and non-accountal of the same in SAP/R3 resulted in non-deposit on actual basis amounting to Rs 124.779 million.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends investigation of the matter besides fixing responsibility and recovery from the concerned.

[AIR Para: 20]

### **10.2.3.3 Non-provision of funds for missing facility of the schools – Rs 33.800 million**

According to Rule 3(c)&(d) of the Punjab District Authorities (Budget) Rules, 2017, the Chairperson shall ensure that the needs of disadvantaged and marginalized groups reflected in the budget priorities and interact with stakeholders to obtain their input on overall development outlay for ensuring teaching standards, students safety and hygiene standards.

During the audit of DEA, Jhang, it was observed that 63 elementary and primary schools, under the administrative control of DDEO (EE-M) and (EE-W), Shorkot had no Boundary walls. However, DEA, Jhang did not provide funds to the tune of Rs 33.800 million for construction of boundary walls which was basic necessity for the security of the students. Resultantly, schools were working with missing facility of boundary wall. The detail is as under:

<b>Sr. No.</b>	<b>Name of DDO</b>	<b>No. of Schools</b>
1	Deputy District Education Officer (EE-M), Shorkot	32
2	Deputy District Education Officer (EE-W), Shorkot	31
<b>Total</b>		<b>63</b>

Due to weak monitoring mechanism of the management, funds were not provided for missing facilities of the schools.

Non-provision of funds amounting to Rs 33.800 million for construction of boundary walls of school resulted in depriving the students from basic necessity and security.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends fixing responsibility on the incumbent(s) at fault besides provision of funds to the schools at the earliest.

[AIR Paras: 1, 9]

#### **10.2.3.4 Mis-management of Pension Account / Fund – Rs 26.003 million**

According to Para 4(c) of Government of the Punjab, Finance Department letter No.FD(DG)1-Instructions-Act-13/2016 dated 25.05.2017, the liability of person of the retired and retiring employees of Health and Education Sectors of erstwhile local governments shall be borne by the respective District Authorities. Moreover, the “Pension Fund” maintained by the erstwhile District Government shall be apportioned proportionately amongst the District Education Authority, District Health Authority and respective District Council. Further, Para 5 of letter ibid, the concerned District Authority shall deposit the monthly pension contribution @ 40% of the pay of such serving employees w.e.f. 01.01.2017 onwards.

District Education Authority, Jhang operated Profit and Loss account having closing balance of Rs 26.003 million in Bank of the Punjab, Session Road, Jhang for pension payments without making efforts to fetch maximum return on deposit and without proper planning for optimal utilization of available balance. Further, documents regarding terms & conditions and rate of return finalized by the bank was also not available / maintained / produced to Audit. Further, detail of employees of local government working, pension contribution due, contribution received / deposited into pension account and previous arrears was not maintained.

Due to weak administrative control, efforts were not being made for optimal utilization of financial resources.

Non-optimal utilization of financial resources amounting to Rs 26.003 million resulted in loss to authority in shape of profit on investment.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends enquire the matter at appropriate level and fix responsibility on person(s) at fault.

[AIR Para: 5]

#### 10.2.3.5 Less deduction of G.P Fund – Rs 8.643 million

According to Government of the Punjab, Finance Department Notification No.FD.SR-I/2-1/95(P) Dated 16.08.2017 regarding change in GPF (General Provident Fund) deduction rates, the deduction on the basis of the rates mentioned in letter shall be made with effect from the pay for August, 2017 payable on 1st September, 2017.

Scrutiny of SAP/R-3 automated payroll data for the financial year 2017-18 of three DDOs of District Education Authority, Jhang revealed that G.P Fund was not deducted at prescribed revised rates w.e.f August, 2017 and deduction was delayed due to which excess payment of Rs 8.643 million was made to the 2,754 employees. The detail is given in the following table:

(Rupees in million)			
Sr. No.	DDO	No. of Employees	Amount
1	Deputy District Education Officer (EE-M), Ahmad Pur Sial	338	1.303
2	Deputy District Education Officer (EE-W), Shorkot	577	0.359
3	Deputy District Education Officer (EE-W), Jhang	1,839	6.981
<b>Total</b>		<b>2,754</b>	<b>8.643</b>

Due to weak financial controls, GPF was not deducted at prescribed revised rates from salaries of the employees well in time.

Non-deduction of GPF at prescribed revised rates well in time resulted in less deduction and excess payment of Rs 8.643 million to the employees.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends recovery of excess paid amount of Rs 8.643 million from the employees concerned at the earliest.

[AIR Paras: 12, 4, 8]

#### **10.2.3.6 Wasteful expenditure on civil works – Rs 5.500 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. Further, according to Rule 31 *ibid*, an ongoing development project approved by the Authority shall be funded and completed as approved. Further, according to Note II against Sr. No.04 of Second Schedule of the Punjab District Government (Delegation of Financial Powers) Rules 2017, no expenditure shall be incurred on a scheme unless there is a budget provision in the Annual Development Program. Further, according to Sr. No.11(e) of PC-I Form of Scheme, impact of delays of project cost and variability “the Project cost will be raised as a result of undue delay”.

CEO, DEA, Jhang, administratively approved the scheme construction of Conference Hall at Education Complex, Jhang with approved cost of Rs 12.537 million in December, 2016 without any separate allocation in Annual Budget Statement for the respective Financial Year. However, amount of Rs 5.500 million was transferred to Executive Engineer, Buildings Division Jhang against the scheme as deposit work out of unspent balance retained in DDO Bank Account. Resultantly, only grey structure was constructed and remaining work was stopped due to insufficiency of funds and scheme remained incomplete which, resulted in unauthorized wasteful expenditure of Rs 5.500 million.

Due to weak monitoring and administrative control, unauthorized approval of scheme was accorded without availability of funds and funds were provided from sources not specified for the purpose.

Unauthorized approval of scheme and non-completion of the same resulted in wasteful expenditure of Rs 5.500 million.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends fixing responsibility on the incumbent(s) at fault beside regularization of expenditure.

[AIR Para: 18]

### 10.2.3.7 Non-utilization of Non-Salary Budget – Rs 3.028 million

According to Paras 2.1, 2.4 and 2.6 of the Guidelines for Utilization of Non-Salary Budget (NSB) in Primary and Elementary Schools, allocation of proper funds is necessary to enable the schools for better education planning, management and delivery. School Councils will be bound to prepare School Based Action Plan with consideration of allocated budget. The school Councils will keenly observe their necessities for preparation of detailed budget and rationally divide budget against relevant heads.

During the audit of DEA, Jhang, it was observed that School Councils of 19 primary and elementary schools, under the administrative control of three DDOs received funds amounting to Rs 9.408 million during 2016-18 under NSB. However, School Councils could utilize funds amounting to Rs 6.379 million by leaving remaining funds of Rs 3.028 million which was 32 percent of allocated funds. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Allocation for the Year	Expenditure During the Year	Unutilized Funds	Non-Utilization %age
1	Deputy District Education Officer (EE-W), Ahmad Pur Sial	10	5.076	3.489	1.587	31%
2	Deputy District Education Officer (EE-W), 18 Hazari	7	3.825	2.683	1.141	30%
3	Deputy District Education Officer (EE-M), 18 Hazari	2	0.507	0.207	0.300	59%
<b>Total</b>		<b>19</b>	<b>9.408</b>	<b>6.379</b>	<b>3.028</b>	<b>32%</b>



Due to weak internal controls and poor monitoring mechanism, funds remained unutilized.

Non-utilization of funds amounting to Rs 3.028 million resulted in depriving the students of envisaged benefits.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

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

[AIR Paras: 3, 3, 16]

#### **10.2.3.8 Expenditure through irregular School Councils – Rs 1.849 million**

According to Section 3.3.2 of School Council Policy, 2007, tenure of School Council will be two years from the date of School Council notification, issued by AEO. Further, according to Para 3.1.1 of notification No.SO(SNE) PMIU/2010(P) dated 11.03.2013 issued by Government of the Punjab, School Education Department, the School Council earlier comprising a minimum of 07 and a maximum of 15 members will be enhanced to a minimum of 09 and maximum of 17 members and general members. The total strength of the School Council has to be in odd number.

During the audit of DEA, Jhang, it was observed that School Councils of 08 primary and elementary schools, under the administrative control of DDEO (EE-W), Shorkot remained working even after expiry of tenure of two years. Hence, expenditure of Rs 1.849 million was incurred by irregular School Councils during 2017-18. The detail is as under:

(Rupees in million)

Sr. No.	Name of School	Expenditure out of		
		NSB	FTF	Total
1	GGPS Hassuwali	0.235	0	0.235
2	GPS Daban Wala	0.140	0.030	0.170
3	GGES, Junior Model, Shorkot City	0.352	0.065	0.417
4	GGES, Dauranpura	0.223	0.035	0.258

Sr. No.	Name of School	Expenditure out of		
		NSB	FTF	Total
5	GGCMES, Khumanaqwala	0.285	0.056	0.341
6	GMPS Rajin Imam	0.058	0	0.058
7	GGPS Bela Ali Khanan	0.114	0.050	0.164
8	GGPS Chah Mehmood	0.165	0.041	0.206
<b>Total</b>		<b>1.572</b>	<b>0.277</b>	<b>1.849</b>

Due to weak monitoring controls, School Councils remained working after expiry of prescribed tenure.

Expenditure incurred through irregular School Councils resulted in irregular expenditures amounting to Rs 1.849 million.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends regularization of expenditure from the Competent Authority besides constitution of new school councils.

[AIR Para: 14]

#### **10.2.3.9 Non-obtaining vouched account of deposit work – Rs 1 million**

According to Governments of the Punjab, Finance Department letter No.IT(FD)-3-7/2000 dated 01.01.2001, the Divisional Officer would render a complete and signed statement of accounts to the respective DDO and that the unspent amount will also be refunded to DDO who would deposit the same in respective account of his Department.

Principal, Government Comprehensive Model High School, Jhang working under the administrative control of DEA, Jhang deposited Rs 1 million into deposit work account of District Officer (Buildings), Jhang during 2014-15 for repair and maintenance in school but detail of execution of work and vouched account was neither rendered by the executing agency or same was not produced to Audit for verification.

Due to weak internal controls, vouched account was neither obtained from District Officer (Building) and detail of execution of work was also not produced to Audit for verification.

Non-obtaining vouched account against transfer of funds resulted in violation of rules and unauthentic utilization of funds amounting to Rs 1 million.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends submission of vouched account or refund of amount of Rs 1 million from the Building Department without further delay.

[AIR Para: 3]

## **10.2.4 Internal Control Weaknesses**

### **10.2.4.1 Non-reconciliation of expenditure incurred out of SDA – Rs 858.122 million**

According to Para 2.2(b) of revised procedure of Special Drawing Accounts, the drawing authorities are responsible for reconciling their expenditure by 7th of each month with AG/DAO/TO.

Chief Executive Officer, District Education Authority, Jhang incurred expenditure of Rs 858.122 million out of two Special Drawing Account but expenditure was neither reconciled with District Accounts Office nor cash book was maintained.

Due to weak internal controls, expenditure was neither reconciled with District Accounts Office nor cash book was maintained.

Non- reconciliation of expenditure of Rs 858.122 million with District Accounts Office and non-maintenance of cash book resulted in violation of standing instruction.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends reconciliation of the expenditure besides maintenance of cash book.

[AIR Para: 23]

### **10.2.4.2 Difference in reconciled figures and Financial Statements – Rs 198.851 million**

According to Rule 12(b)(iii) of the Punjab District Authorities (Accounts) Rules, 2017, the Budget and Accounts Officer shall prepare monthly and annual statement of receipt and expenditure and get them reconciled with the accounts of the District Authority.

Comparison of Annual Accounts of District Education Authority, Jhang for the financial year 2017-18 and reconciliation statements with District Account

Office, Jhang regarding expenditure and receipts depicted a difference of Rs 187.183 million in figure of expenditure and Rs 11.668 million in figure of receipt.

Due to weak internal controls, difference in expenditure and receipts figure was not reconciled.

Non-reconciliation of receipt and expenditure resulted in mis-reporting in Financial Statements amounting to Rs 198.851 million.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends early reconciliation of expenditure and receipts besides fixing responsibility on the person(s) at fault.

[AIR Para: 21]

#### **10.2.4.3 Non-maintenance of record of receipts – Rs 15.781 million**

According to Rule 12(b)(a) of the Punjab District Authorities (Accounts) Rules, 2017, the Budget and Accounts Officer shall maintain the accounts of a District Authority. Further, according to Rule 12(b)(iii) the Budget and Accounts Officer shall prepare monthly and annual statements of receipts and expenditure and get them reconciled with the accounts of the accounts officer of ta District Authority. Further, according to Rule 12(b)(iv) the Budget and Accounts Officer shall maintain drawing and disbursing officer's cash book of receipt and expenditure of a District Authority and general cash book of a District Authority, its offices and institutions. Further, according to Rule 16(1)(a) *ibid*, the accounts officer shall maintain day-to-day accounts of a District Authority, its offices and institutions, on chart of accounts. Further, according to Rules 17(2) *ibid*, the accounts office shall follow the procedure given in Accounting Policies and Procedure Manual and shall obtain Bank Scroll, Paid Challan, Receipt Paid Challan, Transfer Advices and Cash Balance Statement. Furthermore, according to Rules 18(2)(b)&(c)&(d) *ibid*, all receipts of a District Authority shall be collected through the bank and the receipts shall be maintained in accordance with

the chart of accounts' specification; record of the amount deposited into the bank shall be accompanied by a challan receipt; revenue is reconciled with the books of accounts on the basis of challans receipts and verified through bank scroll.

Chief Executive Officer, District Education Authority, Jhang collected receipts of Rs 15.781 million during financial year 2017-18 under following heads of receipts but no supporting record i.e. Cash Book, Deposit Challans, Bank Scroll etc. was maintained in the office of the DEA. The detail is as under:

(Rupees in million)

Sr. No.	Code	Description	Amount
1	C02640	Police Recoveries of overpayment	0.079
2	C02701	Building Rent	0.647
3	C02814	Education-General Recoveries of Overpayment	7.206
4	C02818	Education-Other	2.431
5	C03805	Rent, Rates and Taxes	1.066
6	C03824	Recoveries of overpayments	4.352
<b>Total</b>			<b>15.781</b>

Due to weak internal controls, supporting record of receipt was not maintained in office of DEA.

Non-maintenance of record of receipt of Rs 15.781 million resulted in collection of unauthentic receipts in violation of rules.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends maintenance of supporting record of receipts.

[AIR Para: 27]

#### **10.2.4.4 Excess expenditure against sanctioned budget – Rs 15.621 million**

According to Rule 8 (3&5) of the Punjab Local Government Budget Rules, 2017, The Drawing and Disbursing Officer shall incur expenditure strictly against the allocation under the relevant object code and in accordance with the rules and keep in safe custody the departmental expenditure record.

Two DDOs of DEA, Jhang incurred expenditure of Rs 283.640 million against the budget provisions of Rs 268.019 million during 2017-18 on account of employee related expenditure which resulted in excess expenditure of Rs 15.621 million. The detail is under:

(Rupees in million)

Sr. No.	Name of DDO	Budget Allocation	Expenditure	Excess Expenditure
1	Deputy District Education Officer (EE-M), Shorkot	266.340	281.709	15.369
2	Principal, Government Special Education Centre for Remaining Disabilities, Jhang	1.679	1.931	0.252
<b>Total</b>		<b>268.019</b>	<b>283.640</b>	<b>15.621</b>

Due to weak internal controls, excess expenditure was incurred than the budget provisions on account of employee related expenditure.

Expenditure excess than the budget provisions resulted in irregular expenditure of Rs 15.621 million.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends regularization of matter from the Competent Authority.

[AIR Paras: 12, 2]

#### **10.2.4.5 Difference between Cash Book and Bank Statement balance – Rs 8.953 million**

According to Section 2.2 of the Punjab Financial Rule, Volume-I, the entries in the Cash Book of the cheques drawn from the Audit Office or amount withdrawn from the treasuries should be compared and checked with the list of the Cheques or Treasury Schedules issued by the Treasury Office. A certificate to this effect be recorded in the Cash Book. At the end of each month the head of the office should personally verify the cash balance and record below the closing

entries in the Cash Book a certificate to that effect over his dated signature specifying both in words and figures the actual cash.

During the audit of DEA, Jhang, it was observed that DDEO (EE-W), Shorkot did not reconcile the balances of DDO bank accounts and Cash Book on monthly basis which resulted in huge difference of Rs 8.953 million as on 30.06.2018. The detail is as under:

(Rupees in million)		
Description	Opening Balance	Closing Balance
Balance as per Cash Book	0.000	0.000
Balance as per Bank Statement	3.664	8.953
<b>Difference</b>	<b>3.664</b>	<b>8.953</b>

Due to weak internal controls, balance of cash book and DDO bank account was not reconciled.

Non-reconciliation of bank and cash book balance resulted in difference of Rs 8.953 million.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends fixing responsibility on the incumbent(s) at fault besides reconciliation of cash book and bank statement balances.

[AIR Para: 12]

#### **10.2.4.6 Irregular expenditure without sanctioning of administrative post – Rs 6.250 million**

According to the Government of the Punjab, Services and General Administration's letter No.SORI(S&GAD) 16-70/77-P.III dated 21.10.1997, Para-2, there is no provision of looking after the work in rules/policy.

During the audit of DEA, Jhang, it was observed that Principal, Government Secondary School of Special Education for Hearing Impaired, Jhang was assigned the additional charge and powers of Drawing & Disbursing Officer of Government Special Education Center for Remaining Disabilities, Jhang since



17.03.2016 and the DDO incurred expenditure of Rs 6.250 million during additional charge. However, the additional charge was assigned against the post which was neither sanctioned in SNE of Special Education Centre for Remaining Disabilities.

Due to weak internal controls, irregular expenditure was incurred without sanctioning of administrative post.

Utilization of funds against non-sanctioned post of DDO resulted in irregular/suspicious expenditure amounting to Rs 6.250 million.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends regularization of the matter besides fixing responsibility on the incumbent(s) at fault.

[AIR Para: 1]

#### **10.2.4.7 Non-maintenance of prescribed record – Rs 3.117 million**

According to Section 4.3 of School Council Policy, 2007, it is compulsory for School Council to maintain record of Notification of formation of School Council and record of moveable / Immoveable Property on prescribed format. Furthermore, according to Para 2.4 & 6 of Guideline for utilizing Non-Salary Budget (NSB), School Councils are required to prepare School Based Action Plan, Procurement Plan and Budget Register.

During the audit of DEA, Jhang, it was observed that School Councils of 13 primary/elementary schools working under administrative control of DDEOs (EE-W), Ahmad Pur Sial and Shorkot incurred expenditure of Rs 3.117 million during 2017-18 without maintaining supporting record i.e. School Based Action Plans / Procurement Plans, School Council Notification, Inventory Register, Budget Register etc. The detail is as under:

(Rupees in million)

Sr. No.	Name of DDO	No. of Schools	Expenditure		
			FTF	NSB	Total
1	Deputy District Education Officer (EE-W), Shorkot	12	2.387	0.379	2.766
2	Deputy District Education Officer (EE-W), Ahmad Pur Sial	1	0	0.351	0.351
<b>Total</b>		<b>13</b>	<b>2.387</b>	<b>0.73</b>	<b>3.117</b>

Due to negligence, funds were utilized and expenditure was incurred through School Councils without maintenance of supporting record.

Utilization of funds through School Councils without maintenance of record resulted in irregular expenditures amounting to Rs 3.117 million.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends regularization of expenditure from the Competent Authority besides maintenance and provision of prescribed record.

[AIR Paras: 15, 8]

#### **10.2.4.8 Non-availability of service record of employees and payment of salaries – Rs 2.866 million**

According to Rule 2.31(a) of the Punjab Financial Rules, Volume-I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any overcharges and misappropriation. Furthermore, according to provision 4.6.5.5 of Accounting Policies and Procedures Manual, any change in employee's allowances and deductions shall be notified through the change statement to the DAO/AG/AGPR.

During the audit of DEA, Jhang, it was observed that DDEO (EE-M), Ahmad Pur Sial made payment of pay and allowances to 13 employees amounting to Rs 2.866 million during financial year 2017-18. However, payment was made without availability of service record of the employees. Resultantly, unauthorized payment was made to the employees.

Due to weak internal controls, payment of salaries was made without provision of service record.

Payment of salaries to employees despite non-availability of service record resulted in unauthentic expenditure amounting to Rs 2.866 million.

The matter was reported to the PAO and DDO concerned in October, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends enquiry of the matter besides production of service record of the employees.

[AIR Para: 14]

#### **10.2.4.9 Irregular budgeting of receipts and expenditure of Authority**

According to Rules 4(g) of the Punjab District Authorities (Budget) Rules 2017, Chief Executive Officer shall be responsible to ensure the traditional budget formulation is shifted to the performance budget framework. Further, according to Rules 10(2)(c) *ibid*, all items of income and expenditure shall be specific in programs and activities and no lump-sum allowed. Further, according to Rule 13 *ibid*, the estimate of credits and disbursement relating to Public Accounts shall be prepared by the budget and accounts officer on receipt of figures from the offices and institutions. Further, according to Rule 16(2)(a) *ibid*, the collecting officer, while preparing estimates of receipts, shall diligently and accurately prepare the estimates of receipts by developing performance indicators. Further, according to Rule 16(2)(b) *ibid*, no Provincial Finance Commission Award, grant, contribution shall be included in the estimates of receipts until a definite communication is received in this regard.

Annual Budget Estimates of District Education Authority, Jhang for the financial year 2017-18, depicted following discrepancies in budgeting process:

- Block allocation of Rs 150.000 million was made for civil works without detail of schemes.
- Expected share of PFC Award of Rs 5,474.166 million was allocated without definite communication received from the Provincial Government.
- Traditional Budget formulation was not shifted to performance budget framework.

- Closing balances of Public Account were not reflected in Annual Budget Statement.
- Performance indicators for receipts were not developed.
- Estimated receipt under head of Tuition Fee of Higher Secondary Schools, Hostel Fee, School Inspection and other amounting to Rs 1 million was allocated without maintenance of detailed of estimates. While actual recoveries according to Finance Account were as under:

(Rupees in million)

Sr. No.	Code	Description	Amount
1	C02640	Police Recoveries of overpayment	0.079
2	C02701	Building Rent	0.647
3	C02814	Education-General Recoveries of Overpayment	7.206
4	C02818	Education-Other	2.431
5	C03805	Rent, Rates and Taxes	1.066
6	C03824	Recoveries of overpayments	4.352
<b>Total</b>			<b>15.781</b>

Due to weak budgetary controls and monitoring mechanism, budget rules were not observed in letter and spirit.

Non-observing budget rules in letter and spirit resulted in defective budgeting in violation of rules.

The matter was reported to the PAO and DDOs concerned in October and November, 2018.

No DAC meeting was convened by the PAO despite repeated requests by Audit.

Audit recommends regularization of budgeting from the Competent Authority.

[AIR Para: 26]

## CHAPTER 11

### 11.1 District Education Authority, Toba Tek Singh

#### 11.1.1 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.

The functions of District Education Authority, Toba Tek Singh 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 in the district;
- 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 student's 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; and
- 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.

Total No. of educational institutions under the jurisdiction of District Education Authority, Toba Tek Singh:

<b>Description</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
Primary Schools	364	337	701
Elementary Schools	101	185	286
High Schools	84	108	192
Higher Secondary Schools	05	10	15
Special Education Schools / Centers	04	02	6
<b>Total</b>	<b>558</b>	<b>642</b>	<b>1,200</b>

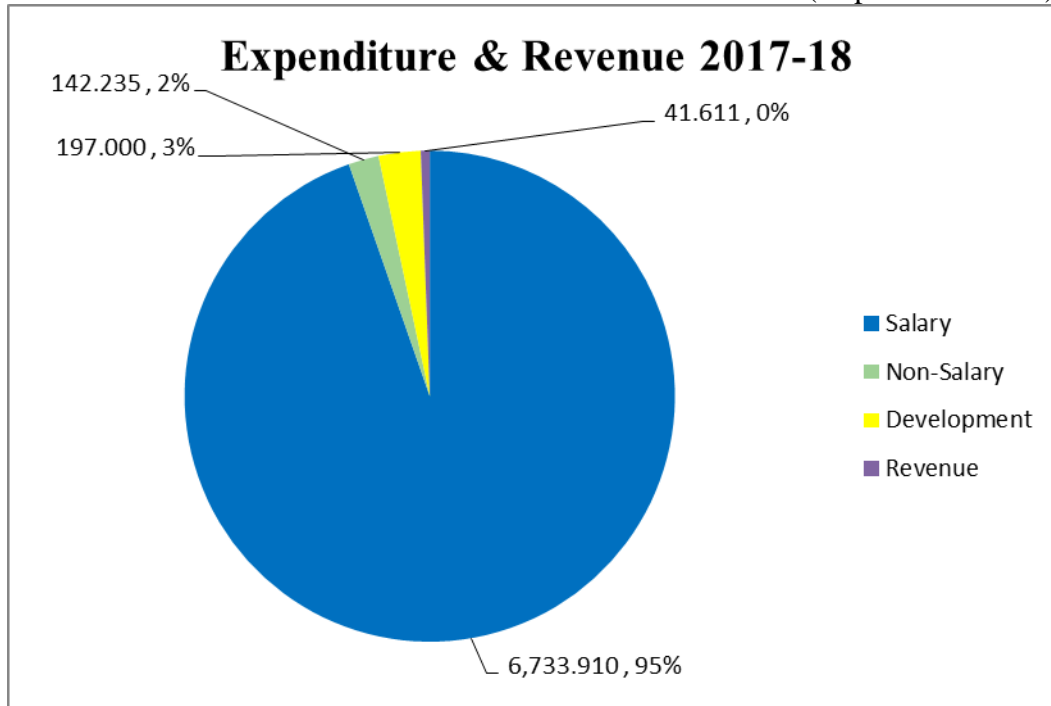
### 11.1.2 Comments on Budget and Accounts

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

(Rupees in million)

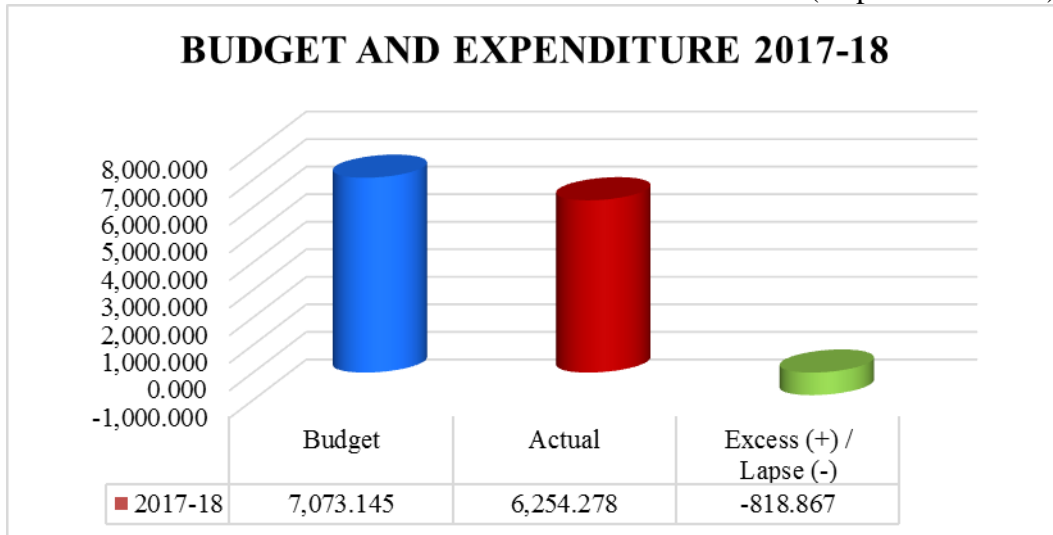
<b>2017-18</b>	<b>Budget</b>	<b>Actual</b>	<b>Excess (+)/</b>	<b>%</b>
			<b>Lapse (-)</b>	<b>(Lapse)</b>
Salary	6733.910	6,003.929	(-) 729.981	10.84%
Non-Salary	142.235	78.681	(-)63.594	44.68%
Development	197.000	171.668	(-)25.232	12.86%
<b>Total</b>	<b>7,073.145</b>	<b>6,254.278</b>	<b>(-) 818.867</b>	<b>11.58%</b>
Receipts		41.611		

(Rupees in million)



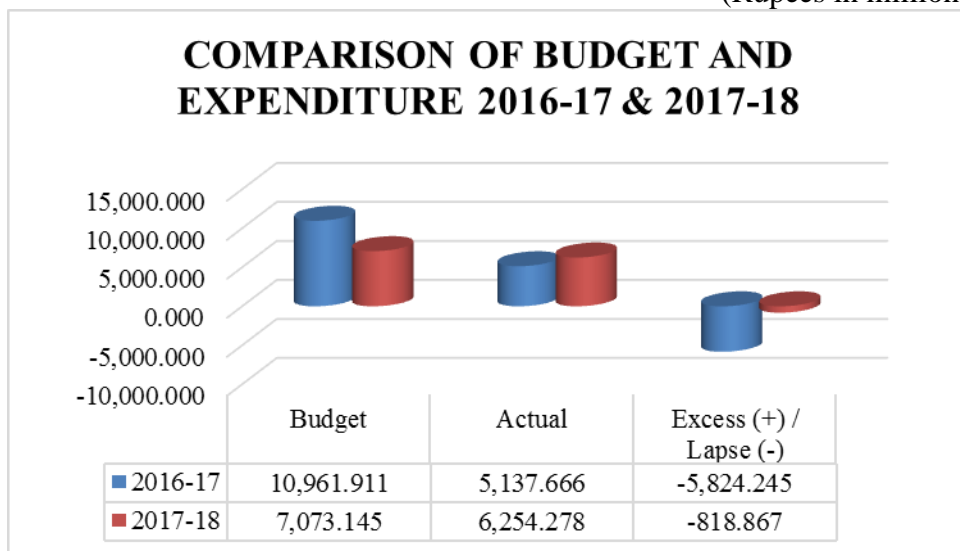
As per Appropriation Accounts 2017-18 of the District Education Authority Toba Tek Singh, total budget (Development & Non-Development) was Rs 7,073.145 million. Against the final budget, total expenditure of Rs 6,254.278 million was incurred by the District Education Authority during 2017-18. A budget lapse of Rs 818.867 million came to the notice of Audit due to inefficient financial management in release of budget by Authorities. No plausible explanation was provided by the PAO and management of District Education Authority (Annex-B). The comparison of budget and expenditure for FY 2017-18 showing huge lapse is given in the following graph:

(Rupees in million)



The comparative analysis of the budget and expenditure of current and previous financial years is depicted as under:

(Rupees in million)



District Education Authority, Toba Tek Singh was established since January, 2017 under PLGA, 2013.



### **11.1.3 Brief Comments on the Status of Compliance of MFDAC Audit Paras of Audit Report 2017-18**

Audit Paras reported in MFDAC of last year Audit Report, which have not been attended in accordance with the directives of DAC, have now been reported in Part-II of Annex-A.

### **11.1.4 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 for causing it to be laid before the Provincial Assembly. PAC has not been constituted for Audit Reports of District Education Authorities.

#### **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

## 11.2 AUDIT PARAS

### 11.2.1 Misappropriations/Fraud

#### 11.2.1.1 Appointment of teachers on bogus educational certificates / documents – Rs 5.355 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 three Educators of BPS-16 working in Education Department, Toba Tek Singh were terminated in February, 2012 due to appointment on bogus educational certificates. The concerned DDOs allowed the employees to draw pay & allowances amounting to Rs 5.355 million without verification of their educational certificates. The detail is as under:

(Rupees in million)

Sr. No.	Name	Designation	Period	Amount
1	Miss Sanai Jamiar	Secondary School Educator (Math)	23.10.2009 to 07.02.2012	0.482
2	Miss Sanai Jamiar	Secondary School Educator (Math)	07.02.2012 to 30.06.2018	2.389
3	Miss Uzma Manan	Secondary School Educator (Arts)	23.10.2009 to 30.06.2018	2.484
<b>Total</b>				<b>5.355</b>

Due to negligence, employees were appointed on forged documents and were allowed to draw salaries without verification of educational certificates.

Appointment of educators on bogus documents and payment of pay & allowances without prior verification of educational certificates resulted in loss to Government exchequer amounting to Rs 5.355 million.

The matter was reported to the PAO and DDOs concerned in August and September, 2018. In DAC meeting held in December, 2018, it was replied that matter would be investigated and detailed reply would be submitted. DAC directed DDOs concerned to investigate the matter and fix responsibility on the person(s) at fault besides recovery from the concerned at the earliest. No progress was intimated to Audit till finalization of this Report.

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

[AIR Paras: 1, 3, 4]

### 11.2.1.2 Temporary embezzlement in public funds – Rs 0.790 million

According to Rule 76(1) of the Punjab District Government and Tehsil Municipal Administration (Budget) Rules, 2003 and Rule 68(1) of the Punjab District Authorities (Budget) Rules, 2017, the primary obligation of the collecting officers shall be to ensure that all revenue due is claimed, realized and credited immediately into Local Government / District Authority Fund and to record entries under proper receipt head. Furthermore, according to Rule 7(1) of the Punjab Subsidiary Treasury Rules, receipt realized on behalf of the Government should at once be deposited into the Government Treasury without any delay.

Six DDOs of high/higher secondary schools under the administrative control of District Education Authority, Toba Tek Singh collected receipts amounting to Rs 0.790 million on account of auction of old building material, trees, bank profit etc. during 2009-18. Contrary to the above rules, the receipts were deposited in Fargo-e-Taleem Fund (FTF) instead of depositing into the Government Treasury or retained by the official concerned. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Description of Receipt	Financial Years	Amount
1	Deputy District Education Officer (EE-M) Gojra	a. Collection of FTF amounting to Rs 0.023 million was not deposited in FTF account. b. Sale proceeds of Trees of Rs 0.100 million was not deposited into Government Treasury.	2016-18	0.123
2	Government Girls Higher Secondary School 252 GB	Non-deposit of Bank Profit into Government Treasury.	2014-16	0.037
3	Government Special Education School, Kamalia	Undistributed stipend retained in DDO Bank Account	2014-18	0.108
4	Deputy District Education Officer (EE-M) Kamalia	Sale proceeds of old material was deposited into FTF account instead of Government Treasury.	2016-18	0.289
5	Chief Executive Officer, District Education Authority, Toba Tek Singh	Outstanding due from the contractors	2017-18	0.098
6	Deputy District Education Officer (EE-W) Pirmehal	Sale of old material	2016-17	0.135
<b>Total</b>				<b>0.790</b>

Due to weak internal controls and financial indiscipline, receipts were not deposited into the Government Treasury.

Non-deposit of receipts into the Government Treasury resulted in unauthorized retention of receipts amounting to Rs 0.790 million.

The matter was reported to the PAO and DDO concerned in August and September, 2018. In DAC meeting held in December, 2018, it was replied that recovery would be made and deposited into Government Treasury. DAC directed to effect recovery at the earliest besides fixing responsibility on the person(s) at fault. No progress was intimated to Audit till finalization of this Report.

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

[AIR Paras: 11, 9d, 10, 3, 7, 10, 8]

## **11.2.2 Irregularities and Non-Compliance**

### **11.2.2.1 Unlawful conduct of business of District Education Authority – Rs 7,073.145 million**

According to Section 30(3) of the Punjab Local Government Act, 2013 (as amended on 08.11.2017), when an elected local government is, for any reason, not in office, the Government may appoint an administrator to perform the functions of the local government until the elected local government assumes office but such period shall not exceed twelve months. Further, according to Section 64 of the Act *ibid*, the executive authority of a local government shall vest in and be exercised by its Mayor or Chairman. Furthermore, according to Government of the Punjab, Local Government and Community Development Department Notification 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.

During the audit of District Education Authority (DEA), Toba Tek Singh (T.T. Singh), it was observed that Deputy Commissioner, Toba Tek Singh continued to hold the office as Administrator and exercised the powers of the authority beyond lawful tenure of 12 months which expired on 31.12.2017. Therefore, conduct of business of the Education Authority, Faisalabad including approval/ authentication of Revised Budget amounting to Rs 7,073.145 million and incurrence of expenditure during January to June, 2018 was held unlawful. Furthermore, powers of the House / Authority were concentrated in and used by a Government servant.

Due to negligence, business of the District Education Authority was run by Deputy Commissioner beyond lawful tenure of 12 months.

Exercising the powers of the House by the Deputy Commissioner beyond 12 months resulted in unlawful authentication / approval of Revised Budget amounting to Rs 7,073.145 million and unlawful conduct of business of District Education Authority.

The matter was reported to the PAO and DDO concerned in September, 2018.

Audit recommends investigation for fixing responsibility on the person(s) at fault besides regularization of the matter from the Competent Authority.

[AIR Para: 23]

#### **11.2.2.2 Irregular expenditure on civil works without approval of design and specifications – Rs 20.260 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.

School Councils of 112 primary/elementary and high/higher secondary schools under the administrative control of DEA, T.T. Singh incurred expenditure of Rs 20.260 million on construction of class rooms, soling, footpath, boundary walls, toilet blocks, repair of school building etc. during 2009-17. Contrary to the above provisions, civil works were executed without preparation of detailed design / specification / estimates and approval of the same from the Competent Authority. **(Annexure-O/TTS)**

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 20.260 million.

The matter was reported to the PAO and DDOs concerned in August and September, 2018. In DAC meeting held in December, 2018, it was replied that expenditure was incurred after approval of School Councils and after fulfilling all codal formalities. The reply was not tenable because expenditure was incurred without approval of design and specification.

DAC directed that in future all construction works should only be executed after the approval of designs and specification by the authority mutually agreed by the DEA and Buildings Department. DAC also directed to get the expenditure regularized 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, 1, 1, 1, 1, 5, 2, 8, 2, 2, 6]

### **11.2.2.3 Procurement in violation of Procurement Rules – Rs 19.192 million**

According to Rule 9 of the Punjab Procurement Rules, 2009/2014, a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. Further, according to Rule 12 of the rules *ibid*, a procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority. Furthermore, according to Rule 59(b) of the Punjab Procurement Rules, 2014, a procuring agency may provide for petty purchases through at least three quotations where the cost of the procurement is more than fifty thousand rupees but less than one hundred thousand rupees.

School Councils of 84 primary/elementary, high/higher secondary schools and eight Drawing & Disbursing Officers (DDOs) of District Education Authority, Toba Tek Singh incurred expenditure of Rs 19.192 million on procurement of furniture, uniform, building material etc. from local market during 2009-18. Contrary to the above, procurements were made either without calling tenders/ advertisement on PPRA's website or cost of procurement was split up by keeping cost of each purchase below the financial limit of Rs 100,000 to avoid tendering and Rs 50,000 to avoid quotations. Further, Principal, Government Girls Higher Secondary School, Chak 316 GB, incurred expenditure of Rs 0.841 on procurement of furniture without standard specification. **(Annexure-P/TTS)**

Due to weak internal controls and lack of planning, expenditure was incurred in violation of Procurement Rules.

Procurement in violation of Procurement Rules resulted in mis-procurement and irregular expenditure of Rs 19.192 million

The matter was reported to the PAO and DDOs concerned in August and September, 2018. In DAC meeting held in December, 2018, it was replied that expenditure was incurred after approval of School Councils. The reply was not

tenable and procurement was made in violation of procurement rules. DAC directed DDOs concerned to probe the matter for physical verification of procured goods besides regularization of expenditure 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: 3, 4, 3, 1, 6, 4, 1, 9, 3, 1, 9, 3, 2, 3, 2, 9, 7]

#### **11.2.2.4 Non-recovery of penalty due to non-completion of development schemes – Rs 16.269 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.

CEO, DEA, T.T. Singh transferred an amount of Rs 162.685 million as Deposit Work to the Buildings Department for execution of 20 development schemes for construction/up-gradation of school buildings including construction of Education Complex during the Financial Years, 2016-17 and 2017-18. Scrutiny of progress report for the month of September, 2018 revealed that contractors could not complete the works during contract period. Further, executing agency did not impose penalty @ 10% amounting to Rs 16.269 million for unnecessary delay in completion period.

Due to weak monitoring mechanism, neither the works got completed nor penalty was imposed.

Non-completion of development schemes and non-recovery of penalty amounting to Rs 16.269 million resulted in deprivation of envisaged benefits and undue favour to the contractors.

The matter was reported to the PAO and DDOs concerned in August and September, 2018. In DAC meeting held in December, 2018, it was replied that development schemes were delayed due to non-provision of funds by the higher



authorities. Audit stressed upon production of documentary evidence in support of reply. DAC observed that due to non-provision of funds by the Government schemes could not be completed. DAC further directed to revise the PC-I of Schemes. No progress was intimated to Audit till finalization of this Report.

Audit recommends early completion of development schemes besides revision of PC-I.

[AIR Para: 5]

#### **11.2.2.5 Irregular execution of development schemes and unknown whereabouts of savings – Rs 11.668 million**

According to Government of the Punjab, School Education Department letter No.SO(ADP)Review-418/420/2016-17 dated 24.02.2017, unspent funds, if any, on completion of a scheme, may be retrieved, for accounting/ audit purpose. No adjustments of savings against a scheme may be left for utilization on another scheme of the District Education Authority (DEA), under execution with the Executive Engineer (XEN) concerned. Final statement of expenditure against each scheme, on its completion, may be obtained duly verified by the XEN and Divisional Accounts officer. Issuing of completion certificate and taking over the completed scheme may occur simultaneously. Completed scheme free from all defects may be taken over from the executing agency. Further, according to Government of the Punjab, School Education Department letter No. SO(ADP)Review-418/420/2016-17 dated 22.02.2017, an agreement was required to be signed for execution of development schemes as Deposit Work through XEN concerned of Communication and Works Department.

CEO, DEA, T.T. Singh transferred funds amounting to Rs 149.101 million to the Executive Engineer, Buildings Division, T.T. Singh during 2017-18 for execution of 51 development schemes as deposit work. However, following irregularities were noted in this regard:

- i. Funds were transferred without execution of agreement between both the parties for execution of development schemes as deposit work;
- ii. Final statement of expenditure against each scheme was not obtained from the executing agency; and
- iii. Unspent balances/savings of Rs 11.668 million were not received back from the XEN Buildings Division, Toba Tek Singh.

Due to weak financial management, funds were transferred without execution of agreement and unspent balances were not retrieved.

Transfer of funds without execution of agreement resulted in irregular expenditure and non-obtaining of final statement of expenditure resulted in non-retrieval of unspent balances from the executing agency.

The matter was reported to the PAO and DDOs concerned in August and September, 2018. In DAC meeting held in December, 2018, it was replied that development schemes were technically sanctioned and administratively approved by the Competent Authority. The executing agency provided monthly progress report. Further, executing agency has been requested to submit the saving status of all schemes. The reply was not tenable as funds were transferred without execution of agreement and savings were not deposited into DEA fund. DAC took serious note of non-execution of agreement with executing agency and directed to probe the matter for physical verification of schemes and respective DDOs were directed to submit the physical possession report for regularization of the matter. DAC further directed to take up the matter with the Buildings Department for recoupment of savings. No progress was intimated to Audit till finalization of this Report.

Audit recommends regularization of the expenditure from the Competent Authority besides retrieval of unspent balances to avoid unauthorized utilization of funds.

[AIR Para: 9]

#### **11.2.2.6 Expenditure through irregular School Councils – Rs 6.949 million**

According to Section 3.3.2 of the School Council's Policy, 2007, tenure of School Council will be two years from the date of School Council notification, issued by Assistant Education Officer (AEO). Further, according to Para 4.9.1 of School Council Policy, 2007, School Council was authorized to incur expenditure up to Rs 400,000 during one financial year.

During the audit of DEA, T.T. Singh, it was observed that 11 School Councils of primary/elementary schools under the administrative control of three DDEOs remained working and incurred expenditure amounting to Rs 6.949

million during 2017-18 even after the expiry of tenure of two years. The detail is as under:

(Rupees in million)

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>No. of Schools</b>	<b>Expenditure</b>
1	Deputy District Education Officer (EE-M), Kamalia	05	1.317
2	Deputy District Education Officer (EE-W), Toba Tek Singh	05	3.773
3	Deputy District Education Officer (EE-M), Pir Mehal	01	1.859
<b>Total</b>		<b>11</b>	<b>6.949</b>

Due to non-compliance of policy guidelines, School Councils incurred expenditure even after expiry of tenure beyond the prescribed limit.

Utilization of funds through irregular School Councils beyond prescribed limit resulted in irregular expenditure amounting to Rs 6.949 million.

The matter was reported to the PAO and DDOs concerned in August and September, 2018. In DAC meeting held in December, 2018, it was replied that funds were provided by the Education Authority according to strength of students and directed to expend received amount as soon as possible to provide quality education and in the best interest of the students. However, the matter has been taken up with higher authority for revision in School Council Policy, 2007 to enhance the limit of expenditure and for regularization of expenditure incurred. The reply was not tenable as expenditure was incurred excess than authorized limit, School Councils were not re-constituted after expiry of tenure of two years and remained working with members less than minimum limit. DAC directed to get the expenditure regularized from the Competent Authority. No progress was intimated to Audit till finalization of this Report.

Audit recommends regularization of expenditure from the Competent Authority.

[AIR Paras: 11, 3, 8]

#### **11.2.2.7 Irregular expenditure in violation of Government instructions – Rs 6.830 million**

According to Government of the Punjab, School Education Department letter No. SO(ADP) ECE-412/2012 (ECE-2015-16) dated 09.02.2016, Caregivers working in schools (in ECE Centers) will be paid remuneration out of NSB funds by fulfilling all codal / procedural formalities.

During the audit of DEA, T.T. Singh, it was observed that DDEO (EE-M) & (EE-W), T.T. Singh drew funds amounting of Rs 6.830 million from the Government Treasury during June, 2016 for payment of remuneration to the Caregivers working in schools (in ECE Centers) instead of making payment from Non-Salary Budget allocated to respective Schools. Further, record regarding disbursement of remuneration to the Caregivers was also not available.

Due to weak internal controls and financial indiscipline payment of remuneration to the Caregivers was made out of budget allocated to District Education Officer instead of payment from Non-Salary Budget.

Payment of remuneration to the Caregivers out of budget allocated to District Education Officer instead of payment from Non-Salary Budget resulted in irregular expenditure amounting to Rs 6.830 million.

The matter was reported to the PAO and DDOs concerned in August and September, 2018. In DAC meeting held in December, 2018, it was replied that payment was made out of fund transferred by the Authority for payment of Salary to caregivers through bank transfer. The reply was not tenable as payment was made out of District Government fund instead of payment out of Non-Salary Budget. DAC directed to get the expenditure regularized from the Competent Authority. No progress was intimated to Audit till finalization of this Report.

Audit recommends regularization of expenditure from the Competent Authority.

[AIR Paras: 5, 1]

#### **11.2.2.8 Payment of inadmissible pay and allowances – Rs 6.707 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 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.

Twelve Deputy District Education Officers and Principals of high/higher secondary schools working under the administrative control of DEA, T.T. Singh made payment of various allowances i.e. Adhoc Allowance-2010 and Personal Allowance, Qualification Allowance, Charge Allowance, Conveyance Allowance and pay after retirement/resignation/removal from service etc. to various employees amounting to Rs 6.707 million during 2008-18. Contrary to the above, the allowances paid were either inadmissible to teaching staff of education department or paid at excessive rates. (**Annexure-Q/TTS**)

Due to weak internal controls, payment of inadmissible pay and allowances was made.

Payment of inadmissible Pay and allowances amounting to Rs 6.707 million resulted in excess payment to the employees.

The matter was reported to the PAO and DDOs concerned in August and September, 2018. In DAC meeting held in December, 2018, it was replied that recovery would be made and deposited into Government Treasury. Audit stressed upon recovery at the earliest. DAC directed to effect recovery at the earliest besides fixing responsibility on the person(s) at fault. No progress was intimated to Audit till finalization of this Report.

Audit recommends recovery of inadmissible pay & allowances amounting to Rs 6.707 million at the earliest.

[AIR Paras: 2, 7, 9, 5, 7, 1, 8, 5a&b, 1, 2, 3, 4, 11, 6, 7, 5b, 5, 2, 7, 6, 7, 13, 10, 6, 2, 6]

#### **11.2.2.9 Non/less deduction of Income Tax and Sales Tax – Rs 3.358 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, 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 106 primary and elementary schools under the administrative control of nine DDEOs and six DDOs of District Education Authority, T.T. Singh made payments against supply of goods, rendering of services and execution of contracts etc. during 2010-18. However, Income Tax, General Sales Tax and Punjab Sales Tax on Services of Rs 2.543 million was not/less deducted and Sales Tax of Rs 0.815 million was paid on exempted supplies. **(Annexure-R/TTS)**

Due to non-compliance of tax laws, taxes were not deducted at specified rates before making payments and Sales Tax was paid on exempted supplies.

Non-deduction of taxes resulted in excess payment of Rs 2.543 million to the suppliers/service providers/contractors concerned and payment of Sales Tax of Rs 0.815 million on exempted supplies resulted in extra burden on public exchequer.

The matter was reported to the PAO and DDOs concerned in August and September, 2018. In DAC meeting held in December, 2018, it was replied that recovery would be made and deposited into Government Treasury. Audit stressed on recovery at the earliest. DAC directed to effect recovery at the earliest. No progress was intimated to Audit till finalization of this Report.

Audit recommends recovery of taxes amounting to Rs 3.358 million from the concerned.

[AIR Paras: 10, 12, 3,2,10, 9,9,9a,9b,8a,8b,8,5,3,4,5,6, 16,12]

**11.2.2.10 Non-recovery of loss at risk and cost from original supplier–  
Rs 1.904 million**

According to Para 4 of Annexure G of the Tender Document, notwithstanding any rights and remedies exercised by the Purchaser in this regard, (the Seller/Supplier/Contractor) agrees to indemnify the Purchaser for any loss or damage incurred by it on account of its corrupt business practices and further pay compensation to the Purchaser in an amount equivalent to ten times the sum of any commission, gratification, bribe, finder's fee or kickback given by [the (Seller/Supplier/Contractor) as aforesaid for the purpose of obtaining or inducing the procurement of any contract, right, interest, privilege or other obligation or benefit in whatsoever form from the Purchaser. Further, according to Rule 25(5) of the Punjab Procurement Rules, 2014, a procuring agency shall use standard bidding documents as and when notified under the regulations. Furthermore, according to Rule 25(6) of the Rule *ibid*, until the standard bidding documents are specified under the regulations, a procuring agency may use bidding documents already in use of the procuring agency to the extent they are not inconsistent with these rules.

CEO, DEA, T.T. Singh issued supply order amounting to Rs 8.010 million for purchase of (Core i5) desktop computers (@ Rs 53,400 each) to the M/s Pyramid Technology Service during 2016-17. Scrutiny of record revealed that the supplier did not supply the same and CEO (DEA) purchased the same from other supplier @ Rs 67,000 each. Resultantly, an amount of Rs 1.904 million in excess was incurred but no efforts were made by the DDO concerned for recovery of risk and cost from the original supplier i.e. M/s Pyramid Technology Service. The detail is as under:

(Amount in Rupees)

Description	Rate offered by		Rate offered by	Variance	Quantity
	M/s Pyramid Technology	M/s Astrontech			
Desktop Computers i5	53,400	67,000	13,600	140	1,904,000

Due to weak financial controls and financial indiscipline, risk and cost was not recovered from the supplier.

Non-recovery of risk and cost from supplier resulted in loss and extra burden on public exchequer amounting to Rs 1.904 million.

The matter was reported to the PAO and DDOs concerned in August and September, 2018. In DAC meeting held in December, 2018, it was replied that the firm has already been blacklisted and bid security was also forfeited. The reply was not tenable as evidence of forfeiture of bid security was not produced to Audit. DAC directed to forfeit the bid security at the earliest. No progress was intimated to Audit till finalization of this Report.

Audit recommends recovery of loss amounting to Rs 1.904 million from the concerned at the earliest.

[AIR Para: 8]

#### **11.2.2.11 Non-recovery of penalty for late supply – Rs 1.684 million**

According to Clause 12 of Special Terms & Conditions contained in Work Order for the supply of desk benches/student chairs under the scheme “Provision of Missing Facilities”, if the firm fails to adhere to the delivery schedule and intends to seek extension thereof, it will be the sole discretion of the School Council either to grant or refuse extension in delivery period or blacklist the firm and purchase the store at his risk and expense. The deposit at call/Performance Guarantee of the contractor/firm will be forfeited in favour of School Council. However, the extension in delivery period will be granted subject to Liquidated Damages @ 2 percent per month or part thereof, on the agreed amount of the remaining work order.

Ninety-six Head Teachers working under the administrative control of District Education Authority, T.T. Singh issued supply orders costing Rs 5.612 million to various firms for supply of furniture during 2015-18. However, suppliers/firms failed to supply furniture within stipulated time period. Contrary to the above, Head Teachers did not take action to impose penalty on delay in supply of furniture amounting to Rs 1.684 million. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Financial Year	No. of Office/ Schools	Amount of Supply Orders	Amount of Penalty
1	Chief Executive Officer, District	2017-18	01	34.472	1.253



Sr. No.	DDOs	Financial Year	No. of Office/ Schools	Amount of Supply Orders	Amount of Penalty
	Education Authority, Toba Tek Singh				
2	Deputy District Education officer (EE-W), Pir Mahal	2016-18	05	0.590	0.263
3	Deputy District Education officer (EE-M), Pir Mahal	2015-17	02	0.550	0.168
<b>Total</b>			<b>8</b>	<b>35.612</b>	<b>1.684</b>

Due to non-adherence to contractual provision, penalty for late supply of furniture was not imposed / recovered.

Non-recovery of penalty amounting to Rs 1.684 million for late supply of furniture resulted in loss to the Government exchequer.

The matter was reported to the PAO and DDOs concerned in August and September, 2018.

In DAC meeting held in December, 2018, it was replied that all the furniture had been received and Competent Authority granted time extension for supply of material. The reply was not tenable because no supporting record, of request along with documents justifying time extension, was produced to Audit. Audit stressed on imposition of penalty on late supplies. DAC directed to probe the issue and make necessary deductions before making payment to the supplier. No progress was intimated to Audit till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides recovery of penalty amounting to Rs 1.684 million at the earliest.

[AIR Paras: 2, 4, 4]

#### **11.2.2.12 Non-Submission of GST Returns – Rs 1.328 million**

According to Para 4(b) of the Sales Tax Special Procedure (Withholding) Rules, 2007, the DDO concerned shall prepare the return for each month and forward the same to the collector, by the 15th of the following month along with other tax liability. Furthermore, according to Section 4(3) of the Rules ibid, the collector shall periodically ensure that the suppliers mentioned in the return filed by the withholding agents are filing returns and are duly declaring the supplies made to withholding agents.

Head teachers of 31 schools, under administrative control of District Education Authority, T.T. Singh 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 Collector. Resultantly, deposit of remaining 4/5<sup>th</sup> of GST amounting to Rs 1.328 million, by the suppliers, could not be verified by the Sales Tax Department. The detail is given in the following table:

(Rupees in million)

Sr. No.	DDOs	Description	No. of Schools	Amount
1	Deputy District Education Officer (EE-M), Kamalia	Purchase of building material, etc.	25	0.343
2	District Education Officer (EE-W), Toba Tek Singh	Purchase of building material, etc.	01	0.050
3	District Education Officer (EE-M), Toba Tek Singh	Purchase of stationery & store items etc.	01	0.346
4	Government Girls High School, Kamalia	Purchase of furniture & building material etc.	01	0.305
5	Government Girls High School, 252	Purchase of paint material	01	0.148
6	Government, Girls High School 746 GB, Toba Tek Singh	Purchase of stationery, & building material, etc.	01	0.047
7	Government, Special Education Centre, Kamalia	Purchase of uniform & store item etc.	01	0.089
<b>Total</b>			<b>31</b>	<b>1.328</b>

Due to negligence, monthly returns for 1/5<sup>th</sup> of GST were not submitted.

Non-submission of monthly returns might result in concealment of 4/5<sup>th</sup> GST amounting to Rs 1.328 million by the suppliers and non-compliance of rules.

The matter was reported to the PAO and DDOs concerned in August and September, 2018. In DAC meeting held in December, 2018, it was replied that the evidence of deposit of 4/5<sup>th</sup> of GST would be obtained from the firms and produced to Audit. Audit stressed on production of evidence of deposit of 4/5<sup>th</sup> of Sales Tax. DAC directed DDOs concerned to ensure verification of deposit of

GST with the Federal Board of Revenue. No progress was intimated to Audit till finalization of this Report.

Audit recommends reporting the matter to FBR for verification of deposit of 4/5th GST by the suppliers.

[AIR Paras: 17, 8, 6, 3, 7, 4, 4,]

#### 11.2.2.13 Non-recovery of fine – Rs 1.312 million

According to Section 4(1)(a)(iii) of the Punjab Employees Efficiency, Discipline and Accountability Act 2006, the competent authority may, by an order in writing, impose fine not exceeding basic pay of one month. Furthermore, according to Rule 76(1) of the Punjab District Government and Town Municipal Administration (Budget) Rules, 2003, the primary obligation of the collecting officers shall be to ensure that all revenue due is claimed, realized and credited immediately.

Five DDOs of DEA, T.T. Singh did not recover fine amounting to Rs 1.312 million from 190 teachers, imposed during monitoring of schools during 2015-18. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	No. of Teachers	Amount
1	Chief Executive Officer, District Education Authority, Toba Tek Singh	90	0.272
2	Deputy District Education Officer (EE-W), Toba Tek Singh	26	0.120
3	District Education Officer (EE-W), Toba Tek Singh	11	0.018
4	District Education Officer (EE-M), Toba Tek Singh	34	0.039
		23	0.487
5	Deputy District Education Officer (EE-M), Gojra	06	0.376
<b>Total</b>		<b>190</b>	<b>1.312</b>

Due to weak internal controls, fine imposed was not recovered.

Non-recovery of fine amounting to Rs 1.312 million resulted in loss to public exchequer.

The matter was reported to the PAO and DDOs concerned in August and September, 2018. In DAC meeting held in December, 2018, it was replied that all

the concerned had been directed for recovery / deposit of fine. DAC directed for recovery of fine at the earliest. No progress was intimated to Audit till finalization of this Report.

Audit recommends recovery of fine amounting to Rs 1.312 million from the concerned at the earliest.

[AIR Paras: 14, 11, 10, 11, 3, 9a]

#### **11.2.2.14 Fake competition by using managed quotations – Rs 1.283 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.

During the audit of DEA, T.T. Singh it was observed that head teachers of seven elementary/primary schools under the administrative control of DDEO (EE-M), Kamalia made procurement of furniture, machinery/equipment, construction material etc. costing Rs 1.283 million from different suppliers / contractors during 2016-17 and 2017-18. However, procurement was made through fake quotations to keep the bid prices at artificial / non-competitive level because businesses of competitors were being run actually the same management. **(Annexure-S/TTS)**

Due to poor management and dereliction of duties, procurements were made through managed quotations.

Procurements through managed quotations resulted in fake competition and mis-procurement amounting to Rs 1.283 million.

The matter was reported to the PAO and DDO concerned in August and September, 2018. In DAC meeting held in December, 2018, it was replied

that detailed reply would be submitted after scrutiny of record. Audit stressed on inquiry and fixing responsibility on the person(s) at fault. DAC directed DEO concerned to probe the matter for physical verification of procured goods besides regularization of expenditure from the Competent Authority. No progress was intimated to Audit till finalization of this Report.

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

[AIR Para: 1]

**11.2.2.15 Irregular expenditure in violation of standing instructions – Rs 1.261 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 (DDOs). 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 favour of contractor / supplier. Further, according to Rule 17.8 of the Punjab Financial Rules, Volume-I, Authorities who sanction expenditure after funds have been communicated should be careful to indicate the source of appropriation. Furthermore, according to Rule 18.2, the extent to which powers to sanction expenditure have been delegated to the Administrative Departments, Heads of Departments and other subordinate authorities is given in "Delegation of Powers under Financial Rules.

During the audit of DEA, T.T. Singh it was observed that Headmistress Government High School 746 GB drew Rs 0.711 million from non-salary budget (NSB) bank account in advance and thereafter made payments to different suppliers/contractors for purchase of whether shield, building material, tabs, stationery, repair and maintenance of machinery and equipment etc. during 2016-18 in cash instead of crossed cheques in violation of above mentioned rule. Further, expenditure of Rs 0.550 million was incurred without prior sanctions from Headmistress of Government Girls High School, Chak No.721/GB to whom additional charge of school was assigned by the Authority.

Due to financial indiscipline, payment was made in cash/expenditure without prior sanction was incurred.

Irregular cash payments to suppliers/contractors and expenditure without prior sanction amounting to Rs 1.261 million resulted in irregular expenditure.

The matter was reported to the PAO and DDOs concerned in August and September, 2018. In DAC meeting held in December, 2018, it was replied that funds were released on quarterly basis and expenditure was incurred on minor works therefore payments were made in cash. The reply was not tenable as payment was made in cash in violation of rules. DAC directed DEO concerned to probe the matter besides regularization of expenditure from the Competent Authority. 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: 1, 2]

### **11.2.3 Performance**

#### **11.2.3.1 Non-provision of funds for missing facilities – Rs 103.249 million**

According to Para 2.1 of Guidelines for Primary and Elementary School for utilization of Non-Salary Budget, allocation of proper fund is necessary to enable the schools for better education planning, management and delivery. Further, according to Para 2.4 of the rules, *ibid*, schools will be bound to prepare School Based Action Plan with consideration of allocated budget. Furthermore, according to Para 2.6 *ibid*, the schools will keenly observe their necessities for preparation of detailed budget and rationally divide budget against relevant heads. Furthermore, according to para 3.1 of the rules, *ibid*, for the improvement of schools step wise comprehensive strategy will be framed with consideration of objective of the Government and necessities of the school.

During the audit of DEA, T.T. Singh it was observed that boundary walls/ class rooms of 64 Government Elementary and Primary Schools, under administrative control of DDEO (EE-M) & (EE-W), Pir Mahal/Toba Tek Singh were not available. Estimated funds required for missing facilities amounting to Rs 103.249 million were not provided / released by the Government.

Due to weak monitoring system of schools / management, funds were not provided for missing facilities.

Non-provision of funds amounting to Rs 103.249 million for construction of boundary walls / class rooms of schools resulted in depriving the students from basic facilities and quality of education.

The matter was reported to the PAO and DDO concerned in August and September, 2018. In DAC meeting held in December, 2018, it was replied that demand for provision of funds for missing facilities had already been forwarded to the higher authority. Audit stressed on taking up the matter with the Government on immediate basis for provision of missing facilities. DAC directed for provision of documentary evidence in support of reply and agreed to refer the para to PAC. No progress was intimated to Audit till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides appropriate action for provision of missing facilities.

[AIR Paras: 7, 13]

**11.2.3.2 Drawl of pay and allowances due to non-observing the Student Teacher Ratio (STR)/low enrolment/ poor performance of teachers – Rs 14.790 million**

According to Terms and Conditions No.08 of Letter of Agreement, a) In-charge of standalone Primary School with having four teaching posts shall have to enrol at least 130 students and ensure their 100% retention. b) Each ESE (Sci-Math) and ESE shall have to enrol 40 out of school going children and ensure their 100% retention. c) AEO shall head count class-wise students of each standalone primary school on monthly basis and report to Deputy District Officer for necessary action. d) Deputy District Officer / Head Teacher of Elementary, High and Higher Secondary School shall have to observe STR (40:1), enrolment of out of school going children and their retention. They shall monitor performance of each teacher and school in their jurisdiction and submit charge sheet against low-achiever teacher to the DEO for initiation of inquiry. f(iv) You shall be liable to refund all amounts received from the Government if STR, enrolment & retention targets are not achieved by you. Further, according to Letter of Agreement of Assistant Education Officers issued by Chief Executive Officer, District Education Authority, Toba Tek Singh, Overall the Markaz should have an STR of 40:1.

During the audit of DEA, T.T. Singh, it was observed that eight Government Primary Schools under the administrative control of DDEOs (EE-M), Pir Mahal/Gojra, incurred expenditure of Rs 14.790 million on pay and allowance of teachers and expenditure from NSB and FTF during the financial year 2017-18 without observing the Student Teacher Ratio and lowest enrolment, which needs justification. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Financial Year	No. of Schools	Amount
1	Deputy District Education officer (EE-M), Pir Mahal	2017-18	07	10.554
2	Deputy District Education officer (EE-M), Gojra	2016-18	07	4.236
<b>Total</b>			<b>14</b>	<b>14.790</b>



Due to weak administration/monitoring, payment of pay and allowances was made against low enrolment and without observance of student / teachers ratio.

Payment of pay and allowances to the teachers against lowest enrolment of student resulted in irregular/unauthorized expenditure of Rs 14.790 million.

The matter was reported to the PAO and DDOs concerned in August and September, 2018. In DAC meeting held in December, 2018, it was replied that head teachers and AEOs concerned had been directed to increase the enrolment. Further, at least four teachers were retained in every standalone schools in compliance of Finance Department letter. The reply was not tenable as according to terms and condition of appointment of AEOs they were responsible to maintain STR of 40:1. DAC directed to take the steps for rationalization of the services of teachers besides inquiry and fixing responsibility on the person(s) at fault. Further, DAC directed to take up the matter with School Education Department for clarification of appointment of four teachers in standalone primary schools, which is contradicting the policy of STR. No progress was intimated to Audit till finalization of this Report.

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

[AIR Paras: 6, 4 a, b]

#### **11.2.3.3 Extra burden of pension payments – Rs 10.456 million**

According to Para 4(c) of Government of the Punjab, Finance Department letter No.FD(DG)1-Instructions-Act-13/2016 dated 25.05.2017, the liability of person of the retired and retiring employees of Health and Education Sectors of erstwhile local governments shall be borne by the respective District Authorities. Moreover, the “Pension Fund” maintained by the erstwhile District Government shall be apportioned proportionately amongst the District Education Authority, District Health Authority and respective District Council. Further, according to Para 5 of *ibid*, the concerned District Authority shall deposit the monthly pension contribution @ 40% of the pay of serving MC/Zila Council employees of Education and Health sector w.e.f. 01.01.2017 to the District Education Authority Pension Fund in prescribed manner.

CEO, DEA, T.T. Singh made payment of pension amounting to Rs 17.427 million during 2017-18 to 610 retired employees / pensioners of Municipal Corporation / Zila Council. However, the actual amount of pension contributions required to be transferred to District Education Authority Pension Fund @ 40% of pay was Rs 6.971 million. Payment of pension was made without receiving proportionate share from Pension Fund maintained by erstwhile District Government or demanding additional resources from Government of the Punjab resulted in extra burden of Rs 10.456 million on the resources of the DEA, T.T. Singh. The detail is as under:

(Rupees in million)

<b>Sr. No.</b>	<b>No. of Employees</b>	<b>Order No./Month</b>	<b>Amount</b>
1	60	4761/B&A /11.06.2018	1.645
2	64	3583/B&A/30.05.2018	1.629
3	72	2798/B&A/21.04.2018	1.959
4	65	1457/B&A/10.03.2018	1.77
5	66	953/B&A/16.02.2018	1.771
6	68	89/B&A/08.01.2018	1.776
7	76	6176/B&A/27.11.2017	2.27
8	139	5339/B&A/23.10.2017	4.607
<b>Total</b>	<b>610</b>		<b>17.427</b>

Due to weak management, matter regarding receiving of proportionate share from pension fund maintained by erstwhile District Government was not taken at appropriate forum.

Non-pursuance of matter for proportionate share from pension fund maintained by erstwhile District Government resulted in extra burden of Rs 10.456 million on the local fund of the DEA, T.T. Singh.

The matter was reported to the PAO and DDOs concerned in August and September, 2018. In DAC meeting held in December, 2018, it was replied that the matter would be taken up at appropriate level. Audit stressed on active pursuance of the matter for provision of proportionate share from pension fund maintained by erstwhile District Government. DAC took serious note of non-establishing the Pension Fund of DEA in violation of requirements of PLGA 2013 and directed to immediately establish the Pension Fund and deposit all the

previous and further contribution. No progress was intimated to Audit till finalization of this Report.

Audit recommends active pursuance of the matter for provision of proportionate share from Pension Fund maintained by erstwhile District Government besides establishing the Pension Fund at DEA.

[AIR Para: 22]

#### **11.2.3.4 Encroachment of Government/State Land – Rs 5.550 million**

According to Rule 4 (k) of the Punjab Local Government (Property) Rules, 2003, the manager shall be vigilant about and check encroachments or wrongful occupations on property and in case there is any encroachment or wrongful occupation, he shall take necessary steps for the removal thereof.

During the audit of DEA, T.T. Singh it was observed that five kanals and eleven marlas land valuing Rs 5.550 million of Government primary school 227 GB II under the administrative control of DDEO (EE-M), Gojra was encroached by illegal occupants. Authorities did not take action to get the Government/State land vacated from the illegal occupants.

Due to negligence and weak management, encroached Government/state land was not got vacated from the illegal occupants.

Encroachment of the Government/State land valuing Rs 5.550 million resulted in misuse of public resources by encroachers for personal benefit.

The matter was reported to the PAO and DDO concerned in August and September, 2018. In DAC meeting held in December, 2018, it was replied that according to record of Revenue Department no land of Education Department was illegally occupied by others. The reply was not tenable as no supporting record was submitted in support of reply. DAC directed the DDO concerned to submit detailed reply along with documentary evidence at the earliest. No progress was intimated to Audit till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides vacation of state land from the land grabbers.

[AIR Para: 5]

### 11.2.3.5 Transfer of Government schools to private sector due to poor performance of teachers – Rs 3.705 million

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

During the audit of DEA, T.T. Singh it was observed that DDEO (EE-M), Pir Mahal incurred expenditure amounting to Rs 3.705 million during 2016-18 on pay and allowances of eleven teachers against “Nil” performance regarding Punjab Education Commission Result for the year 2017-18. Resultantly, six Government Primary Schools were transferred to Punjab Education Foundation (PEF). The detail is as under:

(Amount in Rupees)

Sr. No.	EMIS Code	Name of School	Name of Teacher	Designation	Pay per Month	Total Amount One Year	Total Enrolment
1	33340173	GPS 329 GB	Mazhar Iqbal	PST	40,342	484,104	115
			Muhammad Anwar Shakil	PST	41,420	497,040	
2	33340186	GPS 325 GB	Tariq Mehmood Saleemi	PST	37,622	451,464	161
			Muhammad Asad Akram	PST	19,490	233,880	
			Muhammad Asif	ESE	20,963	251,556	
3	33340185	GPS 330 GB (South)	Maqsood Ahmad	PST	32,129	385,548	100
4	33340117	GPS 699/41 GB	Muhammad Ramzan	PST	24,070	288,840	33
			Hafiz Muhammad Tahir	PST	18,995	227,940	
5	33340150	GPS 778 GB	Muhammad Jaffar	PST	35,747	428,964	86
			Muhammad Imran	PST	18,995	227,940	
6	33340153	GPS Bahar Shah	Muhammad Tahir	PST	18,995	227,940	112
<b>Total</b>						<b>3,705,216</b>	<b>607</b>

Due to weak internal controls and poor performance of teachers, Government schools were transferred to private sector.

Poor performance of teachers and transfer of Government schools to PEF resulted in unjustified drawl of pay and allowances amounting to Rs 3.705 million.

The matter was reported to the PAO and DDO concerned in August and September, 2018. In DAC meeting held in December, 2018, it was replied that schools were transferred to Punjab Education Foundation in compliance of the Government Policy. The reply was not tenable as schools were transferred due to poor performance. DAC directed to take appropriate action against the teachers concerned. No progress was intimated to Audit till finalization of this Report.

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

[AIR Para: 1]

#### **11.2.3.6 Non-utilization of student funds – Rs 3.006 million**

According to Para 2.1 of the Guidelines for Utilization of Non-Salary Budget in Primary and Elementary Schools, allocation of proper funds is necessary to enable the schools for better education planning, management and delivery. Further, according to Para 2.4 of *ibid*, schools will be bound to prepare School Based Action Plan with consideration of allocated budget. Furthermore, according to Para 2.6 of *ibid*, the schools will keenly observe their necessities for preparation of detailed budget and rationally divide budget against relevant heads.

During the audit of DEA, T.T. Singh it was observed that head teachers of 21 elementary/primary schools, under the administrative control of DDEO (EE-W), Kamalia could not utilize funds available under Non-salary Budget (NSB) and Farogh-e-Taleem funds during 2017-18 and funds amounting to Rs 3.006 million remained unutilized till June, 2018.

Due to weak management and monitoring, funds could not be utilized.

Non-utilization of funds of Rs 3.006 million resulted in depriving students of envisaged benefits.

The matter was reported to the PAO and DDO concerned in August and September, 2018. In DAC meeting held in December, 2018, it was replied that head teachers of schools concerned had been directed to utilize the funds. DAC directed the DDOs concerned for fixing responsibility against the concerned

for non-utilization of funds. No progress was intimated to Audit till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault for non-utilization of funds.

[AIR Para: 10]

### 11.2.3.7 Non-functional Information Technology Lab – Rs 2 million

According to Section 93(a) of the Punjab Local Government Act, 2013, a District Education Authority shall establish, manage and supervise the primary, elementary, secondary and higher secondary schools of the Government in the District. Further, according to Section 129 (1)(2)(d) the abide, every local council shall once in every year in July take the physical stock of its movable and immovable properties and publish the report in the prescribed manner. The report shall be contained, particular of losses if any.

During the audit of DEA, T.T. Singh it was observed that Headmistress of Government Girls High School, 746 GB received different information technology equipment (IT) amounting to Rs 2.000 million for IT Lab of school from three suppliers during May to June, 2018 through different delivery challans. Physical verification of these items revealed that all items were found non-functional and laying in store of the school. The detail is under:

Sr. No.	Name of supplier	Description	Quantity
1	M/s PEL Marketing	AC Split	1
2	M/s NASCO Traders	Smart White Board SR 8083 D	1
		Multimedia Projector	1
		Computer Data Cable	1
		HDMI cable	1
		Duct	3
3	M/s Malik Enterprises	Computer Table twin for two students	8
		Computer Table single for teacher	1
4	Astrontech Distribution	DELL OP3050MT	15
		DELL LED	15
		DELL OP3050MT	1
		DELL LED S2319H	1
<b>Total</b>			<b>49</b>

Due to weak internal controls, costly equipment was not made functional.

Non-functional of equipment despite delivery to the school resulted in blockage of public funds of Rs 2.000 million and non-provision of benefits to students.

The matter was reported to the PAO and DDO concerned in August and September, 2018. In DAC meeting held in December, 2018, it was replied that the IT Lab equipment had been installed and IT teacher had also joined the school on February, 2018. Audit stressed on production of detail of date of receiving IT Lab equipment and attendance record of teacher / students. DAC directed the DEO concerned to verify the functioning of IT Lab and matter may be taken up for regularization. No progress was intimated to Audit till finalization of this Report.

Audit recommends matter may be taken up with higher forum for early functional of the same.

[AIR Para: 5]

## 11.2.4 Internal Control Weaknesses

### 11.2.4.1 Non-maintenance of prescribed record – Rs 7.617 million

According to Section 4.3 of School Council Policy, 2007, it is compulsory for School council to maintained record of notification of School Council and record of Moveable / Immoveable Property on the format given Policy. Further, according to Para 2.4 & 6 of guideline for Primary and Elementary School of Non-Salary Budget SC required to maintain School based action plan, Procurement plan and Budget register. Furthermore, according to Rule 15.16 and 15.7 of PFR Volume-I, a physical verification of all stores must be made at least once in every year under rules prescribed by the head of the department, and subject to the condition that the verification is not entrusted to a person: who is the custodian, who is not conversant with the classification, nomenclature and technique of the particular classes of stores to be verified. All discrepancies noticed must be properly investigated. Shortages and damages, as well as unserviceable stores must be reported immediately to the authority competent to write off loss.

During the audit of DEA, T.T. Singh it was observed that School Councils of 18 primary/elementary and high school, under administrative control of three DDEOs incurred expenditure of Rs 7.617 million without maintaining prescribed record i.e. School Based Action Plan, School Council Notifications, Inventory Register, Budget Register and moveable and immoveable property/asset register, tree plantation register etc.

(Amount in million)

Sr. No.	DDOs	Financial Year	No. of Schools	Amount	Remarks
1	Deputy District Education officer (EE-W), Toba Tek Singh	2017-18	12	5.783	School based action plan, school council notification, Inventory Register, Budget Register and moveable and immoveable property/asset register etc.
2	Government Millat Girls High School, Gojra	2015-18	01	-	Asset/property register not maintained/Physical verification of stores and stocks not conducted
3	Deputy District Education officer (EE-	2016-18	05	1.609	Assets Register not maintained/Non/defective



Sr. No.	DDOs	Financial Year	No. of Schools	Amount	Remarks
	M), Gojra				maintenance of Tree plantation register
		2016-17	-	0.225	Without maintenance of record i.e. bricks, cement
<b>Total</b>			<b>18</b>	<b>7.617</b>	

Due to weak internal controls, supporting record/Asset/Property Register of expenditure incurred through School Council was not maintained.

Non-maintenance of prescribed record of expenditure amounting to Rs 7.617 million resulted in irregular expenditures.

The matter was reported to the PAO and DDOs concerned in August and September, 2018. In DAC meeting held in December, 2018, it was replied that relevant record was being maintained. Audit stressed on maintenance of record on prescribed format at the earliest. DAC directed the DDOs concerned to maintain record on prescribed format and produce to Audit for verification. No progress was intimated to Audit till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides maintenance and production of record to Audit.

[AIR Paras: 4, 12, 1, 2, 10, 7]

#### **11.2.4.2 Difference in opening balance of Cash book and Bank Statement – Rs 6.604 million**

According to Section 2.2 of the Punjab Financial Rule, Volume-I, the entries in the Cash Book of the cheques drawn from the Audit Office or amount withdrawn from the treasuries should be compared and checked with the list of the Cheques or Treasury Schedules issued by the Treasury Office. A certificate to this effect be recorded in the Cash Book. At the end of each month the head of office should personally verify the cash balance and record below the closing entries in the Cash Book. A certificate to that effect over his dated signature specifying both in words and figures the actual cash.

During the audit of DEA, T.T. Singh it was observed that cash book and bank statement of DDEO (EE-M), Pir Mahal for the financial year 2016-2017 revealed the difference of Rs 6.604 million in closing balances on 30.06.2017, which shows that cash book was not properly maintained.

Due to weak financial controls, difference of cash balances between cash book and bank statements was occurred.

Difference of balance in cash book and bank statement amounting to Rs 6.604 million resulted in unauthentic financial data.

The matter was reported to the PAO and DDOs concerned in August and September, 2018. In DAC meeting held in December, 2018, it was replied that the difference was due to un-presented cheques. Audit stressed on production of reconciliation of Cash Book and Bank Account along with supporting record for verification. DAC directed the DDO concerned to produce reconciliation of Cash Book and Bank Account along with supporting record for verification within one week. No progress was intimated to Audit till finalization of this Report.

Audit recommends reconciliation of amounts of bank statement with cash book besides fixing responsibility on the person(s) at fault.

[AIR Para: 10]

#### **11.2.4.3 Late repatriation from deputation without regularization of service – Rs 2.371 million**

According to amendment in Deputation Policy vide letter No.FD.SR.II/6-13/97 dated 25.07.2001, deputation is permissible to a civil servant for a maximum period of three years. Now, Governor has been pleased to authorize the Finance Department to grant extension in deputation for a further period of one year, beyond three years, in relaxation of Deputation Policy dated 13.08.1998, provided that such extension is fully justified and relates to exceptional circumstances. Any extension in deputation beyond a period of four years will be continued to be submitted to the Governor for approval in the shape of summary, in relaxation of Deputation Policy. Further, according to para 1(i) of amendment in Deputation Policy vide letter No.FD.SR.II.6(57)-73-2785 dated 09.02.1974, in case where the deputation posts carry pay scales equivalent to those of the posts held by the deputationist in their parent department, deputation pay may be allowed at the rate of 10 percent of the basic pay in the parent department.

Mrs. Ishrat Bano, PST was transferred to Islamabad Model School for Girls, Islamabad under Federal Directorate of Education, Islamabad on deputation since 22.07.1999 and remained on deputation for 18 years and 8 months. Thereafter, DDO (EE-W), Toba Tek Singh imposed major penalty of removal from service on 16.10.2017 and on submission of appeal before the Chief Executive Officer, District Education Authority, T.T. Singh her appeal was accepted and impugned order was set aside without regularization of service from the Governor of the Punjab, according to the provisions of Deputation Policy. She drew salary (basic pay) of Rs 2.371 million during her deputation.

Further, according to SAP-HR data she remained drawing deputation allowance @ 20% of Basic Pay instead of 10% as she was posted on deputation against the post of same scale which resulted in excess drawl of deputation allowance of Rs 0.237 million. Furthermore, according to Last Pay Certificate she had been paid up to 31.03.2018 while according to SAP-HR Data she drew pay upto 30.04.2018.

Due to weak internal controls, provision of deputation policy was not implemented.

Non-implementation of deputation policy resulted in irregular service of educator and excess payment of Deputation Allowance.

The matter was reported to the PAO and DDO concerned in August and September, 2018. In DAC meeting held in December, 2018, it was replied that the teacher concerned had been directed to prepare the case for regularization of her deputation period for onward submission to higher authority. Audit stressed on regularization of service besides recovery of excess paid Deputation Allowance at the earliest. DAC directed the DDO concerned to get the service regularized from the Competent Authority besides recovery of excess paid amount of Deputation Allowance. No progress was intimated to Audit till finalization of this Report.

Audit recommends regularization of service from the Governor of the Punjab besides recovery of overpaid Deputation Allowance of Rs 0.237 million.

[AIR Para: 6]

#### **11.2.4.4 Non-obtaining of Performance Security – Rs 1.155 million**

According to Special Terms and Condition 10 of the Supply Order for purchase of computer tables/chairs, the firm will deposit 10% Performance Security of the total amount of supply order along with contract agreement.

Chief Executive Officer, District Education Authority, Toba Tek Singh awarded contract to two firms for supply of furniture & Information Technology equipment to various schools during 2016-18. But authority did not obtain Performance Security from the suppliers amounting to Rs 1.155 million.

Due to weak financial management, Performance Security was not obtained.

Non-obtaining of Performance Security amounting to Rs 1.155 million resulted in violation of terms of contract.

The matter was reported to the PAO and DDOs concerned in August and September, 2018. In DAC meeting held in December, 2018, it was replied that one of the firms had been black listed besides forfeiture of bid security and performance security from other firm had also been obtained. The reply was not tenable as evidence of forfeiture of bid security was not produced to Audit and Performance Security was obtained after completion of work. DAC directed to probe the issue for fixing responsibility for violation of rules besides production of evidence of forfeiture of bid security. No progress was intimated to Audit till finalization of this Report.

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

[AIR Para: 11a, b]

## **CHAPTER 12**

### **12.1 District Education Authority Khanewal**

#### **12.1.1 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:

<b>Description</b>	<b>No. of Education 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)	4
Deputy District Education Officers (EE-W)	4
Higher Secondary Schools (Boys & Girls)	29
High Schools (Boys & Girls)	183
Special Education Schools / Centres	7
Elementary Schools	356
Primary Schools	674

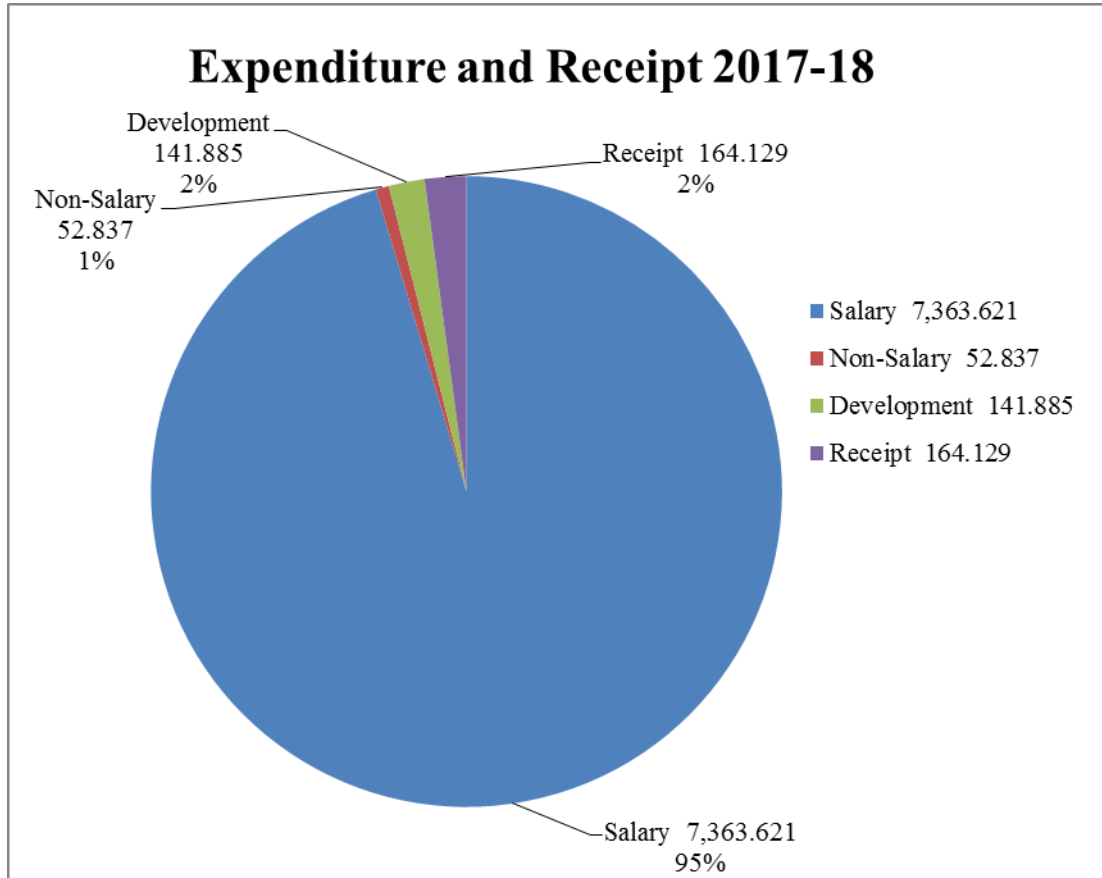
### 12.1.2 Comments on Budget and Accounts

The detail of Budget and Expenditure is given below in tabulated form:

(Rupees in Million)

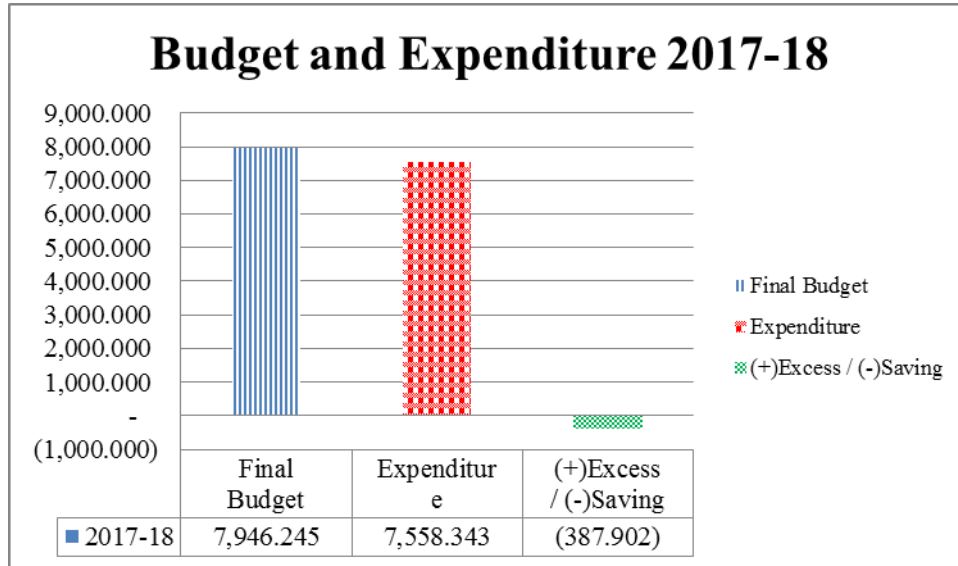
<b>2017-18</b>	<b>Budget</b>	<b>Actual</b>	<b>Excess (+) / Saving (-)</b>	<b>(%) Saving</b>
Salary	7,468.550	7,363.621	(104.929)	-1%
Non-salary	212.960	52.837	(160.123)	-75%
Development	264.735	141.885	(122.850)	-46%
<b>Sub Total</b>	<b>7,946.245</b>	<b>7,558.343</b>	<b>(387.902)</b>	<b>-5%</b>
Receipts	229.781	164.129	(65.652)	-29%

(Rupees in Million)



As per the Appropriation Accounts for financial year 2017-18 of District Education Authority Khanewal, total original budget (Development and Non-Development) was Rs 7,946.245 million, no supplementary grant was provided and the final budget was Rs 7,946.245 million. Against the final budget, total expenditure of Rs 7,558.343 million was incurred by District Education Authority during financial year 2017-18. A saving of Rs 387.902 million came to the notice of Audit, which shows that the District Education Authority failed to provide basic education services to poor people. No plausible explanation was provided by the PAO. (**Annexure-B**)

(Rupees in Million)

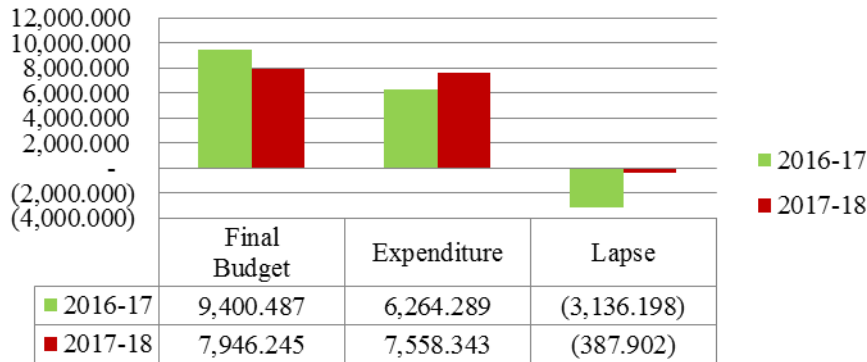


In Education Department savings of Rs 387.902 million (5% of allocation) occurred by over estimating / releasing the budget against the vacant posts despite the fact that no recruitment against these vacant posts was made during the Financial Year 2017-18. Further funds of School Management Council (SMC) were not utilized despite availability. The same resulted in deprive of the students / populace of necessary facilities, such as provision of furniture & fixture as well as provision of laboratory equipment.

The comparative analysis of the budget and expenditure of current and previous financial years is depicted as under:



## Comparison of Budget and Expenditure 2016-17 & 2017-18



There was 15% decrease in budget allocation and 21% increase in expenditure incurred in financial year 2017-18 as compared to financial year 2016-17, while there was overall savings of Rs 387.902 million during 2017-18.

### 12.1.3 Brief Comments on the Status of Compliance of MFDAC Audit Paras of Audit Report 2017-18

Audit paras reported in MFDAC (Annexure-I) of last year Audit Report, which have not been attended in accordance with the directives of DAC have been reported in Part-II of Annexure-A.

### 12.1.4 Brief Comments on the Status of Compliance with PAC Directives

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

#### Status of Previous Audit Reports

S. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	18	PAC meeting was not convened

## 12.2 AUDIT PARAS

### 12.2.1 Non Production of Record

#### 12.2.1.1 Non Production of record – Rs 82.863 million

According to Clause 14 (1) (b) of the Auditor General’s (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, “The Auditor General shall, in connection with the performance of his duties under this Ordinance, have authority to inspect any office of accounts, under the control of Federation or of the Province or of District including Treasuries and such offices responsible for the keeping of initial and subsidiary accounts”.

The following DDOs under the jurisdiction of Chief Executive Officer, DEA Khanewal did not produce the record of leaves, personal files and service books, and record of contingent expenditure from NSB funds of schools amounting Rs 82.863 million for the Financial Year 2005-18 despite various verbal and written requests. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Description of record not provided	Period	Amount
1	Dy. DEO (EE-W) Khanewal	Record of Schools pertaining to expenditure from NSB funds	2016-18	45.815
2	Dy. DEO (EE-W) Kabirwala	Record of schools pertaining to expenditure from NSB funds	2016-18	35.493
3	GGMH School Khanewal	Vouched accounts of Farogh-e-Taleem Funds	2005-18	1.555
4	CEO (DEA), Khanewal	Reconciled expenditure statements for all the cost centers operated including the SDAs except Cost Center KC-6002. Cash book of account - V and DDO cash book. Bank statement of account – V duly reconciled with bank and DAO Khanewal. Complete record of Inquiry and discipline cases.	2017-18	-
5	Government Special Education Centre Kabirwala	Log books, service books, personal files, payrolls, arrears claims, earned leaves and various records.	2010-18	-
<b>Total</b>				<b>82.863</b>

Due to weak internal controls and willful evasion from audit, record was not produced for audit verification.

Non production of record created doubts regarding legitimacy of expenditure incurred amounting Rs 82.863 million.

The matter was reported to the CEO of DEA and DDOs concerned in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends inquiry and fixing of responsibility on the person(s) at fault besides production of record to Audit for verification.

[AIR Para No. 10, 04, 07, 25, 14]

## 12.2.2 Irregularities and non compliance

### 12.2.2.1 Irregular late approval of original and revised budget - Rs 15,747.588 million

According to rule 3 (K) & 4 (C) of District Authorities Budget Rules 2017, the Chairman shall ensure that the estimates and revised budget estimates shall be laid before the District Authority well before the commencement of the next Financial Year. The Chief Executive Officer shall ensure that Budget estimates shall be submitted before the District Authority well before the commencement of the next Financial Year and budget so approved is distributed amongst DDOs by the commencement of the financial year.

Chief Executive Officer, DEA Khanewal did not take approval of original as well as revised budget estimates for the FY 2017-18 amounting Rs 15,747.588 million well before the commencement of next financial year. The original budget amounting Rs 7,946.246 million was prepared and submitted to Deputy Commissioner /Administrator of Authority on 09.09.2017 after more than two months after commencement of FY 2017-18. It depicts that pay and allowances for the month of July and August, 2017 were paid without approval of budget of Authority. Further, the revised budget amounting Rs 7,801.342 million was prepared and submitted to Deputy Commissioner /Administrator of Authority on 15.08.2018 after one and half month after commencement of FY 2018-19. The detail is as under:

(Rupees in million)

Financial Year	Date of approval	Nature	Description	Amount
2017-18	09.09.17	Original estimate	Current expenditure	7,681.511
			Development expenditure	264.735
<b>Sub Total-I</b>				<b>7,946.246</b>
2017-18	15.08.18	Revised estimate	Current expenditure	7,659.199
			Development expenditure	142.143
<b>Sub Total-II</b>				<b>7,801.342</b>
<b>Grand Total (I + II)</b>				<b>15,747.588</b>

Due to weak financial management, draft of budget was not approved well in time.

Late approval of original as well as revised budget 2017-18 amounting Rs 15,747.588 million resulted in violation of rules.

The matter was reported to the CEO of DEA in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends regularization from the Finance Department under intimation to Audit.

[AIR Para No. 02]

#### **12.2.2.2 Irregular approval of revised budget without inclusion of receipts - Rs 7,801.342 million**

According to rule 4(1) (i) of the District Authorities Budget Rules 2017, the Chief Executive Officer shall act as Principal Accounting Officer of the Authority and shall ensure that the budget for the estimated expenditure of the Authority does not exceed its estimated receipts. Further, according to rule 49(2) of the District Authorities Budget Rules 2017, the District Authority shall approve the budget estimates subject to scrutiny of receipts, scrutiny of expenditure and examination to new proposals.

Chief Executive Officer, DEA Khanewal submitted the revised budget 2017-18 amounting Rs 7,801.342 million consisting to estimated expenditure and got approved from the Chairman District Authority / DC without inclusion of summary of receipts. The submission and approval of revised budget was irregular without scrutiny of receipts of the authority.

Due to weak financial controls, revised budget was approved without receipts of the authority.

Violation of rules resulted in irregular approval of revised budget amounting Rs 7,801.342 million.

The matter was reported to the CEO of DEA in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends regularization from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.06]

### **12.2.2.3 Irregular withdrawal of NSB funds without pre-audit – Rs 499.714 million**

According to Para No.5 (b) of Controller General of Accounts (Appointment, Functions and Powers) Ordinance 2001, the function of the Controller General shall be to authorize payments and withdrawals from the Consolidated Fund and Public Accounts of the Federal and Provincial Governments against approved budgetary provisions after pre-audited checks as the Auditor-General may, from time to time, prescribe. Further, according to Government of the Punjab Finance Department letter No.SO (TT) 6-1/2013 (2015) dated 15.07.2015, no withdrawals from Special Drawing Accounts are permissible as advance withdrawals or for en-block transfer of funds in commercial banks / Development Financial Institutions (DFIs). Withdrawals from the Special Drawing Accounts shall only be admissible, if these are required to meet validly accrued liabilities / booked expenditure, duly pre-audited, where so required.

Chief Executive Officer, DEA Khanewal withdrew NSB funds of Rs 499.714 million during 2017-18 in advance without requirement of immediate disbursement on account of NSB from SDA. (**Annexure-C/KWL**) The funds were withdrawn without pre-audit checks and transferred to the bank accounts of different schools of the district. Furthermore, Audit observed that funds were also transferred in commercial banks. The whole amount was distributed through CEO (DEA) but the same irregularity was also pointed out on the accounts of following DDOs:

<b>Sr. No.</b>	<b>DDOs</b>
1	Deputy DEO (EE-Male), Mian Channu
2	Dy. DEO (EE-M) Kabirwala
3	Dy. DEO (EE-W), Mian Channu
4	Dy. DEO (EE-W) Kabirwala
5	GGMHS Mian Channu
6	Dy. DEO (EE-M) Khanewal

Sr. No.	DDOs
7	Dy. DEO (EE-W) Khanewal
8	Dy. DEO (EE-W) Jahanian

Due to weak internal controls, funds were withdrawn without pre-audit checks in advance without immediate disbursement and kept in the commercial banks.

Violation of the Government rules resulted in irregular withdrawal of funds of Rs 499.714 million.

The matter was reported to the CEO of DEA and DDOs concerned in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends regularization from the Finance Department besides fixing of responsibility on person(s) at fault, under intimation to Audit.

[AIR Para No.14, 13, 19, 7, 23, 10, 17, 02, 01]

#### **12.2.2.4 Irregular withdrawal of arrears of pay & allowances without allocation / release of separate budget - Rs 314.818 million**

According to rule 2.27 of PFR Vol-I, no payments may be made on account of increases to pay until the additional expenditure hereby caused has been provided for in the budget estimates and duly sanctioned.

The following DDOs under the jurisdiction of Chief Executive Officer, DEA Khanewal paid arrears of salary of Rs 314.818 million to staff during 2017-18. No case of pending salary was put up and no separate budget was released for withdrawal of arrear bills. Neither budget was released nor the approval of cases made by the CEO Khanewal. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Amount
01	CEO (DEA), Khanewal	221.232
02	Dy. DEO (EE-W), Mian Channu	29.109
03	Dy. DEO (EE-W) Kabirwala	48.763
04	Dy. DEO (EE-W) Jahanian	9.981
05	GGMH School Khanewal	4.099
06	Government Special Education Centre Kabirwala	1.197

<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
07	GGMHS Mian Channu	0.437
<b>Total</b>		<b>314.818</b>

Due to weak management unjustified claim of arrear bills were drawn without release of separate budget.

Payment of arrear bills without allocation of separate budget resulted in irregular claims of Rs 314.818 million.

The matter was reported to the CEO of DEA and DDOs concerned in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends inquiry in the matter, regularization from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.18, 04, 15, 02, 06, 04, 03]

#### **12.2.2.5 Irregular / doubtful expenditure from NSB funds - Rs 282.578 million**

According to serial No. 4 NSB Guidelines 2014-15 issued by Government of the Punjab, Education Department, the School Councils will observe the Punjab Procurement Rules while incurring expenditure from NSB funds. The School Council may allow the Head Teacher to draw an amount for petty expenditure which should, in no case exceeded to Rs 5,000. If possible all payment exceeding Rs 10,000 should be made through cross cheques.

During audit of DEA Khanewal it was observed that the heads of various school councils under the administrative control of following DDOs incurred expenditure of Rs 282.578 million out of NSB funds during 2016-18 as detailed below:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
1	Dy. DEO (EE-W) Khanewal	97.700
2	Dy. DEO (EE-M) Kabirwala	84.505
3	Dy. DEO (EE-W) Kabirwala	66.641



<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
4	Deputy DEO (EE-Male), Mian Channu	33.732
<b>Total</b>		<b>282.578</b>

The entire expenditure was incurred by splitting the indents and small bills upto Rs 50,000 were drawn to avoid the tendering process. 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 date of bills of suppliers / traders did not match with the date of cash withdrawal which depicts that purchases were made / repair work done from local market and later on, bills from registered firms were prepared to complete the codal formalities. No quality /quantity certificate of purchases made / work done was available on record. Hiring of staff was made without entering the agreement. The Sales Tax deposit proof provided by the firms was not authentic as the invoice number and date of bill did not match with the invoice number mentioned in the Annexure-C. Proper Stock register of material purchased was not maintained on the format.

Due to weak monitoring, expenditure from NSB funds was incurred in an irregular manner.

Non observance of rules resulted in irregular expenditure of Rs 282.578 million.

The matter was reported to the CEO of DEA and DDOs concerned in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

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

[AIR Para No. 15, 04, 25, 20]

#### **12.2.2.6 Non surrender of anticipated savings – Rs 234.350 million**

According to rule 15 (a) (b) of District Authorities Accounts Rules 2017, the Drawing & Disbursing Officer shall be responsible to prepare estimates of expenditure of the concerned office, maintain budget control register, record entries of each transaction therein against corresponding allocation and make

assessment of expenditure likely to be made during the financial year and takes measures accordingly.

The following DDOs under the jurisdiction of Chief Executive Officer, DEA Khanewal did not surrender the anticipated savings of Rs 242.350 million during 2016-18. Funds of Rs 1029.329 million were allocated for pay and allowances and contingencies out of which funds of Rs 887.132 million could be utilized. Funds of Rs 224.350 million neither utilized nor surrendered well in time and lapsed. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Financial Year	Budget Allocation	Actual expenditure	Savings
01	CEO (DEA), Khanewal	2017-18	79.080	68.336	10.744
02		2017-18 (IT Labs)	56.000	0	56.000
03	GGMH School Khanewal	2005-2018	375.078	324.648	50.430
04	Government Special Education Centre Kabirwala	2017-18	22.522	12.061	10.461
05	Dy. DEO (EE-W) Khanewal	2016-18 (NSB Funds)	118.266	97.700	20.566
06	Dy. DEO (EE-W) Mian Channu	2017-18 (NSB Funds)	56.140	34.952	21.188
07	Dy. DEO (EE-W) Jahanian	2017-18	322.243	349.435	65.607
08	Dy. DEO (EE-W) Khanewal	2017-18 (NSB Funds)	-	-	7.354
<b>Total</b>			<b>1029.329</b>	<b>887.132</b>	<b>242.350</b>

Due to weak financial controls, anticipated savings were not surrendered well in time and lapsed.

Non utilization of funds resulted in lapse of Rs 234.996 million. Had the funds surrendered in time, the same could be utilized for other purposes by the authority.

The matter was reported to the CEO of DEA and DDOs concerned in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends regularization from competent authority besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.10, 20, 04, 03, 19, 09, 07, 16]

### 12.2.2.7 Irregular budgeting due to excess estimated expenditure than estimated receipts - Rs 199.933 million

According to rule 4(1) (i) of the District Authorities Budget Rules 2017, the Chief Executive Officer shall act as Principal Accounting Officer of the Authority and shall ensure that the budget for the estimated expenditure of the Authority does not exceed its estimated receipts. Further, according to Rule 49(2) of the District Authorities Budget Rules 2017, the District Authority shall approve the budget estimates subject to scrutiny of receipts, scrutiny of expenditure and examination to new proposals.

Chief Executive Officer, DEA Khanewal submitted the original budget for the Financial Year 2017-18 to the Chairman District Education Authority without ensuring that the estimated expenditure did not exceed its estimated receipts. The estimated expenditure amounting Rs 199.933 million was in excess than estimated receipts. The approval was given by the authority without scrutiny of receipts and expenditure. The detail is as under:

(Rupees in million)

Financial Year	Nature of budget	Description	Amount
2017-18	Original estimate	Salary expenditure	7,654.958
		Non-salary expenditure	26.552
		<b>Total budgeted expenditure</b>	<b>7,681.511</b>
		Opening balance A/C-V	1,301.301
		Provincial PFC Share (Salary)	5,945.712
		Provincial PFC Share (Non-salary)	234.564
		<b>Total budgeted receipts</b>	<b>7,481.577</b>
		<b>Excess budgeted expenditure</b>	<b>199.933</b>

Due to weak financial controls, budget was prepared and approved without ensuring that the estimated expenditure did not exceed its estimated receipts.

Violation of rules resulted in irregular approval of excess estimated expenditure Rs 199.933 million.

The matter was reported to the CEO of DEA in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends regularization from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.05]

#### **12.2.2.8 Irregular revised allocation of funds against ‘Nil’ budget - Rs 41.002 million**

According to rule 5(2) (a) & (b) of the District Authorities Budget Rules 2017, the Head of office is responsible for all matters relating to the budget for the office under his administrative control, ensure strict financial control.

Chief Executive Officer, DEA Khanewal allocated funds of Rs 41.002 million to those detail object heads for which there was no budget allocation / appropriation was made in the original budget estimate. Revised allocation was made against “Nil” budget appropriation during the period 2017-18.

Due to weak financial management, the budget allocation was made against ‘Nil’ allocations.

Allocation of funds against ‘Nil’ budget heads resulted in irregular revised allocation of funds of Rs 41.002 million.

The matter was reported to the CEO of DEA in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends regularization from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 03]

#### **12.2.2.9 Irregular expenditure by schools council beyond the authorized limit – Rs 34.179 million**

According to Finance department notification No.IT-(FD) 3-13/2002 dated January 29, 2005 and according to school council policy 2007 and amended to 2013 point no. 4.9 school council can made the expenditure upto Rs. 400,000 in a financial year i.e. July to June.

During audit of DEA Khanewal it was observed that the head of various schools under the administrative control of Dy. DEO (EE-M) Mian Chunnu incurred expenditure of Rs 34.179 million beyond the authorized limit of Rs 400,000 for each school management council in violation of finance department and school council policy. **Annexure-D/KWL**

Due to weak financial management and weak internal controls, the expenditure was incurred in excess of permissible limit.

Non observance of instructions of the Government resulted in irregular expenditure of Rs 34.179 million

The matter was reported to the CEO of DEA and DDO concerned in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends regularization of expenditure from Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 10]

#### **12.2.2.10 Irregular payment to DDO instead of direct payment by splitting the claims – Rs 28.185 million**

According to rule 4.49 of Punjab Sub Treasury Rules, payment of Rs 100,000 and above to the contractors and suppliers, are to be made in form of crossed cheque, issued by the Accountant General Punjab / District Accounts Officer. Further according to rule 4 (1) (c) of the Punjab District Authorities (Accounts) Rules 20017, the mode of making payments from the local fund of a District Authority shall be that the payments of salary to the staff of a District Authority shall be made through direct credit system (DCS) in their respective bank accounts.

During audit of DEA Khanewal it was observed that the DEO (Literacy) incurred expenditure amounting Rs 28.185 million on account of honorarium to different PNFEP, ACL and TSKL teachers during 2017-18. The cheque was obtained in the name of DDO instead of direct credit system in their respective

bank accounts. The amount of each claim was kept less than Rs 100,000 just to obtain the cheque in the name of DDO.

Due to weak internal controls, payment was not made through direct credit system in their respective bank accounts.

Violation of rules resulted in irregular expenditure of Rs 28.185 million.

The matter was reported to the CEO of DEA and DDO concerned in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends regularization from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 08]

### 12.2.2.11 Expenditure over and above the budget – Rs 19.116 million

According to rule 15 (a) (b) of District Authorities Accounts Rules 2017, the Drawing & Disbursing Officer shall be responsible to prepare estimates of expenditure of the concerned office, maintain budget control register, record entries of each transaction therein against corresponding allocation and make assessment of expenditure likely to be made during the financial year and takes measures accordingly.

The following DDOs under the jurisdiction of Chief Executive Officer, DEA Khanewal incurred excess expenditure of Rs 19.116 million than the budget allocation during 2005-18. Funds of Rs 146.154 million were allocated for pay and allowances against which expenditure of Rs 165.270 were incurred. Expenditure of Rs 19.116 million was incurred over and above the budget allocation. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Financial Year	Budget Allocation	Actual expenditure	Excess expenditure
01	CEO (DEA), Khanewal	2017-18	21.551	25.952	4.401
02	GGMH School Khanewal	2005-2016	124.603	139.318	14.715
<b>Total</b>			146.154	165.27	19.116

Due to weak financial controls, expenditure was incurred in excess of budget allocation.

Expenditure in excess than budget allocation resulted in irregular expenditure of Rs 19.116 million.

The matter was reported to the CEO of DEA and DDO concerned in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends regularization from competent authority besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.09, 05]

#### **12.2.2.12 Uneconomical expenditure without advertisement – Rs 12.741 million**

According to Chapter II Rules 8 of Punjab Procurement Rules 2014, a procuring agency shall, within one month of commencement of a financial year, devise planning for all proposed procurements. Rules 9 of ibid states that a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without splitting or regrouping of procurements so planned. Further purchase above Rs50000 required the quotation process. Furthermore, 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.

The following DDOs under the jurisdiction of Chief Executive Officer, DEA Khanewal incurred expenditure on account of purchase of furniture, machinery, repair of building and paint works etc. costing Rs 12.741 million by splitting the indents instead of inviting tenders in violation of Punjab Procurement Rules. The detail is as under:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Description</b>	<b>Amount</b>
01	CEO (DEA), Khanewal	Purchase of stationery, furniture, repair of office building	0.929

Sr. No.	DDOs	Description	Amount
02	GGMH School Khanewal	Expenditure on repair of school building	0.922
03	GGMH School Khanewal	Expenditure on repair of school building	1.378
04	GGMH School Khanewal	Purchase of furniture, machinery, building works, paint work	4.919
05	GGMHS Mian Channu	Installation of CCTV Cameras, purchase of furniture, machinery	1.928
06	Government Secondary Special School For Hearing Impaired, Khanewal	Purchase of tyres	0.199
07	Dy. DEO (EE-M) Khanewal	Purchase of furniture	2.466
<b>Total</b>			<b>12.741</b>

Due to weak financial discipline, expenditure was incurred in an irregular manner.

Non observance of rules resulted in irregular expenditure of Rs 12.741 million.

The matter was reported to the CEO of DEA and DDOs concerned in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends regularization of expenditure from competent authority besides fixing of responsibility on person(s) at fault, under intimation to Audit.

[AIR Para No.24, 09, 10, 11, 05, 07]

#### **12.2.2.13 Irregular withdrawal of Inspection Allowance - Rs 5.440 million**

According to Government of the Punjab School Education Department letter No. SO (Budget) 1-15/2013 (Vol-II), the sanction was given to grant Inspection Allowance of Rs 25,000 per month with immediate effect to each Male / Female Assistant Education Officer (AEOs) working in School Education Department subject to verifiable Key Performance Indicators developed by the School Education Department in consultation with DIFD as issued vide Notification No. SO (SE-III) 5-226/2017 dated 12.09.2017.



Chief Executive Officer, DEA Khanewal allowed payment of Rs 5.440 million on account of Inspection Allowance to different AEOs during 2017-18. The withdrawal of Inspection Allowance was irregular as key performance indicators developed by the School Education Department were not observed. No record regarding performance against the prescribed functions of AEOs was maintained or communicated to the CEO. Further, withdrawal of such conditional allowance through regular payroll was quite irregular in absence of monthly reports regarding key performance indicators of concerned AEOs.

Due to weak internal controls the Inspection Allowance was withdrawn without observing the key performance indicators.

Payment of Inspection Allowance without observing key performance indicators resulted in loss of Rs 5.439 million.

The matter was reported to the CEO of DEA in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends recovery of inspection allowance of Rs 5.440 million from the concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.13]

#### **12.2.2.14 Irregular payment of pay and allowances from irrelevant DDO Code - Rs 2.973 million**

According to Rule 15 (C) of District Authorities Accounts Rules, 2017, the Drawing & Disbursing Officer is responsible to withdraw and disburse amount from local fund and public account in the prescribed manner.

During Audit of DEA Khanewal, it was observed that Dy. DEO (EE-M) Kabirwala made payment of pay and allowances of Rs 2.973 million to Assistant Education Officers during 2017-18. The posts of AEOs were sanctioned under DDO Code KC-6421 but AEOs were drawing their pay and allowances from the DDO Cost Centre- KC-6418. The detail is as under:

(Rupees in million)

Pers.no.	Name of Employee	Cost centre in which post sanctioned	Cost centre from which pay drawn	Amount
31714959	Mudissar Iqbal	KC6421	KC6418	0.564
31720427	Ishtiaq Hussain	KC6421	KC6418	0.625
31989337	Qamar Abbas	KC6421	KC6418	0.594
31989347	Muhammad Rizwan Siddiq	KC6421	KC6418	0.594
31989354	Ehsan Raza Asif	KC6421	KC6418	0.594
<b>Total</b>				<b>2.971</b>

Due to weak financial controls, payment of pay and allowances was made from irrelevant DDO Code.

Payment of pay and allowances from irrelevant DDO Code resulted in irregular expenditure amounting Rs 2.973 million.

The matter was reported to the CEO of DEA and DDO concerned in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.9]

#### **12.2.2.15 Doubtful expenditure on teachers training – Rs 1.028 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 the Government of Punjab NFE Human Resource Development Institute Literacy & Non formal Basic Education Department letter No.AD/FO/HRDI/01-10 /2017 dated 04.01.18, execution and disbursement of funds for the training activities shall be made after due process and close liaison to ensure quality training to all nominated teachers by the DEO (Literacy).

During audit of DEA Khanewal it was observed that the DEO (Literacy) incurred expenditure amounting Rs 1.028 million from Cost Center KC-8997 on account of disbursement of funds to NFBES/NFEFS Teachers for training during 2017-18. The conduct of training was doubtful and quality of trainings could not be ensured as the DEO (Literacy) did not visit at training places. No record of visit was available on the record even the attendance sheet of trainings was also not signed by the DEO. Hence the expenditure on training was doubtful. The detail is as under:

(Rupees in million)

G/L Acc	G/L Acc Description	Document No.	Posting Date	Amount
A03930	Vocational and Manpower Training	1900027448	04.12.2017	0.096
A03930	Vocational and Manpower Training	1900064508	04.12.2017	0.095
A03930	Vocational and Manpower Training	1900070490	04.12.2017	0.034
A03930	Vocational and Manpower Training	1900070489	04.12.2017	0.099
A03930	Vocational and Manpower Training	1900020749	03.02.2018	0.094
A03930	Vocational and Manpower Training	1900089978	05.04.2018	0.100
A03930	Vocational and Manpower Training	1900010486	05.04.2018	0.033
A03930	Vocational and Manpower Training	1900020840	09.04.2018	0.100
A03930	Vocational and Manpower Training	1900034576	09.04.2018	0.100
A03930	Vocational and Manpower Training	1900011618	13.04.2018	0.100
A03930	Vocational and Manpower Training	1900074526	02.05.2018	0.077
A03930	Vocational and Manpower Training	1900034575	09.04.2018	0.100
<b>Total</b>				<b>1.028</b>

Due to weak management, DEO did not visit the training places and quality of trainings was doubtful.

Non-monitoring of trainings resulted in doubtful expenditure of Rs 1.028 million.

The matter was reported to the CEO of DEA and DDO concerned in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends inquiry in the matter besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.11]

### 12.2.3 Performance

#### 12.2.3.1 Payment of social security benefits despite regularization of employees - Rs 15.212 million

According to S&GAD (Regulation Wing) Notification No.SO/DS (O&M) (S&GAD) 5-3/2003 dated 01.03.13, employees working on contract was required to be regularized with immediate effect and the salary component of such employee shall be in accordance with the pay scales plus usual allowances prescribed for the posts against which they are being appointed. They will, however, not be entitled to the payment of 30% social security benefits in lieu of pension or any other pay package being drawn by them. Further according to Term and Condition No.6 of orders of regularization issued in different dates, these appointee shall not be entitled to the payment of 30% SSB w.e.f. the date of regular appointment in lieu of pension or any other pay package being drawn by them during the contract period.

Following DDOs of DEA Khanewal, made payment on account of 30% social security benefit amounting Rs 15.212 million during 2017-18 despite the fact that services of these staff were regularized w.e.f 07.08.2015. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Amount
1	CEO (DEA), Khanewal	2.939
2	Deputy DEO (EE-Male), Mian Channu	5.639
3	Dy. DEO (EE-M) Kabirwala	0.271
4	GGMH School Khanewal	0.368
5	GGMHS Mian Channu	0.119
6	Dy. DEO (EE-M) Khanewal	3.792
7	Dy. DEO (EE-M) Khanewal	0.605
8	Dy. DEO (EE-W) Khanewal	1.479
<b>Total</b>		<b>15.212</b>

Due to weak internal controls, 30% SSB were paid despite regularization of service.

Payment of SSB after regularization resulted in loss of Rs 15.212 million.

The matter was reported to the CEO of DEA and DDOs concerned in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends recovery of Rs 15.212 million from concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.01, 04, 01, 03, 02, 01, 03, 12]

### **12.2.3.2 Non recovery of conveyance allowance during winter vacation -Rs 16.025 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 various DDOs of DEA Khanewal did not deduct conveyance allowance amounting Rs 16.025 million from pay of teaching staff during winter vacations from 24.12.17 to 31.12.17 during 2017-18.

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
1	CEO (DEA), Khanewal	10.074
2	Dy. DEO (EE-M) Kabirwala	0.733
3	GGMH School Khanewal	1.433
4	Dy. DEO (EE-W), Mianchannu	0.609
5	Deputy DEO (EE-Male), Mian Channu	0.902
6	Dy. DEO (EE-W) Kabirwala	0.892
7	GGMHS Mian Channu	0.681
8	Government Secondary Special School For Hearing Impaired, Khanewal	0.127
9	Government Special Education Centre Kabirwala	0.365
10	Special Education Center, Khanewal	0.006
11	Dy. DEO (EE-W) Jahanian	0.203
<b>Total</b>		<b>16.025</b>

Due to weak internal controls, conveyance allowance was paid during winter vacations.

Payment of conveyance allowance during winter vacation resulted in loss of Rs 16.025 million.

The matter was reported to the CEO of DEA and DDOs concerned in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends recovery of Rs 16.025 million from concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 21, 17, 17, 03, 01, 18, 09, 01, 16, 3, 10]

### **12.2.3.3 Excess payment of personal allowance - Rs 4.757 million**

According to the terms and conditions of regularization order of contract employees of the Education Department No. 42/Admn dated 16.01.2010 “ 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 ”.

Following DDOs of DEA Khanewal made excess payment of personal allowance to the staff / teacher who were regularized w.e.f 19.10.2009. 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 which resulted in wrong fixation of personal allowance and excess payment of Rs. 4.757 million. The detail is as under:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
1	Dy. DEO (EE-M) Khanewal	1.847
2	Deputy DEO (EE-W), Kabirwala	2.910
<b>Total</b>		<b>4.757</b>

Due to weak internal and financial controls, excess payment of personal allowance was made.

Above action of the management resulted in over payment of Rs 4.757 million.

The matter was reported to the CEO of DEA and DDOs concerned in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends recovery of Rs 4.757 million from the concerned besides re-fixation of personal allowance, under intimation to Audit.

[AIR Para No.04, 11]

#### **12.2.3.4 Excess payment of pay and allowances after superannuation retirement - Rs 2.987 million**

According to rule 9 (b) of the Punjab District Authorities (Accounts) Rules 2017, the drawing and disbursing officer and the payee of the pay, allowance, contingent expenditure or any other expense shall be responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss. Further, according to rule 4 (m) of the Punjab District Authorities (Budget) Rules 2017, the Chief Executive Officer shall act as Principal Accounting Officer of the Authority and shall take complete responsibility for departmental expenditure before Special District Accounts Committee and Public Accounts Committee and to explain or justify any instance of excess or financial irregularity that may brought to notice as a result of audit scrutiny or otherwise.

During audit of DEA Khanewal it was observed that various DDOs allowed pay and allowances amounting Rs 2.987 million to various staff after the age of superannuation retirement i.e. 60 years age. The employees were retired from service during the month but the pay and allowances of complete month or next month were paid to them.

Due to weak financial and monitoring controls, different DDOs of education department made excess payments on account of pay and allowances.

Excess payment of pay and allowances after retirement, resulted in loss of Rs 2.987 million.

The matter was reported to the CEO of DEA in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends proper justification of excess payment or recovery of the amount from the concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 04]

### **12.2.3.5 Non recovery of excess paid pay and allowances – Rs 2.499 million**

According to S&GAD Notification No. DS (O&M)5-3/2004 contract (MF) dated 14<sup>th</sup> October, 2009, the salary of regularised employees shall be fixed in accordance with the pay / scales plus usual allowances prescribed for the post against which they have been appointed. Further, Rule 2.31(a) of Punjab Financial Rules, Vol-I, stipulates that a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any overcharges, frauds and misappropriations.

The following DDOs under the jurisdiction of Chief Executive Officer, DEA Khanewal did not recover excess paid pay & allowances Rs 2.499 million from various employees whose services were either regularized w.e.f 07.08.2015 or the allowances were not entitled to such employees. The pay of the regularized employees was to be fixed on the initial of pay scale after regularization. The detail is as under:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
1	Dy. DEO (EE-W) Khanewal	1.381
2	Deputy DEO (EE-Male), Mian Channu	1.118
	<b>Total</b>	<b>2.499</b>

Due to weak management, excess paid amount of pay and allowances was not recovered from the employees.

Non recovery of excess paid pay and allowances resulted in loss of Rs 2.499 million.



The matter was reported to the CEO of DEA and DDOs concerned in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

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

[AIR PDP No.6, 03]

### **12.2.3.6 Overpayment of pay and allowances - Rs 1.122 million**

According to rule 9 (b) of Punjab District Authorities (Accounts) Rules 2017, the drawing and disbursing officer shall be responsible the drawing and disbursing officer and payee of the pay, allowance, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

Dy. DEO (EE-W) Kabirwala, allowed pay and allowances of Rs 1.122 million to employees after retirement and resigned from jobs. Even employees used to draw the salary for twenty one months but no timely action was used to be taken for stopping pay and for recovery of the amount after retirement. Similarly after acceptance of resignation salary of employees was drawn.  
**Annexure-E/KWL**

Due to weak management, excess payments were made to the employees without admissibility.

Unauthorized payment of pay and allowances resulted in loss of Rs 1.122 million.

The matter was reported to the CEO of DEA and DDO concerned in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends recovery from concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.7]

## **12.2.4 Internal Control Weaknesses**

### **12.2.4.1 Unjustified payment of pay without date of joining – Rs 50.488 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.

Chief Executive Officer, DEA Khanewal and other DDOs of the District Education Authority made payment of pay and allowances amounting Rs 50.488 million during 2017-18 to different staff. The payment of pay and allowances was unjustified as no date of joining of employees was mentioned in the HR data. Hence appointment of staff was also doubtful. No verification of concerned staff was available on the record showing the arrangement of internal controls in the District Education Authority.

Due to weak internal controls, the payment of pay of employees without date of joining in to Government service was unjustified.

Non observance of Government instructions resulted in unjustified payment of pay and allowances Rs 50.488 million.

The matter was reported to the CEO of DEA in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends inquiry in the matter and corrective measures besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.15]

#### 12.2.4.2 Unjustified expenditure on construction /repair of school buildings from NSB - Rs 42.985 million

According to NSB Guidelines, the School council will prepare the Development Plan of School as per Annexure-C of Form-6. One Copy of development plan will be sent to concern AEO. All the members of school council will monitor the development work of school and will ensure the quality, timely completion and low cost of project. The school council will incur expenditure on development work according to market rate or less than market rates. Further, on completion of scheme a completion report of scheme will be sent to Dy. DEO.

School Councils of various Elementary and Primary Schools incurred an expenditure of Rs 42.985 million on account of construction of toilet block, white wash of class rooms, repair of school buildings etc. during 2016-18 under the control of following DDOs:

(Rupees in million)

Sr. No.	DDOs	Amount
1	Dy. DEO (EE-M) Kabirwala	15.078
2	Dy. DEO (EE-W) Kabirwala	13.155
3	Deputy DEO (EE-Male), Mian Channu	6.044
4	Dy. DEO (EE-M) Khanewal	5.880
5	Dy. DEO (EE-W) Jahanian	1.489
6	Dy. DEO (EE-W) Khanewal	1.339
<b>Total</b>		<b>42.985</b>

Audit observed the following irregularities:

- i. No School Development plan identifying the need of school, quantity of material required, estimated cost of development work and completion time was prepared and submitted to AEO by the School Headmaster and Co-Chairman of the School Council.
- ii. The expenditure was done mostly by drawing bills below Rs 50,000 which depicts that expenditure was incurred without getting market rates.
- iii. No estimates of development work was presented before the school council prior to start of work but just the general approval of work to

be done was obtained without mentioning the estimated cost of scheme.

- iv. A huge amount on account of labour charges was paid to contractor / vendors but no detail of labour hired was available on record i.e. No. of masons hired, their ID Card No.
- v. No muster roll of labour was maintained and payment was made on simple papers.
- vi. No record regarding monitoring of scheme by the School Council Members was available on record.
- vii. The bills were signed by the Headmaster only instead of all members of School councils.
- viii. No satisfactory completion reports of development schemes dully signed by the members of School councils were available on record.
- ix. No completion certificate of development scheme was sent to the concerned Dy. DEO (Elementary Education) in violation of guidelines.
- x. No actual payee receipts were available on record.
- xi. No detail of old material /dismantled material was available on record.

Due to weak administration, expenditure from NSB funds was incurred in an irregular manner.

Non observance of guidelines of the Government resulted in unjustified expenditure of Rs 42.985 million.

The matter was reported to the CEO of DEA and DDOs concerned in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends inquiry in the matter besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.6, 26, 15, 13, 4, 14]

#### **12.2.4.3 Doubtful payment of Social Security Benefits -Rs 32.059 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.

Under the administrative and monitoring control of CEO Education Khanewal, different employees of education department withdrew Rs 32.059 million during 2017-18 on account of 30% social security benefit in lieu of pension. Whole of the employees were appointed on contract prior to 01.03.2013 and were required to be regularized, but no record of regularization of services was shown to Audit. It was revealed during the scrutiny of HR date of DEA Khanewal that the employees on contract were regularized on 07.08.2015, but order of regularization of these employees were not produced. Audit also observed that employees who joined the Education Department in 1980s and 1990s were also in receipt of SSB.

Due to weak internal controls, SSB was being paid to the regular employees.

Payment of 30% SSB to the regular employees resulted in loss of Rs 32.059 million.

The matter was reported to the CEO of DEA in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends recovery from concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.12]

#### **12.2.4.4 Irregular payment of pay and allowances due to non-fixation of pay of teachers – Rs 17.995 million**

According to Government of the Punjab Finance Department Notification No.FD-PR-21-3/2013 dated 23.09.2013, recovery on account of wrong withdrawal of advance increments by school teachers for higher qualification is waived off. However, the pay of teachers will be re-fixed accordingly. Further, according to Finance Department letter No. FD-PR-21-3/2013 dated 17.11.2014

it is clarified that wrong drawl of advance increments is waived of up to 23.09.2013 and the amount drawn on account of advance increments after this date is recoverable and the withdrawal of advance increments is related to all school teachers. Hence the deadline for waiving of advance increments is 23.09.2013.

The following DDOs under the jurisdiction of Chief Executive Officer, DEA Khanewal did not re-fix the salaries of office Staff & teachers in the light of above mentioned directives of Finance Department. Non-fixation of pay and allowances of teachers resulted in irregular payment of Rs 17.995 million on account of advance increments for higher qualification after 23.09.2013. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Amount
1	Dy. DEO (EE-W) Kabirwala	12.924
2	Dy. DEO (EE-W) Khanewal	5.071
<b>Total</b>		<b>17.995</b>

Due to weak internal controls, the pay of teachers was not fixed in the light of directives of Finance Department.

Non-fixation of pay and allowances of teachers resulted in irregular payment of Rs 17.995 million on account of advance increments.

The matter was reported to the CEO of DEA and DDOs concerned in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends recovery from concerned, re-fixation of pay besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.21, 07]

#### **12.2.4.5 Payment of pay and allowances without availability of sanctioned post - Rs 17.639 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.

Dy. DEO (EE-W) Kabirwala made payment of Rs 17.639 million on account of pay and allowances to staff from the cost center KC-6426 during 2017-18. According to sanctioned posts in budget statement, there was no vacancy of BPS-18, 17, 16 & 15 but the pay and allowances were paid irregularly. **Annexure-F/KWL**

Due to weak internal controls, pay & allowances of higher scale was paid against low scale sanctioned post.

Drawl of Pay and allowances without availability of post resulted into irregular expenditure of Rs 17.639 million.

The matter was reported to the CEO of DEA and DDO concerned in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends regularization of expenditure besides fixating of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.08, 12]

#### **12.2.4.6 Irregular purchases from NSB funds from unregistered suppliers – Rs 14.409 million**

According to the Finance Bill, 2017 purchase should be made from firms registered under Income tax and Sales Tax department so that the applicable taxes can be properly accounted for.

During audit of District Education Authority Khanewal, it was observed that School Councils of various Elementary and Primary Schools under the jurisdiction of following DDOs purchased various items from unregistered suppliers of Rs 14.409 million out of NSB funds in violation of instructions of the Government. The detail is as under:

(Rupees in million)		
Sr. No.	DDOs	Amount
1	Dy. DEO (EE-W) Kabirwala	10.650
2	Dy. DEO (EE-M) Kabirwala	3.759
<b>Total</b>		<b>14.409</b>

Due to non observance of rules, school councils made purchases from unregistered suppliers out of NSB funds.

Purchases from unregistered firms resulted in irregular expenditure.

The matter was reported to the CEO of DEA and DDO concerned in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.27, 11]

#### **12.2.4.7 Non deposit of GST – Rs 8.514 million**

According to section 23 (a) (b) (c) (d) (e) (f) (g) of the Sales Tax Act 1990, a registered person making a taxable supply shall issue a serially numbered tax invoice at the time of supply of goods containing the following particulars, namely, name, address and registration number of the supplier, name address and registration number of the recipient, date of issue of invoice, description and quantity of goods, value exclusive of tax, amount of sales tax; and value inclusive of tax. Further, according to notification No.D.O No. 5(21) L&P/97-4910(S)-FS sales tax return cum payment challan along with supporting documents required (S.R) under the provision of sales tax Act, 1990 in proof of payment / deposit of Sales Tax into government treasury are required to be received from the supplier.

During audit of DEA Khanewal it was observed that School Councils of various Elementary and Primary schools working under the administration of Dy. DEOs (Elementary Education) made payment on account of GST out of NSB funds Rs 8.514 million during 2016-18 to various suppliers. The detail is as under:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
1	Deputy DEO (EE-Male), Mian Channu	1.128
2	Dy. DEO (EE-M) Kabirwala	1.446



<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
3	Dy. DEO (EE-W), Mian Channu	1.056
4	Dy. DEO (EE-W) Kabirwala	1.240
5	Government Special Education Center Kabirwala	2.503
6	GGMHS Mian Channu	1.141
<b>Total</b>		<b>8.514</b>

The scrutiny of record revealed the following discrepancies:

- i. Most of the schools provided consolidated Sales Tax return / Annexure-C of purchases made during the years due to which the invoice wise GST paid could not be verified.
- ii. Only cover page and one page Excel sheet of annexure-C was produced to Audit instead of complete Sales Tax return showing the Bar Code of FBR at the end of return in the absence of which genuineness of return could not assess. There is every possibility that fake Annexure-C be provided to Schools without actual deposit of GST.
- iii. The Invoice No and Date of bill / invoice was hand written instead of machined number.
- iv. The invoice number mentioned on the Sales Tax return / Annexure-C did not match with serial No. the invoice / bill.
- v. M/s Hafees Traders, T.H Enterprises and M/s Al-Muhammad Traders issued combined Sales Tax invoice without date for various bills which were not allowed as per Sales Tax Act.
- vi. Similarly, the 1/5<sup>th</sup> GST deducted at source were also paid combined without mentioning the bill wise deduction of Tax.
- vii. No deposit proof of GST deducted from January to June, 2018 was produced to Audit. The Head teachers of schools intimated that deposit proof were awaited from supplier and would be shown on receipt. Audit checked GST on test check basis. The calculation of complete GST paid and its verification from FBR is the responsibility of department.

Due to weak internal controls, proper evidence of deposit of GST was not obtained from supplier.

Non-deposit of GST resulted in loss of Rs 8.514 million.

The matter was reported to the CEO of DEA and DDOs concerned in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends that complete record of GST from all schools be obtained and got verified from FBR authorities, under intimation to Audit.

[AIR Para No.116, 15, 6, 29, 13, 11]

#### **12.2.4.8 Non-recovery of conveyance allowances during leaves – Rs 4.206 million**

According to Rule 1.15 of the Punjab Travelling Allowance Rules 1976, conveyance allowance is not admissible during any kind of leave except casual leave. Further, according to the Government of Punjab, Finance Department letter No. 106 I-SO(SR) IV/7 dated 18.08.1977, conveyance allowance is not admissible during vacations.

The following DDOs under the jurisdiction of Chief Executive Officer, DEA Khanewal allowed withdrawal of Rs 4.206 million to various staff during 2016-17 on account of conveyance allowance during leaves. The detail is as under:

(Rupees in million)		
<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
1	CEO (DEA), Khanewal	1.086
2	Deputy DEO (EE-Male), Mian Channu	0.150
3	Dy. DEO (EE-W) Kabirwala	0.314
4	Dy. DEO (EE-M) Khanewal	0.557
5	Dy. DEO (EE-W) Khanewal	1.546
6	Government Special Education Centre Kabirwala	0.082
7	Dy. DEO (EE-W) Jahanian	0.471
<b>Total</b>		<b>4.206</b>

Due to weak internal controls, conveyance allowance was paid during leaves period which was not due.

Payment of conveyance allowance during leaves period resulted in undue payments and loss of Rs 4.206 million.

The matter was reported to the CEO of DEA and DDOs concerned in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends recovery of Rs 4.206 million from the concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.16, 02, 10, 02, 09, 20, 05]

#### **12.2.4.9 Non deduction of Punjab Sales Tax and Income Tax on services – Rs 3.568 million**

According to Section 3(1) of Punjab Sales Tax on Services Act 2012, 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. Furthermore, according to guidelines of the Non-Salary Budget (NSB) Manual, Punjab Sales Tax @ 16% and income tax @ 8% from a registered company and @ 10% from registered dealers / persons was to be deducted, on all kinds of services.

During audit of DEA Khanewal, it was observed that heads of Elementary & Primary Schools working under the administrative control of following DDOs did not ensure payment of Punjab Sales Tax and Income Tax Rs 3.568 million into Government treasury from various labour suppliers, during 2017-18. The detail is as under:

(Rupees in million)		
Sr. No.	DDOs	Amount
1	Dy. DEO (EE-W) Kabirwala	2.320
2	Dy. DEO (EE-M) Khanewal	0.447
3	Dy. DEO (EE-M) Kabirwala	0.801
<b>Total</b>		<b>3.568</b>

Audit is of the view that due to weak internal controls, PST and Income Tax was not deducted from suppliers.

Non deduction of Government taxes resulted in loss of Rs 3.568 million.

The matter was reported to the CEO of DEA and DDOs concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened

by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 3.568 million from concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit

[AIR Para No.24, 14, 05]

#### **12.2.4.10 Overpayment of sales tax on android tablets, paint and construction material by school councils - Rs 2.943 million**

According to six schedule of Sales tax act 1990 Local Supplies i.e. bricks are exempted from sales tax up till June 2018. Further, according to Sr. No. 131 regarding exempted items under Sales Tax Act the laptop, computer, notebooks whether or not incorporated multimedia kit are exempted items. Moreover, according to Rule 2.33 of PFR Vol-I, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained to government through fraud or negligence on his part.

During audit of DEA Khanewal it was observed that heads of various schools under the administrative control of Deputy DEOs (EE) purchased android tablets, paints and bricks items from the NSB funds. The scrutiny of record revealed that most of the schools had paid GST on the purchase of bricks and android tablet, paint, cement which was exempted item as per 6<sup>th</sup> Schedule Sales Tax Act. Further, most of the invoices of android tablet did not specify the brand name and specifications. Hence audit assessed excess payment of Rs 2.943 to the suppliers which needs recovery on account of sales tax and over payments. The detail is as under:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
1	Dy. DEO (EE-M) Kabirwala	1.027
2	Dy. DEO (EE-W) Kabirwala	0.703
3	Deputy DEO (EE-Male), Mian Channu	0.942
4	Dy. DEO (EE-W) Jahanian	0.271
<b>Total</b>		<b>2.943</b>

Due to weak internal controls, GST was paid on exempted items.

Payment of GST on exempted items resulted in loss of Rs 1.031 million.

The matter was reported to the CEO of DEA and DDOs concerned in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends recovery from concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.13, 28, 14, 08]

#### **12.2.4.11 Excess payment of pay and allowances – Rs 2.338 million**

According to Para No.2.31(a) of Punjab Financial Rules Vol-I, a drawer of bill of pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

During Audit of DEA Khanewal, it was observed that Deputy District Officer (EE-W) Kabirwala made the excess payment of Rs 2.338 million on account of pay and allowances during 2011-18. The comparison of pay fixed in service books with SAP HR data revealed excess payment of pay and allowances. The detail is as under:

(Rupees in million)

Personal No.	Name of Teacher	Pay as per service book (Rs)	Pay drawn as per SAP (Rs)	Excess	Period	Month	Amount
31487134	Naveed Iram	16350	17520	1170	19.10.2011 to Aug-2018	84	0.098
31459020	Tasneem Kousar	11050	25,430	14380	19.10.2010 to Aug-2018	96	1.380
31735244	Syeda Husna Bukhari	11130	18780	7650	Dec-2015 to Aug-2018	39	0.298,
30275511	Iftikhar Ali	25350	39750	14400	Dec-2015 to Aug-2018	39	0.562
<b>Total</b>							<b>2.338</b>

Due to weak financial controls, excess payment of pay made to the teachers.

Non-fixation of pay and allowances resulted in excess payment of Rs 2.338 million

The matter was reported to the CEO of DEA and DDO concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends re-fixation of pay, recovery from concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.20]

#### **12.2.4.12 Ignorance of Government rules and undue rejection / delay in recruitment of officials under Rule 17-A**

According to Rule 17-A of the Punjab Civil Servants Act, 1974, one children or widow / wife of an employee who dies during service or is declared invalidated or incapacitated for further service, if otherwise eligible for the post, shall be appointed to a post in BS-1 to 11 in the department where the Government Servant was serving at the time of death or the declaration, without observing the procedural requirements prescribed for such appointment. Further, according to Government of the Punjab (S&GAD) Regulation Wing Notification No.SOR-III(S&DAG)2-54/2010, the amendments have been made in the Punjab Civil Servants Act, 1974, that against the post of junior clerk wherever occurs:

- (a) for the expression “BS-7” the expression “BS-11” shall be substituted; and
- (b) for the existing qualification in the column “minimum qualification for appointment by initial recruitment, the following shall be substituted:
  - i. Higher Secondary School Certificate (second division) from a recognized Board;
  - ii. A speed of 25 words per minute of typing on computer in English; and
  - iii. Proficient in Microsoft Office or any other compatible office application and he shall demonstrate such proficiency”

Moreover, as per decision of Ombudsman Punjab dated 15.05.2018, Matriculation with 3<sup>rd</sup> division did not influence the required qualification for the post of Junior Clerk and attempt to not giving the chance of typing test on the basis of matric 3<sup>rd</sup> division by the departmental authority comes under bad administration and under office of the Ombudsman Punjab Act 1997.

Chief Executive Officer, DEA Khanewal rejected the applications of Mr. Muhammad Bilal s/o Naveed Iqbal (late) Ex-Junior Clerk Dy. DEO Kabirwala and Mr. Shoaib Ahmed S/O Abdul Ghafoor (mother ex-employee retired on medical grounds) with the plea that both were matric with 3<sup>rd</sup> division on 21.11.2017. No intimation was given to the applicants regarding rejection of their application. The rejection of applications was not under rules, as both candidates fulfilled the required qualification of Higher Secondary School Certificate (second division) from a recognized Board for further participation in typing test. Non-providing the chance of typing test was an attempt in the recruitment of such deserving applicants and violation of Government Rules regarding appointment without observing the procedural requirements prescribed for such appointment. The case of Mr. Muhammad Bilal was decided by the Ombudsman Punjab on 15.05.2018 with the direction to CEO (DEA) Khanewal for giving the chance of typing test for appointment of the applicant as Junior Clerk within one month. No action was taken by the CEO despite the decision of the Ombudsman Punjab and delaying tactics were being adopted despite the relaxation of rules by the Government. Further, various applications were lying pending in the office of CEO Khanewal. **Annexure-G/KWL**

Due to weak administration, the deserving candidates were rejected and delaying tactics were being adopted to restrict the right of appointment given by the Government.

Rejection of deserving candidates and delay in appointment process resulted in non-compliance of the Government Rules.

The matter was reported to the CEO of DEA in September, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit.

Audit recommends Inquiry against the concerned CEO and Selection Committee for rejection of applications against the Government rules besides corrective measures under intimation to Audit.

[AIR Para No.19]

## CHAPTER 13

### 13.1 District Education Authority, Lodhran

#### 13.1.1 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 Education 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 / Centres	4
Elementary Schools	138
Primary Schools	495

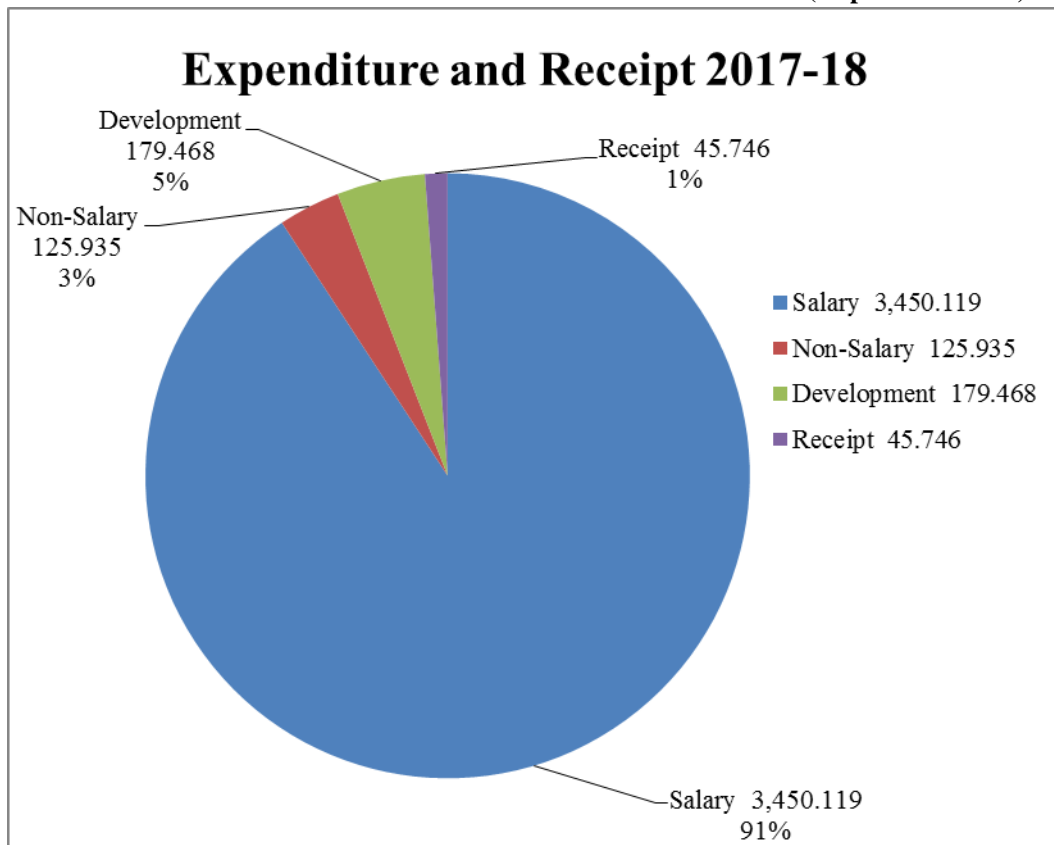
### **13.1.2 Comments on Budget and Accounts**

The detail of Budget and Expenditure is given below in tabulated form:

(Rupees in million)

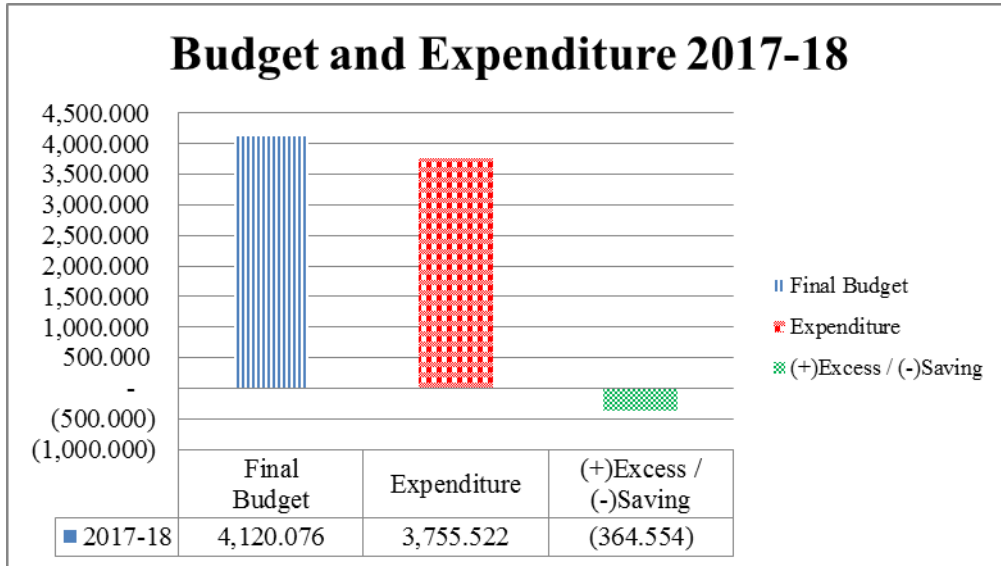
<b>2017-18</b>	<b>Budget</b>	<b>Actual</b>	<b>Excess (+) / Saving (-)</b>	<b>(%) Saving</b>
Salary	3,689.933	3,450.119	(239.814)	-6%
Non-salary	227.307	125.935	(101.372)	-45%
Development	202.836	179.468	(23.368)	-12%
<b>Sub Total</b>	<b>4,120.076</b>	<b>3,755.522</b>	<b>(364.554)</b>	<b>-9%</b>
Receipts	51.789	45.746	(6.043)	-12%

(Rupees in Million)



As per the Appropriation Accounts for financial year 2017-18 of District Education Authority Lodhran, total original budget (Development and Non-Development) was Rs 4,113.476 million, supplementary grant of Rs 6.600 million was provided and the final budget was Rs 4,120.076 million. Against the final budget, total expenditure of Rs 3,755.521 million was incurred by District Education Authority during financial year 2017-18. A saving of Rs 364.554 million came to the notice of Audit, which shows that the District Education Authority failed to provide services and infrastructure development. No plausible explanation was provided by the PAO and management of District Education Authority Lodhran. **(Annexure-B).**

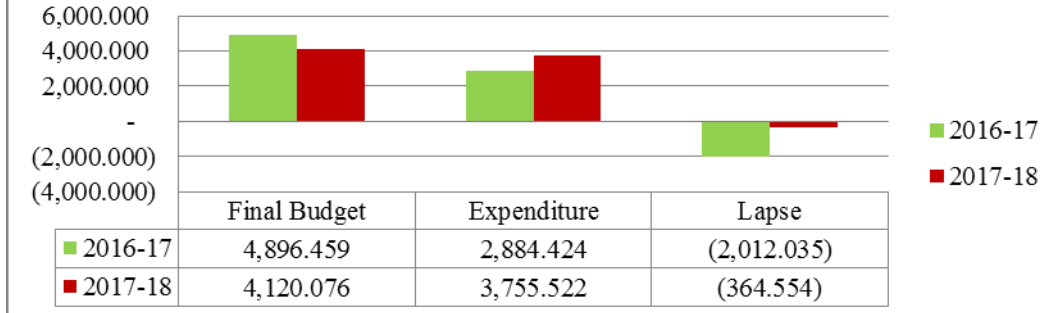
(Rupees in Million)



In Education Department savings of Rs 364.554 million (9% of allocation) occurred by over estimating / releasing the budget against the vacant posts despite the fact that no recruitment against these vacant posts was made during the financial year 2017-18. Further funds of School Management Council (SMC) were not utilized despite availability. The same resulted into depriving the students / populace from necessary facilities such as provision of furniture & fix well as provision of laboratory equipment.

The comparative analysis of the budget and expenditure of current and previous financial years is depicted as under:

## Comparision of Budget and Expenditure 2016-17 & 2017-18



There was 16% decrease in budget allocation and increase 30% in expenditure incurred respectively in Financial Year 2017-18 as compared to Financial Year 2016-17 while there was overall savings of Rs 364.555 million during 2017-18

### 13.1.3 Brief Comments on the Status of Compliance of MFDAC Audit Paras of Audit Report 2017-18

Audit paras reported in MFDAC (Annexure-I) of last year Audit Report, which have not been attended in accordance with the directives of DAC have been reported in Part-II of Annexure-A.

### 13.1.4 Brief Comments on the Status of Compliance with PAC Directives

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

#### Status of Previous Audit Reports

S. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	15	PAC meeting was not convened

## 13.2 AUDIT PARAS

### 13.2.1 Non Production of Record

#### 13.2.1.1 Non Production of record – Rs 29.196 million

According to clause 14 (1) (b) of the Auditor General’s (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, “the Auditor General shall in connection with the performance of his duties under this Ordinance, have authority to inspect any office of accounts, under the control of Federation or of the Province or of District including Treasuries and such offices responsible for the keeping of initial and subsidiary accounts.

The following DDOs under the jurisdiction of Chief Executive Officer, DEA Lodhran did not produce the record of Pay and allowances and contingencies expenditure of Rs 29.196 million during 2017-18 despite various verbal and written requests. The detail is given below:

(Rupees in million)

DDOs	Description	Amount
Dy. DEO (EE-W) Kehrorpacca	Record of encashment of LPR of staff	4.726
Dy. DEO (EE-W) Lodhran	Vouched accounts of TA / DA claims, NSB record and personal files of staff	24.47
GHS 53/M Lodhran	Vouched accounts for the period of 2001 to 2010 including reconciled expenditure statements, cash book, bank statements, contingent vouchers, FTF record etc.	-
<b>Total</b>		<b>29.196</b>

Due to weak internal controls and willful evasion from audit, record was not produced for audit verification.

Non production of record created doubts regarding legitimacy of expenditure incurred amounting Rs 29.196 million.

The matter was reported to the CEO of DEA and DDOs concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry and fixing of responsibility on the person(s) at fault besides production of record to audit for verification, under intimation to Audit.

[AIR Para No. 12,3,17]

## 13.2.2 Irregularities & Non Compliance

### 13.2.2.1 Unauthorized late approval of revised budget 2016-17 and budget estimates 2017-18 - Rs 4,242.359 million

According to rule 3 (K) of District Authorities (Budget) rules 2017, the Chairman shall ensure that the estimates and revised budget estimates shall be laid before the District Authority well before the commencement of the next Financial Year. Furthermore, according to Rule 4 (C) of District Authorities (Budget) Rules 2017, the Chief Executive Officer shall ensure that budget estimates shall be submitted before the District Authority well before the commencement of the next Financial Year and budget so approved is distributed amongst DDOs by the commencement of the financial year.

The Chief Executive Officer, DEA Lodhran did not take approval of revised budget estimates for the FY 2016-17 amounting to Rs 1397.594 million and budget estimates for the FY 2017-18 amounting to Rs 4,242.359 million well before the commencement of the Financial Year. The budget was prepared and submitted to the Deputy Commissioner / Administrator of the Authority on 24.08.2017 after more than one and half month after commencement of FY 2017-18 which depicts that pay and allowances for the month of July, 2017 were paid without approval of budget of Authority. The detail is as under:

(Rupees in million)

Description	Budget estimates 2016-17 (last 6 months)	Revised Budget estimates 2016-17 (last 6 months)	Actual receipts and expenditure 2016-17 (last 6 months)	Budget estimates 2017-18
<b>Opening balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>376.724</b>
Expected PFC Share (Salary + Non salary)	1789.583	1550.192	1550.192	3891.382
Tide grant non Development	10.228	21.10	21.10	-
Tide Grant Development	203.026	203.026	203.026	171.434
<b>Total receipts</b>	<b>2002.837</b>	<b>1774.318</b>	<b>1774.318</b>	<b>4439.540</b>
Current expenditure	1799.811	1490.646	1353.011	3912.482
Development expenditure	203.026	203.026	44.583	329.877
<b>Total expenditure</b>	<b>2002.837</b>	<b>1693.672</b>	<b>1397.594</b>	<b>4242.359</b>
<b>Closing balance</b>	<b>0</b>	<b>80.646</b>	<b>376.724</b>	<b>197.181</b>

Due to weak financial management, budget estimates were not approved well on time.

Non observance of rules resulted in late approval of revised budget 2016-17 and draft budget estimates of 2017-18.

The matter was reported to the CEO of DEA in August, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of irregularity from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.04]

### **13.2.2.2 Non maintenance of cash book of DEA – Rs 3,741.083 million**

According to rule 12 (a) (b) (i) (iii) (iv) of the Punjab District Authorities (Accounts) rules, 2017 The Budget and Accounts Officer shall maintain the accounts of a District Authority, monitor the expenditure of the office of a District Authority against the approved budget, maintain and examine appropriation control register for each object of expenditure and record necessary entries of each transaction in the register. Prepare monthly and annual statement of receipts and expenditure and get them reconciled with the accounts of the Accounts Officer of a District Authority. Maintain drawing and disbursing officer's cash book of receipt and expenditure of a District Authority and general cash book of a District Authority.

The Chief Executive Officer, DEA Lodhran did not maintain general cash book of receipts and expenditure of DEA for the period 2017-18 involving expenditure of Rs 3,741.083 million as summarized below:

(Rupees in million)

<b>Major Head</b>	<b>Description</b>	<b>Expenditure incurred</b>
A01	Employee Related Expenditure	3,440.126
A03	Operating Expenditure	52.943
A04	Pension Contribution and retirement benefits	60.490
A05	Grants	179.586
A06	Transfer Payments	3.433
A09	Purchase of Physical Assets	1.717
A13	Repair and Maintenance	2.788
<b>Total</b>		<b>3,741.083</b>



Furthermore, the following record was also not maintained by the CEO / B&A Officer:

1. Permanent stock register of durable goods / property register of previous year.
2. Pending liabilities register
3. Budget control register

Due to weak financial discipline, cash book of District Education Authority was not maintained.

Non observance of rules resulted in non maintenance of cash book of DEA involving expenditure of Rs 3,741.083 million.

The matter was reported to the CEO of DEA in August, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of irregularity from the Finance Departemnt besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.15]

### **13.2.2.3 Difference between departmental expenditure statement and FI data - Rs 745.832 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.

During the audit of DEA Lodhran it was observed that the Dy. DEO (EE-M) Lodhran did not reconcile its accounts with DAO Lodhran. The comparison of monthly expenditure statement prepared by the Dy. DEO (EE-M) Lodhran and FI data maintained in the District Accounts Office Lodhran revealed a difference of Rs 745.832 during 2016-18. The total expenditure as per FI Data of DAO was Rs 1317.817 million. whereas; the reconciled expenditure statements of DDO shows expenditure of Rs 571.985 resulting in difference of Rs 745.832 million.

Due to weak financial controls, the accounts were not reconciled with District Accounts Office Lodhran.

Non reconciliation of accounts resulted in difference of Rs 745.831 million.

The matter was reported to the CEO of DEA and DDO concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO despite efforts made by Audit. No progress was intimated till finalization of this report.

Audit recommends reconciliation of accounts with DAO Lodhran besides fixing of responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No.11]

#### **13.2.2.4 Less reporting of opening balance of DEA – Rs 465.785 million**

According to rule 11 (2) (d) of District Authorities (Accounts) Rules 2017, the Chief Executive Officer shall ensure that the amounts credited to the local fund as reported by the Accounts Officer are reconciled or verified with the record on monthly and annual basis. Furthermore, according to Rule 12 (b) (iii) of District Authorities (Accounts) rules 2017, the Budget and Accounts Officer shall prepare monthly and annual statements of receipts and expenditure and get them reconciled with the accounts of the Accounts Officer of the District Authority.

The Chief Executive Officer, DEA Lodhran did not reconcile the monthly and annual accounts of authority with the DAO Lodhran. The scrutiny of Budget Book 2017-18 showed the opening cash balance of DEA as Rs 376.724 million. Whereas; the Financial statements of District Education Authority Account-V for the FY 2016-17 prepared by the DAO Lodhran showed Cash balance as on 30.06.2017 as Rs 842.509 million (which become the opening balance of FY 2017-18). There was difference of Rs 465.785 million between opening balance of Budget Book and bank statement. The detail is as under:

(Rupees in million)

<b>Sr. No.</b>	<b>DDO</b>	<b>Balance as per Budget Book 2017-18</b>	<b>Balance as per Bank Statement A/C-V</b>	<b>Difference</b>
01	DEA Lodhran	376.724	842.509	465.785

Due to weak financial controls, the accounts of authority were not reconciled with the DAO and bank.

Non-reconciliation of accounts resulted in difference of opening balance Rs 465.785 million.

The matter was reported to the CEO of DEA in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends reconciliation of accounts with the DAO on monthly and annual basis besides fixing of responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No.17]

### **13.2.2.5 Unauthorized preparation of Annual Development Programme without printing separate book – Rs 329.877 million**

According to rule 5 (e) read with Rule 23 (2) of District Authorities (Budget) Rules 2017, responsibly of the heads of offices and institution is to prepare Annual Development Plan, identifying sector goal, outcomes, outputs, key performance indicators and performance targets consistent with the National, Provincial and Authority level sectorial policies and strategies. The Chief Executive Officer shall develop an annual action plan according to the priorities laid down in the budget call letter in order to realize the targets, set out the annual development program for the respective officers and institutions under the authority.

The Chief Executive Officer, DEA Lodhran did not make the annual development programme as a part of budget document. No ADP was prepared and got printed. Only in budget estimates two figures Rs 158.443 million for on-going schemes and Rs 171.434 million for new development schemes were shown. Detailed development projects proposals were not prepared. Administrative approvals and Technical sanction of estimates were not prepared at the time of submission of case to the DC / Administrator for approval of budget. The detail is as under:

(Rupees in million)

<b>Development Programme</b>	<b>Budget allocation</b>
Ongoing Schemes	158.443
New schemes	171.434
	<b>329.877</b>

Due to weak financial controls, the Annual Development Programme was not prepared.

Non observance rules resulted in non preparation of separate ADP book of Education Authority.

The matter was reported to the CEO of DEA in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of irregularity from The Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.20]

#### **13.2.2.6 Irregular payment of arrears of pay & allowances without release of separate budget- Rs 278.567 million**

According to rule 9 (b) of Punjab District Authorities (Accounts) rules 2017, the drawing and disbursing officer and payee of the pay, allowances, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

The following DDOs of DEA Lodhran paid arrears of salary of Rs 278.567 million to staff during 2017-18. No case of pending salary was put up and no separate budget was released for withdrawal of pending pays. Neither budget was released nor the approval of cases was made by the CEO office Lodhran. Huge amount of arrears were paid without any check and balance. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Amount
01	CEO DEA Lodhran	222.150
02	Dy. DEO (EE-W) Lodhran	40.948
03	Dy. DEO (EE-M) Lodhran	14.244
04	GGHSS Kahrora Pacca	1.225
	<b>Total</b>	<b>278.567</b>

Due to weak management, unjustified claims of arrears of pay and allowances were drawn without release of separate budget.

Withdrawal of huge amount of arrears of pay and allowances without approval of claims and allocation of separate budget resulted in loss to Government of Rs 278.567 million.

The matter was reported to the CEO of DEA and DDOs concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry in the matter besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.19, 06, 07, 04]

#### **13.2.2.7 Irregular expenditure in excess of budget allocation – Rs 181.325 million**

According to rule 15 (a) (b) of District Authorities (Accounts) rules 2017, the Drawing & Disbursing Officer shall be responsible to prepare estimates of expenditure of the concerned office, maintain budget control register, record entries of each transaction therein against corresponding allocation and make assessment of expenditure likely to be made during the financial year and takes measures accordingly.

The following DDOs of DEA Lodhran incurred excess expenditure of Rs 181.325 than the budget allocation during 2016-18. Funds of Rs 624.720 million were allocated for pay and allowances against which expenditure of Rs 806.045 were incurred. Expenditure of Rs 181.325 million was incurred over and above the budget allocation. The detail is as under:

(Rupees in million)

Sr. No	DDOs	FY	Budget Allocation	Actual expenditure	Excess expenditure
01	Dy. DEO (EE-W) Dunya Pur	2017-18	357.181	474.740	117.559
02	Dy. DEO (EE-M) Lodhran	2016-18	267.539	331.305	63.766
<b>Total</b>			<b>624.72</b>	<b>806.045</b>	<b>181.325</b>

Due to weak financial controls, expenditure was incurred in excess of budget allocation.

Excess expenditure than actual budget allocation resulted in irregular expenditure of Rs 181.325 million.

The matter was reported to the CEO of DEA and DDOs concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 14, 13, 6]

### **13.2.2.8 Un-authorized revised allocation of funds against 'Nil' budget- Rs 164.575 million**

According to rule 5(2) (a) & (b) of the District Authorities Budget rules 2017, the Head of office is responsible for all matters relating to the budget for the office under his administrative control, ensure strict financial control.

The Chief Executive Officer DEA Lodhran allocated funds Rs 164.575 million to those head of accounts for which there was no budget allocation / appropriation was made in the original budget estimate. Revised allocation was made against NIL budget appropriation during the period 2017-18 in violation of rules.

Due to weak financial management the budget allocation was made against 'NIL' allocations.

Allocation of funds against Nil budget heads resulted in irregular allocation of funds Rs 164.575 million.

The matter was reported to the CEO of District Education Authority in August, 2018. DDO did not submit the reply. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit would stress for proper justification, regularization from competent authority besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.06]

#### **13.2.2.9 Non surrender of anticipated savings – Rs 154.270 million**

According to rule 15 (a) (b) of District Authorities Accounts rules 2017, the Drawing & Disbursing Officer shall be responsible to prepare estimates of expenditure of the concerned office, maintain budget control register, record entries of each transaction therein against corresponding allocation and make assessment of expenditure likely to be made during the financial year and takes measures accordingly.

During the audit of DEA Lodhran it was observed that the Dy. DEO (EE-M) Lodhran did not surrender the anticipated savings of Rs 154.270 million during 2016-18. Funds of Rs 476.782 million were allocated for pay and allowances and contingencies out of which only funds of Rs 322.512 million could be utilized. Funds of Rs 154.270 million neither utilized nor surrendered well in time and lapsed.

Due to weak financial controls, anticipated savings were not surrendered well in time and lapsed.

Non utilization of funds resulted in lapse of Rs 154.207 million. Had the funds surrendered in time, the same could be utilized for other purposes by the authority. .

The matter was reported to the CEO of DEA and DDO concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of irregularity from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 13]

### **13.2.2.10 Irregular payment of Pay & allowances without availability of sanctioned posts of same scales - Rs 99.455 million**

According to rule 9 (b) of Punjab District Authorities (Accounts) rules 2017, the drawing and disbursing officer and payee of the pay, allowances, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

The following DDOs of DEA Lodhran, allowed payment of Rs 99.455 million on account of pay and allowances of teachers whose posts were mentioned of less scale in the budget book but the pay was drawn against the same posts in higher scales. Irregularly payment of salaries was made without appropriate up-gradation of scales in the budget book. The detail is as under:

<b>(Rupees in million)</b>					
<b>DDOs</b>	<b>Name of Post</b>	<b>Scale of Sanction Post in Budget book</b>	<b>Scale for which pay drawn</b>	<b>No. of Employees</b>	<b>Amount</b>
Dy. DEO (EE-W) Lodhran	SST/SSE	16	17/18	11	7.273
	EST / SESE	14	15	92	25.867
	PST/ESE	9	14/15	343	50.224
<b>Sub Total</b>					<b>83.364</b>
Dy. DEO (EE-W) Dunyapur	SST/SSE	16	17/18	175	16.089
<b>Sub total</b>					<b>16.089</b>
<b>Total</b>					<b>99.455</b>

Due to weak management, irregular payment of pay and allowances of higher scales were made against sanctioned posts of lower scale without up-gradation of posts in the budget book.



Payment of pay and allowances without up-gradation of posts in the budget book resulted in irregular expenditure of Rs 99.455 million.

The matter was reported to the CEO of DEA and DDOs concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of irregularity from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 07, 06]

### **13.2.2.11 Un-authorized increase of Posts without approval of Finance Department - Rs 43.500 million**

According to Government of the Punjab Finance Department letter No. FD (DG) 1-84/2012 dated 18.07.2016, no post should be recommended for creation by Finance Department provided the District Government's ability to meet consequent financial implications are properly determined.

The Chief Executive Officer, DEA Lodhran increased 125 posts in budget book 2017-18 without the approval of Finance Department. The comparison of posts mentioned in the budget book of 2016-17 prepared by the defunct District Government and budget book 2017-18 prepared by the DEA revealed a difference of 1,253 posts. Approval of Finance Department regarding creation of 1,128 posts were produced to audit (posts were created during FY 2016-17 and reflected in the budget book of 2017-18). There was difference of 125 posts having estimated pay and allowances amounting Rs 43.500 million which were included in the budget book 2017-18 but against which no approval of FD was produced to Audit.

Due to weak management, posts were increased without approval of Finance Department.

Increase in Number of posts without approval of Finance Department resulted in irregular expenditure on pay and allowances amounting Rs 43.500 million.

The matter was reported to the CEO of DEA in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry in the matter besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 13]

### **13.2.2.12 Irregular incurring of NSB expenditures without pre-audit – Rs 27.069 million**

According to CGA Ordinance, 2001, no funds can be withdrawn from government treasury without pre-audit of claims. According to the Finance Bill 2017, purchase should be made from registered firms under Income Tax and Sales Tax Department so that the applicable taxes can be properly accounted for.

The following DDOs of DEA Lodhran did not properly monitor the incurring of NSB funds of 41.231 million during 2016-18. Audit observed various discrepancies of irregular expenditure i.e. purchases from unregistered firms and non-deposit of taxes by suppliers in Government treasury. Funds of Rs 41.231 million were withdrawn from treasury without pre-audit of claims by the DAO Lodhran, in violation of above rules. The detail is as under:

(Rupees in million)		
Sr. No.	DDOs	Amount
01	Dy. DEO (EE-W) Kehror Pacca	27.069
02	Dy. DEO (EE-W) Lodhran	12.050
03	Principal GGHSS Kehror Pacca	2.112
<b>Total</b>		<b>41.231</b>

Due to poor administration and monitoring of schools, purchases were made from unregistered suppliers and funds were incurred without pre-audit.

Purchasing from unregistered firms and withdrawal of funds without pre-audit of claims resulted in irregular expenditures of Rs 41.231 million.

The matter was reported to the CEO of DEA and DDOs concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.06, 13, 13]

### **13.2.2.13 Irregular withdrawal of pay & allowances in excess of sanctioned Posts- Rs 10.306 million**

According to rule 9 (b) of the Punjab District Authorities (Accounts) rules 2017, the drawing and disbursing officer and payee of the pay, allowances, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

During the audit of DEA Lodhran it was observed that the Dy. DEO (EE-W) Lodhran allowed drawing salary of Rs 10.306 million in excess than the sanctioned posts during 2017-18. The comparison of posts mentioned in budget book with HR Data of DAO Lodhran revealed that excess employees were working against the sanctioned posts. Pay and allowances amounting Rs 10.306 were drawn during 2017-18 as detailed below:

<b>Cost center</b>	<b>Post</b>	<b>Sanctioned Post</b>	<b>Working</b>	<b>Excess</b>	<b>Amount</b>
LT-6015	Bulavi	1	2	1	0.440
	Security Guard	2	4	2	1.063
	Mali	3	7	4	1.141
	Baildar	1	3	2	0.566
LT-6015	Naib Qasid	26	28	2	3.906
	Class-IV	126	127	1	1.673
	Chowkidar	5	74	69	1.128
	Mashki	2	3	1	0.389
<b>Total</b>					<b>10.306</b>

Due to weak financial controls, pay and allowances of excess staff than sanctioned posts were drawn.

Payment of pay and allowances to staff in excess of sanctioned posts resulted in irregular expenditure of Rs 10.306 million.

The matter was reported to the CEO of DEA and DDOs concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry in the matter, regularization of pay and allowances from Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 5]

### **13.2.2.14 Uneconomical purchases from NSB funds without advertisement – Rs 9.628 million**

According to Rules 9 of 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 splitting or regrouping of procurements so planned. Furthermore, according Para 5 of NSB Guidelines, all schools will follow the Punjab procurement Rules 2014 while purchases.

The following DDOs of DEA Lodhran incurred expenditure of Rs 9.628 million during 2017-18 on purchase of furniture, computers, construction of class rooms etc. by splitting the indents instead of inviting tenders, in violation of PPRA Rules. The detail is as under:

(Rupees in million)		
Sr. No.	DDOs	Amount
1	Dy. DEO (EE-W) Kehror Pacca	1.380
2	Dy. DEO (EE-W) Dunya Pur	1.800
3	Dy. DEO (EE-M) Lodhran	1.059
4	Principal GHS 53/M Lodhran	1.142
5	Principal GGHSS Kehror Pacca	4.247
<b>Total</b>		<b>9.628</b>

Due to weak financial discipline, expenditure was incurred in an irregular manner.

Non observance of rules resulted in irregular expenditure of Rs 9.628 million.

The matter was reported to the CEO of DEA and DDOs concerned in August, 2018 but no reply was submitted. However, DAC meeting was not

convened by th PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

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

[AIR Para No.10, 11, 18, 04, 07, 08]

### **13.2.2.15 Unjustified payment of purchase of UPS other than specified in supply order- Rs 1.449 million**

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

The Chief Executive Officer, DEA Lodhran paid Rs 1.449 million to M/s Al-Asher Enterprises Bahawalpur on account of purchase of 20 UPS for various IT Labs established in schools of District Lodhran during 2017-18. The scrutiny of supply orders revealed that firm was required to supply UPS of Aroara, Model 3KVA sine wave with backup time of 1 to 2 hours. The firm supplied UPS of Crown Micro with dry batteries instead of UPS specified in supply orders. The Inspection Committee in its report also pointed out the above discrepancy but CEO released the payment without replacing the product according to specifications.

Due to weak internal controls, UPS other than specified in supply order were purchased.

Purchase of UPS other than specified in supply order resulted in unjustified expenditure of Rs 1.449 million.

The matter was reported to the CEO of DEA in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry in the matter, blacklisting of firm besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 01]

### **13.2.2.16 Unauthorized withdrawal of pay and allowances of next scale without availing promotion – Rs 1.101 million**

As per terms and condition No.1 of promotion order dated 28.02.2011 issued by the School Education Department, Government of the Punjab Lahore, in case, any officer fails to join his new assignment within 15 days after the issuance of his posting order, he shall deemed to have forgone his promotion. This effect of foregone of promotion entails supersession as clarified in the S&GAD (Regulation wing) instructions issued vide No. SOR-II(S&GAD)2-132/2002 dated 03.02.2003 read with SOR-II(SGAD)2-167/2010 dated 12.11.2010

During the audit of DEA Lodhran it was observed that the Principal Government Higher Secondary School 53/M Lodhran allowed pay and allowances of BS-18 to Mr. Muhammad Aslam, Senior Subject Specialist (SSS-Economics) amounting Rs 1.101 million during 2017-18. The teacher was promoted to BS-18 during his posting in GHSS Smejabad Multan. He did not join as Senior Headmaster (BPS-18) at GHS Chak 20/8-R Khanewal to avail promotion within due time of 15 days. After that he managed to get orders with the help of EDO (Education) Multan as SSS (Economics) at GHSS Qadir Pur Lar, Multan against vacant post of BS-18. The Secretary Education hold an inquiry and declared the promotion as tantamount to concealment of facts and gross misconduct vide letter No.SO(E&D-I)1-71/2011 dated 20.06.2011. As per finding of the inquiry dated 11.08.2015, the Secretary Education imposed minor penalty for stoppage of one increment beside to remain in the actual BS-17 as Subject Specialist (Economic) but he continued to draw pay and allowances of BS-18 instead of re-fixing of pay in BS-17.

Due to poor administration, the pay of teacher was not re-fixed in BS-17.

Non fixation of pay and allowances resulted in unauthorized expenditure of Rs 1.101 million.

The matter was reported to the CEO of DEA and DDO concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of overpayment from concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 3]

### **13.2.3 Performance**

#### **13.2.3.1 Non conducting of post completion evaluation of projects – Rs 117.543 million**

According to Government of the Punjab, Local Government and Rural Development Department letter No.SOV(LG)5-2/2003 dated 5<sup>th</sup> June, 2003, post completion of each development project shall be undertaken jointly by the planning officer in collaboration with concerned head of offices.

Chief Executive Officer, DEA Lodhran transferred funds of Rs 130.270 million to Buildings Department during 2017-18 for construction / repair of schools. A total 41 schemes costing Rs 117.543 million were completed up to June, 2018. The CEO DEA Lodhran did not conduct post completion evaluation of completed development schemes. No satisfactory completion certificates duly signed by officials of Building Department and Head of concerned schools were available on record / produced to Audit. Furthermore, scrutiny of record revealed that several Headmasters of schools lodged complaint against poor quality of work done in their schools.

Due to weak administration and monitoring, post completion evaluation of development schemes was not conducted.

Non conducting of post completion evaluation of schemes resulted in violation of government rules.

The matter was reported to the CEO of DEA in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends complete evaluation of all development schemes completed during 2017-18 besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.21]



### 13.2.3.2 Non utilization of School Councils funds - Rs. 25.818 million

According to clause 4.9 of School Council Policy Edition 2017 approved by School Education Department, Government of the Punjab, School Council funds will be utilized on prescribed purposes and during a financial year a school council can incur up to the maximum of Rs 0.400 million.

The Heads of various Elementary and Primary Schools under the jurisdiction of following DDOs of DEA Lodhran were granted NSB grants to meet the needs of students, but funds of Rs 25.818 million remained unutilized in the bank accounts of the schools which depicts either the funds were transferred to schools in excess of their requirement or poor management of Head of schools and weak monitoring of AEOs due to which funds could be utilized for the betterment of students. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Amount
1	Dy. DEO (EE-M) Dunya Pur	22.230
2	Dy. DEO (EE-W) Dunya Pur	3.588
<b>Total</b>		<b>25.818</b>

Due to poor monitoring, NSB funds allocated to School Councils could not be utilized.

Non utilization of funds by the school councils resulted in blockage of funds amounting Rs 25.818 million.

The matter was reported to the CEO of DEA and DDOs concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends corrective measures for utilization of funds besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 02, 13]

### **13.2.3.3 Non imposition of penalties on private schools running without registration –Rs 3.360 million**

According to section 2(1) read with Section 6(3) of the Punjab Private Educational Institutions (Promotions and regulation) Ordinance 2016 promulgated 6<sup>th</sup> February, 2016, the owner of every institution shall get it registered from registering authority before starting the business of the institution. If any owner in charge / owner of a private institution found running its institution without valid registration the in charge shall be liable to punishment of fine which may extend to four million but which shall not be less than three hundred thousand rupees.

The Chief Executive Officer, DEA Lodhran allowed the owners of 11 private schools for running their business without registration of schools with DEA Lodhran during 2017-18. The comparison of Gazette of class-V results with the list of private schools revealed that eleven private schools were running their business and their students were appearing in the examinations but the same were not registered with DEA Lodhran. Government sustained a loss of Rs 3.360 million on account of registration / renewal / inspection fee and on account of penalties from owners of private schools. **Annexure-H/LDN**

Due to weak administrative controls over privately managed schools, unregistered schools were running business.

Non registration / non-renewal of private schools resulted in loss to Government amounting Rs 3.360 million.

The matter was reported to the CEO of DEA in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

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

[AIR Para No.18]

#### **13.2.3.4 Late issuance of registration certificate of private schools**

According to rule 3 of Punjab Private Educational Institutions ordinance 1984, the registration authority shall, within sixty days from the date of filling of an application for registration, decide the application.

The Chief Executive Officer, DEA Lodhran made the registration / renewal of different schools after sixty days from the date of submission of application for registration. Audit observed that 23 new schools applied for registration and renewal during 2017-18 but registration applications were decided after 60 days, in violation of rules.

Due to weak administrative controls, registration of schools was made late.

Non compliance of rules resulted in late issuance of registration certificates to private schools.

The matter was reported to the CEO of DEA in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO 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, under intimation to Audit.

[AIR Para No.22]

## 13.2.4 Internal Control Weaknesses

### 13.2.4.1 Unauthorized payment of Social Security Benefits - Rs 23.459 million

According to Government of the Punjab S&GAD (Regulations Wing) letter dated 1<sup>st</sup> March 2013, 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. 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.

The following DDOs of DEA Lodhran allowed drawing the SSB allowance to those employees who were regularized in compliance of above mentioned orders. Regularization of these employees was announced on 1<sup>st</sup> March 2013 but employees were taking social security benefits and no recovery of the social security benefits was made. Excess payment of Rs 23.459 million was paid up till June, 2018. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Amount
1	CEO DEA Lodhran	13.083
2	Dy. DEO (EE-W) Kehrorpacca	0.399
3	Dy. DEO (EE-W) Dunya Pur	2.025
4	Dy. DEO (EE-M) Dunya Pur	1.010
5	Dy. DEO (EE-M) Lodhran	1.896
6	GGHSS Dhanoot	0.804
7	DEO (EE-W) Lodhran	4.242
<b>Total</b>		<b>23.459</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 in loss to government amounting Rs 23.459 million.

The matter was reported to the CEO of DEA and DDOs concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of SSB besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.03, 02, 01, 03, 04, 11, 07]

### **13.2.4.2 Irregular withdrawal of pay by higher scale officers against lower scale sanctioned posts - Rs 12.562 million**

According to rule 9 (b) of Punjab District Authorities (Accounts) rules 2017, the Drawing and Disbursing Officer and payee of the pay, allowances, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

The Chief Executive Officer, DEA Lodhran allowed payment of pay & allowances of Rs 12.562 million during 2017-18 by posting the eleven Headmasters / Headmistress of BPS-18 / 19 against the sanctioned post of BPS-17 / 18. Pay & allowances of Rs 12.562 million were drawn without existence of Posts. The detail is as under:

(Rupees in million)

Sr. No.	Personal No.	Cost Center	Post Name	Pay Scale of Post		Amount
				Sanctioned Scale	Actual Drawn Scale	
1	30282373	LT6201	Headmistress	17	18	1.100
2	30337138	LT6132	Principal	18	19	1.367
3	30477224	LT6155	Headmaster	17	18	0.133
4	30477550	LT6189	Headmistress	17	18	0.310
5	30478248	LT6224	Headmistress	17	18	1.345
6	30478507	LT6186	Principal	17	18	1.596
7	30478753	LT6149	Headmaster	17	18	1.268
8	30478754	LT6208	Headmaster	17	18	1.321
9	30482458	LT6211	Headmistress	17	18	1.322
10	30728446	LT6137	Headmaster	17	18	1.275

11	30810160	LT6130	Principal	18	19	1.525
<b>Total</b>						<b>12.562</b>

Due to weak internal controls, pay & allowances of higher scale was paid against low scale sanctioned posts.

Withdrawal of pay and allowances without availability of posts resulted in irregular expenditure of Rs 12.562 million.

The matter was reported to the CEO of DEA in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the Finance Department besides fixating of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.07]

### **13.2.4.3 Non refunded of savings from XEN Buildings against deposit work- Rs 10.552 million**

According to rule 440 of CPW Department Code, in respect of works done in a division for other divisions, departments, or Governments, the intimation of the transfer will be given after audit, by the Accountant General to the Account Officer concerned, or to the division or department for which the work is done, if in the same circle of account. The division undertaking the work is responsible that the transactions are brought to account under the remittance or other head concerned, and that works accounts are maintained and vouchers submitted to the Accountant General in the same way as for works of the division itself. It will further be responsible that the estimate and appropriation for the work, as communicated or accepted by the party for which the work is done, are not exceeded without further authority from it and if any savings are anticipated, they are notified and surrendered in time.

The Chief Executive Officer, DEA Lodhran transferred funds of Rs 121.182 million for 39 development schemes as deposit work to XEN Buildings during 2017-18. As per progress statement provided by the CEO DEA, the schemes were completed for a cost of Rs 110.630 million. There was savings of

Rs 10.552 million which was required to be surrendered by the Buildings Department to DEA but the unspent amount / savings were lying with the Buildings Department, in violation of rules.

Due to weak management savings were not returned back from Buildings Department after completion of work.

Non observance of rules resulted in non-refund of savings by the Buildings Departments amounting Rs 10.552 million.

The matter was reported to the CEO of DEA in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of unspent amount besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.11]

#### **13.2.4.4 Transfer of pay & allowance of different employees in same bank account – Rs 7.550 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 Chief Executive Officer, DEA Lodhran did not monitor the pay & allowances expenditure of the employees of DEA. Scrutiny of SAP HR Data of staff revealed that in 32 cases pay of two staff members were being credited to same bank account of same bank. In some cases the bank account No. was same but in the column of bank name it was mentioned that payment made through bank.

Due to weak internal controls, salary was transferred in the same bank accounts.

Transfer of pay & allowances in same bank accounts resulted in irregular and doubtful payment of 7.550 million.

The matter was reported to the CEO of DEA in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry in the matter besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 14]

#### **13.2.4.5 Irregular payment of conveyance allowance during vacations – Rs 7.505 million**

According to Rule 1.15 of the Punjab Travelling Allowance Rules 1976, conveyance allowance is not admissible during any kind of leave except casual leave. Further, according to the Government of Punjab, Finance Department letter No. 106 I-SO(SR) IV/7 dated 18.08.1977, conveyance allowance is not admissible during vacations.

Following DDOs of DEA Lodhran allowed withdrawal of Rs 7.505 million on account of conveyance allowance to the teachers during summer, winter vacations, LEP, Ex-Pakistan leave etc. during 2017-18. Payment of conveyance allowance during leave period resulted in excess payment of Rs 7.505 million. The detail is as under:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
1	CEO DEA Lodhran	0.152
2	Dy. DEO (EE-W) Kehror Pacca	1.526
3	Dy. DEO (EE-W) Dunya Pur	0.633
4	Dy. DEO (EE-W) Lodhran	1.338
5	Dy. DEO (EE-M) Dunya Pur	1.216
6	Dy. DEO (EE-M) Lodhran	0.809
7	GGHSS 358/WB Dunyapur	0.253
8	GGHSS 365/WB Dunyapur	0.310
9	GHSS Makhdoom Aali Dunyapur	0.201
10	GHS 53/M Lodhran	0.256
11	GGHSS Dhanoot	0.811
<b>Total</b>		<b>7.505</b>

Due to weak internal controls, conveyance allowance was paid during vacations and LFP.



Irregular payment of conveyance allowance during vacations / LFP resulted in excess payment and loss to Government of Rs 7.505 million.

The matter was reported to the CEO of DEA and DDOs concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of excess paid amount of Rs 7.505 million besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 8, 1, 4, 2, 8, 11, 1, 1, 2, 1, 1, 2, 3, 9, 2, 1]

#### **13.2.4.6 Irregular payment of pay and allowances due to non-fixation of pay of teachers – Rs 5.686 million**

According to Government of the Punjab Finance Department Notification No. FD-PR-21-3/2013 dated 23.09.2013, recovery on account of wrong withdrawal of advance increments by school teachers for higher qualification is waived off. However, the pay of teachers will be re-fixed accordingly. Furthermore, according to Finance Department letter No. FD-PR-21-3/2013 dated 17.11.2014 it is clarified that wrong withdrawal of advance increments is waived of up to 23.09.2013 and the amount drawn on account of advance increments after this date is recoverable and the withdrawal of advance increments is related to all school teachers. Hence the deadline for waiving of advance increments is 23.09.2013.

During the audit of DEA Lodhran it was observed that the Dy. DEO (EE-W) Lodhran did not re-fix the salaries of teachers in the light of above mentioned directives of Finance Department. Non-fixation of pay and allowances of teachers resulted in irregular payment of Rs 5.686 million on account of advance increments for higher qualification after 23.09.2013.

Due to weak internal controls, the pay of teachers was not fixed in the light of directives of Finance Department.

Non-fixation of pay and allowances of teachers resulted in irregular payment of Rs 5.686 million.

The matter was reported to the CEO of DEA and DDO concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery from concerned, re-fixation of pay besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.9]

#### **13.2.4.7 Irregular excess payment of pay and allowance after regularization - Rs. 4.865 million**

According to the regularization orders Para No. 4, the salary component of teachers shall be in accordance with the pay scales plus usual allowance prescribed for the post against which they are appointed. The pay on the day of appointment shall be fixed at the initial of the respective pay.

During audit of DEA Lodhran it was observed that the Dy. D.E.O (EE-W) Dunyapur / District Accounts Officer paid excess pay and allowance of Rs 4.865 million to the staff, who were appointed on contract basis and were regularized w.e.f 07.08.2015. On regularization of services, the pay of teachers was required to be fix pay at the initial of the BPS in which they were regularized w.e.f 07-08-2015. However, the teacher continued to draw pay and allowances without adjustment of basic pay on initial stage in violation of above conditions on regularization. An amount of Rs 4.865 million was overpaid due to non-fixation of pay and allowances at initial stage.

Due to weak internal controls, pay of teachers was not re-fixed at initial stage after regularization of services.

Non fixation of pay and allowances at initial stage resulted in overpayment of Rs 4.865 million.

The matter was reported to the CEO of District Education Authority and DDO concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery from concerned besides fixing of responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No.3]

**13.2.4.8 Doubtful expenditure on the account of Contingencies, NSB & FTF - Rs 4.769 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.

During the audit of DEA Lodhran it was observed that the Principal GGHSS Dhanot District Lodhran withdrew funds of Rs 4.769 million on account of contingent expenditure from NSB & FTF accounts during 2013-18. Various stock registers for consumable items and repair and maintenance were maintained instead of one stock register. Huge amount was drawn on repair and maintenance of rooms and furniture but no detail of class room for which repair work done was available on record. Neither the requisitions for repair was signed by teachers of class nor the satisfactory repair certificate was obtained after completion of work.

Due to poor financial management, funds were incurred in a doubtful manner.

Doubtful expenditure without fulfillment of codal formalities resulted in loss to government amounting Rs 4.769 million.

The matter was reported to the CEO of District Education Authority and DDO concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry in the matter besides fixing of responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 03]

#### **13.2.4.9 Non-refund of unspent balance of NSB from schools handed over to Punjab Education Foundation – Rs 2.206 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 to government through fraud or negligence on his part.

The following DDOs of District Education Authority Lodhran did not ensure the refund of unspent balance of NSB and FTF funds worth Rs 2.206 million from schools handed over to PEF. The unspent balance of already allocated NSB funds as well as current year funding as detailed below were not refunded prior to handing over of these schools to PEF.

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
1	Dy. DEO (EE-M) Duniyapur	0.208
2	Dy. DEO (EE-W) Kehror Pacca	1.144
3	Dy. DEO (EE-W) Dunya Pura	0.854
<b>Total</b>		2.206

Due to weak internal controls, the unspent balance of NSB and FTF funds were not refunded from PEF Schools.

Non-refund of unspent balance resulted in loss to Government exchequer amounting Rs 2.206 million.

The matter was reported to the CEO of District Education Authority and DDO concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

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

[AIR Para No.05, 04, 05]

#### **13.2.4.10 Doubtful payment of General Sales Tax – Rs 1.721 million**

According to Notification No.D.O No.5 (21) L&P/97-4910(S)-FS Sales Tax return cum payment challan along with supporting documents required (S.R) under the provision of sales Tax Act, 1990 in proof of payment/deposit of Sales Tax into Government treasury are required to be received from the supplier.

During the audit of DEA Lodhran it was observed that the Head of various Elementary and Primary Schools under administrative control of Dy. DEO (EE-W) Kehror Pacca made payment of Rs 1.721 million to the different suppliers/firms on account of GST during 2016-18. Audit observed that suppliers provided fake sales tax returns in preparing mode, tempered by adding pages among the submitted returns in the Annex-C. Only few schools were having receipts for deposit of 1/5th of GST deposit on Computerized Payment Receipts. About all the firms did not produced the complete returns showing clearly invoice number and date with same amount. GST amount collected from those schools was misappropriated by the traders/ general orders suppliers. Mostly invoices were without number and dates for supplying material and providing services. Taxes were also applied on exempt items e.g. Tablet, Cement etc. Concerned AEOs neither ensured the production of GST proofs from traders for depositing the GST amount nor action taken for blacklisting the defaulter firms.

Due to weak monitoring controls, GST amount was paid by the firms in doubtful manner.

Doubtful payment of GST amount resulted in loss to government amounting Rs 1.721 million.

The matter was reported to the CEO of District Education Authority and DDO concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry in the matter, complete verification of GST invoice from FBR besides fixing of responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 09]

## CHAPTER 14

### 14.1 District Education Authority Multan

#### 14.1.1 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 Education 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 / Centres	14
Elementary Schools	218
Primary Schools	880

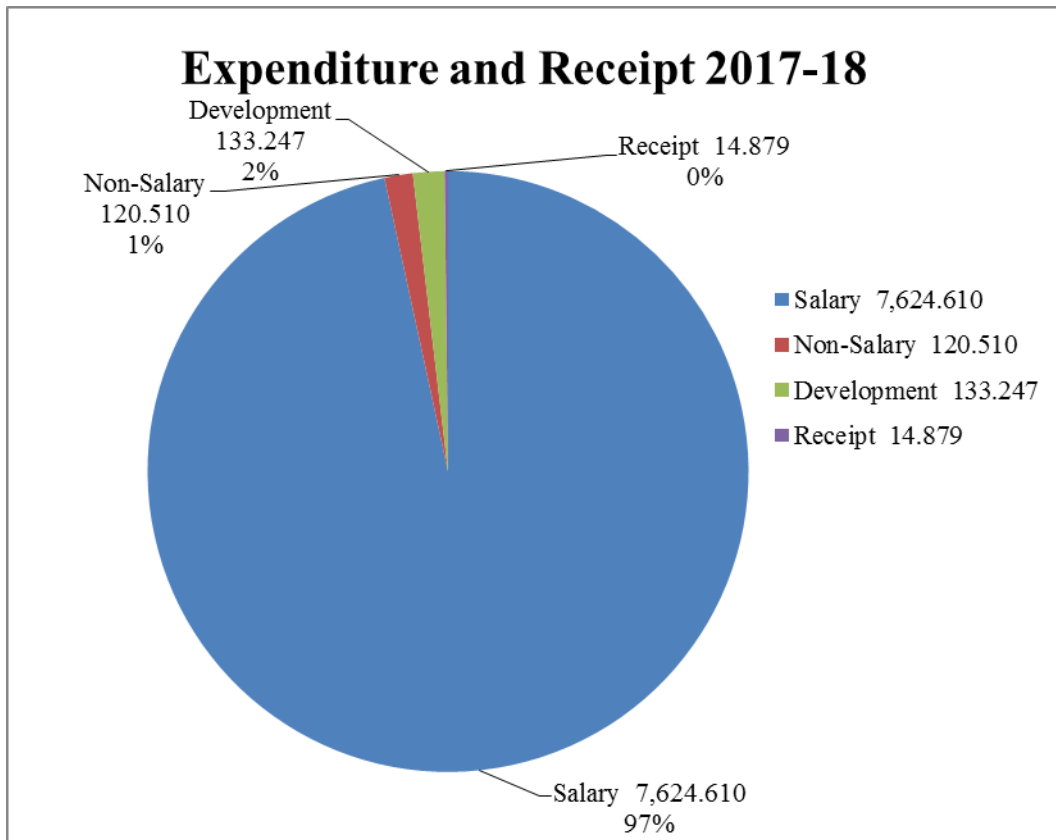
#### **14.1.2 Comments on Budget and Accounts**

The detail of Budget and Expenditure is given below in tabulated form:

(Rupees in Million)

<b>2017-18</b>	<b>Budget</b>	<b>Actual</b>	<b>Excess (+) / Saving (-)</b>	<b>(%) Saving</b>
Salary	7,961.612	7,624.610	(337.002)	-4%
Non-salary	132.560	120.510	(12.050)	-9%
Development	896.984	133.247	(763.737)	-85%
<b>Sub Total</b>	<b>8,991.156</b>	<b>7,878.367</b>	<b>(1,112.789)</b>	<b>-12%</b>
Receipts	17.855	14.879	(2.976)	-17%

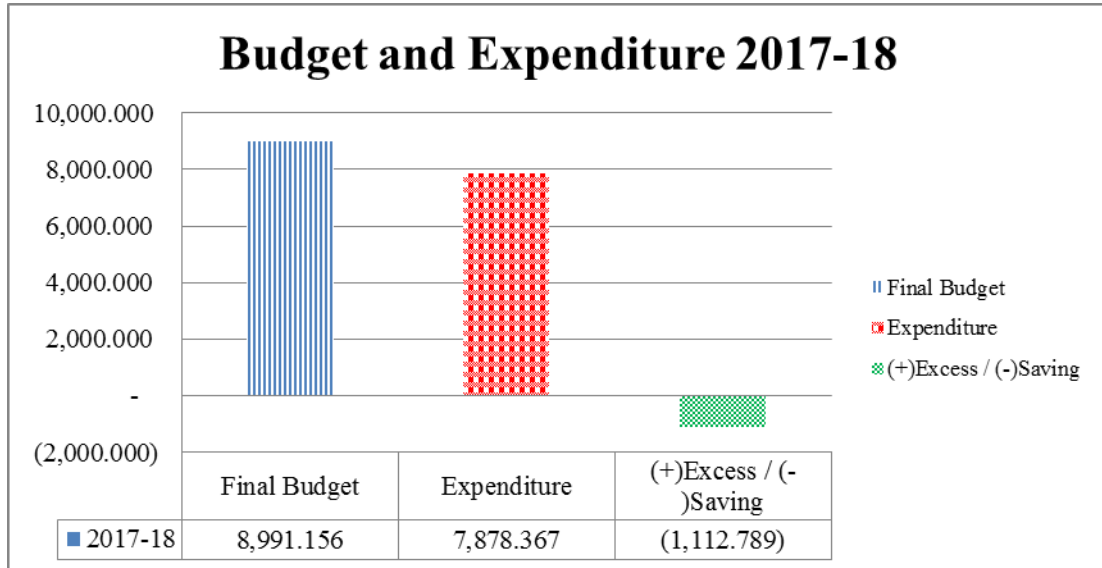
(Rupees in Million)



As per the Appropriation Accounts for financial year 2017-18 of District Education Authority Multan, total original budget (Development and Non-Development) was Rs 8,875.408 million, Rs 115.749 million supplementary grant was provided and the final budget was Rs 8,991.156 million. Against the final budget, total expenditure of Rs 7,878.367 million was incurred by District Education Authority during financial year 2017-18. A saving of Rs 1,112.789 million came to the notice of Audit, which shows that the District Education Authority failed to provide services and infrastructure development. No plausible explanation was provided by the PAO and management of District Education Authority (**Annexure-B**).



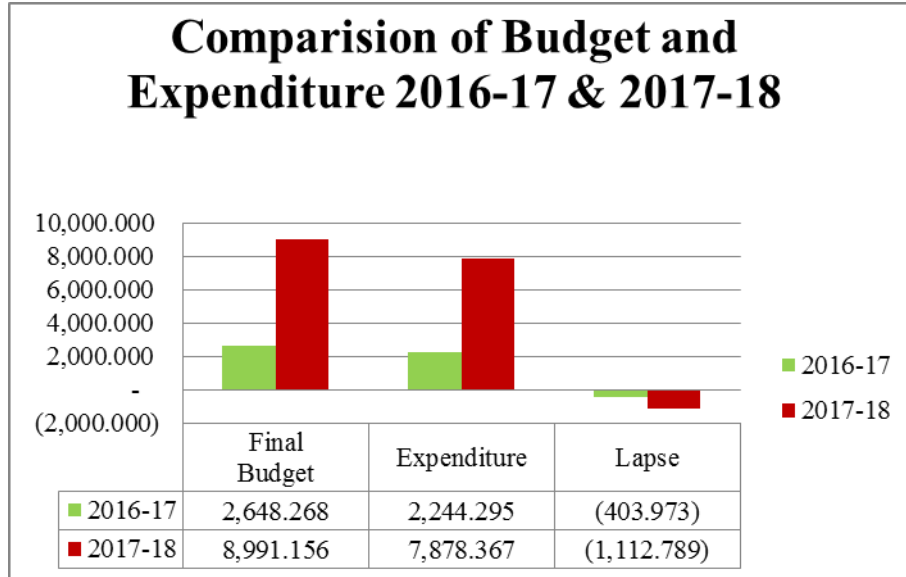
(Rupees in Million)



In Education Department savings of Rs 1,112.789 million (12% of allocation) occurred by over estimating / releasing the budget against the vacant posts despite the fact that no recruitment against these vacant posts was made during the financial year 2017-18. Further funds of School Management Council (SMC) were not utilized despite availability. The same resulted in deprive of the students / populace of necessary facilities, such as provision of furniture & fixture as well as provision of laboratory equipment.

The comparative analysis of the budget and expenditure of current and previous financial years is depicted as under:

(Rupees in Million)



There was 240 % and 251% increase in budget allocation and expenditure respectively in financial year 2017-18 as compared to financial year 2016-17, while there was overall savings of Rs 1,112.789 million during 2017-18.

#### **14.1.3 Brief Comments on the Status of Compliance of MFDAC Audit Paras of Audit Report 2017-18**

Audit paras reported in MFDAC (Annexure-I) of last year Audit Report, which have not been attended in accordance with the directives of DAC have been reported in Part-II of Annexure-A.

#### **14.1.4 Brief Comments on the Status of Compliance with PAC Directives**

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

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

S. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	15	PAC meeting was not convened

## 14.2 AUDIT PARAS

### 14.2.1 Non Production of Record

#### 14.2.1.1 Non Production of record – Rs 44.684 million

According to Clause 14 (1) (b) of the Auditor General’s (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, “the Auditor General shall in connection with the performance of his duties under this Ordinance, have authority to inspect any office of accounts, under the control of Federation or of the Province or of District including Treasuries and such offices responsible for the keeping of initial and subsidiary accounts.

The following DDOs under the jurisdiction of Chief Executive Officer, DEA Multan did not produce the record of pay and allowances and contingencies expenditure of Rs 44.684 million during 2001-18, despite various verbal and written requests. The detail is as under:

(Rupees in million)

DDOs	Description	Period	Amount
GHS Nawab Pur	Funds of Rs 1.968 million were allocated to school administration during 2012-13 to 2016-17 but contingent bills of expenditure incurred was not produced to Audit for scrutiny.	2012-17	1.970
GHS 2-KMR	Contingent Vouchers	2012 -16	1.500
Dy. DO (EE-W) City Multan	Vouched account of adjustments/arrears of pay and allowances of general cadre and MC cadre employees, vouched accounts of rent of office building	2017-18	38.824
Dy. DO (EE-W) City Multan	NSB Vouched Accounts of School Named GMCGPS Chah Usmani Wala.	2016-17	0.290
GGHS Shamsabad Multan	Vouched accounts	2001-18	2.100
	<b>Total</b>		<b>44.684</b>

Due to weak internal controls and willful evasion from audit, record was not produced for audit verification.

Non-Production of record created doubts regarding legitimacy of expenditure incurred amounting Rs 44.684 million.

The matter was reported to the CEO of DEA and the DDOs concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry and fixing of responsibility on the person(s) at fault besides production of record to Audit for verification.

[AIR Para No. 04, 07, 05, 05, 11, 18]

## **14.2.2 Irregularities & Non Compliance**

### **14.2.2.1 Unauthorized release of supplementary grant without approval - Rs 2,104.390 million**

According to Government of the Punjab Finance Department letter No. FD SO(Goods)44-4/2016 dated 14.09.2017, all the administrative departments shall remain within budgetary allocations to minimize the incidence of supplementary grants. The request for supplementary grants, if unavoidable, shall require approval of the Provincial cabinet / Cabinet Committee on Finance Development.

The Chief Executive Officer, DEA Multan issued supplementary grant of Rs 2,104.390 million during 2017-18 without approval of Provincial Cabinet. Supplementary grant amounting Rs 2,104.390 million was issued without availability of written orders, in violation of rules.

Due to weak financial management, supplementary grant was issued without approval of Provincial Cabinet.

Unauthorized release of supplementary grant resulted in irregular payment of Rs 2,104.390 million.

The matter was reported to the CEO of DEA in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of amount from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.13]

### **14.2.2.2 Unauthorized preparation of Annual Development Programme book – Rs 521.643 million**

According to rule 5 (e) of District Authorities (Budget) Rule 2017, responsibility of the heads of offices and institution is to prepare Annual Development Plan, identifying sector goal, outcomes, outputs, key performance

indicators and performance targets consistent with the national provincial and authority level sectorial policies and strategies. Furthermore, according to rule 23 (2) the Chief Executive Officer shall develop an annual action plan according to the priorities laid out in the budget call letter, in order to realize the targets, set out the annual development program for the respective offices and institutions under the authority.

The Chief Executive Officer, DEA Multan did not prepare the Annual Development Programme of Rs 521.643 million as part of budget document during 2017-18. Development Schemes were not identified. Only soft copy of unsigned self-desired ADP was produced to Audit. No forms BDD-4 were prepared. Development project outline were not approved by BDC. Administrative approvals and Technical sanctions of estimates were not prepared at the time of submission of case to the DC for approval of budget on behalf of Authority. The detail is as under:

(Rupees in million)

Development Programme	Budget	
	Original	Revised
Ongoing schemes	429.419	429.419
New schemes	467.565	92.224
<b>Total</b>	<b>896.984</b>	<b>521.643</b>

Due to weak financial discipline, the ADP was not got printed, in violation of the government instructions and rules.

Non preparation of Annual Development Plan resulted in violation of rules

The matter was reported to the CEO of DEA in August, 2018 but no reply was submitted. DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.18]

### **14.2.2.3 Irregular increase of Posts and allocation of budget without the approval of Finance Department – Rs 141.520 million**

According to Government of the Punjab Finance Department letter No. FD (DG) 1-84/2012 dated 18.07.2016, no post should be recommended for creation by Finance Department provided the District Government's ability to meet consequent financial implications are properly determined.

Chief Executive Officer, DEA Multan inserted new posts in Budget of Financial Year 2017-18 as compare to the posts of previous year without the approval of Finance Department and allocated budget of Rs 141.520 million. The approval of Finance department was not provided to audit to assure the increase.

Due to weak management posts were increased without approval of FD.

Non compliance of Government instructions resulted into irregular creation of posts.

The matter was reported to the CEO of DEA in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.16]

### **14.2.2.4 Irregular incurring of NSB Funds without pre-audit of claims– Rs 53.616 million**

According to Controller General of Accounts (Appointment, Functions and Powers) Ordinance 2001, the function of the Controller General shall be to authorize payments and withdrawals from the Consolidated Fund and Public Accounts of the Federal and Provincial Governments against approved budgetary provisions after pre-audited checks as the Auditor-General may, from time to time, prescribe. Furthermore, according to Government of the Punjab Finance Department letter No.SO (TT) 6-1/2013 (2015) dated 15.07.2015, no withdrawals

from Special Drawing Accounts are permissible as advance withdrawals or for en-block transfer of funds in commercial banks / Development Financial Institutions (DFIs). Withdrawals from the Special Drawing Accounts shall only be admissible, if these are required to meet validly accrued liabilities / booked expenditure, duly pre-audited, where so required.

The following DDOs of District Education Authority Multan did not monitor expenditure of NSB funds of Rs 53.616 million during 2017-18. Audit observed various shortcomings of irregular withdrawal of funds and non-deposit of taxes by suppliers in Government treasury. Funds of Rs 53.616 million were withdrawn from treasury without pre-audit of claims, in violation of above rules. The detail is as under:

(Rupees in million)	
<b>DDOs</b>	<b>Amount</b>
Dy. DEO (EE-W) City Multan	51.312
GGHS Shamsabad Multan	2.304
<b>Total</b>	<b>53.616</b>

Due to weak administration and monitoring of schools, funds were withdrawn without pre-audit and purchases were made from unregistered suppliers out of NSB funds.

Procurement from unregistered firms and withdrawal of funds without pre-audit of claims resulted in irregular expenditure of Rs 53.616 million.

The matter was reported to the CEO of DEA and DDOs concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization from the Finance Department besides fixing of responsibility on person(s) at fault, under intimation to Audit.

[AIR Para No.12, 19]



#### **14.2.2.5 Irregular payment of pay & allowances by higher scale officers against lower scale sanctioned posts - Rs 24.288 million**

According to rule 9 (b) of Punjab District Authorities (Accounts) Rules 2017, the drawing and disbursing officer and payee of the pay, allowances, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

The Chief Executive Officer, DEA Multan allowed payment of pay & allowances of Rs 24.288 million during 2017-18 by posting the twenty one Headmasters / Headmistress of BPS-18 against the sanctioned post of BPS-17. Pay & allowances of Rs 24.288 million were drawn without existence of Posts. **Annexure-I/MLN**

Due to poor management, officers of higher scale were posted against the posts of lower scale.

Payment of pay and allowances without availability of posts resulted in irregular expenditure of Rs 24.288 million.

The matter was reported to the CEO of DEA in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.02]

#### **14.2.2.6 Excess payment of pay and allowances after regularization - Rs 24.132 million**

According to District Education Officer (EE-M) Multan's office Order No. 3277 dated 29.06.2017 regarding regularization of services of teachers, the salary component of teachers shall be in accordance with the pay scales plus usual allowance prescribed for the post against which they are appointed. The pay on the day of regular 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.

The following DDOs of DEA Multan paid excess pay and allowance of Rs 24.132 million to teachers, who were appointed on contract basis and were regularized w.e.f 07.08.2015. On regularization of services, their pay was required to be fixed at initial of the pay scale in which they were regularized. However, the teachers continued to draw pay and allowances without re-fixing of basic pay on initial stage. Furthermore, in cases where pay was re-fixed, the personal allowance was not fixed by the administration from the effective date of the regularization. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Amount
1	Dy. DEO (EE-M) Shujabad	1.767
2	Dy. DEO (EE-M) City Multan	1.076
3	Dy. DEO (EE-W) City Multan	1.846
4	Dy. DEO (EE-W) City Multan	16.436
5	Dy. DEO (EE-M) Jalalpur	3.007
<b>Total</b>		<b>24.132</b>

Due to weak financial management, excess payment of pay & allowances was made.

Non-compliance of Government instructions resulted in excess payment of Rs. 24.132 million.

The matter was reported to the CEO of DEA and DDOs concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 24.132 million from the concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 03, 03, 03, 10, 03]

#### **14.2.2.7 Irregular payment of pay and allowances in excess of sanctioned Posts - Rs 15.576 million**

According to rule 9 (b) of the Punjab District Authorities (Accounts) Rules 2017, the drawing and disbursing officer and payee of the pay, allowances,

contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

The Chief Executive Officer, DEA Multan allowed pay and allowances of Rs 15.576 million in excess of the sanctioned posts during 2017-18. The comparison of sanctioned posts with HR / SAP data revealed that pay and allowances of following posts was drawn in excess than the availability of posts. The detail is as under:

(Rupees in million)

Cost Center	Name of Post	BPS	No. of Posts		Amount
			Sanctioned Posts	Pay Drawn	
MC 6016	Junior Clerk	11	9	10	4.033
MC 6015	Assistant Director	17	0	1	1.014
MC 6015	Budget Officer	17	0	1	0.797
MC 6016	Headmaster	17	0	1	0.711
MC 6016	Extra Asst. Director	17	0	1	0.891
MC6051	Headmaster	17	1	2	1.100
MC6164	Headmistress	19	1	2	2.190
MC6174	Headmaster	19	1	2	1.500
MC6212	Headmistress	17	1	2	1.030
MC6222	Principal	19	1	2	2.310
<b>Total</b>					<b>15.576</b>

Due to poor management, payment of pay and allowances was made in excess of sanctioned posts.

Payment of pay and allowances in excess of sanctioned posts resulted in irregular payment of Rs 15.576 million.

The matter was reported to the CEO of DEA in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry in the matter, recovery of amount from concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.01]

#### **14.2.2.8 Misclassification of expenditure – Rs 8.665 million**

According to rule 12 (b) (ii) of District Authorities Accounts Rules 2017, the Budget and Accounts Officer shall ensure that monthly expenditure is charged to relevant object code and remains within allocation.

During audit of DEA Multan, it was observed that the DEO (Literacy) Multan incurred expenditure of Rs 8.655 million from irrelevant object code A05270 for salaries, stationery, TA / DA, repair and other contingent expenditure during 2017-18. Irregular allocation of budget was made under object Code-A05270 instead of relevant object Codes.

Due to financial indiscipline, expenditure was incurred through misclassification.

Misclassification of expenditure resulted in irregular expenditure and violation of government rules.

The matter was reported to the CEA of DEA and DDO concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.02]

#### **14.2.2.9 Unauthorized expenditure by School Council on repair of building – Rs 8.412 million**

According to clause 4.9 of School Council Policy Edition 2017 approved by School Education Department, Government of the Punjab, School Council funds

will be utilized on prescribed purposes and a school council can incur up to the maximum of Rs 0.400 million during a financial year.

The following DDOs of DEA Multan did not properly monitor the incurring of expenditure by school councils. School Councils spent Rs 8.412 million by incurring expenditure beyond permissible limit of Rs 0.400 million during 2017-18. The detail is as under:

(Rupees in million)

DDOs	No of Schools	Amount
Dy. DEO (EE-W) City Multan	5	4.438
Dy. DEO (EE-W) Saddar Multan	8	3.974
<b>Total</b>	<b>13</b>	<b>8.412</b>

Due to weak financial management, the School Councils incurred expenditure beyond the admissible limit.

Incurring of expenditure beyond permissible limits resulted in irregular expenditure of Rs 8.412 million.

The matter was reported to the CEO of DEA and DDOs concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of the expenditure from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.15, 12]

#### **14.2.2.10 Irregular purchase of various items without advertisement – Rs 5.580 million**

According to rules 8 & 9 of the Punjab Procurement Rules, 2014, a procuring agency shall, within one month of commencement of a financial year, devise planning for all proposed procurements. A procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without splitting or regrouping of procurements so planned.

The following DDOs of DEA Multan incurred expenditure of Rs 5.580 million on account of purchase of android tablets, desk benches, tables, chairs, motor pumps, water coolers, fans, etc. costing Rs 5.580 million without advertisement on PPRA website or in the newspapers, in violation of rules. All purchases were made uneconomical and without open competition. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Amount
1	Dy. DEO (EE-M) Jalalpur	1.042
2	Dy. DEO (EE-M) Shujabad	2.314
3	GGHS Shamsabad Multan	2.224
<b>Total</b>		<b>5.580</b>

Due to weak management, expenditure was incurred in violation of PPRA Rules.

Non-compliance of PPRA rules / instructions resulted in irregular expenditure of Rs 5.580 million

The matter was reported to the CEO of DEA and DDOs concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No 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, under intimation to Audit.

[AIR Para No. 14, 13, 04]

#### **14.2.2.11 Irregular payment in cash instead of crossed cheque - Rs 1.390 million**

According to rule 4(b) of the Punjab District Authorities (Accounts) Rules 2017, payment exceeding rupees one thousand shall be made through crossed non-negotiable cheque.

During audit of DEA Multan, it was observed that the DEO (Literacy) made payment of Rs 1.390 million during 2017-18 in cash instead of crossed cheque to various suppliers.

Due to weak financial discipline, payment was made in cash instead of crossed cheque.

Non-observance of rules resulted in irregular payment of Rs 1.390 million.

The matter was reported to the CEO of DEA and DDO concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization from the Finance Department besides fixing of responsibility on person(s) at fault, under intimation to Audit.

[AIR Para No.01]

### 14.2.3 Performance

#### 14.2.3.1 Non-utilization of funds of development schemes - Rs 1,661.870 million

According to rule 15 (a) (b) of District Authorities (Accounts) Rules 2017, the Drawing & Disbursing Officer shall be responsible to prepare estimates of expenditure of the concerned office, maintain budget control register, record entries of each transaction therein against corresponding allocation and make assessment of expenditure likely to be made during the financial year and takes measures accordingly.

The Chief Executive Officer, DEA Multan did not utilize the funds of Rs 1661.870 during 2017-18 allocated for establishment of IT Labs and grant in aid to 'Brick Kiln Children / Parents' studying in Punjab. The detail is as under:

(Rupees in million)

Subject	Amount
Provision of IT Labs in High / Higher Secondary schools in Punjab	1,400
Provision of IT Labs in High / Elementary Schools in Punjab	250
Grant in aid to 'Brick Kiln Children / Parents' studying in schools in Punjab	11.870
<b>Total</b>	<b>1,661.870</b>

Due to weak management, funds were not utilized despite strict instructions of Government.

Non-utilization of funds resulted in non-provision of necessary facilities to the intended students.

The matter was reported to the CEO of DEA in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit.

Audit recommends fixing of responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No.24]



### 14.2.3.2 Irregular payment of arrears of pay & allowances without release of separate budget- Rs 336.332 million

According to rule 2.27 of PFR Vol-I, no payments may be made on account of increases to pay until the additional expenditure hereby caused has been provided for in the budget estimates and duly sanctioned.

The following DDOs of DEA Multan withdrew arrears of pay and allowances of Rs. 336.332 million during 2017-18. Withdrawal was made without allocation of separate budget for arrears bills. Neither additional budget was got allocated nor payment cases were approved by the CEO. Record of arrears drawn was also not produced to Audit which created doubts about legitimacy of claims. Huge amount of arrears was drawn without any check. The detail is as under:

(Amount in Rupees)

Sr. No.	DDOs	Period	Amount
1	CEO (DEA) Multan	2017-18	332.769
2	GGHS Shamsabad Multan	2010-14	3.563
<b>Total</b>			<b>336.332</b>

Due to weak management, unjustified claims of arrears of pay and allowances were drawn without release of separate budget.

Payment of arrears of pay and allowances without approval of claims and allocation of separate budget resulted in loss of Rs 336.332 million.

The matter was reported to the CEO of DEA in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry in the matter besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 19, 03]

**14.2.3.3 Non conducting of post completion evaluation of projects  
– Rs 102.288 million**

According to Government of the Punjab, Local Government and Rural Development Department letter No.SOV(LG)5-2/2003 dated 5<sup>th</sup> June, 2003, post completion of each development project shall be undertaken jointly by the planning officer in collaboration with concerned head of offices.

Chief Executive Officer, DEA Multan transferred funds of Rs 102.288 million to Buildings Department during 2017-18 for construction / repair of schools. A total twelve schemes costing Rs 102.288 million were completed up to June, 2018. The CEO DEA Multan did not conduct post completion evaluation of completed development schemes. No satisfactory completion certificates duly signed by officials of Building Department and Head of concerned schools were available on record / produced to Audit. Furthermore, scrutiny of record revealed that several Headmasters of schools lodged complaint against poor quality of work done in their schools.

Due to weak administration and monitoring, post completion evaluation of development schemes was not conducted.

Non conducting of post completion evaluation of schemes resulted in violation of government rules.

The matter was reported to the CEO of DEA in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends complete evaluation of all development schemes completed during 2017-18 besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.23]

**14.2.3.4 Unjustified payment of Social Security Benefits -  
Rs 40.591 million**

According to 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 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 DEA Multan did not recover Rs 40.591 million during 2017-18 on account of Social Security Benefit (SSB) from those contract employees whose services were regularized. The concerned employees were drawing the Social Security Benefit till June 2018, in violation of above rule.

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
1	Chief Executive Officer DEA Multan	31.104
2	Dy. DO (EE-W) City Multan	1.723
3	Dy. DO (EE-W) Saddar Multan	1.292
4	Dy. DO (EE-M) Jalalpur	4.005
5	Dy. DO (EE-M) Shujabad	2.467
<b>Total</b>		<b>40.591</b>

Due to poor financial management, services of employees were not regularized.

Non-compliance of instructions of the Government resulted in unauthorized payment of Social Security Benefits amounting Rs 40.591 million.

The matter was reported to the CEO of DEA in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of irregularity from the Finance Department besides fixing of responsibility on person(s) at fault, under intimation to Audit.

[AIR Para No. 20,6,5,1, 1]

### 14.2.3.5 Irregular payment of pay and allowances due to non-fixation of pay of teachers – Rs 6.912 million

According to Finance Department's Notification No. FD-PR-21-3/2013 dated 23.09.2013, recovery on account of wrong withdrawal of advance increments by school teachers for higher qualification is waived off. However, the pay of teachers will be re-fixed accordingly. Furthermore, according to Finance Department letter No. FD-PR-21-3/2013 dated 17.11.2014 it is clarified that wrong drawl of advance increments is waived of up to 23.09.2013 and the amount drawn on account of advance increments after this date is recoverable and the withdrawal of advance is related to all school teachers. Hence the deadline for waiving of advance increments is 23.09.2013.

The following DDOs of DEA Multan paid salaries of teachers without re-fixing of salaries of teachers in the light of above mentioned directives of Finance Department. Non-fixation of pay and allowances of teachers resulted in irregular payment of Rs 6.912 million on account of advance increments for higher qualification after 23.09.2013. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Amount
1	Dy. DEO (EE-W) City Multan	4.408
2	Dy. DEO (EE-W) Saddar Multan	1.503
3	Dy. DEO (EE-M) City Multan	1.001
<b>Total</b>		<b>6.912</b>

Due to weak administration, the pay of teachers was not fixed in the light directives of Finance Department.

Non-fixation of pay and allowances of teachers resulted in irregular payment of Rs 6.912 million.

The matter was reported to the CEO of DEA and DDOs concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends re-fixation of salaries of teachers and recovery of overpaid additional increments from the concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.8,8,4]

#### **14.2.3.6 Irregular appointment of teachers in violation of Recruitment Policy**

According to Recruitment Policy 2016-17 circulated vide Government of the Punjab, School Education Department Lahore Vide No. SO (SE-IV) 2-50/2015 dated 9<sup>th</sup> September 2016, the composition of District Recruitment Committee was as under:

i.	District Coordination Officer	Chairman
ii.	Executive District Officer (Education)	Member
iii.	Executive District Officer (F&P)	Member
iv.	District Monitoring Officer	Member
v.	One representative of Provincial Government	Member
vi.	Appointing Authority	Member

The District Education Officer (EE-W) recruited 679 ESEs and 32 SESEs during 2016-17 in the light of above policy without approval of the District Recruitment Committee. The registers of receipts of applications were also not properly closed and signed by any member of the Committee.

Due to weak internal controls, the recruitment was not made in a transparent manner.

Non observance of Recruitment policy of Government resulted in irregular appointment of ESE and SES.

The matter was reported to the CEO of DEA and DDO concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry in the matter besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.03]

## **14.2.4 Internal Control Weaknesses**

### **14.2.4.1 Unjustified transfer of pay & allowances of different employees in the same bank accounts -Rs 545.350 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.

The Chief Executive Officer, DEA Multan did not monitor the pay & allowance expenditure of employees of Authority. The scrutiny of HR / SAP Data of DAO Multan revealed that pay and allowances of employees amounting Rs 545.350 million were transferred in same bank account during 2017-18.

Due to weak management, pay and allowances of teachers were transferred in the same bank accounts.

Transfer of pay & allowances in the same bank accounts resulted in irregular and doubtful payment of 545.35 million.

The matter was reported to the CEO of DEA in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of the amount besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.08]

### **14.2.4.2 Irregular payment of conveyance allowance during vacations – Rs 17.545 million**

According to Rule 1.15 of the Punjab Travelling Allowance Rules 1976, conveyance allowance is not admissible during any kind of leave except casual leave. Further, according to the Government of Punjab, Finance Department letter

No. 106 I-SO(SR) IV/7 dated 18.08.1977, conveyance allowance is not admissible during vacations.

The following DDOs of DEA Multan paid an amount of Rs 17.545 million on account of conveyance allowance to the teachers during summer and winter vacations during 2017-18. Payment of conveyance allowance during vacations resulted in excess payment of Rs 17.545 million. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Amount
1	DEO (EE-W) Multan	1.787
2	Dy DEO (EE-W) City Multan	5.332
3	Dy DEO (EE-W) Saddar Multan	5.616
4	Dy DEO (EE-M) City Multan	1.501
5	Dy. DO (EE-M) Jalallpur	3.309
<b>Total</b>		<b>17.545</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 of Rs 17.545 million.

The matter was reported to the CEO of DEA and DDOs concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of excess paid amount of Rs 17.545 million from the concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit

[AIR Para No.04, 01,01,01,02,02,02,02 ]

#### **14.2.4.3 Excess payment of Ad hoc allowances - Rs 13.599 million**

According to Government of the Punjab Finance Department notification No, FD/PC1-2/2016 dated 18<sup>th</sup> July, 2016 revision of pay scales & allowances of the Punjab Government-2016 ad hoc relief allowance granted w.e.f. 01.07.2013, 10.07.2014 and 01.07.2015 shall cease to exist w.e.f. 01.07.2016.

The Chief Executive Officer, DEA Multan allowed payment of ad hoc Allowances 2013 to 2015 amounting Rs 13.599 million to various employees of DEA during 2017-18 while these ad hoc allowances were not admissible during that period.

Due to weak internal controls, unjustified allowances were drawn.

Payment of inadmissible allowances resulted in loss of Rs 13.599 million.

The matter was reported to the CEO of DEA in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of amount from the concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit

[AIR Para No.07]

#### **14.2.4.4 Doubtful payment of General Sales Tax – Rs 11.817 million**

According to section 23 (a)(b)(c)(d)(e)(f) (g) of the Sales Tax Act. 1990, a registered person making a taxable supply shall issue a serially numbered tax invoice at the time of supply of goods containing the following particulars, namely, name, address and registration number of the supplier, name address and registration number of the recipient, date of issue of invoice, description and quantity of goods, value exclusive of tax, amount of sales tax; and value inclusive of tax. Furthermore, according to Notification No. D.O No. 5(21) L&P/97-4910(S)-FS sales tax return cum payment challan along with supporting documents required (S.R) under the provision of sales tax Act, 1990 in proof of payment / deposit of Sales Tax into government treasury are required to be received from the supplier.

During audit of DEA Multan, it was observed that various Elementary and Primary Schools under administrative control of the following DDOs made payment of Rs 11.817 million to different suppliers/firms on account of GST during 2016-18. Firms did not produce the complete returns showing clearly invoice number and date with same amount. Mostly invoices were without number and dates.



Taxes were also applied on exempt items e.g. android tablets, Cement etc. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Amount
1	Dy. DEO (EE-W) City Multan	4.708
2	Dy. DEO (EE-M) City Multan	1.904
3	Dy. DEO (EE-M) Saddar Multan	5.205
<b>Total</b>		<b>11.817</b>

Due to weak monitoring controls, GST amount was paid by the firms in doubtful manner.

Doubtful payment of GST resulted in loss of Rs 11.817 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry in the matter, complete verification of GST invoice from FBR besides fixing of responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 13, 12, 09]

#### **14.2.4.5 Non-payment of Punjab Sales Tax and Income Tax on services – Rs 3.006 million**

According to Section 3(1) of Punjab Sales Tax on Services Act 2012, 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. Furthermore, according to guidelines of the Non-Salary Budget (NSB) Manual, Punjab Sales Tax @ 16% and income tax @ 8% from a registered company and @ 10% from registered dealers / persons was to be deducted, on all kinds of services.

The heads of Elementary & Primary Schools under the administrative control of Deputy District Education Officers Multan did not ensure payment of

Punjab Sales Tax and Income Tax Rs 3.006 million into Government treasury from various labour suppliers, during 2017-18. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Amount
1	Dy. DO (EE-W) City Multan	1.403
2	Dy. DO (EE-W) Saddar Multan	1.344
3	Dy. DO (EE-M) City Multan	0.259
<b>Total</b>		<b>3.006</b>

Due to weak internal controls, PST and Income Tax was not deducted from suppliers.

Non-compliance of Government instructions resulted in over payment and loss of Rs 3.006 million.

The matter was reported to the CEO of DEA and DDOs concerned in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 3.006 million from concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit

[AIR Para No.14,10 ,14 ]

#### **14.2.4.6 Irregular payment of pay & allowances after superannuation - Rs 1.824 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.

The Chief Executive Officer, DEA Multan allowed payment of Rs 1.824 to different employees of education department on account of pay and allowances after the age of superannuation (60 years age) during 2015-18. **Annexure-J/MLN**

Due to weak management, excess payments of pay and allowances was made after superannuation.

Unauthorized payment of pay and allowances after superannuation resulted in loss of Rs 1.824 million.

The matter was reported to the CEO of DEA in August, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO. No progress was intimated till finalization of this Report.

Audit recommends recovery from the concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.03]

## CHAPTER 15

### 15.1 District Education Authority Pakpattan

#### 15.1.1 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:

<b>Description</b>	<b>No. of Education 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)	2
Deputy District Education Officers (EE-W)	2
Higher Secondary Schools (Boys & Girls)	12
High Schools (Boys & Girls)	88
Special Education Schools / Centres	4
Elementary Schools	412
Primary Schools	603

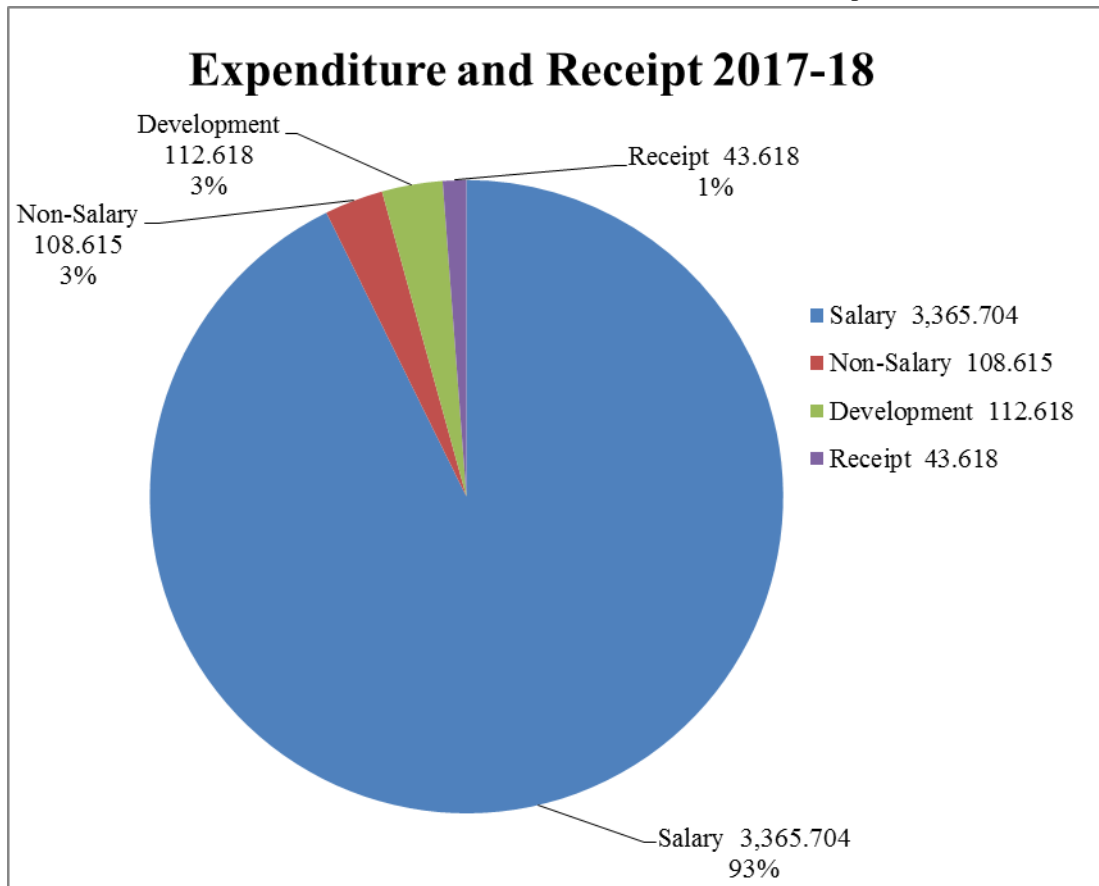
### 15.1.2 Comments on Budget and Accounts

The detail of Budget and Expenditure is given below in tabulated form:

(Rupees in Million)

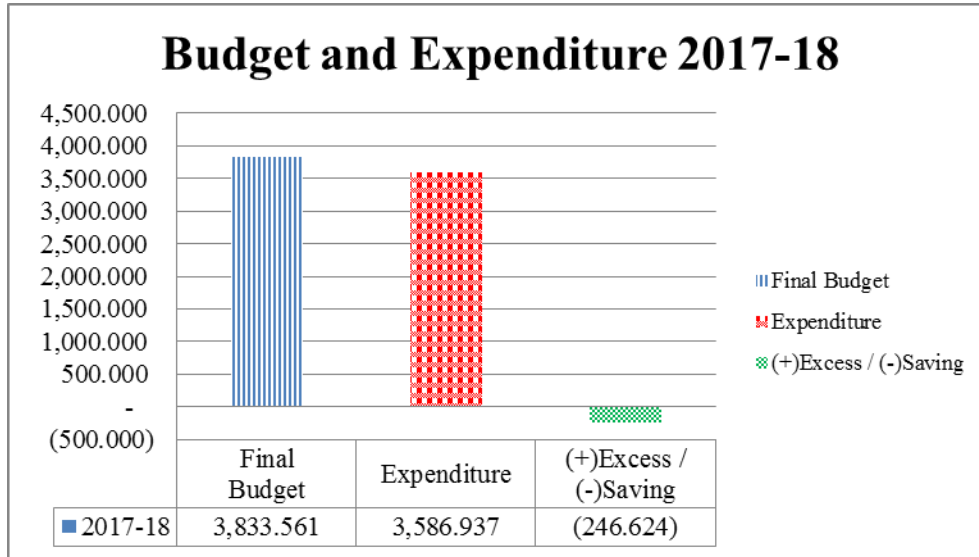
<b>2017-18</b>	<b>Budget</b>	<b>Actual</b>	<b>Excess (+) / Saving (-)</b>	<b>(%) Saving</b>
Salary	3,550.552	3,365.704	(184.848)	-5%
Non-salary	145.550	108.615	(36.935)	-25%
Development	137.459	112.618	(24.841)	-18%
<b>Sub Total</b>	<b>3,833.561</b>	<b>3,586.937</b>	<b>(246.624)</b>	<b>-6%</b>
Receipts	58.213	43.618	(14.595)	-25%

(Rupees in Million)



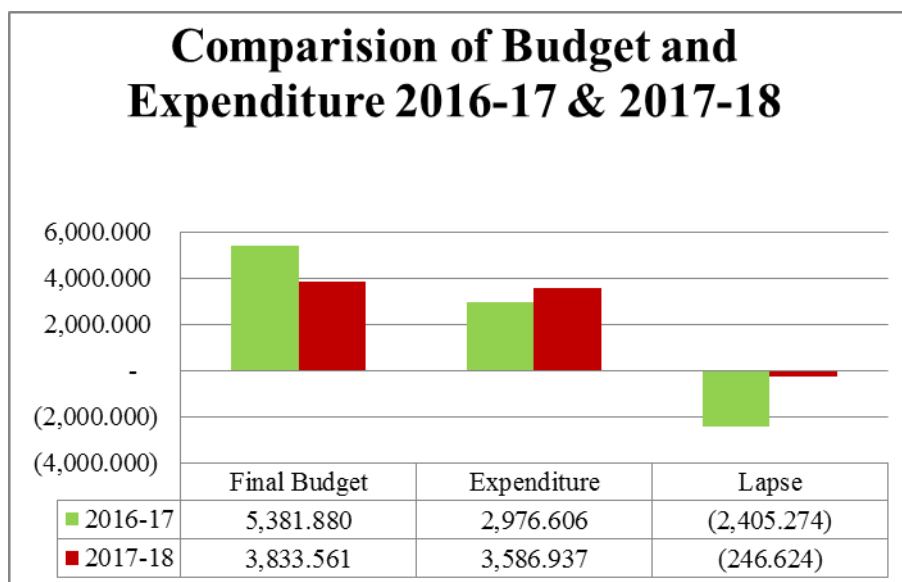
As per the Appropriation Accounts for financial year 2017-18 of District Education Authority Pakpattan, total original budget (Development and Non-Development) was Rs 3,020.306 million, supplementary grant was Rs 813.255 and the final budget was Rs 3,833.561 million. Against the final budget, total expenditure of Rs 3,586.937 million was incurred by District Education Authority during financial year 2017-18. A saving of Rs 246.624 million came to the notice of Audit, which shows that the District Education Authority failed to provide basic education services and infrastructure development. No plausible explanation was provided by the PAO and management of District Education Authority (**Annexure-B**).

(Rupees in Million)



In Education Department saving of Rs 246.624 million (6% of allocation) occurred by over estimating / releasing the budget against the vacant posts despite the fact that no recruitment against these vacant posts was made during the financial year 2017-18. Further funds of School Management Council (SMC) were not utilized despite availability. The same resulted into depriving the students / populace from necessary facilities such as provision of furniture & fixture as well as provision of laboratory equipment.

The comparative analysis of the budget and expenditure of current and previous financial years is depicted as under:



There was 29% decrease in budget allocation and 21% increase in expenditure incurred respectively, while there was overall savings of Rs 246.624 million during 2017-18

#### 15.1.3 Brief Comments on the Status of Compliance of MFDAC Audit Paras of Audit Report 2017-18

Audit paras reported in MFDAC (Annexure-I) of last year Audit Report, which have not been attended in accordance with the directives of DAC have been reported in Part-II of Annexure-A.

#### 15.1.4 Brief Comments on the Status of Compliance with PAC Directives

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

##### Status of Previous Audit Reports

S. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	17	PAC meeting was not convened



## 15.2 AUDIT PARAS

### 15.2.1 Non Production of Record

#### 15.2.1.1 Non Production of record – Rs 98.702 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 Pakpattan did not produce the record of pay and allowances and contingencies expenditure of Rs 98.702 million during 2017-18 despite various verbal and written requests. The detail is given below:

(Rupees in million)

Name of Office	Description	Amount
GMC HS Arifwala	Record of encashment of LPR of staff	0.354
DDEO (EE-M) Arifwala	Pay and allowances	29.719
CEO Education	Record relating to development schemes	68.325
GGHS City Arifwala	Adjustment of pay and allowances	0.304
<b>Total</b>		<b>98.702</b>

Due to weak internal controls and willful evasion from audit, record was not produced for audit verification.

Non production of record created doubts regarding legitimacy of expenditure incurred amounting Rs 98.702 million.

The matter was reported to the CEO of DEA and DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.

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

[AIR Para No.6,16,27,4]

## 15.2.2 Irregularities & Non Compliance

### 15.2.2.1 Irregular incurring of NSB Funds without pre-audit of claims– Rs 223.772million

According to Controller General of Accounts (Appointment, Functions and Powers) Ordinance 2001, the function of the Controller General shall be to authorize payments and withdrawals from the Consolidated Fund and Public Accounts of the Federal and Provincial Governments against approved budgetary provisions after pre-audited checks as the Auditor-General may, from time to time, prescribe. Furthermore, according to Government of the Punjab Finance Department letter No.SO (TT) 6-1/2013 (2015) dated 15.07.2015, no withdrawals from Special Drawing Accounts are permissible as advance withdrawals or for en-block transfer of funds in commercial banks / Development Financial Institutions (DFIs). Withdrawals from the Special Drawing Accounts shall only be admissible, if these are required to meet validly accrued liabilities / booked expenditure, duly pre-audited, where so required.

The following DDOs of District Education Authority Pakpattan did not properly monitor the incurring of NSB funds of 223.772 million released during 2017-18. The funds were drawn without pre-audit which resulted in various irregularities i-e purchase from unregistered firms and non-deposit of taxes by suppliers in Government treasuries. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Amount
01	Dy. DEO (EE-M) Pakpattan	-
02	GGHS 91/EB	-
03	Dy. DEO (EE-W) Pakpattan	-
04	GGHS Colony Area Pakpattan	-
05	CEO Education	223.772
<b>Total</b>		<b>223.772</b>

Due to weak administration and close monitoring of schools, purchases were made from unregistered suppliers out of NSB funds and funds were incurred without pre-audit.

Procurement from unregistered firms and withdrawal of funds without pre-audit of claims resulted in irregular expenditure of Rs 223.772 million.

The matter was reported to the CEO of DEA and DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made 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 on the person(s) at fault, under intimation to Audit.

[AIR Para No.09,01,01,13,07]

### **15.2.2.2 Irregular revised allocation of funds against ‘Nil’ budget – Rs 90.015 million**

According to rule 5(2) (a) & (b) of the District Authorities Budget Rules 2017, the head of office is responsible for all matters relating to the budget for the office under his administrative control, ensure strict financial control.

The CEO District Education Authority Pakpattan allocated funds of Rs 90.015 million to those detailed below objects heads for which there was no budget allocation / appropriation was made in the original budget estimate. Revised allocation was made against “Nil” budget appropriation during the period 2017-18. The detail is as under:

(Rupees in million)

<b>Fund Center</b>	<b>Detail Object Description</b>	<b>Budget Grant</b>	<b>Supplementary Budget</b>	<b>Final Grant</b>
PY6031	A0121D-RURAL INCENTIVE ALLOWANE	-	0.003	0.003
PY6037	A0123G-AD-HOC RELIEF ALLOWANCE-2018	-	0.434	0.434
PY8996	A05270-TO OTHERS	-	0.835	0.835
PY8996	A06101-MERIT	-	0.816	0.816
PY8996	A09203-IT EQUIPMENT	-	6.094	6.094
PY8996	A12403-OTHER BUILDINGS	-	80.843	80.843
PY8997	A01101-BASIC PAY	-	0.111	0.111
PY8997	A03930-VOCATIONAL AND MANPOWER TRAINING	-	0.830	0.830
PY8997	A03905-NEWSPAPERS PERIODICALS AND BOOKS	-	0.050	0.050
<b>Total</b>			<b>90.015</b>	<b>90.015</b>

Due to weak financial management, the budget allocation was made against “Nil” allocations.

Allocation of funds against “Nil” budget heads resulted in irregular revised allocation of funds amounting Rs 90.015 million.

The matter was reported to the CEO of DEA in the month of November, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till the finalization of this report.

Audit recommends regularization of the expenditure from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit

[AIR Para No.29]

### **15.2.2.3 Unauthorized expenditure without sanction of DDO and pre-audit by Divisional Accountant – Rs 68.325 million**

According to rule 16 (1) (b) of the Punjab District Authorities (Accounts) Rules 2017, the Accounts Officer shall perform pre-audit of all payments from the local funds and public account of a District Authority before authorizing disbursement of amount.

The CEO District Education Authority Pakpattan allowed the withdrawal of Rs 68.325 million from cost center PY8996 on account of civil works during 2017-18. The payments were made without pre-audit and maintenance of required auditable record by the DAO Pakpattan. The entire expenditure was booked in DEA’s books of accounts but DAO has passed for payment without ensuring the sanction order of the DDO / CEO (DEA) Pakpattan. The bills were passed and signed by the Executive Engineer Buildings Division despite the Executive Engineer had no such financial powers in the Education Department. The vouchers were pre-audited by the Divisional Accounts Officer whereas; the District Accounts Officer was responsible for pre-audit of payments of District Authorities.

Due to weak financial controls, the payments were made without pre-audit, maintenance of auditable record and sanction of the proper authority.

Violation of the Government rules resulted in unauthorized payments amounting Rs 68.325 million.

The matter was reported to the CEO of DEA in the month of November, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till the finalization of this report.

Audit recommends regularization of the expenditure from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 26]

#### **15.2.2.4 Irregular payment to DDO instead of direct payment by splitting the claims – Rs 38.163 million**

According to rule 4.49 of Punjab Sub Treasury Rules, payment of Rs 100,000 and above to the contractors and suppliers, are to be made in form of crossed cheque, issued by the Accountant General Punjab / District Accounts Officer. Furthermore, according to rule 4 (1) (c) of the Punjab District Authorities (Accounts) Rules 20017, the mode of making payments from the local fund of a District Authority shall be that the payments of salary to the staff of a District Authority shall be made through direct credit system (DCS) in their respective bank accounts.

The CEO and Deputy District Education Officer (EE-W) Pakpattan incurred expenditure amounting Rs 38.163 million on account of honorarium to different PNFEP, ACL and TSKL and pay and allowances to teachers during 2017-18. The cheque was obtained from DAO in the name of DDO instead of direct credit system in their respective bank accounts. The amount of each claim was kept less than Rs 0.100 million just to obtain the cheque in the name of DDO. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Amount
01	CEO DEA Pakpattan	23.034
02	Deputy District Education Officer (EE-W) Pakpattan	15.129
<b>Total</b>		<b>38.163</b>

Due to weak internal controls, payment was not made through direct credit system (DCS) in their respective bank accounts by splitting the claims in less than Rs 100,000.

Violation of rules resulted in irregular expenditure amounting Rs 38.163 million.

The matter was reported to the CEO of DEA and DDOs concerned in the month of November, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.

Audit recommends regularization of the expenditure from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 21,8,9]

#### **15.2.2.5 Irregular payment of inspection allowance without observing KPIs – Rs 14.450 million**

According to Government of the Punjab Finance Department's notification No. S.O. (Budget) 1-15/2013 dated 27.08.2014, and No. S.O. (Budget) 1-15/2013(Vol-II) dated 15.01.2018, Inspection Allowance of Rs 25,000 PM to male /female Assistant Education Officers working in the school education department is allowed subject to verifiable Key Performance Indicators as developed by School Education Department dated 12.09.2017.

The Chief Executive Officer, DEA and Deputy District Education Officer (EE-W) Pakpattan allowed payment of Rs 14.450 million on account of inspection allowances to AEOs along with their pay without approval of verifiable Key Performance Indicators (KPI) as developed by School Education Department in violation of above instructions.

Due to weak monitoring controls, the inspection allowance was irregularly paid to the AEOs along with their pay.

Payment of inspection allowance with pay of AEOs without observing KPIs as directed by FD resulted in irregular payment of Rs 14.450 million

The matter was reported to the CEO of DEA in the month of November, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.

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

[AIR Para No. 18,3]

#### **15.2.2.6 Irregular payment of arrears of pay & allowances without allocation / release of separate budget- Rs 9.201 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.

The following DDOs of District Education Authority Pakpattan paid arrears of pay Rs 9.201 million to staff during 2017-18. No case of payment of arrear was submitted to CEO for sanction and no separate budget was released for payment of pending pays. Huge amount of arrears were paid without any check and balance. The detail is as under:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
01	Dy. DEO (EE-W) Arifwala	7.530
02	GGHS Colony Area Pakpattan	1.201
03	GHS Sandy Khan Pakpattan	0.470
<b>Total</b>		<b>9.201</b>



Due to weak management, unjustified claim of arrear bills were drawn without release of separate budget.

Non observance of rules resulted in irregular withdrawal of huge amount of arrear bills amounting Rs 9.201 million.

The matter was reported to the CEO of DEA and DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.

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

[AIR Para No.11,10,03]

#### **15.2.2.7 Excess payment of salary to employees by allotting different personal number in same bank account – Rs 6.278 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.

The Deputy District Education Officer (EE-M) Arifwala made payment of Rs 6.278 million during 2017-18 on account of pay and allowances to employees having same CNIC number through two different personal numbers. Furthermore, DDO paid pay & allowances to different employees having same bank account numbers.

Due to weak financial controls, excess payment of pay & allowances was paid through same CNIC and bank accounts.

Excess payment through same CNIC and same bank account numbers resulted in loss of Rs 6.278 million.

The matter was reported to the CEO of DEA and DDO concerned in November, 2018 but no reply was submitted. However, DAC meeting was not

convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.

Audit recommends recovery of Rs 6.278 million besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.01,02]

### **15.2.2.8 Irregular purchases through splitting – Rs 5.099 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.

The following DDOs of District Education Authority Pakpattan purchased building materials, furniture and electric lab material from SMC / NSB grant amounting Rs5.009 million during 2017-18 without procurement planning. All the items were purchased through splitting the demands in pieces from local market instead of tender inquiry. The purchases were uneconomical in absence of purchase through tender committee. The detail is as under.

(Amount in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
01	GGHS 91/EB	0.605
02	GHS Urban Area Pakpattan	1.375
03	GGHS Colony Area Pakpattan	0.492
04	CEO Education	1.265
05	GHS Sandy Khan	0.800
06	GGHS City Arifwala	0.562
<b>Total</b>		<b>5.099</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 5.099 million.

The matter was reported to the CEO of DEA and DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.

Audit recommends inquiry in the matter, regularization of pay and allowances besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.4,2,5,3,2,3]

#### **15.2.2.9 Irregular / doubtful expenditure from NSB funds – 4.803 million**

According to serial No. 4 NSB Guidelines 2014-15 issued by Government of the Punjab, Education Department, the School Councils will observe the Punjab Procurement Rules while incurring expenditure from NSB funds. The School Council may allow the Head Teacher to draw an amount for petty expenditure which should, in no case exceeded to Rs 5,000. If possible all payment exceeding Rs 10,000 should be made through cross cheques.

The Principal Government Girls High School Colony Area Pakpattan incurred an expenditure of Rs 4.803 million out of NSB funds during 2014-18. The expenditure was incurred by splitting the indents to avoid the tendering process. The expenditure was incurred by cash withdrawal from bank in excess of permissible limit. The date of bills of suppliers / traders did not match with the date of cash withdrawal which depicts that purchases were made / repair work was done from local market and later on, bills from registered firms were prepared to complete the record. The bills were not signed by Co-Chairman / members of School Councils. No quality /quantity certificate of purchases made / work done was available on record. The deduction of Income Tax / Sales Tax was not properly monitored. The Sales Tax deposit proofs provided by firms were not authentic as the invoice number. & date of bill did not match with the invoice number mentioned in the Annexure-C of Sales Tax return.

Due to weak financial control, NSB funds were not incurred as per NSB Guidelines.

Incurring of expenditure without observing codal formalities resulted in irregular expenditure of Rs 4.803 million.

The matter was reported to the CEO of DEA and DDO concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.

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

[AIR Para No.14]

#### **15.2.2.10 Irregular expenditure from NSB funds without preparation of annual plan - Rs 4.752 million**

According to serial No. 3.4 of NSB Guidelines issued by the Education Department Government of the Punjab, every school is required to prepare school based Action plan (SBAP) at the start of financial year.

The Headmistress Government Girls City High School Arifwala incurred an expenditure of Rs 4.752 million from non-salary budget during 2015-18 without preparation of School Based Action Plan. No annual Development Plan of school showing the proposed work to be done along with estimated costs was prepared and got approved from DEO (SE). No monitoring reports of members of School councils was prepared and produced to Audit. The detail is as under:

(Rupees in million)

<b>DDO Code</b>	<b>Financial Year</b>	<b>NSB Budget</b>	<b>NSB Expenditure</b>
PK 6232	2014-15	1.386	1.200
PK 6232	2015-16	1.378	1.571
PY-6182	2016-17	0.725	0.453
PY-6182	2017-18	1.528	1.528
<b>Total</b>		<b>5.017</b>	<b>4.752</b>

Due to weak financial controls, expenditure was incurred without preparation of annual plan.

Non observance of guidelines of administrative department resulted in irregular expenditure of Rs 4.572 million.

The matter was reported to the CEO of DEA and DDO concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.

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

[AIR Para No.01]

#### **15.2.2.11 Non reconciliation of bank balance and cash book – Rs 2.934 million**

According to rule 2.10(a)(1) of the PFR Vol-I, same vigilance should be exercised in respect of expenditure incurred from Government revenues as a person of ordinary prudence would exercise in respect of expenditure of his own money.

The DEO Literacy Pakpattan did not reconcile cash balance as per cashbook with bank statement during 2017-18. The closing balance of cash book was 0.023 million on 30.06.2018 but bank balance showed balance of Rs 2.957 million. There was difference of Rs 2.934 million between Cash book and bank statement.

Due to weak internal controls, reconciliation of bank statement and cash book was not done.

Non reconciliation of bank statement and cash book resulted in difference of Rs 2.934 million.

The matter was reported to the CEO of DEA and DDO concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.

Audit recommends reconciliation of accounts besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 25]

**15.2.2.12 Doubtful purchase of material without stock entries - Rs 2.592 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 following DDOs of District Education Authority Pakpattan withdrew funds of Rs 2.592 million on account of purchase of consumable and permanent storable items during 2012-18 from NSB funds. No stock entries of material purchased was made. The items were purchased repeatedly without maintaining stock registers. The detail is as under:

(Amount in Rupees)		
Sr. No.	Name of DDOs	Amount
01	GHS Urban Area Pakpattan	1.164
02	Deputy District Education Officer (EE-W) Pakpattan	1.428
<b>Total</b>		<b>2.592</b>

Due to weak financial controls, purchases were made without stock entries.

The purchases of Rs 2.592 million without stock entries resulted in doubtful purchase.

The matter was reported to the CEO of DEA and DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.

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

[AIR Para No.03,07]

#### **15.2.2.13 Irregular payment in cash instead of crossed cheque – Rs 1.401 million**

According to rule 4 (b) of Punjab District Authorities (Accounts) Rules, 2017 the District Authority shall made payment through crossed non-negotiable cheque exceeding rupees one thousand.

The CEO District Education Authority Pakpattan made payment of Rs 1.401 million in cash during 2017-18 instead of crossed cheque in violation of above mentioned rule. Furthermore, the DDOs issued cheques in favor of cashier and cahier made the further disbursement in cash.

Due to weak internal controls, payment was made in cash instead of crossed cheque.

Non observance of rules resulted in irregular payment in cash amounting Rs 1.401 million.

The matter was reported to the CEO of DEA in November, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.

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

[AIR Para No.31]

### 15.2.2.14 Irregular payment of pay & allowances in excess of sanctioned posts - Rs 1.341 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.

The CEO District Education Authority and District Education Officer (SE) Pakpattan allowed drawing the salary of Rs 1.341 million in excess than the sanctioned post during 2017-18. The comparison of posts mentioned in Budget Book with HR Data of DAO Pakpattan revealed that excess employees were working against the sanctioned posts. Pay and allowances amounting Rs 1.341 million were drawn during 2017-18. The detail is as under:

(Rupees in million)

Cost Center	BP S	Post	Sanctioned Post	Salary Drawn	Personal No.	Name	Amount
PY6113	16	HEAD CLERK	0	1	30719422	ZAHID GOHAR	0.493
PY6004	2	SECURITY GUARD	2	5	30719584	MUHAMMAD SHAHID	0.202
					30825350	GHULAM FARID	0.215
					30913386	GHULAM SABIR	0.146
					30914890	MUHAMMAD ANWAAR	0.146
					31423956	MUHAMMAD BUKHSH	0.139
<b>Total</b>							<b>1.341</b>

Due to weak financial controls, pay and allowances of excess staff than sanctioned posts were drawn.

Withdrawal of pay and allowances in excess of sanctioned posts resulted in irregular expenditure of Rs 1.341 million.

The matter was reported to the CEO of DEA and DDO concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.



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

[AIR Para No. 2,10]

**15.2.2.15 Excess payment of GST on exempted items - Rs 1.018 million**

According to Government of the Pakistan, Ministry of Finance, Economic Affairs, Statistics and Revenue, (Revenue Division) notification No. S.R.O. 896 (I)/2013 dated 4<sup>th</sup> October,2013,paint, distempers, enamels, pigments, colours, varnishes, gums, dyes, thinners, polish etc. are exempt from sales tax. Bricks are also exempt from sales tax till 30.06.2018.

The following DDOs of District Education Authority Pakpattan paid Rs 1.018 million to firms as sales tax on account of purchase of paints, distempers enamels, petrol varnishes, thinners, polish and bricks. These items were exempt from sales tax. The payment of sales tax on exempted items resulted in overpayment and loss to government. The head teachers drew funds on account of paints and distempers repeatedly without maintaining history sheet. The detail is given as under.

(Rupees in million)

Sr. No.	Name of DDOs	Amount
1	Deputy District Education Officer (EE-M) PPN	0.880
2	GGHS Colony Area Pakpattan	0.072
3	GHS Sandy Khan	0.066
<b>Total</b>		<b>1.018</b>

Due to weak internal controls, sales tax was paid on exempted items.

Payment of Sales Tax Rs 1.018 million on exempted items resulted in loss to government.

The matter was reported to the CEO of DEA and DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.

Audit recommends recovery of Rs 1.018 million besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 8,7,12]

### 15.2.3.1 Performance

#### 15.2.3.1 Non surrender of anticipated savings – Rs 62.443 million

According to rule 15 (a) (b) of District Authorities Accounts Rules 2017, the Drawing & Disbursing Officer shall be responsible to prepare estimates of expenditure of the concerned office, maintain budget control register, record entries of each transaction therein against corresponding allocation and make assessment of expenditure likely to be made during the financial year and takes measures accordingly.

Dy. DEO (EE-M) Pakpattan did not surrender the anticipated savings of Rs 62.443 million during 2016-18. Funds of Rs 130.202 million were allocated for pay and allowances and contingencies out of which only funds of Rs 67.711 could be utilized. Funds of Rs 62.443 million neither utilized nor surrendered well in time and lapsed. The detail is as under:

(Rupees in million)

Sr. No	DDOs	AIR Para No.	Financial Year	Budget allocation	Actual expenditure	Savings
1	GG HS 91/EB Arifwala	8	2014-18	24.908	14.810	10.098
2	GHS Urban Area Pakpattan	9	2013-18	68.787	23.429	45.358
3	GGHS Colony Area Pakpattan	3	2014-18	6.550	4.011	2.539
4	GHS Sandy Khan Pakpattan	1	2011-18	29.957	25.461	4.448
<b>Total</b>				<b>130.202</b>	<b>67.711</b>	<b>62.443</b>

Due to weak financial controls, anticipated savings were not surrendered well in time and lapsed.

Non-utilization of funds amounting Rs 62.443 million resulted in non-provision of necessary facilities to the intended students.

The matter was reported to the CEO of DEA and DDOs concerned in November 2018 but no reply was submitted. However, DAC meeting was not

convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.

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

[AIR Para No. 8,9,3,1]

### **15.2.3.2 Excess expenditure over and above the budget allocation – Rs 28.666 million**

According to rule 15 (a) (b) of District Authorities Accounts Rules 2017, the Drawing & Disbursing Officer shall be responsible to prepare estimates of expenditure of the concerned office, maintain budget control register, record entries of each transaction therein against corresponding allocation and make assessment of expenditure likely to be made during the financial year and takes measures accordingly.

The CEO District Education Authority and Headmaster Government High School Urban Area Pakpattan incurred excess expenditure Rs 228.666 million from budget allocation during the financial years 2014-18. The incurring of excess expenditure from allocated budget resulted in violation of government rules.

Due to weak financial discipline, expenditure was incurred in excess of budget allocation.

Non observance of rules resulted excess expenditure of Rs 28.666 million

The matter was reported to the CEO of DEA and DDO concerned in November 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.

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

[AIR Para No. 30,10]

### 15.2.3.3 Unjustified payment of Social Security Benefits –Rs 8.376 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.

The following DDOs of DEA Pakpattan allowed drawing the SSB allowance Rs 8.376 million to those employees who were regularized in compliance of above mentioned order. Regularization of these employees was announced on 1<sup>st</sup> March-2013 and employees were taking social security regularly. The social security benefits were not allowed after regularization. Neither SSB was stopped nor recovered till the dates of audit. The detail is as under:

Sr. No.	DDOs	Amount
01	Deputy DEO (EE-M) Pakpattan	-
02	GMC HS Arifwala	-
03	GHS Urban Area Pakpattan	-
04	GGHS Colony Area Pakpattan	-
05	CEO Education	8.376
06	Deputy DEO (EE-W) Pakpattan	-
07	GHS Sandy Khan	-
<b>Total</b>		<b>8.376</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 8.376 million.

The matter was reported to the CEO of DEA and DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.

Audit recommends recovery from concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.03,01,01,02,11,11,04]

#### **15.2.3.4 Irregular withdrawal of conveyance allowance during vacations – Rs 3.187 million**

According to Rule 1.15 of the Punjab Travelling Allowance Rules 1976, conveyance allowance is not admissible during any kind of leave except casual leave. Further, according to the Government of Punjab, Finance Department letter No. 106 I-SO(SR) IV/7 dated 18.08.1977, conveyance allowance is not admissible during vacations.

The following DDOs of (DEA) Pakpattan allowed withdrawal of Rs 3.187 million on account of conveyance allowance to the teachers during summer & winter vacation and earned leaves during 2017-18. The payment of conveyance during leaves period resulted in unauthorized payment. The detail is as under:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
1	Deputy District Education Officer (EE-M) PPN	0.802
2	Deputy District Education Officer (EE-W) Arifwala	0.370
3	GMC HS Arifwala	0.094
4	GGHS Colony Area Pakpattan	0.130
5	Deputy District Education Officer (EE-M) Arifwala	0.627
6	Deputy District Education Officer (EE-W) Pakpattan	1.007
7	GHS School Sandy Khan Pakpattan	0.066
8	GGHS City Arifwala	0.091
<b>Total</b>		<b>3.187</b>

Due to weak internal controls, conveyance allowance was paid during vacations and earned leaves.

Unjustified payment of conveyance allowance during vacations / LFP resulted in loss of Rs 3.187 million.

The matter was reported to the CEO of DEA and DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.

Audit recommends recovery from concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 4,7,1,2,3,4,9,10,11,13,14,7,8]

### **15.2.3.5 Unauthorized expenditure by School Management Committee – Rs 3.104 million**

According to clause 4.9 of School Council Policy 2007 as amended in its edition of 2017, school council funds will be utilized on prescribed purposes. During financial year, a School Council can incur up to the maximum of four hundred thousand rupees.

Dy. DEO (EE-M) Arifwala did not properly monitor the incurring of funds by school councils. Following school councils incurred expenditure of Rs 3.104 million by incurring funds beyond the permissible limit of Rs 400,000 during a financial year. The detail is as under:

(Rupees in million)

Sr No.	Name of School	EMIS Code	Total Amount Received	Total Expenditure
1	GES 35 EB P/O Jamia Islamia	39220185	0.435	0.425
2	GES Mehdi Khan	39220130	0.461	0.440
3	GES Mari Hazara	39220137	0.426	0.591
4	GES Heman Mehrka	39220152	0.617	0.475
5	GES Chak No. 109/ EB	39220208	0.674	0.676
6	GES 167 EB	39220222	0.516	0.497
<b>Total</b>				<b>3.104</b>

Due to weak financial management, the school councils incurred funds beyond prescribed limit.

Incurring of funds beyond permissible limits resulted in irregular expenditure of Rs 3.104 million.

The matter was reported to the CEO of DEA and DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.

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

[AIR Para No. 14]



## 15.2.4 Internal Control Weaknesses

### 15.2.4.1 Non reconciliation of budget and expenditure between DEA and SAP R/3 data – Rs 493.119 million

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

The Chief Executive Officer of DEA Pakpattan did not monitor the budget and expenditure of DEA Pakpattan during 2017-18. No reconciliation of figures was made as the original budget, revised budget and actual expenditure figures as reflected in SAP R/3 system and books of accounts of DEA mismatched. A difference of Rs 235.205 million, 246.966 million and Rs 10.947 million was noticed in original, revised budget and actual expenditure figures respectively. The detail is as under:

(Rupees in million)

Particulars	Budget grant	Final grant	Actual expenditure
As per SAP System	3,020.306	3,833.560	3,575.646
As per Budget & Accounts Record	3,255.511	3,586.594	3,586.594
<b>Difference</b>	<b>(235.205)</b>	<b>246.966</b>	<b>(10.947)</b>
<b>Total Difference</b>			<b>493.119</b>

Due to poor budgeting and defective financial management, the budget figures were not properly reconciled with figures of District Accounts Office System SAP R/3.

Non-reconciliation of budget figures created doubts on the true and fair view of books of accounts.

The matter was reported to the CEO of DEA in November, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.

Audit recommends reconciliation of budget and expenditure figures with DAO Pakpattan besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.01]

#### **15.2.4.2 Defective prioritization of Schools selected for development work – Rs 26.409 million**

According to Government of the Punjab School Education Department's letter No. SO(ADP)Review-418/2017-18 dated 30<sup>th</sup> June, 2017 regarding utilization of development funds allocated to DEAs the basic criteria for identification, prioritization and execution of scheme has been devised for 'normal circumstances' which are as under:

“School Education Department desires that funds under each Mega Programme must be spent on the needy schools prioritized on the basis of urgency, highest enrolment, gender parity and rural-urban divide where necessary. Identification of scheme be made through a committee notified by CEO, DEA concerned with the approval of administrator, DEA concerned”.

The Chief Executive Officer of DEA Pakpattan incurred expenditure of Rs 26.409 million on development work during 2017-18. The CEO did not ensure the prioritization criteria given by the School Education Department. Irrational selection was made by the prioritization committee constituted for this purpose. Selection of schools having missing facilities was made without preparation of working papers, assigning priority marks / weightage based on factors / elements of criteria given by School Education Department. The schools were selected without considering the enrollment of the schools. Schools having maximum enrollment were ignored. The element of urgency was not considered while selecting schools, schools having no boundary walls were ignored. The schools were selected without allocation of weightage of priority. **Annexure-K/PPN**

Due to weak monitoring and negligence of the prioritization committee, the less enrolment schools were selected against the criterion.

The selection of schools for development works against the criteria resulted in violation of Government instructions.

The matter was reported to the CEO of DEA in November, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.

Audit recommends that strict disciplinary action may be taken against the inefficient members of prioritization committee, under intimation to Audit.

[AIR Para No. 15]

#### **15.2.4.3 Mis procurement of IT Equipment for IT Labs – Rs 22.227 million**

According to rule 38 (2)(a) (iv) of Punjab Procurement Rules, 2014, the procuring agency shall reject any proposal which does not conform to the specified technical requirements

The Chief Executive Officer of DEA Pakpattan made procurement of IT equipment in connection with establishment of IT LABs costing Rs 22.227 million during 2017-18. **Annexure-L/PPN** Audit observed as under:

- i. Irrational and un-necessary categorization was made. Categorization of indents to be purchased badly affect the realistic competition as suppliers who could supply any of the equipment included a group could not participate in the tender.
- ii. Doubtful technical evaluation of bidders was made and letters for inviting grievances to the rejected bidders were not issued.
- iii. The equipment supplied was not properly functioning as Sisco Switch was not installed yet and not functioning. The wireless card provided in desktop computers was not functioning on available hot spot / Wi-Fi signals.
- iv. Specifications approved and conveyed by planning wing of School Education Department were adopted but high prices were paid beyond estimated cost of these specifications.

- v. An amount of Rs 5.158 million was incurred on establishment of IT LABs in elementary schools where neither the building particularly required for IT LAB nor was IT teacher posted in these schools.

Due to weak internal controls, technical bid evaluation was not made properly and defective and un-necessary procurement was made.

Faulty technical evaluation, purchase of defective equipment and un-necessary establishment of IT Labs in elementary schools resulted in mis-procurement of Rs 22.227 million.

The matter was reported to the CEO of DEA in November, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.

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

[AIR Para No.05]

#### **15.2.4.4 Unjustified payment of pay and allowances without date of joining – Rs 18.922 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. Furthermore, 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 Chief Executive Officer of DEA and District Accounts Officer Pakpattan allowed to draw pay and allowances amounting Rs 18.922 million during 2017-18 for different staff of various DDOs. The withdrawal of pay was unjustified as no date of joining of the employees was mentioned in the HR data.

Due to which the actual date of appointment of staff and their pay and allowances could not be assessed by Audit.

Due to weak internal controls, unjustified payment of pay and allowances was made without mentioning the date of joining.

Non observance of codal formalities resulted in unjustified / irregular payment of pay and allowances amounting Rs 18.922 million.

The matter was reported to the CEO of District Education Authority Pakpattan in November 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.

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

[AIR Para No. 13]

#### **15.2.4.5 Non obtaining of deposit proof of General Sales Tax – Rs 5.802 million**

According to notification No. D.O No.5 (21) L&P/97-4910(S)-FS Sales Tax return cum payment challan along with supporting documents required (S.R) under the provision of Sales Tax Act, 1990 in proof of payment / deposit of Sales Tax into Government treasury are required to be received from the supplier.

The following DDOs of District Education Authority Pakpattan made payment of Rs 5.802 million to the different suppliers / firms on account of GST during 2017-18 without obtaining deposit proof from suppliers. Mostly bills of the firms were dateless which created doubt that sales tax amount was misappropriated. Taxes were also applied on exempted items e.g. Tablet, Cement etc. The detail is as under:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
01	Dy DEO (EE-M) Pakpattan	2.394
02	Dy. DEO (EE-W) Arifwala	0.051
03	GGHS 91/EB	0.179
04	GHS Urban Area Pakpattan	0.249

Sr. No.	DDOs	Amount
05	GGHS Colony Area Pakpattan	0.274
06	Dy DEO (EE-M) Arifwala	1.508
07	Dy. DEO (EE-W) Pakpattan	0.691
08	GHS Sandy Khan Pakpattan	0.070
09	GGHS City Arifwala	0.386
<b>Total</b>		<b>5.802</b>

Due to weak monitoring controls, deposit proof of GST was not obtained from the firms.

Non obtaining proof of deposit of GST might result in loss of Rs 5.416 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.

Audit recommends inquiry of the matter, complete verification of GST invoice from FBR besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 12,13,2,4,8,13,17,19,8,5]

#### **15.2.4.6 Overpayment due to acceptance of excess rates – Rs 4.255 million**

According to Government of the Punjab School Education Department (Planning Wing) Lahore's notification No. SO(ADP-III) 9-3/2017 dated 15.01.2018 and Notification bearing same number dated 30.01.2018, all CEOs of DEAs in Punjab were issued IT Labs specifications for setting up IT Labs in Government Schools of Punjab with the directions for strict compliance. These specifications included the item name minimum specifications along with estimated budget for respective item.

The CEO District Education Authority Pakpattan made excess payment of Rs 4.255 million during 2017-18 to M/s Technosol (Pvt) Ltd Lahore by purchasing the lab equipment at higher rates than rates approved by School Education Department and adopted by CEO while issuing purchase order for procurement of Desktop Computer Core i5. The detail is as under:

(Rupees in million)

Name of Article / Particulars	Name of Supplier	Supply order No.	Date	QTY	Rate	Amount	Approved rate (Rs)	Excess Rate paid (Rs)	Excess Payment
Dell Optiplex 3050 MT computer	Technosol Pvt. Ltd Lahore	2,384	12.04.18	10	70,875	708,750	55,000	15,875	0.159
		2,387	12.04.18	64	70,875	4,536,000	55,000	15,875	1.016
		2,387	12.04.18	50	70,875	3,543,750	55,000	15,875	0.794
		2,385	12.04.18	64	70,875	4,536,000	55,000	15,875	1.016
		2,386	12.04.18	80	70,875	5,670,000	55,000	15,875	1.270
<b>Total</b>									<b>4.255</b>

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

Payment of excess rates for specification purchased resulted in loss of Rs 4.255 million.

The matter was reported to the CEO of District Education Authority Pakpattan in November, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.

Audit recommends recovery amounting Rs 4.255 million besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.04]

#### **15.2.4.7 Non-imposition of penalty due to non-completion of works within time limit Rs 2.492 million**

According to clause 39 (a) of contract agreement” The time allowed for carrying out the work as entered in the tender shall be strictly observed by the contractor. The work shall throughout the stipulated period of the contract be proceeded with all due diligence in accordance with the programme of work and the contractor shall pay as compensation an amount equal to one percent of the amount of contract subject to maximum of 10% or such smaller amount as the engineer in-charge (whose decision in writing shall be final) may decide, on the amount of the estimated cost stated in item(b) of the memorandum of work annexed hereto for every day the work remains un-commenced or unfinished after the proper date.

The CEO District Education Authority Pakpattan did not observe the time limits granted to contractors during 2017-18. Contractors neither completed the

work within time limit nor applied for time extension before the expiry period of work. Penalty amounting Rs 2.492 million was not imposed due to late completion of work as detailed below:

(Rupees in million)

Sr. No.	WO No. & Date	Name of Schemes	TS Amount	Amount of work order	Time limit in Months	Penalty @ 10%	Status
1	917 28.02.17	Const. of boundary walls Govt. Model Primary School 6/KB	1.516	1.481	2.5	0.148	Not completed in prescribed time
2	915 28.02.17	Const. of Boundary Wall GPS Kot Kanogo 836Rfts with gate and gate pillar	2.808	2.808	3	0.281	Not completed in prescribed time
3	1001 14.11.16	Const. of Boundary Wall GPS Dedar Singh 750 Rft	2.595	2.534	3.5	0.253	Not completed in prescribed time
4	886 24.02.17	Const. of dangerous building GHS colony area const. of 3 class rooms	3.286	3.160	3.5	0.316	Not completed in prescribed time
5	919 28.02.17	Const. of Boundary Walls GPS 74/D	3.418	3.418	3	0.342	Not completed in prescribed time
6	9132 8.02.17	const. of dangerous building GGHS 20/SP of 3 class rooms	3.483	2.932	3.5	0.293	Not completed in prescribed time
7	872 24.02.17	Const. Of boundary wall at GGJS 20/SP	2.127	2.073	2.5	0.207	Not completed in prescribed time
8	958 20.04.17	Const. of 6 Cass Room with Waranda at GHS chak bedi	6.554	6.511	4.5	0.651	Not completed in prescribed time
<b>Total</b>				<b>24.917</b>		<b>2.492</b>	

Due to weak internal controls, penalty was not imposed despite non-completion of works in time.

Non-imposition of penalty resulted in loss to the Government amounting Rs 2.492 million.

The matter was reported to the CEO of District Education Authority Pakpattan in November, 2018 but no reply was submitted. However, DAC



meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.

Audit recommends recovery amounting Rs 2.492 million besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.28]

#### **15.2.4.8 Non refund of NSB funds from schools handed over to PEF – Rs 1.880 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 CEO District Education Authority Pakpattan did not ensure to refund the unspent balance of Rs 1.880 million from school councils of 56 primary schools which were handed over to Punjab Education Foundation (PEF).

Due to weak internal controls, the unspent balance of NSB funds available in the school councils of schools transferred to PEF was not refunded to Government treasury.

Non refund of unspent balance resulted in loss of Rs. 1.880 million.

The matter was reported to the CEO of District Education Authority Pakpattan in November, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.

Audit recommends shifting of unspent balance funds from these closed / transferred schools to Govt. treasury under intimation to Audit.

[AIR Para No.08]

#### **15.2.4.9 Defective registration / non-renewal and non-registration of private schools – Rs 1.671 million**

According to Section 3 of the Punjab Private Educational Institutions (Promotion and Regulation) Ordinance, 1984, no institution shall be run unless it is registered in accordance with the provisions of this Ordinance and the Rules. An institution in existence on the commencing day shall apply for registration

within ninety days from that day and may continue to function without registration until the application is disposed off. The registration authority shall, within sixty days from the date of filling of an application for registration, decide the application.

According to Government of the Punjab Education Department, notification No. SO (A-I)7-21/81 dated 24<sup>th</sup> August 1998, Government decided following rates of registration and annual fee for privately Managed Institution:.

Sr. No.	Particulars	Registration Fee (Rs)	Annual Inspection Fee (Rs)
1	College/Polytechnic Commercial/Vocational Institutes	10000	1000
2	High School/Higher Secondary School	70000	1000
3	Elementary School	5000	500

The CEO District Education Authority Pakpattan did not ensure recovery amounting Rs 1.671 million on account of renewal of registration and annual inspection fee from various private schools during 2017-18. Audit obtained the list of registered schools in the District Pakpattan and asked for provision of renewal record of each school but out of total No. of 588 registered schools approximately 500 schools were not renewed followed by payment of annual inspection fee as per rules. The cases of permanently registered schools were also doubtful and needs review by CEO DEA. There was no provision in Rules of 1984 that schools could be permanently registered hence all schools registered after 1984 on permanent basis was void. The detail is as under:

(Rupees in million)

Sr. No.	Particulars	No. of Schools	Rate (HS/ES)	Recoverable Amount
1	Registration Fee	90	7000/5000	0.630
2	Renewal Fee	500	1000/500	1.041
<b>Total</b>		<b>590</b>		<b>1.671</b>

Due to weak administrative controls, the private schools were not properly administered.

Poor administration of private schools resulted in non-realization of inspection as well as registration fee of Rs 1.680 million

The matter was reported to the CEO of District Education Authority Pakpattan in November, 2018 but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this report.

Audit recommends recovery amounting Rs 1.671 million besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 16]

## CHAPTER 16

### 16.1 District Education Authority Sahiwal

#### 16.1.1 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 Education 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)	193
Special Education Schools / Centres	7
Elementary Schools	276
Primary Schools	657

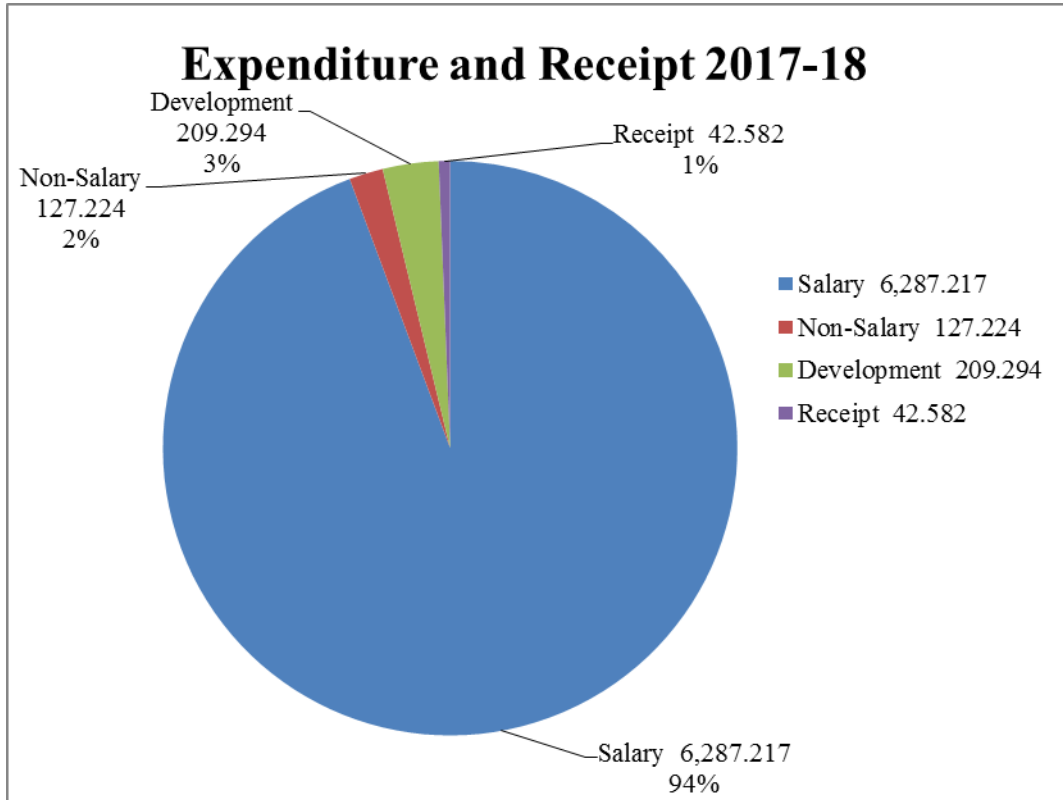
### **16.1.2 Comments on Budget and Accounts**

The detail of Budget and Expenditure is given below in tabulated form.

(Rupees in million)

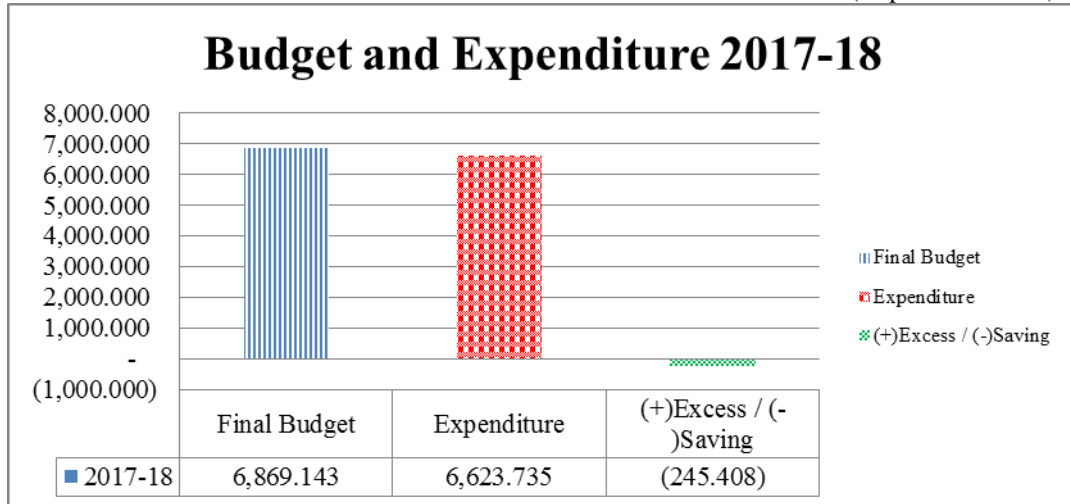
<b>2017-18</b>	<b>Budget</b>	<b>Actual</b>	<b>Excess (+) / Saving (-)</b>	<b>(%) Saving</b>
Salary	6,302.301	6,287.217	(15.084)	-0.24%
Non-salary	145.615	127.224	(18.391)	-12.63%
Development	421.227	209.294	(211.933)	-50.31%
<b>Sub Total</b>	<b>6,869.143</b>	<b>6,623.735</b>	<b>(245.408)</b>	<b>-3.57%</b>
Receipts	67.142	42.582	(24.560)	-36.58%

(Rupees in million)



As per the Appropriation Accounts 2017-18 of the District Education Authority Sahiwal, total original budget (Development and Non-Development) was Rs 6,749.175 million, supplementary grant was Rs 119.968 million provided and the final budget was Rs 6,869.143 million. Against the final budget, total expenditure of Rs 6,623.735 million was incurred by the District Education Authority during the financial year 2017-18. A lapse of Rs 245.408 million came to the notice of Audit, which shows that the District Education Authority failed to provide services and infrastructure development. No plausible explanation was provided by PAO and management of the District Education Authority (**Annexure-B**)

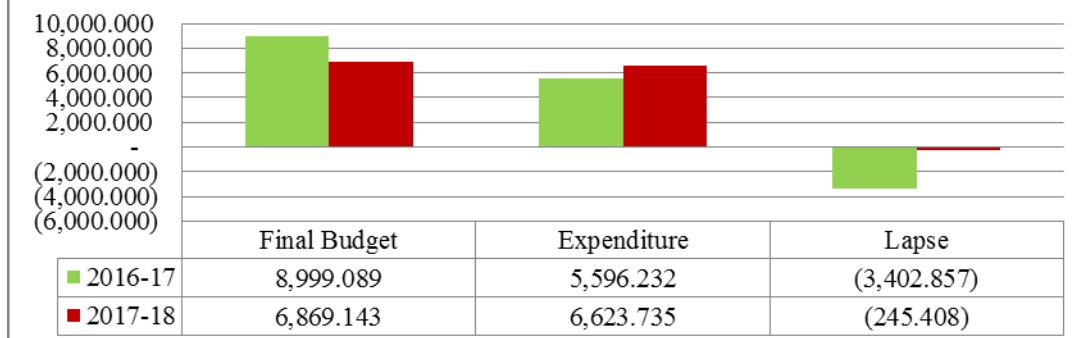
(Rupees in million)



In Education Department savings of Rs 245.408 million (3.57% of allocation) occurred by over estimating / releasing the budget against the vacant posts despite the fact that no recruitment against these vacant posts was made during the financial year 2017-18. Further funds of School Management Council (SMC) were not utilized despite availability. The same resulted in deprive of the students / populace of necessary facilities, such as provision of furniture & fixture as well as provision of laboratory equipment.

The comparative analysis of the budget and expenditure of current and previous financial years is depicted as under:

## Comparison of Budget and Expenditure 2016-17 & 2017-18



There was 24% decrease in budget allocation and 18% increase in expenditure incurred in financial year 2017-18 as compared to financial year 2016-17, while there was overall savings of Rs 245.408 million during 2017-18.

### 16.1.3 Brief Comments on the Status of Compliance of MFDAC Audit Paras of Audit Report 2017-18

Audit paras reported in MFDAC of last year audit report which have not been attended in accordance with the directives of DAC have been reported in Part-II of Annexure-A.

### 16.1.4 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	17	PAC not constituted



## 16.2 AUDIT PARAS

### 16.2.1 Non Production of Record

#### 16.2.1.1 Non Production of record – Rs 43.032 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 the record of Pay and allowances and contingencies expenditure of Rs 43.032 million during 2017-18 despite various verbal and written requests. The detail is given below:

(Rupees in million)

Sr. No.	AIR Para No	DDOs	Subject of Para	Amount
1	12	Principal GGHSS Farid Town Sahiwal	vouched Account were not produced	40.471
2	5	Government Batala muslim high School sahiwal	vouched Account were not produced	0.431
3	10	Government Higher Secondary School Iqbal Nager	vouched Account were not produced	-
4	4	Government mehmodia high school sahiwal	vouched Account were not produced	2.13
<b>Total</b>				<b>43.032</b>

Due to weak internal controls and willful evasion from audit, record was not produced for audit verification.

Non-Production of record created doubts regarding legitimacy of expenditure incurred amounting Rs 43.032 million.

The matter was reported to the CEO of DEA and the DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends that record be produced for audit scrutiny besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.12, 05, 10, 04]

## **16.2.2 Irregularities & Non Compliance**

### **16.2.2.1 Irregular / doubtful expenditure from NSB funds – 53.083 million**

According to serial No. 4 NSB Guidelines 2014-15 issued by Government of the Punjab, Education Department, the School Councils will observe the Punjab Procurement Rules while incurring expenditure from NSB funds. The School Council may allow the Head Teacher to draw an amount for petty expenditure which should, in no case exceeded to Rs 5,000. If possible all payment exceeding Rs 10,000 should be made through crossed cheques.

During audit DEA Sahiwal, the Heads of various school councils under the administrative control of Dy. DEO (EE-M) Sahiwal incurred an expenditure of Rs53.083 million out of NSB funds during 2017-18. Audit observed the following irregularities:

- i. The entire expenditure was incurred by splitting the indents and small bills upto Rs 50,000 were drawn to avoid the tendering process.
- ii. The expenditure was incurred by cash withdrawal from bank in excess of permissible limit despite the fact that all registered firms have their bank accounts.
- iii. The date of bills of suppliers / traders did not match with the date of cash withdrawal which depicts that purchases were made / repair work was done from local market and later on, bills from registered firms were prepared to complete the codal formalities.
- iv. The bills were not signed by Co-Chairman / members of School Councils.
- v. No quality /quantity certificate of purchases made / work done was available on record.
- vi. Most of the schools did not enter the cash withdrawn from bank on receipt side of cash book.
- vii. Temporary teachers, and other staff were hired from NSB funds but no agreement for hiring of staff was produced to Audit.
- viii. The deduction of Income Tax / Sales Tax was not properly monitored. The Sales Tax deposit proof provided by the firms was not authentic as the invoice No. & Date of bill did not match with the invoice No

mentioned. Furthermore, complete Annexure having FBR Bar Code were not produced to audit due to which Sales Tax deposit could not be verified.

- ix. Procurement Plan as required under Guideline-4 was not prepared
- x. Proper Stock register of material purchased was not maintained on the format

Due to weak monitoring, expenditure from NSB funds was incurred in an irregular manner.

Non observance of rules resulted in irregular expenditure of Rs 53.083 million.

The matter was reported to the CEO of DEA and the DDO concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report

Audit recommends regularization of expenditure from Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.13]

#### **16.2.2.2 Irregular expenditure from NSB funds - Rs 40.980 million**

According to Para No.5 (b) of Controller General of Accounts (Appointment, Functions and Powers) Ordinance 2001, the function of the Controller General shall be to authorize payments and withdrawals from the Consolidated Fund and Public Accounts of the Federal and Provincial Governments against approved budgetary provisions after pre-audited checks as the Auditor-General may, from time to time, prescribe. Furthermore, according to Government of the Punjab Finance Department letter No.SO (TT) 6-1/2013 (2015) dated 15.07.2015, no withdrawals from Special Drawing Accounts are permissible as advance withdrawals or for en-block transfer of funds in commercial banks / Development Financial Institutions (DFIs). Withdrawals from the Special Drawing Accounts shall only be admissible, if these are required to meet validly accrued liabilities / booked expenditure, duly pre-audited, where so required.

During audit of DEA Sahiwal, Heads teachers of Primary and Middle Schools under the administrative control of Deputy District Education Officer (EE-M), Chichawatni, District Sahiwal incurred expenditure of Rs 40.980 million from School Council Account of schools during 2017-18. Audit observed the following irregularities:

- i. The funds were withdrawn for different expenditure i.e. repairs of building, sanitary work, repair of equipment and purchase of durable goods without pre-audit from District Accounts Office in violation of above rules.
- ii. The expenditure was incurred without observing codal formalities i.e. inviting tenders / calling quotations as required by the PPRA's rules and Punjab Procurement rules. Mostly bills were found without number & date and not signed by the members of School Council. The entire expenditure was incurred by splitting the indents and small bills upto Rs 50,000 were drawn to avoid the tendering process.
- iii. The expenditure was incurred by cash withdrawal from bank in excess of permissible limit despite the fact that all registered firms have their bank accounts.
- iv. The Head of school councils of Elementary and Primary schools insured expenditure out of NSB funds without preparation of School based Action plan. Only a few schools provided their action plan but the same were not signed by the Co-Chairman of School Council. No date of submission of Action Plan to concerned AEO was mentioned on the Plan. Furthermore, the Diary register of AEOs were also not produced to Audit to assess the actual date of submission of Action Plan.
- v. No monitoring reports of MEAs, AEOs and members of School Councils during execution of project was produced to Audit.
- vi. Satisfactory completion report of projects were not submitted to Dy. DEO by the Head teachers / Co-Chairman.
- vii. Monthly reports of utilization of funds were not submitted to EDO /CEO (Education) in violation of NSB Guidelines.

Due to weak administration and close monitoring of schools, purchases were made from unregistered suppliers out of NSB funds and funds were incurred without pre-audit.

Procurement from unregistered firms and withdrawal of funds without pre-audit of claims resulted in irregular expenditure of Rs 40.980 million.

The matter was reported to the CEO of DEA and the DDO concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.11]

### **16.2.2.3 Doubtful payment of salaries through the same bank account to different employees – Rs 18.824 million**

According to Section 4.2.7.2 and 4.2.7.4 of the APPM, the certification (pre-audit) process comprises two functions; namely a verification function and an audit function. The audit function involves scrutinizing of the claim vouchers to identify possible fraud and irregularities that a reasonable person would be expected to discover. Furthermore, Rule 2.31 of PFR Vol-I, provides that a drawer of bill for pay, allowance, contingent & other expenses will be held responsible for any over charges, frauds and misappropriations.

Chief Executive Officer DEA / District Accounts Officer Sahiwal paid salaries to different staff of Education Department amounting to Rs 18.624 million for the year 2017-18. The salaries were paid through bank. It was observed from the HR Data that salaries were transferred to the same bank account for different employees.

Audit is of the view that the irregularity occurred due to weak internal control.

Weak internal control resulted in doubtful payment of Rs. 18.624 million.

The matter was reported to the CEO of DEA in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO,

despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiring of the matter besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.21]

#### **16.2.2.4 Irregular development expenditure without approved design and specifications – Rs 12.249 million**

According to Section 4.4.7 of the School Council Policy, 2007 read with Para 3.4.7 of Guidelines for Utilization of Non-Salary Budget (NSB) in Primary and Elementary Schools, development works shall be got executed according to the Government approved design and specifications. Furthermore, according to NSB Guidelines the School council will prepare the Development Plan of School as per Form-6. One Copy of development plan will be sent to concern AEO. All the members of school council will monitor the development work of school and will ensure the quality, timely completion and low cost of project. The school council will incur expenditure on development work according to market rate or less than market rates. On completion of scheme a completion report of scheme will be sent to Dy. DEO. Moreover, According to rule 12 of the Punjab Procurement Rules, 2014 procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website / print media.

During audit of DEA Sahiwal, Head teachers of Primary and Middle Schools under the administrative control of Deputy District Education Officer (EE-M), Chichawatni, District Sahiwal incurred expenditure of Rs 12.249 million on construction of boundary wall, toilets, water tanki, floor, ECE room, etc. during 2017-18 from NSB funds. Expenditure was incurred through spitting into small bills. The work was required to be done through building department as a deposit work or a prior estimate was got prepared from building department. The expenditure of Rs 12.249 million on construction of boundary wall held irregular.

- i. No estimates of construction work / repair work of building were presented before the school council prior to start of work but just the

general approval of work to be done was obtained without mentioning the estimated cost of scheme.

- ii. Technical expertise of building departments was not taken and estimates were not sanctioned / got made from the building department.
- iii. After completion, work was not verified by the school council or any other technical expert / representative of Government.
- iv. Neither the estimates were made location wise nor the bills were made location wise.
- v. Work done / repaired work was not able to certify and ascertained.
- vi. No detail of old material /dismantled material was available on record.
- vii. Against the repair work of more than Rs 100,000, no advertisement was made in PPRA's website. The expenditure was done mostly by drawing bills amounting to Rs 10,000 to 50,000 which depicts that expenditure was incurred without getting market rates.
- viii. Labour of repair work was not paid through muster roll. Labour was also paid through the invoice of General order supplier which was quite irregular.
- ix. Irregular Lump Sum repair bills were made.
- x. Cost of repair work was very high and self-desired rates were applied.
- xi. Building material was exempted from Gst but the mostly schools paid Gst on the same.

Due to weak internal controls, irregular expenditure of Rs 12.249 million was incurred.

Irregular expenditure resulted in violation of government instructions.

The matter was reported to the CEO of DEA and the DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.12]



**16.2.2.5 Irregular payment of arrears of pay & allowances without allocation / release of separate budget- Rs 11.316 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.

The following DDOs of District Education Authority Sahiwal paid arrears of pay Rs 11.316 million to staff during 2017-18. No case of payment of arrears was submitted to CEO for sanction and no separate budget was released for withdrawal of pending pays. Huge amount of arrears were drawn without any check and balance.

(Rupees in million)

Sr No	AIR Para No	DDOs	Subject of Para	Amount
1	6	Dy. DEO (EE-M), Chichawatni	Unauthorized withdrawals of arrears of Pay and allowances without budget allocation and sanction of the competent authority	6.724
2	6	Principal Government Higher Secondary School of Special Education (Hearing Impaired) Sahiwal	Payment of arrears of Pay and allowances without separate budget allocation	1.195
3	10	Government Girls Model Pilot Secondary School Sahiwal	Doubtful payment of Pay and allowances through adjustments –	3.397
<b>Total</b>				<b>11.316</b>

Due to weak management, Irregular claim of arrears bills were drawn without release of separate budget.

Non observance of rules resulted in irregular withdrawal of huge amount of arrears bills amounting Rs 11.316 million.

The matter was reported to the CEO of DEA and the DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiring of the matter and regularization of expenditure from Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.06, 06, 10]

### **16.2.2.6 Irregular purchases/expenditures through splitting – Rs 10.309 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.

The following DDOs of DEA Sahiwal incurred expenditure on different purchases and repair work on NSB grant amounting to Rs 10.309 million during 2017-18 without procurement planning. All the items were purchased through splitting the demands in pieces from local market instead of tender inquiry. The purchases were uneconomical in absence of purchase through tender committee. The detail is as under.

(Amount in million)

<b>Sr No</b>	<b>AIR Para No</b>	<b>DDOs</b>	<b>Subject of Para</b>	<b>Amount</b>
1	3	Principal GGHSS Farid Town Sahiwal	Doubtful expenditure through splitting	2.182
2	4	Government Higher	Irregular expenditure through splitting	1.168

Sr No	AIR Para No	DDOs	Subject of Para	Amount
		Secondary School, Harappa		
3	6	Government Higher Secondary School Iqbal Nager District Sahiwal	Irregular purchases through splitting	2.654
4	6	Government Batala muslim high School sahiwal	Irregular expenditure by splitting the indents to avoid the tendering process	0.516
5	1	Government Girls Model Pilot Secondary School Sahiwal	Doubtful expenditure through splitting	2.852
6	1	Government Special Education School for Mentally Retarded Children, Sahiwal	Irregular purchases through splitting	0.937
<b>Total</b>				<b>10.309</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 10.309 million.

The matter was reported to the CEO of DEA and the DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiring of the matter and regularization of expenditure from competent authority besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.3, 4, 6, 6, 1, 1]

#### **16.2.2.7 Non allocation of budget for Inspection Allowance – Rs 6.389 million**

According to rule 5(2) (a) & (b) of the District Authorities Budget Rules 2017, the Head of office is responsible for all matters relating to the budget for the office under his administrative control, ensure strict financial control.

Chief Executive Officer DEA Sahiwal had not allocated funds of Rs 9.956 million of Inspection allowance to the relevant DDOs where the respective AEOs were posted/drawing Pay and allowances. The actual expenditure of Rs. 6.389 million booked in the expenditure of EDO under DDO code SC 6011 rather than booking into to the DDO codes of the respective Dy. DEOs males and females.

Fund Center	Detail Object Description	Final Grant	Actual Expenditure
SC6011 - C.E.O. DISTRICT EDUCATION AUTHORITY SAHIWAL	A01297-INSPECTION ALLOWANCE	9.959	6.389

Due to weak financial management the budget was not allocated to the respective DDOs.

Non allocation of budget to the respective DDOs resulted in irregular booking of expenditure in the budget of EDO amounting to Rs. 6.389 million.

The matter was reported to the CEO of DEA in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 03]

#### **16.2.2.8 Unauthorized payment to DDO instead of actual payee - Rs 3.130 million**

According to rule 4.49 (a) of Punjab Subsidiary Treasury Rules, payments of Rs 100,000 and above to contractors and suppliers shall not be made in cash by the Drawing & Disbursing Officers (DDOs). At places where pre-audit cheques are issued, the sanctioning authority shall accord sanction to incur expenditure, under his own signature, in favour of contractor / supplier incorporating CNIC No. of the contractor / supplier.

During audit of DEA Sahiwal, Principal GGHSS Farid Town Sahiwal made payment to different staff on account of their claims amounting to Rs 3.130 million during 2015-18. Audit observed that DAO Sahiwal issued cheque in the name of DDO instead of concerned payee through opening of vendor number. The detail is as under:

(Rupees in million)

Date	Nature of payment	Name of payee	Designation	Amount
14.06.15	Leave encashment	Safia Bibi	PST	0.163
28.01.16	Leave encashment	Tasleem Anjum	EST	0.320
10.06.16	Leave encashment	Kalsoom Hameed	PST	0.243
24.06.17	Leave encashment	Balqees Akhtar Najmi	EST	0.204
10.01.18	Financial Assistance	Sajjad Amin H/O Anila Sukhera (Late)	EST	2.200
<b>Total</b>				<b>3.130</b>

Due to weak internal controls, cheques were issued to DDO instead of concerned payee.

Payment through DDO instead of actual payee resulted in irregular payment amounting to Rs 3.130 million.

The matter was reported to the CEO of DEA and the DDO concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.11]

#### **16.2.2.9 Irregular expenditure due to approval of defective SMC committee – Rs 2.570 million**

According to Government of the Punjab School Education Department letter No.SO(SNE)PMIU/2010 (P) dated 11.03.2013, the school council earlier comprising a minimum of seven and maximum of fifteen members will be increased to minimum of 9 and maximum of 17 members with the addition in

categories of parents members and general member. The total strength of the school council has to be in odd number. School council shall be consisted of parent members, teacher member and general member. Parent members will more than 50% of the total members, there will be only one seat of teacher member and other seats will be for general category of members. School council members will examine the school and will write their opinion, observation and recommendations.

During audit of DEA Sahiwal, it was observed that the Headmaster Government Mehmoodia High School Sahiwal incurred an expenditure of Rs 2.570 million on account of purchases & services of different items during 2010-18 from NSB fund, Approval of expenditure was taken from the irrelevant committee which consist of irrelevant members. There was no 50% representation of Parents members. The copies of CNIC of members were not available in order to justify their signature. No procedure, voting record, how the members were selected for the SMC committee was available. No representation of the DO was available on the selection of SMC committee. Moreover no signature of DO (SE) was available on the notification of SMC.

Due to weak management purchases were made from irrelevant SMC committee.

Non-compliance of Government instructions resulted in irregular and expensive expenditure.

The matter was reported to the CEO of DEA and the DDO concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.02]

### 16.2.2.10 Irregular payment of pay & allowances without sanctioned post - Rs 2.397 million

According to rule 2.31 (a) of Punjab Financial Rules Vol-I, a drawer of bill of pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

During Audit of DEA Sahiwal, it was observed that Deputy District Education Officer (EE-M) Chichawatni and Headmaster Mehmoodia High School Sahiwal, made payment of Rs 2.397 million during 2017-18 on account of pay and allowances of lecturer, security guard, chowkidar and Mobility Guide without availability of sanctioned posts in the budget. The detail is as under:

Post	Cost Center	Sanction Post	Working	Excess	Pers.no.	Name of Employee	Total
Lecturer	SC6012	0	1	1		Usman Ali	0.416
Chowkidar	SC6271	1	2	1	30362542	Liaqat Ali	0.500
					31479695	Faisal Ismial	0.265
Security Guard	SC6271	0	2	2	30362548	Gulam Farid	0.423
					31791169	Muhammad Shafique	0.230
Mobility Guide	SC6271	0	1	1	30362540	Muhammad Tahir	0.563
<b>Total</b>							<b>2.397</b>

Due to weak financial management, irregular payment of pay and allowances was made without availability of sanctioned post.

Payment of salary without sanctioned post resulted in irregular payment of Rs 2.397 million.

The matter was reported to the CEO of DEA and the DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 01, 01]

### **16.2.2.11 Doubtful purchases without stock entries - Rs 2.011 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 following DDOs of District Education Authority Sahiwal withdrew funds of Rs 2.011 million on account of purchase of consumable and permanent storable items during 2013-18. No stock entries of material purchased was made. The items were purchased repeatedly without maintaining stock registers. The purchases without maintenance of stock registers could not be verified.

(Amount in Rupees)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
1	Government Higher Secondary School Iqbal Nager District Sahiwal	1.755
2	Government Special Education School for Mentally Retarded Children, Sahiwal	0.256
	<b>Total</b>	<b>2.011</b>

Due to weak financial controls, purchases were made without stock entries.

The purchases of Rs 2.011 million without stock entries resulted in doubtful purchase.

The matter was reported to the CEO of DEA and the DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.



Audit recommends inquiring of the matter and regularization of expenditure from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.07, 07]

**16.2.2.12 Payment of pay and allowances through manual bills without maintenance of record - Rs 1.857 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.

During audit of DEA Sahiwal, it was observed that Principal GGHSS Farid Town Sahiwal made payment of Rs 1.857 million during 2011-15 on account of Pay and allowances for the staff through submission of manual pay bills. Record of payment was neither maintained nor produced for Audit scrutiny. Furthermore, the claims were also not entered in the cash book.

Due to financial indiscipline, pay and allowances were withdrawn from treasury without maintenance of record.

Payment of pay and allowances without maintenance of record resulted in irregular payment of Rs 1.857 million.

The matter was reported to the CEO of DEA and the DDO concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the Finance Department, production of record for audit scrutiny besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 08]

### **16.2.2.13 Doubtful purchase through computer printed bills/ invoices Rs 1.621 million**

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

During audit of DEA Sahiwal, it was observed that Principal Government Higher Secondary School Sahiwal made payment of Rs 1.621 million on account of purchase of various items from NSB grants during 2016-18 from M/s Abdul Qayyum & Co. The bills/ invoices of the firms were computer printed and mostly bills/ invoices were dateless. Income tax and sales tax were not deducted at source. Furthermore, no stock entries of items purchased were made.

Due to weak financial controls, expenditure was incurred in doubtful manner.

Purchases through self generated computer invoices and without stock entries resulted in doubtful expenditure of Rs 1.621 million.

The matter was reported to the CEO of DEA and the DDO concerned in November, 2018, but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.08]

### **16.2.2.14 Withdrawal of funds without pre-audit - Rs 1.277 million**

According to Para No.5 (b) of Controller General of Accounts (Appointment, Functions and Powers) Ordinance 2001, the function of the Controller General shall be to authorize payments and withdrawals from the Consolidated Fund and Public Accounts of the Federal and Provincial Governments against approved budgetary provisions after pre-audited checks as the Auditor-General may, from time to time, prescribe. Furthermore, according to

Government of the Punjab Finance Department letter No.SO (TT) 6-1/2013 (2015) dated 15.07.2015, no withdrawals from Special Drawing Accounts are permissible as advance withdrawals or for en-block transfer of funds in commercial banks / Development Financial Institutions (DFIs). Withdrawals from the Special Drawing Accounts shall only be admissible, if these are required to meet validly accrued liabilities / booked expenditure, duly pre-audited, where so required.

During audit of DEA Sahiwal, it was observed that Principal GGHSS Farid Town Sahiwal received funds amounting to Rs 1.277 million during 2016-18 on account of NSB through bank transfer / cheque from District Education Authority Sahiwal on account of NSB Funds. The funds were withdrawn for different expenditure without pre-audit of claims in violation of above rule.

Due to weak financial controls, funds were withdrawn without pre-audit.

Violation of rules resulted in irregular withdrawal of funds Rs 1.277 million.

The matter was reported to the CEO of DEA and the DDO concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.07]

#### **16.2.2.15 Irregular payment of Inspection Allowance - Rs. 1.275 million**

According to Government of Punjab School Education Department and Finance Department order No. U.O No FD/SR-I/9-3322016 dated January 15, 2018 Inspection allowance @ 25,000 P.M. is allowed to AEOs working in School Education Department subject to verifiable key performance indicator developed by SED. Furthermore, according to School Education Department Notification

No. SO(ADP)MISC-409/2013 dated 26.08.2012 “ the SOPs of Inspection allowance are as under:

- Inspection allowance shall be payable on the basis of inspections of the schools in a month.
- In case of less than 100% school inspection, it shall be claim @ 100 per school.
- Inspection allowance shall be admissible during vacation subject to prior approval of competent authority.
- Inspection report prepared by AEOs shall be submitted to Deputy AEOs concerned along with follow up report of last month inspection.
- Inspection allowance shall be payable after verified Inspection report of immediate controlling officer of AEOs concerned.

During audit of DEA Sahiwal, it was observed that Deputy District Education Officer (EE-M), Chichawatni allowed payment of Inspection Allowance amounting Rs 1.275 million during 2017-18 to the AEOs in the pay and allowances in monthly payroll without fulfilling codal formalities in violation of Government instructions.

Due to weak internal controls, Irregular payment was allowed.

Non compliance of Government instructions resulted in irregular payment of Rs 1.275 million on account of inspection allowance.

The matter was reported to the CEO of DEA and the DDO concerned in November, 2018, but no reply was submitted. However, DAC meeting was not convened by the PAO, by the PAO, efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiring of the matter and regularization of expenditure from Finance Department besides action against the person(s) at fault, under intimation to Audit.

[AIR Para No. 15]

### 16.2.3 Performance

#### 16.2.3.1 Expenditure in excess of budget allocation – Rs 233.116 million

According to rule 5(2) (a) & (b) of the District Authorities Budget Rules 2017, the Head of office is responsible for all matters relating to the budget for the office under his administrative control, ensure strict financial control. Furthermore, According to rule 6(f) the Budget and Accounts Officer is responsible to monitor expenditure and ensure utilization of funds as approved by the District Authority.

The following DDOs of DEA Sahiwal incurred excess expenditure than the allocated budget amounting to Rs 233.116 million during 2005-18 in the different detailed object heads.

(Rupees in million)

Sr. No.	DDOs	Amount
1	Dy. DEO (EE-M) Sahiwal	140
2	Government Higher Secondary School Iqbal Nager District Sahiwal	19.851
3	Government Batala Muslim High School Sahiwal	13.770
4	Government Special Education School for Mentally Retarded Children, Sahiwal	8.734
5	Principal GGHSS Farid Town Sahiwal	42.610
6	Principal Government Girls Pilot Model Secondary School, Sahiwal	8.151
<b>Total</b>		<b>233.116</b>

Due to weak financial controls, expenditure was incurred in excess of budget allocation.

Violation of rules resulted in improper budgeting amounting to Rs 233.116 million.

The matter was reported to the CEO of DEA and the DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.18, 3, 9, 4, 5, 2]

### **16.2.3.2 Non surrender of anticipated savings – Rs 118.759 million**

According to rule 15 (a) (b) of District Authorities Accounts Rules 2017, the Drawing & Disbursing Officer shall be responsible to prepare estimates of expenditure of the concerned office, maintain budget control register, record entries of each transaction therein against corresponding allocation and make assessment of expenditure likely to be made during the financial year and takes measures accordingly.

The following DDOs of DEA Sahiwal did not surrender the anticipated savings of Rs 118.759 million during 2017-18. Funds of Rs 710.319 million were allocated for pay & allowances and contingencies out of which only funds of Rs 591.560 million could be utilized. Funds of Rs 118.759 million neither utilized nor surrendered well in time and lapsed. The detail is as under:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
1	Dy. DEO (EE-M) Sahiwal	14.825
2	Principal GGHSS Farid Town Sahiwal	39.274
3	Government Higher Secondary School Iqbal Nager District Sahiwal	17.971
4	Government Special Education School for Mentally Retarded Children, Sahiwal	13.723
5	Principal Government Higher Secondary School of Special Education (Hearing Impaired) Sahiwal	9.527
6	Government Batala muslim high School sahiwal	7.375
7	Principal Government Girls Pilot Model Secondary School, Sahiwal	16.064
<b>Total</b>		<b>118.759</b>

Due to weak financial controls, anticipated savings were not surrendered well in time and lapsed.

Non utilization of funds resulted in non-provision of necessary facilities populace of the area.

The matter was reported to the CEO of DEA and the DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 17, 06, 02, 02, 02, 10, 02]

### **16.2.3.3 Irregular payment of Social Security Benefits –Rs 22.568 million**

According to Government of the Punjab S&GAD (Regulation Wing) letter dated 1<sup>st</sup> March-2013 The Chief Minister, Punjab, 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. 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.

The following DDOs of DEA Sahiwal allowed drawing the SSB allowance Rs 22.568 million to those employees who were regularized in compliance of the above mentioned order. Regularization of these employees was announced on 1st March-2013 and employees were regularized but drawing social security after regularization. Neither SSB was stopped nor recovered till the dates of audit. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Amount
1	Dy. DEO (EE-M), Chichawatni	1.479
2	CEO DEA, Sahiwal	2.307
3	Dy. DEO (EE-M) Sahiwal	0.55
4	Dy. DEO (EE-W) Sahiwal	18.232
<b>Total</b>		<b>22.568</b>

Due to weak internal controls, 30% SSB allowance was paid to employees after regularization.

Irregular payment of SSB allowances resulted in loss of Rs 22.568 million.

The matter was reported to the CEO of DEA and the DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 22.568 million besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.04, 07, 01, 15]

#### **16.2.3.4 Unauthorized payment of SSB due to non regularization of services of staff - Rs 10.598 million**

According to Government of the Punjab S&GAD (Regulation Wing) letter dated 1<sup>st</sup> March-2013 The Chief Minister, Punjab, 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. 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.

During audit of DEA Sahiwal, it was observed that Dy. DEO (EE-M) Sahiwal did not get regularize the services of various staff under his



administrative control despite direction of the Government and made payment of Rs 10.598 million during 2017-18 on account of 30% Social Security Benefit.

Due to weak internal controls, payment on account of 30% Social Security Benefit was made due to non-regularization of the services of the staff.

Non regularization of services of staff despite direction of Government and payment of Social Security Benefit resulted in loss of Rs 10.598 million.

The matter was reported to the CEO of DEA and the DDO concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiring of the matter and regularization of expenditure from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 11]

#### **16.2.3.5 Irregular payment of conveyance allowance during vacations/leaves – Rs 3.897 million**

According to Rule 1.15 of the Punjab Travelling Allowance Rules 1976, conveyance allowance is not admissible during any kind of leave except casual leave. Further, according to the Government of Punjab, Finance Department letter No. 106 I-SO(SR) IV/7 dated 18.08.1977, conveyance allowance is not admissible during vacations.

The following DDOs of DEA Sahiwal made payment of Rs 3.897 million on account of conveyance allowance to the teachers during summer & winter vacations and earned leaves during 2017-18. The payment of conveyance during leaves period resulted in unauthorized payment. The detail is as under:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
1	Dy. DEO (EE-M), Chichawatni	0.902
2	Dy. DEO (EE-M), Chichawatni	0.049
3	Dy. DEO (EE-M) Sahiwal	0.706
4	Dy. DEO EE-Women, Sahiwal	0.068

5	Dy. DEO EE-Women, Sahiwal	0.915
6	CEO DEA, Sahiwal	0.435
7	Principal Government Higher Secondary School of Special Education (Hearing Impaired) Sahiwal	0.065
8	Government Girls Model Pilot Secondary School Sahiwal	0.265
9	Government Girls Model Pilot Secondary School Sahiwal	0.492
<b>Total</b>		<b>3.897</b>

Due to weak internal controls, conveyance allowance was paid during vacations and earned leaves.

Irregular payment of conveyance allowance during vacations / LFP resulted in loss to Government of Rs 3.897 million.

The matter was reported to the CEO of DEA and the DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 3.897 million from concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 5, 9, 7, 8, 9, 11, 4, 12, 13]

#### **16.2.3.6 Excess payment of personal allowance – Rs 3.766 million**

According to the terms and conditions of regularization order of contract employees of the Education Department No. 42/Admn dated 16.01.2010 “ 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 ”.

Chief Executive Officer of DEA Sahiwal made excess payment of personal allowance amounting Rs 3.766 million during 2017-18 to the staff / teacher under his administrative control who were regularized w.e.f 19.10.2009. 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 of Rs. 3.766 million.

Due to poor administration, excess payment on account of personal allowance was made.

Non compliance of the Government instructions resulted in over payment of Rs. 3.766 million.

The matter was reported to the CEO of DEA in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 3.766 million from concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 08]

### **16.2.3.7 Uneconomical expenditure without quotations Rs 1.589 million**

According to rule 59 (b) of the Punjab Procurement Rules, 2014, a procuring agency may provide for petty purchases through at least three quotations where the cost of the procurement is more than fifty thousand rupees but less than one hundred thousand rupees.

During audit of DEA Sahiwal, it was observed that Principal Government Girls Pilot Secondary School Sahiwal incurred expenditure amounting Rs 1.589 million out of school council fund without quotation process in violation of above rules. The work was executed in piecemeal and bills below Rs 50,000 were drawn to avoid healthy competition.

Due to weak internal controls, uneconomical expenditure was incurred without competition.

Uneconomical expenditure of Rs 1.589 million resulted in violation of the Government rules.

The matter was reported to the CEO of DEA and the DDO concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No 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, under intimation to Audit.

[AIR Para No. 05]

### **16.2.3.8 Irregular payment of Science Teaching Allowance – Rs 1.576 million**

According to clarification issued by Accountant General, Punjab Lahore vide letter No. PR-C/Allowances/Vol.V/CD-1293 dated 08.02.2007, Science Teaching Allowance facility has been extended to Headmasters and Headmistress of Secondary School who hold BSc / MSc. Degrees and actually the basic natural science subject to secondary classes subject to certification by DEO. Whereas; Subject Specialist were not allowed science teaching allowance.

The following DDOs of District Education Authority Sahiwal allowed payment of science teaching allowance amounting Rs 1.576 million during 2017-18 to such employees to whom the allowance was not admissible because these were not teaching science subject. The detail is as under:

<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
1	CEO DEA, Sahiwal	0.696
2	Government Special Education School for Mentally Retarded Children, Sahiwal	0.88
<b>Total</b>		<b>1.576</b>

Due to weak internal controls, irregular payment was made.

Payment of science teaching allowance to irrelevant teachers resulted in irregular payment of Rs. 1.576 million.

The matter was reported to the CEO of DEA and the DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 1.576 million from concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 10, 09]

### **16.2.3.9 Unauthorized payment of conveyance allowance to residents - Rs 1.411 million**

According to letter No. FD-PC.38-8/77 dated 05.07.1977, issued by the Finance Department, Government of the Punjab, no Conveyance and house rent allowance is admissible to government servants having residences within premises of the office.

The following DDOs of DEA, Sahiwal did not monitor the pay & allowance expenditure and allowed payment of conveyance allowance of Rs. 1.411 million during 2013- to 18 to staff residing within the premises of office which were not admissible to them.

<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
1	Principal GGHSS Farid Town Sahiwal	0.478
2	CEO DEA, Sahiwal	0.170
3	Government Special Education School for Mentally Retarded Children	0.763
<b>Total</b>		<b>1.411</b>

Due to poor administration, conveyance allowance was not deducted from the pay of staff residing in office premises.

Unauthorized payment of conveyance allowance resulted in loss of Rs. 1.411 million.

The matter was reported to the CEO of DEA and the DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery from concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 01, 14, 06]

## **16.2.4 Internal Control Weaknesses**

### **16.2.4.1 Non monitoring of funds paid as deposit work - Rs 565.094 million**

According to the terms and conditions of the payment of deposit works to the Executive Engineer Buildings, Sahiwal, No withdrawals are permissible as advance withdrawals, or for en-block transfer of funds in commercial bank / DFIs (Development Finance Institution). Withdrawals shall only be admissible, if these are required to meet validly accrued liabilities / booked expenditure, duly pre-audited by the respective pre-auditing agency as prescribed in the relevant provision of rules. No cheque shall be drawn for self. All payments shall invariably be made through crossed cheques in the name of valid payees. The executing agency is required to ensure the utilization of allocated funds within financial year 2017-2018 and time limit; by observing provisions indicated in paragraphs 2.1 to 2.108 of B&R Code, besides fulfilling other requisite codal, legal, procedural formalities. No expenditure is incurred above released amount and on the un-approved scheme. No liability beyond the allocated amounts is incurred in any case.

Chief Executive Officer of DEA Sahiwal, transferred development funds amounting Rs 616.181 million to Executive Engineer Buildings for execution of development schemes as deposit work during 2017-18. Expenditure of Rs 565.094 million were incurred but record i.e. advertisement, tender documents, work order, penalties imposed for late completion of work, MBS, vouched bills not provided to audit for verification.

Audit observed as under:

- i. It was neither certified that withdrawals were not made as advances nor the fund were transfer in commercial bank
- ii. There was no record showing the details that withdrawals were made to meet validly accrued liabilities / booked expenditure, duly pre-audited by the respective pre-auditing agency as prescribed in the relevant provision of rules.
- iii. No certificate was found obtained that a single cheque was not drawn for self.

- iv. It was not certified that all payments were invariably made through crossed cheques in the name of valid payees.
- v. It was not ensured that the executing agency utilized the allocated funds within financial year 2017-2018 and time limit.
- vi. It was not ensured that no expenditure was incurred above released amount and on the un-approved scheme.
- vii. It was not ensured that no liability beyond the allocated amounts was incurred in any case.
- viii. No savings out of funds were communicated to the DEA, Sahiwal.
- ix. Handing over and taking over of building / certificate of satisfactory completion of work was not on record.
- x. The expenditure not reflected in the budget of the District Education Authority.

Due to weak internal controls, the utilization of funds was neither watched by the Chief Executive Officer through progress reports on monthly / quarterly basis nor expenditure reflected in the budget of the District Education Authority.

Non monitoring of expenditure and non-reflection of expenditure in the budget resulted in violation of rules.

The matter was reported to the CEO of DEA in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiring in the matter besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 02]

#### **16.2.4.2 Non utilization of budget due to non establishment of IT labs - Rs 66 million**

According to rule 15 (a) (b) of District Authorities Accounts Rules 2017, the Drawing & Disbursing Officer shall be responsible to prepare estimates of expenditure of the concerned office, maintain budget control register, record

entries of each transaction therein against corresponding allocation and make assessment of expenditure likely to be made during the financial year and takes measures accordingly.

Chief Executive Officer of DEA, Sahiwal, did not utilize the funds transferred for the purchase of IT equipment's to establish IT Labs in various Secondary/Higher Secondary and elementary schools during 2017-18 which resulted in not only blockage of funds but also deprived the students to get the computer education and violation of the Government instruction.

(Rupees in million)

Description	No. of schools	Amount for each school	Amount
Provision of IT Lab in Secondary/Higher Secondary Schools	28	2.0	56
Provision of IT Lab in elementary Schools	20	0.5	10
<b>Total</b>			<b>66</b>

Due to weak internal controls, funds allocated for establishment of IT labs could not be utilized.

Non-utilization of funds for the purchase of IT equipment's to establish IT labs resulted in blockage of funds and deprive off the students from basic education facilities.

The matter was reported to the CEO of DEA in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry in the matter besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 05]

#### **16.2.4.3 Irregular / doubtful expenditure from NSB funds- Rs 53.083 million**

According to serial No. 4 NSB Guidelines 2014-15 issued by Government of the Punjab, Education Department, the School Councils will observe the



Punjab Procurement Rules while incurring expenditure from NSB funds. The School Council may allow the Head Teacher to draw an amount for petty expenditure which should, in no case exceeded to Rs 5,000. If possible all payment exceeding Rs 10,000 should be made through crossed cheques.

During audit of DEA Sahiwal, it was observed that Head of various school councils under the administrative control of Dy. DEO (EE-M) Sahiwal incurred expenditure of Rs 53.083 million out of NSB funds during 2017-18. Audit observed that expenditure was incurred by splitting the indents and small bills upto Rs 50,000 were drawn to avoid the tendering process. The expenditure was incurred by cash withdrawal from bank in excess of permissible limit. The date of bills of suppliers / traders did not match with the date of cash withdrawal which depicts that purchases were made / repair work was done from local market and later on, bills from registered firms were prepared to complete the codal formalities. No quality / quantity certificate of purchases made / work done was available on record. Temporary teachers, and other staff were hired from NSB funds but no agreement for hiring of staff was produced to Audit. The deduction of Income Tax / Sales Tax was not properly monitored. Procurement Plan as required under Guideline-4 was not prepared. Proper Stock register of material purchased was not maintained on the format

Due to weak monitoring, expenditure from NSB funds was incurred in an irregular manner.

Non observance of rules resulted in irregular expenditure of Rs 53.083 million.

The matter was reported to the CEO of DEA and the DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.13]

#### **16.2.4.4 Non-recovery on account of savings of development funds Rs 51.087 million**

According to the Government of Punjab Finance Letter No ADB/District Authorities /01 Government of Punjab finance Department (Budget Wing) date September 20, 2017. As regards question of laps ability of funds at the disposal of the executing agencies through deposit work during 2016-17, it is clarified that the authority to make expenditure against budgetary allocation of a particular financial year lapses with close of that financial year. The budgetary authority cannot be extended through beyond a financial year through placement of funds under deposit work. Also there is no concept of reauthorization of lapsed of funds during a subsequent financial year, however, the authority competent to approve budget of the district authorities can provide funds through budget during a subsequent financial year. In this view of the matter of closing balance of the deposit work is lapsable which may be revert back to the account –V or the concerned district authority.

Chief Executive Officer of DEA Sahiwal had not taken appropriate steps to get back the savings of Rs.51.087 million out funds of deposit work given to Executive Engineer Buildings Department during 2017-18 and credited it into account-V DEA Sahiwal in violation of above rules. The detail is as under:

(Rupees in million)

<b>Development funds transfer</b>	<b>Actual expenditure</b>	<b>Savings</b>
616.181	565.094	51.087

Due to weak internal controls and financial management, the savings were not credited into account –V.

Non observance of instructions of the Government resulted in non recovery of savings from XEN Buildings.

The matter was reported to the CEO of DEA in November, 2018, but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery from concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.1]

#### **16.2.4.5 Irregular payment of pay without date of joining – Rs 36.863 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. Furthermore, According to rule 11 (1) (f) of the Punjab District Authorities (Accounts) Rules 2017, The CEO shall be responsible for proper maintenance of departmental accounts and financial discipline of a District Authority, subordinate offices and institutions and shall be responsible for arranging internal controls in a District Authority.

Chief Executive Officer of DEA Sahiwal allowed pay and allowances amounting Rs 36.863 million during 2017-18 to different staff of various DDOs. The payment of pay and allowances was irregular as no date of joining of the employees was mentioned in the SAP HR data due to which the actual date of appointment of staff and their pay and allowances could not be assessed by Audit.

Due to weak internal controls, pay and allowances were paid through SAP system without mentioning the date of joining of employees.

Payment of pay and allowances without mentioning the date of joining in SAP system resulted in irregular expenditure.

The matter was reported to the CEO of DEA in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry in the matter besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.06]

**16.2.4.6 Non refund of NSB funds from schools handed over to PEF – Rs 10.043 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.

During audit of DEA Sahiwal, it was observed that the Deputy District Education Officer (EE-M) Sahiwal did not ensure to refund the unspent balance of Rs 10.043 million during 2017-18 from the school councils of those schools which were handed over to Punjab Education Foundation (PEF).

Due to weak internal controls, the unspent balances of NSB funds available in the school councils of schools transferred to PEF were not refunded to Government treasury.

Non refund of unspent balance resulted in loss of Rs 10.043 million.

The matter was reported to the CEO of DEA and the DDO concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery from concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.15]

**16.2.4.7 Doubtful payment / non deposit of GST & Income Tax – Rs 8.030 million**

According to section 23 (a)(b)(c)(d)(e)(f) (g) of the Sales Tax Act. 1990, a registered person making a taxable supply shall issue a serially numbered tax invoice at the time of supply of goods containing the following particulars, namely, name, address and registration number of the supplier, name address and

registration number of the recipient, date of issue of invoice, description and quantity of goods, value exclusive of tax, amount of sales tax; and value inclusive of tax. Furthermore, according to Notification No. D.O No. 5(21) L&P/97-4910(S)-FS sales tax return cum payment challan along with supporting documents required (S.R) under the provision of sales tax Act, 1990 in proof of payment / deposit of Sales Tax into government treasury are required to be received from the supplier.

During audit of DEA Sahiwal, it was observed that various Schools working under following DDOs made payment of GST amounting to Rs 6.689 million and Income Tax Rs.1.341 million to various firms during 2017-18 from the NSB Grant. It was observed that the suppliers provided fake sales tax returns in preparing mode, tampered by adding pages among the submitted returns in the Annexure-C. Only few schools were having receipts for deposit of 1/5<sup>th</sup> of GST deposit on Computerized Payment Receipts. The complete returns showing invoice number and date with the same amount were not produced. In this way, GST amount collected from those schools was misappropriated by the traders/general orders suppliers. Mostly invoices were without number and dates for supplying material and providing services. Taxes were also applied on exempt items e.g. Android tablet, Cement etc. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	GST	Income Tax	Total
1	Dy. DEO (EE-M) Sahiwal	4.330	1.341	5.671
2	Dy. DEO (EE-M), Chichawatni	2.359	-	2.359
<b>Total</b>		<b>6.689</b>	<b>1.341</b>	<b>8.030</b>

Due to weak internal controls, evidence of deposit of GST was not obtained from supplier.

Non obtaining proof of deposit of GST resulted in loss of Rs5.672 million.

The matter was reported to the CEO of DEA and the DDO concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry in the matter besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 16, 14]

#### **16.2.4.8 Non-utilization of NSB Funds – Rs 2.423 million**

According to Government of Punjab (PMIU-PESRP) letter vide No. PESRP-ADA 1-09/2015/12952 dated 16.02.2015 regarding Roles and Responsibilities of District Officers under Non-salary Budget (NSB) initiative (b) NSB funds transfer and utilization (ii) for primary and elementary schools, EDOs are advise to direct concerned Dy. DEOs and AEOs to increase their number of visits to schools for mitigating financial and compliance risks as huge funds are involved under the initiative. For proper utilization of NSB funds, AEOs should also be directed to verify all the expenditure of each school and report on attached proforma before 10th of each month.

During audit of DEA Sahiwal, it was observed that Deputy District Officer (EE-M), Chichawatni did not monitor that NSB Funds & FTF funds during 2017-18. Funds of Rs 2.423 million were lying unutilized on 30.06.2018 in the accounts of various schools which depicts that amount was retained unnecessarily which was required to be spend for the betterment and improvement of schools and quality education.

Due to weak internal controls, SMC funds were not utilized.

Non-utilization of SMC funds resulted in violation of government instructions.

The matter was reported to the CEO of DEA and the DDO concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiring of the matter besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 13]

#### **16.2.4.9 Non deduction of Punjab Sales Tax and Income Tax on services – Rs 1.646 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. Furthermore, 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.

During audit of DEA Sahiwal, it was observed that the heads of Elementary & Primary Schools under the administrative control of Deputy District Education Officer (EE-M) Sahiwal did not ensure payment of Punjab Sales Tax of Rs 1.013 million and income tax Rs 0.633 million in Government treasury from various labour suppliers.

Due to weak internal controls, Government taxes were not deducted from suppliers.

Non deduction of Government taxes resulted in loss of Rs 1.646 million.

The matter was reported to the CEO of DEA and the DDO concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry in the matter besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 14]

## CHAPTER 17

### 17.1 District Education Authority Vehari

#### 17.1.1 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:

<b>Description</b>	<b>No. of Education Institutes</b>
Chief Executive Officer (DEA) Vehari	1
District Education Officers (Secondary) Vehari	1
District Education Officers (EE-M)	1
District Education Officers (EE-W)	1
District Education Officers (Literacy) Vehari	1
District Education Officers (Special Education) Vehari	1
Deputy District Education Officers (SE) District Vehari	3
Deputy District Education Officers (EE-M)	3
Deputy District Education Officers (EE-W)	3
Higher Secondary Schools (Boys & Girls) District Vehari	22
High Schools (Boys & Girls) District Vehari	161
Special Education Schools / Centres District Vehari	6
Elementary Schools District Vehari	283
Primary Schools District Vehari	958
Mosque / Madrassa Schools District Vehari	2

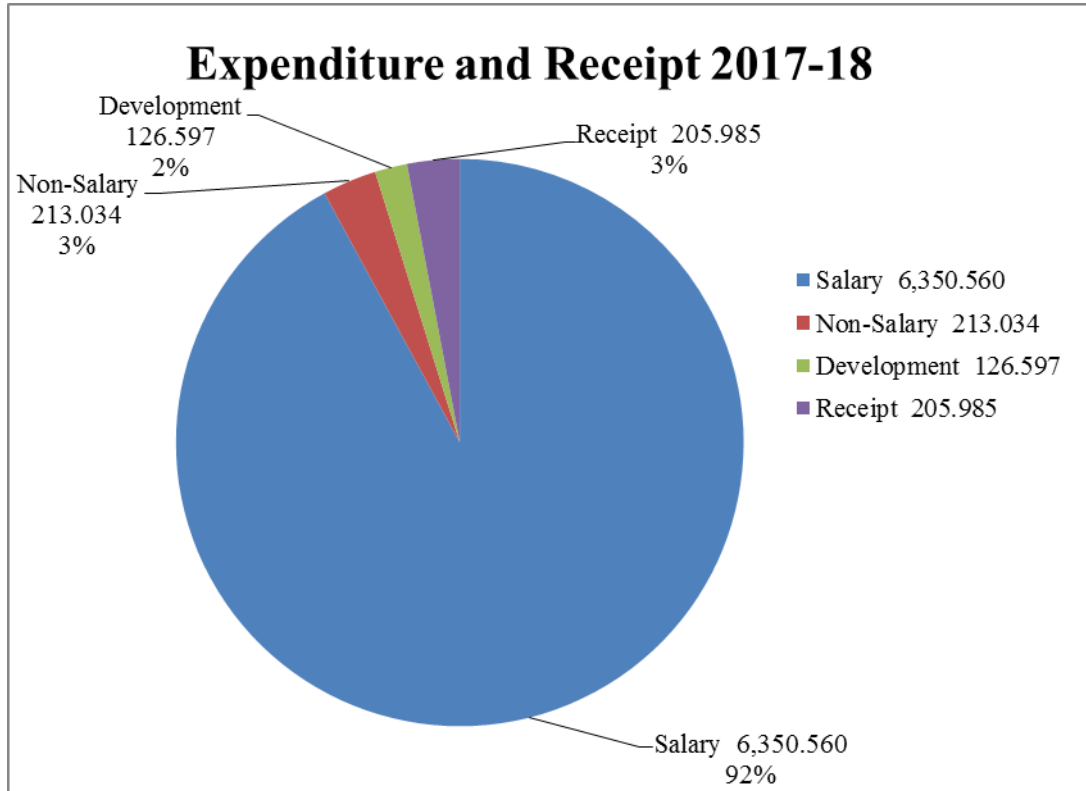
### 17.1.2 Comments on Budget and Accounts

The detail of Budget and Expenditure is given below in tabulated form

(Rupees in million)

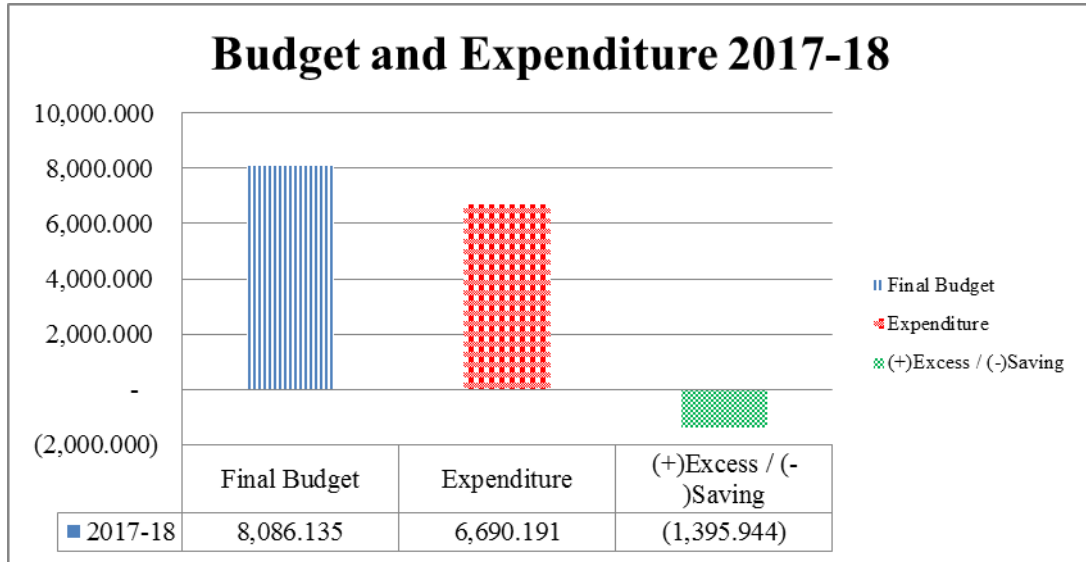
<b>2017-18</b>	<b>Budget</b>	<b>Actual</b>	<b>Excess (+) / Saving (-)</b>	<b>(%) Saving</b>
Salary	6,773.409	6,350.560	(422.849)	-6%
Non-salary	282.925	213.034	(69.891)	-25%
Development	1,029.801	126.597	(903.204)	-88%
<b>Sub Total</b>	<b>8,086.135</b>	<b>6,690.191</b>	<b>(1,395.944)</b>	<b>-17%</b>
Receipts	321.169	205.985	(115.184)	-36%

(Rupees in million)



As per the Appropriation Accounts 2017-18 of the District Education Authority Vehari, total original budget (Development and Non-Development) was Rs 7,583.055 million, supplementary grant was Rs 503.080 million provided and the final budget was Rs 8,086.135 million. Against the final budget, total expenditure of Rs 6,690.191 million was incurred by the District Education Authority during the financial year 2017-18. A lapse of Rs 1,395.944 million came to the notice of Audit, which shows that the District Education Authority failed to provide services and infrastructure development. No plausible explanation was provided by PAO and management of the District Education Authority (**Annexure-B**)

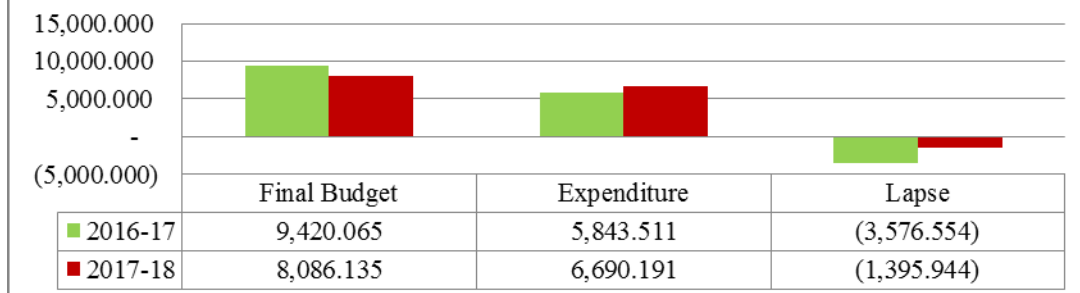
(Rupees in million)



In Education Department savings of Rs 1,395.944 million (17% of allocation) occurred by over estimating / releasing the budget against the vacant posts despite the fact that no recruitment against these vacant posts was made during the financial year 2017-18. Further funds of School Management Council (SMC) were not utilized despite availability. The same resulted in deprive of the students / populace of necessary facilities, such as provision of furniture & fixture as well as provision of laboratory equipment.

The comparative analysis of the budget and expenditure of current and previous financial years is depicted as under:

## Comparison of Budget and Expenditure 2016-17 & 2017-18



There was 14% decrease in budget allocation and 14% increase in expenditure incurred respectively during 2017-18 as compared to 2016-17, while there was overall savings of Rs 1,395.944 million during 2017-18

### 17.1.3 Brief Comments on the Status of Compliance of MFDAC Audit Paras of Audit Report 2017-18

Audit paras reported in MFDAC of last year audit report which have not been attended in accordance with the directives of DAC have been reported in Part-II of Annexure-A.

### 17.1.4 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	12	PAC not constituted

## 17.2 AUDIT PARAS

### 17.2.1 Non Production of Record

#### 17.2.1.1 Non Production of record – Rs 197.017 million

According to Clause 14 (1) (b) of the Auditor General’s (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, “the Auditor General shall in connection with the performance of his duties under this ordinance, have authority to inspect any office of accounts, under the control of Federation or of the Province or of District including Treasuries and such offices responsible for the keeping of initial and subsidiary accounts.

The following DDOs under the jurisdiction of Chief Executive Officer, DEA Vehari did not produce the record of pay and allowances and contingencies amounting Rs 197.017 million during 2006-18 despite repeated verbal and written requests. The detail is given below:

(Rupees in million)

DDOs	Description	Period	Amount
Dy. DEO (EE-W) Mailsi	Vouched account of arrears of pay bills drawn of MC Cadder, Vouched accounts of NSB funds of different schools	2015-18	68.903
Dy. DEO (EE-M) Vehari	Personal files, service books and sanction letter of qualification pay were not produced	2017-18	1.400
Principle Girls Higher Secondary School Sheikh Fazil	NSB Record	2006-17	87.956
CEO Education	Pay & allowance and contingency record of DO Literacy	2017-18	38.758
<b>Total</b>			<b>197.017</b>

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 197.017 million.

The matter was reported to the CEO of DEA and the DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not

convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends that record be produced for audit scrutiny besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 10,14, 06,15]

## 17.2.2 Irregularities and Non Compliance

### 17.2.2.1 Irregular expenditure of NSB funds without pre-audit – Rs 221.766 million

According to CGA Ordinance, 2001 no funds can be withdrawn from the Government treasury without pre-audit of claims. According to the Finance Bill, 2017 purchase should be made from registered firms under Income tax department and sales tax department so that the applicable taxes can be properly accounted for. Furthermore, according to Government of the Punjab Finance Department letter No.SO (TT) 6-1/2013 (2015) dated 15.07.2015, no withdrawals from Special Drawing Accounts are permissible as advance withdrawals or for en-block transfer of funds in commercial banks / Development Financial Institutions (DFIs). Withdrawals from the Special Drawing Accounts shall only be admissible, if these are required to meet validly accrued liabilities / booked expenditure, duly pre-audited, where so required.

The following DDOs of District Education Authority Vehari did not monitor the incurring of NSB funds of 221.766 million during 2017-18. Audit observed various shortcomings of irregular withdrawal of funds and non-deposit of taxes by suppliers in Government treasury. Funds of Rs 221.766 million were withdrawn from treasury without pre-audit of claims, in violation of above rules. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Amount
1	Principal Higher Secondary School Tibba Sultanpur	4.988
2	Dy. DEO (EE-W) Mailsi	115.567
3	Dy. DEO (EE-W) Burewala	73.106
4	Dy. DEO (EE-M) Burewala	28.105
<b>Total</b>		<b>221.766</b>

Due to weak administration and monitoring of schools, purchases were made from unregistered suppliers out of NSB funds and funds were incurred without pre-audit.

Procurement from unregistered firms and withdrawal of funds without pre-audit of claims resulted in irregular expenditure of Rs 221.766 million.

The matter was reported to the CEO of DEA and the DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry in the matter besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.06,02,06,08]

### **17.2.2.2 Unauthorized payment without the sanction of CEO - Rs 91.675 million**

According to rule 27 of the Punjab District Authority (Accounts) Rules 2017, the District Accounts Officer shall ensure that sanction of expenditures from a District Authority competent to sanction is available and no payment to the charge can be made if that is not sanctioned by the competent authority. Furthermore, according to rule 16 (b) of the Punjab District Authority (Accounts) Rules 2017, the accounts officer shall perform the pre-audit of all payments from the local fund and public accounts of a District Authority before authorizing disbursement of amounts.

During audit of DEA Vehari, it was observed that District Accounts Office Vehari, made payment amounting Rs 91.675 million under the object head A012- Civil Works from the cost center of CEO DEA Vehari VY-8996 without the sanction of CEO Education Vehari.

Due to weak internal controls, unauthorized payment for development works was made.

Payment without the sanction of competent authority resulted in unauthorized expenditure of Rs 91.675 million.

The matter was reported to the CEO of DEA in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.



Audit recommends regularization of expenditure from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 09]

**17.2.2.3 Illegal running of private schools without registration - Rs 58.752 million**

According to Sections 2 and 3 read with Section 11 of Punjab Private Educational Institution (Promotion and Regulation) Amendments Act 2016, if an educational institution is not registered under the given law, the in-charge of the institution shall within forty five days of the commencement apply for registration of school and the registering authority shall within sixty days from the date of filing of the application decide the same. If in-charge runs the school without registration, under this ordinance the in-charge shall be liable to punishment of fine which may extend to four million rupees but which may not be less than three hundred thousand rupees.

The Chief Executive Officer, DEA Vehari vide letter No.2278/G dated 28.4.2017 issued a list of 192 schools privately managed schools running without registration in the Vehari District and directed education officers to seal all illegal and unregistered schools. No evidence of action taken against these schools was produced to audit. The Government sustained a loss of Rs 58.752 million on account of registration fee and fine of these 192 schools during 2017-18.

Due to poor administration private schools were allowed to run without registration by putting the education of masses at stake and loss to the Government.

Non registration of private schools resulted in loss of Rs 58.752 million.

The matter was reported to the CEO of DEA in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 58.752 million besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 03]

**17.2.2.4 Unauthorized advance withdrawal of funds from NSB funds - Rs 47.487 million**

According to rule 27 (2) (b) of the Punjab District Authorities (Accounts) Rules 2017, no amount shall be withdrawn except for immediate disbursement.

During audit of DEA Vehari, it was observed that Heads of primary and elementary schools working under the administrative control of following DDOs withdrew funds amounting Rs 47.487 million in advance from non-salary budget (NSB) during 2016-18 without prior approval of the competent authority. Withdrawal of funds in advance without sanction of the competent authority was held irregular. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Amount
1	Dy. DEO (EE-W) Vehari	2.318
2	Dy. DEO (EE-W) Mailsi	45.169
<b>Total</b>		<b>47.487</b>

Due to weak financial controls, funds were drawn in advance without approval of the competent authority.

Non-compliance of rules resulted in irregular advance withdrawal of funds amounting Rs 47.487 million

The matter was reported to the CEO of DEA and the DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit

[AIR Para No. 10,18]

### **17.2.2.5 Unauthorized expenditure by School Councils beyond permissible limit – Rs 23.645 million**

According to clause 4.9 of School Council Policy 2007 in its edition of 2017, school council funds will be utilized on prescribed purposes and during a financial year a school council can incur up to the maximum of four hundred thousand rupees;

The following DDOs of District Education Authority, Vehari did not monitor the incurring of expenditure by school councils. School Councils utilized Rs 23.645 million by incurring expenditure beyond permissible limit of Rs 0.400 million during 2017-18. The detail is as under:

(Rupees in million)

<b>DDOs</b>	<b>No of Schools</b>	<b>Amount</b>
Dy. DEO (EE-W) Burewala	7	21.495
Dy. DEO (EE-M) Burewala	7	2.150
<b>Total</b>		<b>23.645</b>

Due to weak financial management, the school councils incurred expenditure beyond admissible limit.

Incurring of expenditure beyond permissible limits resulted in irregular expenditure of Rs 23.645 million.

The matter was reported to the CEO of DEA and the DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No 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, under intimation to Audit

[AIR Para No.07,07]

### **17.2.2.6 Uneconomical purchase of various items without advertisement– Rs 13.626 million**

According to rule 8 & 9 of the Punjab Procurement Rules 2014, a procuring agency shall, within one month of commencement of a financial year, devise planning for all proposed procurements. A procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without splitting or regrouping of procurements so planned.

The following DDOs of District Education Authority, Vehari incurred expenditure of Rs 13.626 million during 2017-18 on account of purchase of android tablets, desk benches, tables, chairs, motor pumps, water coolers, fans etc. without advertisement on PPRA website or in the newspapers in violation of the above rule. All purchases were held uneconomical without open competition. The detail is as under:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
1	Dy. DO (EE-W) Vehari	1.982
2	Principal Higher Secondary School Girls Tibba Sultan Pur	4.898
3	Dy. DO (EE-M) Burewala	1.045
4	Principal GGHSS Sheikh Fazil	5.701
<b>Total</b>		<b>13.626</b>

Due to weak management, the expenditure was incurred in an irregular manner.

Non-compliance of rules / instructions resulted in uneconomical purchases of Rs 13.626 million without open competition.

The matter was reported to the CEO of DEA and the DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No 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, under intimation to Audit

[AIR Para No. 7,7,10,20]

**17.2.2.7 Irregular payment of Personal Allowance – Rs 4.634 million**

According to government of the Punjab Finance Department letter No. FD.SR-II/9-214/2013 dated 02.04.2014, Personal Allowance cannot be reduced and treated as part of pay of the pay scale of the concerned civil servant till such time he holds the post. However, upon fresh appointment, promotion, retirement and posting to another cadre post, the said allowance will be discontinued. Furthermore, according to the terms and conditions of regularization order of contract employees of the Education Department vide No. 42/Admn dated 16.01.2010, 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.

The following DDOs of DEA Vehari paid Rs 4.634 million during 2017-18 on account of personal allowance to teachers and other staff which was not admissible to them as these employees had been promoted or reappointed after 02.04.2014. Furthermore, in some cases, excess payment of Personal Allowance was made to the staff / teachers whose services were regularized subsequent to contract appointment. Their pay was required to be fixed at the initial of the scale and increments earned during the contract period were required to be fixed as personal allowance. However, the teachers were paid Personal Allowance in excess of the admissible limit. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Amount
1	Dy. DEO (EE-W) Burewala	1.812
2	Dy. DEO (EE-M) Burewala	1.091
3	Dy. DEO (EE-M) Vehari	1.731
<b>Total</b>		<b>4.634</b>

Due to weak financial controls, excess payment of Personal Allowance was made.

Non-compliance of the Government instructions resulted in overpayment of Rs 4.634 million

The matter was reported to the CEO of DEA and the DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of amounting Rs 4.634 million besides fixing of responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 01,01,18]

### 17.2.3 Performance

#### 17.2.3.1 Non-deposit of registration renewal and inspection fee from private schools - Rs 110.206 million

According to Section 11 of the Punjab Private Educational Institution (Promotion and Regulation) Ordinance 1984, whoever continues to run an institution without registration or after refusal or cancellation of registration shall be punished with fine which may extend to one hundred rupees for each day during which the contravention continues. Furthermore, according to the Secretary Education, Government of the Punjab Notification No.SO(A-I)7-21/81 dated 24th August 1998, the rate of registration fee for private managed institutions and annual inspection fee will be as under:

Sr. No	Particular	Registration fee (Rs)	Annual inspection fee (Rs)
01	College / Polytechnic	10000	1000
02	High School / Higher Secondary School	7000	1000
03	Elementary School	5000	500

Chief Executive Officer, DEA Vehari allowed 940 private schools to run their business without registration or without renewal of registration during 2017-18. Furthermore, fine @ Rs 100 per day was leviable against these private schools but no fine was imposed. The schools permanently registered were required to deposit inspection fee @ Rs 500 per year but neither inspection was conducted nor was any fee deposited into the Government treasury. Audit observed that Rs 110.206 million approximately was recoverable on account of fine, renewal fee and inspection fee from private schools. The detail is as under:

(Rupees in million)

Number of Schools	Period of registration	Fine on first fifty schools	Average per school	Total number of schools	Amount (Approx)
829+78=940 school	829 after 2001 and 78 prior 2001	5.862	0.11724	940	110.206

Due to weak internal controls, private schools were allowed to run their business without payment of registration fee, renewal fee and inspection fee.

Non- renewal, registration and inspection of private schools resulted in loss of Rs110.206 million on account of fee and fine.

The matter was reported to the CEO of DEA in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 01]

### **17.2.3.2 Irregular expenditure from NSB funds without preparation of annual plan – Rs 46.943 million**

According to serial No. 3.4 of NSB Guidelines issued by the Education Department Government of the Punjab, every school is required to prepare School Based Action Plan (SBAP) at the start of financial year.

The following DDOs of DEA Vehari incurred expenditure of Rs 46.943 million on account of Non-salary expenditure from NSB funds during 2014-18 without preparation of School Based Action Plan. Annual Development Plan of school showing the proposed work to be done along with estimated costs was neither prepared nor got approved from DO(SE) / Dy. DEO concerned. Monitoring reports of school councils were also not prepared / produced to Audit. The bills were not signed by the Co-chairman / Co-signatory of school council. The detail is as under:.

(Rupees in million)

<b>DDOs</b>	<b>AIR Para No.</b>	<b>Amount</b>
Headmistress GGHS School Tibba Sultan Pur	01	4.898
Dy. DEO (EE-M) Vehari	09	42.045
<b>Total</b>		<b>46.943</b>

Due to weak management, expenditure was incurred without preparation of annual School Based Action Plan.



Non-compliance of instructions of the Government resulted in irregular expenditure of Rs 46.943 million.

The matter was reported to the CEO of DEA and the DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No 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, under intimation to Audit.

[AIR Para No. 01,09]

### **17.2.3.3 Irregular expenditure on construction / repair of school buildings from NSB - Rs 27.278 million**

According to School Council Policy 2017 approved by Government of the Punjab School Education Department, the School council will prepare the Development Plan of School as per Annexure-C of Form-6. One Copy of development plan will be sent to concerned AEO. All the members of school council will monitor the development work of school and will ensure the quality, timely completion and low cost of the projects. The school council will incur expenditure on development works according to market rate or less than market rates. Furthermore, on completion of scheme a completion report of scheme will be sent to the Dy. DEO concerned.

During audit of DEA Vehari, it was observed that School Councils of various Elementary and Primary Schools working under administrative control of following DDOs incurred expenditure of Rs 27.278 million on account of construction of toilet block, repair of school buildings etc. during 2016-18. The detail is as under:

(Rupees in million)

<b>DDOs</b>	<b>AIR Para No</b>	<b>Amount</b>
Dy. DEO (EE-W) Mailsi	14	3.241
Dy. DEO (EE-W) Burewala	09	8.134
Dy. DEO (EE-M) Burewala	11	5.936
Dy. DEO (EE-M) Vehari	10	6.832

<b>DDOs</b>	<b>AIR Para No</b>	<b>Amount</b>
Dy. DEO (EE-M) Mailsi	08	3.135
<b>Total</b>		<b>27.278</b>

Audit observed the following irregularities:

- i. No School Development plan identifying the need of the school, quantity of material required, estimated cost of development work, completion time was prepared and submitted to AEO by the Head teacher of school and Co-Chairman of the School Council.
  - ii. The expenditure was incurred mostly by drawing simple bills below Rs 50,000 without getting market rates.
  - iii. No estimates of development work was presented before the school council prior to start of work but approval was obtained without mentioning the estimated cost of scheme.
  - iv. A huge amount on account of labour charges was paid to contractors / vendors but no details of labour hired in terms of muster rolls and quantities of works executed were available on record and payment was made on simple papers.
  - v. No details regarding monitoring of scheme by the school councils in terms of monitoring reports or inspection registers were available on record.
  - vi. The bills were signed by the Headmaster only instead of all members of School schools.
  - vii. Satisfactory completion reports of development schemes duly signed by the members of School councils were not available on record.
  - viii. Completion certificates of development scheme were not sent to Dy. DEOs concerned
  - ix. No actual payee receipts were available on record
- Due to weak administration, expenditure was incurred from NSB funds in an irregular manner.

Non observance of guidelines of the Government resulted in irregular expenditure of Rs 27.278 million.

The matter was reported to the CEO of DEA and the DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not

convened by the PAO despite repeated efforts made by Audit. No 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, under intimation to Audit

[AIR Para No. 14,09,11,10,08]

#### **17.2.3.4 Irregular payment of Inspection Allowance to AEOs - Rs 9.965 million**

According to Government of the Punjab Finance Department Notification No. S.O. (Budget) 1-15/2013 (Vol-II) dated 15.01.2018, Inspection Allowance of Rs 25,000 per month should be paid to Assistant Education Officers working in the School Education Department subject to fulfillment of verifiable Key Performance Indicators (KPIs) as developed by School Education Department.

The following DDOs of DEA Vehari paid Rs 9.965 million on account of Inspection Allowance to AEOs through SAP system monthly payrolls with salary during 2017-18. The allowance was not part of monthly salary. The allowance was subject to fulfillment of Key Performance Indicators (KPIs) and payment of the same through automated SAP system payrolls with salary was held irregular payment. The detail is as under:

(Rupees in million)

<b>DDOs</b>	<b>AIR Para No.</b>	<b>Amount</b>
Dy. DEO (EE-W) Vehari	09	1.500
Dy. DEO (EE-W) Mailsi	01	3.715
Dy. DEO (EE-W) Burewala	06	1.500
Dy. DEO (EE-M) Vehari	13	1.050
Dy. DEO (EE-M) Mailsi	15	2.200
<b>Total</b>		<b>9.965</b>

Due to weak financial controls, Inspection Allowance was paid through automated SAP system payrolls with salary irregularly.

Non-observance of instructions of the Government resulted in irregular payment of Inspection Allowance without observing Key Performance Indicators (KPIs)

The matter was reported to the CEO of DEA and the DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit

[AIR Para No. 09,01,6,13,15]

#### **17.2.3.5 Non return of loan taken from Faroogh-e-Taleem fund for utility bills – Rs 6.543 million**

According to Government of the Punjab Education Department (School Wing) Notification No. SO(A-II) 2-6/2003, the payment of electricity bills are not a valid charge to the Faroogh-e-Taleem fund (FTF). However, the bills paid from FTF on loan basis should be recouped at the earliest.

During audit of DEA Vehari, it was observed that Heads of various Primary and Elementary Schools working under administrative control of Deputy District Education Officer (EE-M), Mailsi did not ensure refund / recoupment of loan taken from Farogh-e-Taleem Fund (FTF) amounting Rs 6.543 million for payment of utility bills during 2017-18.

Due to weak administrative control, loan taken from FTF was not refunded / recouped.

Non refund / recoupment of loan taken from FTF on account of utility bills was violation of the Government instructions.

The matter was reported to the CEO of DEA and the DDO concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 6.543 million besides fixing of responsibility on the person(s) at fault, under intimation to Audit

[AIR Para No. 17]

### **17.2.3.6 Purchase of Core i3 computers in contravention of the advertised specifications of Core i5 - Rs 5.749 million**

According to notice published in daily newspapers on 24.9.2017, for establishment and procurement of IT Lab equipment in 15 Government Elementary Schools of District Vehari, sealed tenders were invited from the authorized firms registered with sales tax and income tax department under PPRA Rules 2014 for detailed below items:

- i. Computers (Core i5)
- ii. Printers
- iii. UPS with liquid batteries
- iv. Computer chairs for students
- v. Computer tables for students

Chief Executive Officer, DEA Vehari advertised for the purchase of computers (Core i5) but technical committee and purchased committee obliged the contractor who quoted rates of computer (Core i3) in violation of Government approved specification and advertisement. Supply order valuing Rs 5.794 million was issued to the supplier. Core i3 computers were supplied by the contractor in contravention of the specifications prescribed through advertisement. Furthermore, the Government approved the rate of computer Core i5 amounting Rs 55,000 each. In order to oblige the contractor lowest specification computers were accepted to keep the price below Rs 55,000.

Due to weak internal controls, computers of below specifications were purchased for computer labs by violating the Government approved specifications and tender notice.

Purchase of below specifications computers resulted in irregular purchase valuing Rs 5.749 million and loss to the Government in terms of payment of more money for lower specifications.

The matter was reported to the CEO of DEA in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiring of the matter besides fixing of responsibility on the person(s) at fault, under intimation to Audit

[AIR Para No. 07]

### **17.2.3.7 Irregular payment of pay and allowances – Rs 3.218 million**

According to Finance Department's Notification No. FD-PR-21-3/2013 dated 23.09.2013, recovery on account of wrong withdrawal of advance increments by school teachers for higher qualification is waived off. However, the pay of teachers will be re-fixed accordingly. Furthermore, according to Finance Department letter No. FD-PR-21-3/2013 dated 17.11.2014 it is clarified that wrong drawl of advance increments is waived of up to 23.09.2013 and the amount drawn on account of advance increments after this date is recoverable and the withdrawal of advance is related to all school teachers. Hence the deadline for waiving of advance increments is 23.09.2013.

During audit of DEA Vehari, it was observed that Dy. DEO (EE-W) Mailsi, paid pay and allowances of Rs 3.218 million during 2017-18 to teachers without re-fixation of Pay in the light of directives of Finance Department. Non-fixation of Pay and allowances of teachers resulted in irregular payment of Rs 3.218 million on account of advance increments for higher qualification after 23.09.2013.

Due to weak internal controls Pay and allowances of teachers were not fixed in the light of FD directives.

Non-fixation of Pay and allowances resulted in irregular payment of Rs 3.218 million on account of advance increments for higher qualification.

The matter was reported to the CEO of DEA and the DDO concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiring of the matter and regularization of expenditure from the Finance Department besides fixing of responsibility on the person(s) at fault, under intimation to Audit

[AIR Para No.7]

**17.2.3.8 Doubtful purchase of consumable items without stock entries - Rs 2.664 million**

According to rule 15.4(a) and 15.5 of the PFR, Vol-I, all materials received should be examined, counted, measured and weighed, as the case may be, when delivery is taken and they should be kept in charge of a responsible Government servant. The receiving government servant should also be required to give a certificate that he has actually received the materials and recorded them in his appropriate stock registers. When materials are issued, a written acknowledgement should be obtained from the person to whom they are ordered to be delivered or dispatched and when materials are issued from stock for departmental use, manufacture or sale, etc., the government servant in charge of the stores should see that an indent in PFR Form 26 has been made by a properly authorized person.

During audit of DEA Vehari, it was observed that Heads of various primary and middle school working under the administrative control of Dy. DEO (EE-W), Vehari made purchases of the different store articles valuing Rs 2.664 during 2017-18. Purchase and consumption of these items was held doubtful as no stock registers showing the receipts and consumption of articles was maintained.

Audit is a view that due to weak financial controls, the receipts and consumption record of articles was not maintained.

Purchase and consumption of store items without stock entries resulted in doubtful expenditure of Rs2.664 million.

The matter was reported to the CEO of DEA and the DDO concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry in the matter besides fixing of responsibility on the person(s) at fault, under intimation to Audit

[AIR Para No. 03]

### **17.2.3.9 Illegal provisional registration of private schools and non-recovery of fine - Rs 1.500 million**

According to School Education Department, Government of the Punjab letter No. SO(A-1) 8-2012 (A) (P-I) dated 25th November 2015, provisional registration certificate for a period of one year in respect of private school may be issued where there is shortage of any documents so that educational activities of the student enrolled may not suffer.

Chief Executive Officer, DEA Vehari issued provisional registration for five years to 62 private schools despite the fact the schools did not fulfill the requirements of permanent registration as per Education Code. This resulted in irregular registration of private schools beyond the mandate of the CEO. Schools were registered from 2015-2018 without imposition of fine @ Rs 100 per day amounting Rs 1.500 million as detailed below:

(Rupees in million)

<b>Year of registration</b>	<b>Total Number of School</b>	<b>Period of registration</b>	<b>Fine for late registration</b>	<b>approximate fine</b>
2017-18	62	2015 to 2018	Rs 100 per day	1.500

Due to weak internal controls, private schools were extended undue favour by issuing provisional registration for a period of five years instead of one year in violation of rules.

Non-observance of instructions of the Government resulted in provisional registration and non imposition of fine Rs 1.500 million.

The matter was reported to the CEO of DEA in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.



Audit recommends inquiry in the matter besides fixing of responsibility on the person(s) at fault, under intimation to Audit

[AIR Para No. 04]

**17.2.3.10 Wrong fixation of pay and non deduction of GP fund, Group Insurance and Benevolent Fund - Rs 1.055 million**

According to the regularization order, salary component of these appointees shall be in accordance with the pay scales plus usual allowance prescribed for the post against which they are appointed. Pay on the day of appointment shall be fixed at the initial of the respective pay scale.

During audit of DEA Vehari, it was observed that Dy. DEO (EE- M), Burewala / DAO, Vehari did not ensure proper fixation of Pay and allowances of the employees working under his administrative control. Services of teachers were regularized w.e.f 05.01.2016. On regularization of services, their pay was required to be fixed at the initial of scales in which they were regularized. However, they continued to draw Pay and allowances without re-fixation of basic pay on initial stage. The scrutiny of HR data revealed that a large number of employees having the same scale and date of joining were drawing different basic pay which revealed that basic pay was not properly fixed and overpayment was being drawn. Furthermore, deduction on account of Group Insurance, Benevolent Fund and GP fund amounting Rs 1.055 million was not being made.

Due to weak management, pay was not fixed correctly.

Non fixation of pay at initial stage and non deduction of GP fund, Group Insurance and Benevolent fund resulted in loss of Rs 1.055 million.

The matter was reported to the CEO of DEA and the DDO concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry in the matter, recovery from concerned besides fixing of responsibility on the person(s) at fault, under intimation to Audit

[AIR Para No. 02]

## 17.2.4 Internal Control Weaknesses

### 17.2.4.1 Irregular doubtful expenditure from NSB funds – Rs 229.883 million

According to serial No. 4 of guidelines for utilization of NSB 2014-15 issued by Education Department, Government of the Punjab, the School Councils will observe the Punjab Procurement Rules while incurring expenditure from NSB funds. The School Council may allow the Head Teacher to draw an amount for petty expenditure which should, in no case exceeded to Rs 50,000. If possible all payment exceeding Rs 10,000 should be made through crossed cheques.

During audit of DEA Vehari, it was observed that Heads of various schools under the administrative control of following DDOs incurred expenditure of Rs 229.883 million out of NSB funds during 2016-18. The expenditure was incurred by splitting the indents to avoid the tendering process. The expenditure was incurred by withdrawal of cash from bank in excess of permissible limit. The dates of bills of suppliers / traders did not match with the date of cash withdrawals which depicts that purchases were made / repair work was done from local market and later on, bills from registered firms were prepared to complete the record. The bills were not signed by Co-Chairman / members of School Council. The detail is as under:

(Rupees in million)

DDOs	AIR Para No	Amount
Dy. DEO (EE-W) Mailsi	15	57.707
Dy. DEO (EE-M) Mailsi	07	172.176
<b>Total</b>		<b>229.883</b>

Due to weak monitoring, NSB funds were not utilized as per NSB guidelines.

Non-compliance of the Government instructions resulted in irregular expenditure of Rs 229.883 million.

The matter was reported to the CEO of DEA and the DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not

convened by the PAO despite repeated efforts made by Audit. No 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, under intimation to Audit

[AIR Para No. 15,07]

#### **17.2.4.2 Irregular payment of arrears of pay and allowances without release of separate budget Rs 67.178 million**

According to rule 2.27 of PFR Vol-I, no payments may be made on account of increases to pay until the additional expenditure hereby caused has been provided for in the budget estimates and duly sanctioned.

During audit of DEA Vehari, it was observed that following DDOs working under the administrative control of CEO DEA Vehari, paid arrears of Pay and allowances amounting Rs 67.178 million during 2017-18 without allocation of separate budget for arrears of Pay and allowances. Neither budget was released nor the approval on case to case basis was made by the CEO DEA. Record of the arrears drawn i.e. vouchers and sanction of the competent authority was also not maintained / produced to Audit which created doubts regarding legitimacy of the expenditure. The detail is as under:

(Rupees in million)

<b>DDOs</b>	<b>AIR Para No.</b>	<b>Amount</b>
Principal Govt. Higher Secondary School Tibba Sultanpur	13	1.385
Dy. DEO (EE-M) Vehari	05	24.057
Dy. DEO (EE-M) Mailsi	10	41.736
<b>Total</b>		<b>67.178</b>

Due to weak management, unjustified claims of arrears of pay and allowances were drawn without release of separate budget.

Payment of arrears of pay and allowances without approval of claims and allocation of separate budget resulted in loss of Rs 67.178 million.

The matter was reported to the CEO of DEA and the DDOs concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiring of the matter besides fixing of responsibility on the person(s) at fault, under intimation to Audit

[AIR Para No. 13, 5,10]

### **17.2.4.3 Unauthorized payment of Social Security Benefits (SSB) after regulation of services - Rs 5.878 million**

According to 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 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

During audit of DEA Vehari, it was observed that Deputy District Education Officer (EE-W) Vehari paid Social Security Benefits (SSB) amounting Rs 5.878 million during 2017-18 to the teachers after regularization of their services in violation of above instructions.

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

Payment of SSB after regularization of services resulted in excess payment of Rs 5.878 million.

The matter was reported to the CEO of DEA and the DDO concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 5.878 million besides fixing of responsibility on the person(s) at fault, under intimation to Audit

[AIR Para No. 15]

**17.2.4.4 Loss due to overpayment of GST of exempted items – Rs 1.563 million**

According to government of the Punjab Finance Department letter No. S.O Tax 1-19/97 dated 04.08.2007, department had to recover 1/5<sup>th</sup> of total sale tax. Remaining amount should be deposited by the suppliers and proof should be produced to audit.

During audit of DEA Vehari, it was observed that Heads of the elementary and primary schools working under the administrative control of Deputy District Education Officer (EE-M), Vehari incurred expenditure on account of purchase of such store which were exempted from sales tax and made over payment amounting Rs 1.563 million on account of sales tax on these items.

Due to weak financial controls, GST was paid on exempted items.

Payment of GST of exempted items resulted in loss of Rs 1.563 million.

The matter was reported to the CEO of DEA and the DDO concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 1.563 million besides fixing of responsibility on the person(s) at fault, under intimation to Audit

[AIR Para No. 08]

**17.2.4.5 Unauthorized payment of conveyance allowance to the staff during leave– Rs 1.300 million**

According to Rule 1.15 of the Punjab Travelling Allowance Rules, conveyance allowance is not admissible during any kind of leave except casual leave. Further, according to the Government of Punjab, Finance Department letter No. 106 I-SO(SR) IV/7 dated 18.08.1977, conveyance allowance is not admissible during vacations.

During audit of DEA Vehari, it was observed that District Education Officer (EE-M) Vehari, allowed long leave to various staff under his administrative control during 2017-18 but recovery on account of conveyance allowance amounting Rs 1.300 million was not made for leave period.

Due to weak internal controls, unauthorized payment was made on account of conveyance allowance.

Non-deduction of conveyance allowance during leave period resulted in unauthorized payment and loss of Rs 1.300 million.

The matter was reported to the CEO of DEA and the DDO concerned in November, 2018 but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of amounting Rs 1.300 million besides fixing of responsibility on the person(s) at fault, under intimation to Audit

[AIR Para No. 10]

## **ANNEXURE**

**Annexure – A**  
**Part-I**

**Memorandum for Departmental Accounts Committee Paras Pertaining  
to Current Audit Year 2018-19**

(Rupees in million)

Sr. No.	DDOs	Para No.	Subject	Amount
<b>District Education Authority Bahawalnagar</b>				
1	District Education Authority, BWN	2	Unjustified expenditure on stationery	0.249
2		3	Irregular expenditure on Civil Woks	0.102
3		7	Non recovery of registration fee and renewal fee from private schools	0.253
4		8	Non conduction of annual inspection of private schools and non recovery of inspection fee	0.233
5		10	Unjustified expenditure on account of advertisement charges	0.243
6		11	Non creation of OSD posts for payment salary to families of deceased persons	-
7		12	Non compliance of audit /DAC directives on preceding audit reports	-
8	Dy. DEO (EE-M) CTN	3	Loss due to inadmissible payment of Charge Allowance to AEOs etc	0.15
9		5	Loss due to payment of inadmissible allowances	0.138
10		8	Overpayment of Charge Allowance to Head Teachers of Schools Shifted to PEF	0.077
11		12	Misappropriation of funds	0.882
12		13	Unjustified expenditure on account of GST on purchase of Bricks	0.033
13		14	Unauthorized expenditure on account of Income Tax	0.138
14	Govt. Rizvia Islamia High School, HND	3	Unauthorized excess withdrawal of pay and allowance after regularization	0.559
15		4	Irregular purchase from the black listed firms	0.054
16		6	Non reconciliation of expenditure statement	30.327
17		7	Loss to government due to payment of conveyance allowance during leave periods	0.028
18		8	Deterioration of Government property due to non auction	0.05
19		9	Medical charges, TA bills and bills of Others head of account	0.001
20		10	Doubtful expenditure on repair of machinery and furniture	0.239



Sr. No.	DDOs	Para No.	Subject	Amount
21		12	Unauthorized payment of travelling allowance	0.012
22	District Education Officer (SE)	4	Unauthorized payment of travelling allowance	0.143
23		5	Unjustified withdrawal of POL without approved tour programmes on monthly basis	0.829
24		6	Doubtful expenditure on repair of machinery and furniture	0.718
25		7	Unjustified expenditure on photo copies	0.449
26		8	Unauthorized payment of conveyance allowance during vacations	0.031
27		9	Doubtful expenditure on repair of vehicles	0.231
28		10	Recovery from travelling allowance bills	0.161
29		12	Less deduction of income tax and over payment of sales tax	0.03
30		13	Loss to Government due to misappropriation of used mobil oil	0.009
31		14	Excess charging of rates of POL than the rates given on OGRA web site	0.009
32		16	Non-compliance of previous audit reports	-
33		Principal GGHSS Dunga	1	Unauthorized excess withdrawal of pay and allowance after regularization
34	2		Unauthorized payment of conveyance allowance during summer and winter vacations	0.381
35	5		Loss to Government due to payment of conveyance allowance during leave periods	0.015
36	7		Excess payment of Sales Tax	0.043
37	8		Doubtful expenditure on repair of machinery and furniture	0.152
38	9		Un-authorized / doubtful expenditure on account of purchase of coal and ice	0.097
39	11		Non-compliance of previous audit reports	-
40	Dy. DEO (EE-W) BWN	1	Irregular expenditure without sanction from the competent authority	6.9
41		2	Doubtful difference between departmental expenditure statement and FI data maintained in District Accounts Office	7.384
42		3	Non vacation of occupational land of schools	-
43		4	Probable misappropriation due to non deposit of sale proceeds of trees	0.081
44		5	Irregular maintenance of cash books by schools	2.575
45		7	Irregular expenditure through SC without notification from competent authority	1.61
46		10	Non-compliance /unknown status of observations issued in previous year Audit	-

Sr. No.	DDOs	Para No.	Subject	Amount
47		12	Unjustified payment of charge allowance	0.274
48		17	Non-imposition / payment of Punjab Sales Tax and income tax on services	0.112
49		18	Loss due to payment of SSB after regularization	0.112
50		19	Unjustified payment of salary after transfer of employees	0.068
51		20	Irregular/overpayment payment of sales tax on Tablets by school council's	0.154
52		21	Non taking of actions against teacher due to habitual misconduct, inefficiency and poor administration	-
53		22	Irregular drawl of advance increment without completion of six months service	0.038
54	HM GGHS City BWN	2	Irregular Award of Advance Increments to School Teachers	0.449
55		3	Un-authorized drawl of pay & allowances after regularization	0.104
56		4	Less receipt of NSB funds as per release order	0.792
57		5	Less-refund of Rs34,607 from NSB funds	0.035
58		6	Irregular grant of advance increments to F.A PTC teacher recovery	0.164
59		8	Non deduction of GST on repair/ services	0.06
60		9	Unjustified expenditure in excess of demand	0.541
61		10	Non-utilization of NSB funds / unspent balance	1.083
62		11	Unjustified payment of laborcharges	0.095
63		12	Non-compliance of previous audit report	-
64		13	Irregular expenditure of Rs 583,104 on purchase of furniture	0.583
65	DEO (Literacy), BWN	1	Unjustified expenditure of Vocational & Manpower training	1.755
66		2	Non-achieving of District target of NFBE Teachers as per Revised Merged P-C-1	-
67		4	Unjustified expenditure of transportation charges	0.118
68		5	Irregular payment of T.A/D.A	0.025
69		6	Misclassification of Expenditure	43.903
70		7	Non-conformation of deposit of GST	0.037
71	Special Education Center BWN	4	Loss due to payment of irrelevant allowances	0.013
72		5	Loss due to non deposit of sale proceed of used mobil oil	0.078
73		7	Loss due to purchase of POL at higher rates than the rates fixed by OGRA	0.097

Sr. No.	DDOs	Para No.	Subject	Amount
74		8	Loss due to non auctioning of old / unserviceable stock and dry trees	0.15
75		9	Loss due to misappropriation of funds through doubtful billing	0.499
76		10	Loss due to Showing Higher Rates of Store Items	0.093
77		12	Non maintenance / production of record	-
78	HM GHSS Meclod Gung	6	Loss due to non auctioning of old / unserviceable stock and dry trees	0.15
79		7	Loss due to Misappropriation of Funds through Doubtful Billing	0.237
80		9	Loss due to poor quality construction of newly built multipurpose hall	-
81		10	Loss due to encroachment of school land in commercial area	-
82		11	Non maintenance / production of record	-
83	Dy. DEO (EE-W) MND	5	Loss due to Misappropriation of Funds through Doubtful Billing	0.052
84		7	Loss due to encroachment of schools' land	-
85		8	Loss due to Showing Higher Rates of Store Items	0.026
86		11	Doubtful consumption of store items by maintaining improper disbursement record of store items	0.18
87		12	Loss due to doubtful consumption of POL	0.185
88		14	Un-justified payment of Inspection Allowance / Extra Duty Allowance during summer vacations	0.087
89		15	Loss due to overpayment payment of charge allowance	0.016
90		16	Non-deposit of sale proceeds of old material into treasury	0.158
91		17	Loss due to misappropriation of NSB funds	0.383
92		19	Irregular expenditure regarding repair of school buildings	4.976
93		20	Loss due to showing purchases at higher rates by "School Councils"	1.053
94		21	Loss due to claiming unjustified / unnecessary expenses	1.092
95	22	Non maintenance / production of record	-	
96	GHS Model Chistian	1	Loss to Government due to payment of irrelevant allowance during Leave Period	0.061
97		3	Unauthorized Drawl of Mobility / Conveyance	0.015

Sr. No.	DDOs	Para No.	Subject	Amount
			allowance during Winter vocation period	
98		5	Irregular award of Advance Increments	0.259
99		6	Loss to Government Due to Unjustified Repair Work	0.095
100		8	Irregular payment of Pay & Allowances due to Change of Cadre	1.585
101		10	Loss to govt. due to non compliance of audit observations of previous period	0.252
102	HM GGHS 170/M	3	Deterioration of Government property due to non auction	0.05
103		4	Irregular payment of Pay & Allowances due to Change of Cadre	2.036
104		5	Loss to Government Due to Unjustified Repair Work	0.065
105		7	Excess Utilization of Budget	0.28
106		8	Unjustified expenditure on account of stationery	0.03
107		10	Unauthorized Retention of Cash Balances	0.845
108		11	Loss to Government due to non-payment of GST	0.018
109		12	Non Auction of old material + old newspaper	0.01
110		13	Loss to Government due to Irregular Drawl of Integrated allowance	0.09
111		HM GGHS Chak No. 6/1-R HND	4	Irregular payment of pay & allowances due to change of cadre
112	6		Non Utilization of Budget	0.039
113	8		Unauthorized retention of cash balances	1.196
114	9		Loss to Government due to unjustified repair work	0.01
115	10		Unauthorized appointment of Elementary School Educator (ESE) irrelevant qualification	0.312
116	Dy. DEO (EE-W) CTN	3	Irregular award of advance increments to elementary school teachers on account of B.Ed& M.A. recovery	0.312
117		9	Irregular payment of special conveyance allowance	0.107
118		10	Sanction of expenditure of Rs. 4.100 million beyond competency	4.1
119		11	Loss due to unjustified payment of irrelevant allowances	0.097
120		18	Overpayment of Rs. 24,000 on account of Charge Allowance	0.024
121		19	Non-compliance of observations issued in	-

Sr. No.	DDOs	Para No.	Subject	Amount
			previous year Audit	
122	Dy. DEO (EE-M) HND	2	Loss to government due to unjustified payment of irrelevant allowance,	0.071
123		4	Unauthorized Payment of Charge Allowance to AEOs recovery	0.096
124		7	Doubtful payment of salary with doubtful bank account No	18.655
125		8	Doubtful payment of salary with doubtful CNIC No.	0.987
126		9	Doubtful expenditure on hot & coal	0.04
127		10	Loss to government due to payment of ad-hoc relief allowances after their merge into basic pay	0.43
128		11	Loss due to excess payment of pay & allowances after retirement	0.083
129		12	Recovery of pay allowances during leave with half pay	0.081
130		14	Loss to government due to payment of taxes out of school fund	0.114
131		16	Loss to govt. due to non-deduction of taxes	0.106
132		17	Un-justified expenditure due to without signature from school council members	13.68
133		18	Non deduction of PST on repair expenditure	0.714
134		19	Unjustified expenditure on various itmes	0.078
135		20	Un-justified expenditure regarding repair / construction of school buildings,	0.796
136		21	Blockage of Government money due to non-utilization of NSB Fund	2.596
137		23	Non-compliance of previous audit report	-
138		24	Improper maintenance of stock registers	0.05
139		DEO (EE-W) BWN	4	Excess payment due to purchase of POL without observing the OGRA rates
140	5		Loss to government due to non-deduction of GST on purchase of POL, recovery thereof	0.029
141	6		Un-authorized purchase of POL from unregistered petrol pump	0.143
142	7		Un-justified expenditure of different accounting head	0.231
143	8		Non-Production / maintenance of Record	-
144	9		Unjustified payments of repair & maintenance	0.615
145	10		Non disposal of used mobile oil	0.029
146	11		Non-auction of various items	0.035
147	12		Misappropriation of Funds through Fictitious	0.08

Sr. No.	DDOs	Para No.	Subject	Amount
			Billing	
148		13	Non finalization of enquiry	-
149		15	Non-compliance of previous audit report	-
<b>District Education Authority Bahawalpur</b>				
150	CEO (DEA) BWP	8	Loss due to running of unregistered private schools	0.66
151	Govt. Technical High School, BWP	3	Irregular expenditure without sanctions by DDO	0.771
152		4	Unjustified expenditure without any demands	0.279
153		5	Loss due to Non accountal of various store items	0.13
154		7	Unjustified expenditure on account of repair of furniture	0.119
155		8	Irregular expenditure on account of repair works	0.412
156		10	Non auction and deterioration of Government Properties	-
157		13	Non-collection of proof of Sales Tax from Firms	0.141
158	DEO (EE-W) BWP	8	Loss due to Misappropriation of Funds through Doubtful Billing	0.377
159		9	Loss due to Showing Higher Rates of Store Items	0.013
160	Special Education Center, APE	5	Loss due to Non Deposit of Sale Proceed of Used Mobil Oil	0.028
161		7	Loss due to Showing Higher Rates of Store Items	0.043
162	Special Education Degree College, BWP	2	Loss due to non deduction of various allowances from occupants of Government residences within office's premises	0.091
163		8	Loss due to Purchase of POL at Higher Rates than the Rates Fixed by OGRA	0.145
164		9	Loss due to Non Deposit of Sale Proceed of Used Mobil Oil	0.04
165		10	Loss due to Misappropriation of Funds through Doubtful Billing	0.362
166		11	Loss due to Showing Higher Rates of Store Items	0.061
167		12	Misclassification of expenditure	0.031
168	DEO (SE) BWP	6	Loss to Govt. due to Non Imposing Penalty to Contractors for Late delivery of IT Equipment	0.171
169		7	Difference in issued Stock to end user	0.845
170		8	Unjustified expenditure on account of	1.037

Sr. No.	DDOs	Para No.	Subject	Amount
			stationery	
171	Dy. DEO (EE-W) BWP City	3	Irregular Expenditure on Purchase of Stationary	0.196
172		9	Wasteful Expenditure of Earth Work / Filling	0.075
173		10	Doubtful Expenditure out of NSB On account of Uniform	0.191
174		13	Unauthorized Appointment and Re-appointment of Terminated staff	0.505
175		14	Non-Deduction of Punjab Sales Tax on repair & maintenance	0.102
176		15	Likely Misappropriation of funds due to purchase of building material without any consumption record	0.348
177		16	Loss to govt. due to purchase of POL at higher rates than the rates fixed by OGRA	0.009
178		18	Misappropriation of funds on distribution of stipend loss in thousand	-
179	GGHSS Khanqah Shareef	6	Loss to Government due to irregular award of Advance Increments	0.619
180		8	Irregular expenditure on purchase of furniture	0.195
181	GGHSS Mubarak Pur	2	Irregular expenditure on purchase of durable goods	0.135
182		12	Loss to Government due to irregular award of Advance Increments	0.639
183		15	Unauthorized up-gradation of scale	0
184		16	Irregular payment of Conveyance Allowance during winter vocation	0.254
185	GHSS Channi Goth	4	Irregular awards of advance increments to elementary school teachers on account of B. Ed & M.A recovery	0.097
186		11	Non-compliance of previous audit report	-
187	Dy. DEO (EE-M) Hasilpur	4	Recovery on account of late deposit of Medical Certification	0.703
188		5	Unauthorized excess withdrawal of pay and allowance after regularization	0.469
189		7	Non finalization of inquiry decision regarding theft of trees	0.2
190		9	Loss due to payment of inadmissible allowances	0.24
191		10	Excess payment of Sales Tax	0.47
192	GGHS Multani Gate, BWP	1	Loss to govt. due to payment of conveyance allowance during leave period	0.064
193		2	Unauthorized payment of mobility allowance	0.195

Sr. No.	DDOs	Para No.	Subject	Amount
			during winter vocation	
194		3	Irregular purchases from the black listed firm	0.154
195		4	Excess payment of Sales Tax	0.032
196		6	Doubtful expenditure on repair of machinery and furniture	0.291
197		7	Loss due to payment of inadmissible allowances	0.011
198	Dy. DEO (EE-M) BWP City	9	Non action against the person involved in nefarious activities	0.052
199		10	Unjustified payment of inspection allowance	0.03
200		11	Loss due to payment of inadmissible allowances	0.116
201		12	Overpayment of Charge Allowance	0.06
202		13	Loss due to overpayment of HRA	0.058
203	Dy. DEO (EE-M) Yazman	4	Overpayment of Charge Allowance	0.574
204		6	Loss due to payment of inadmissible allowances	0.045
205		7	Loss due to unauthorized award of advance increments	0.247
206		11	Unjustified expenditure on HRA	0.042
207	Dy. DEO (EE-W) Khairpur Tamewali	3	Loss due to payment of SSB after regularization	0.164
208		4	Unjustified payment of salary after resignation of employees	0.055
209		7	Overpayment of Charge Allowance	0.06
210		11	Loss due to payment of inadmissible allowances	0.016
<b>District Education Authority Rahim Yar Khan</b>				
211	CEO (DEA) RYK	1	Award of contract to self favored firm without participation in bidding	2.378
212		4	Lapse of funds	78
213		6	Loss due to non deduction of LD charges for late supplies and wrong calculations	0.122
214		7	Loss due to non-deduction of CA despite designated vehicles	0.17
215		8	Unauthorized release of supplementary grant in violation of Austerity Measures	5.985
216		14	Unjustified payment of SSB	6.48
217		16	Irregular drawl of TA/DA without approval	0.092
218		19	Non disbursement of money of 1 <sup>st</sup> Quarter 2016	0.61
219		20	Non finalization of pending inquiries	-



Sr. No.	DDOs	Para No.	Subject	Amount
220		22	Short supply of furniture and payment without imposing penalty	0.33
221		23	Non taking of actions against the teachers involved in Harassments	-
222		25	Non-compliance of observations issued in previous year Audit	-
223	DEO (SE) RYK	4	Loss due to unauthorized drawl of HRA and C.A	0.133
224		5	Loss due to excessive expenditure on Inspection Allowance	0.06
225		7	Unjustified consumption of POL	0.042
226		8	Misclassification of expenditure	0.096
227		9	Unjustified expenditure on repair of Vehicle	0.293
228		10	Unjustified Expenditure through Fictitious Billing	0.156
229		11	Unjustified expenditure on purchase of stationery	0.622
230		12	Non auction of Scrap	0.05
231		5	Doubtful expenditure on repair of vehicles	0.96
232	DEO (EE-M) Rahim Yar Khan	7	Unauthorized excess withdrawal of pay and allowances after regularization	0.092
233		9	Unjustified expenditure on photo copies	1.068
234		10	Doubtful expenditure on repair of machinery and furniture	0.849
235		12	Loss to Government due to misappropriation of used mobil oil	0.029
236		13	Misappropriation of POL costing	0.02
237		14	Non verification of deposit of Sales Tax on purchases	0.62
238		Dy. DEO (EE-M) Rahim Yar Khan	4	Overpayment of on account of qualification allowance
239	9		Irregular expenditure of Rs. 15.102 million due to appointment during ban period	15.102
240	10		Unauthorized withdrawal on construction work	3.365
241	11		Release of salaries Rs. 15.266 million without approved medical fitness certificates from medical board	15.266
242	17		Unjustified retention of cash in hand of NSB funds	3.728
243	18		Irregular award of advance increments to elementary school teachers on account of B.Ed & M.A. recovery	0.353
244	19		Irregular Grant of Advance Increments to F.A	0.124

Sr. No.	DDOs	Para No.	Subject	Amount
			PTC Teacher Recovery	
245		20	Release of pay Rs. 3.372 million before verification of academic degrees	3.372
246		21	Overpayment of Rs. 88,000 on account of charge allowance	0.088
247		22	Non-compliance of observations issued in previous year Audit	-
248		4	Overpayment of Rs.119,405 due to irregular award of Advance Increment	0.119
249		5	Overpayment of on account of qualification allowance	0.564
250		9	Irregular expenditure of Rs. 6.795 million due to appointment during ban period and accepting in-valid medical fitness certificate	6.795
251		10	Release of pay Rs. 3.190 million before verification of academic degrees	3.19
252		13	Irregular Grant of Advance Increments to F.A PTC Teacher Recovery	0.373
253	Dy. DEO (EE-W) Rahim Yar Khan	15	Irregular award of advance increments to elementary school teachers on account of B.Ed & M.A. recovery	0.141
254		17	Loss to Government Rs. 233,834 due to non provision of released funds	0.234
255		18	Unjustified advance payment	1.054
256		20	Overpayment of Rs. 30,000 on account of Charge Allowance	0.007
257		22	Doubtful drawl of funds on fictitious bills	0.218
258		23	Loss due to excess payment of Income & Sales Tax	0.473
259		24	Non-compliance of observations issued in previous year Audit	-
260		1	Suspected misappropriation in NSB funds	0.507
261		2	Doubtful expenditure by preparing fictitious cash book	0.647
262		9	Unauthorized payment of pay and allowances after death of employees	0.495
263	Dy. DEO (EE-W) Liaqat Pur	13	Non deduction of Income tax on repair expenditure	0.892
264		17	Irregular maintenance of cash books by schools	0.541
265		24	Unjustified expenditure on account of repair works	0.05
266		25	Doubtful/Unjustified expenditure without any demands	0.78

Sr. No.	DDOs	Para No.	Subject	Amount
267		26	Non-collection of proof of Sales Tax from Firms	0.093
268		27	Non-compliance of observations issued in previous year Audit	-
269	Dy. DEO (EE-M) Liaqat Pur	1	Overpayment of DTE allowance	0.101
270		4	Irregular transfer of NSB to shelter less schools	3.601
271		5	Misappropriation on account of repair of vehicle	0.077
272		6	Unjustified expenditure on civil work by schools of demolish buildings Rs 3.394 million	3.394
273		8	Doubtful expenditure on purchase and issuance of stock	0.706
274		12	Non accountal into stock	0.957
275		15	Non recovery of penalties imposed by the competent authorities	0.101
276		18	Un-authentic of purchase of assets	0.399
277		19	Loss to government due to payment of taxes out of school fund	0.109
278		20	Blockage of Government Money due to Non-utilization of NSB Fund	9.53
279		22	Un-authorized payment of qualification allowance	1.068
280		23	Unauthorized Payment of Charge Allowance to AEOs recovery	0.143
281		24	Unauthorized Payment of Charge Allowance recovery	0.498
282		25	Loss to govt. due to payments on higher rates	2.245
283		28	Loss due to unauthorized grant of Conveyance Allowance	0.06
284		30	Unauthorized payment of pay and allowances during EOL period	0.058
285		32	Non verification of expenditure statements from DAO	721.469
286	Dy. DEO (EE-W) Sadiq Abad	2	Loss due to unauthorized payment of salary during the period of EOL	0.152
287		8	Payment of salary to absent employees	0.437
288		10	Unauthorized expenditure on account of GST Tax	0.261
289		13	Unjustified expenditure on repair of IT equipments	0.05
290	GGHSS Chak 1/P, Khan Pur	3	Un-justified expenditure of exhibition fairs and other national celebration	0.129
291		4	Un-justified expenditure of hot & cold	0.079

Sr. No.	DDOs	Para No.	Subject	Amount
292		5	Fictitious / bogus billing of different heads	0.145
293		7	Loss to government due to paid on higher rates	0.182
294		8	Unjustified expenditure of various heads	0.082
295		9	Irregular awards of advance increments to elementary school teachers on account of B. Ed & M.A recovery	0.223
296		10	Non-accountal into stock registers of consumable items	0.115
297		11	Unjustified payment of arrear in utilities bills –	0.056
298		12	Non-auction of dry trees	0.105
299		13	Unjustified payment of irrelevant allowance,	0.022
300		15	Doubtful payments of repair and maintenance without maintenance of history sheet registers	0.375
301		16	Improper maintenance of stock registers	0.647
302		17	Un-justified expenditure due to without signature from school council members	1.856
303		GGHSS Model, Khan Pur	5	Loss to government due to paid on higher rates
304	8		Non finalization of show cause notice due to non-performing of official duty and recovery of pay and allowance	0.329
305	9		Un-authorized drawl of pay & allowances after regularization	0.013
306	12		Purchase of POL without observing the OGRA rates and non-deduction of GST	0.176
307	16		Unjustified payments of repair & maintenance of bus	1.49
308	17		Un-authorized drawl of TA/DA and non-production of bill	0.156
309	18		Un-authorized purchase of POL from unregistered petro pump	1.432
310	19		Irregular awards of advance increments to elementary school teachers on account of B. Ed & M.A recovery	0.193
311	21		Non-accountal into stock of consumable items	0.068
312	22		Doubtful expenditure on hot & coal	0.1
313	23		Un-justified expenditure of exhibition fairs and other national celebration	0.122
314	24		Un-justified expenditure of different accounting head	0.079
315	25		Un-justified expenditure due to without signature from school council members	2.632
316	26		Non disposal of used Mobil oil	0.035
317	28		Doubtful payments of repair and maintenance	1.811

Sr. No.	DDOs	Para No.	Subject	Amount
			without maintenance of history sheet registers	
318		29	Non finalization of enquiry	-
319		30	Improper maintenance of stock registers	0.769
320		31	Expenditure incurred without budget granted	0.503
321		32	Non-compliance of previous audit report	-
322	GGHS Jinnah Park, RYK	1	Loss to government due to payment of conveyance allowance during winter vacations	0.133
323		2	Loss to government due to drawl of conveyance allowance during earned leave	0.022
324		5	Doubtful payments of repair and maintenance without maintenance of history sheet registers	0.134
325		6	Improper maintenance of stock registers	0.408
326		8	Irregular payment of pay & allowances	0.56
327		9	Non-compliance of previous audit report	-
328		11	Unjustified / fictitious billing of various heads	0.12
329		13	Irregular awards of advance increments to elementary school teachers on account of B. Ed recovery	0.338
330		14	Unjustified payment of repair of building	0.3
331		GGHS Senior Muslim, RYK	2	Irregular less deduction of withholding GST from supplier's bills
332	3		Loss due to non deposit of GST by suppliers	0.158
333	5		Loss due to Misappropriation of Funds through Doubtful / Fictitious Billing	1.685
334	6		Doubtful consumption of store items by maintaining improper disbursement record of store items	0.997
335	7		Loss due to non auctioning of old / unserviceable stock and dry trees	0.15
336	8		Loss due to non deduction of pay & allowances against leave without pay	0.053
337	10		Irregular award of advance Increments to school teacher	0.101
338	GBHS Bagho Bahar, RYK	2	Deterioration of Government property due to non auction	0.109
339		5	Excess payment of Sales Tax	0.009
340		7	Doubtful expenditure on repair of machinery and furniture	0.494
341		9	Non verification of deposit of Sales Tax on purchases	0.181
342	GGHSS Feroza, LQP	4	Deterioration of Government property due to non auction	0.05
343		5	Excess payment of Sales Tax	0.028

Sr. No.	DDOs	Para No.	Subject	Amount	
344		6	Improper maintenance of stock registers	0.146	
345		7	Doubtful expenditure on repair of machinery, furniture and building	0.945	
346		8	Uneconomical expenditure without quotations	0.2	
347		9	Unauthorized excess withdrawal of pay and allowance after regularization	0.1	
348		11	Non verification of deposit of Sales Tax on purchases	0.392	
349		12	Loss due to unauthorized award of advance increments	0.248	
350		13	Unauthorized payment of travelling allowance	0.102	
351		14	Irregular and unjustified expenditure on school functions	0.04	
352		GGHS Noor-e-Wali, RYK	2	Doubtful distribution of Educational Books	0.498
353			4	Unjustified Expenditure on Account of Advertisement	0.114
354	6		Unjustified Expenditure on Plantation	0.077	
355	7		Unauthorized Expenditure on Advance Increments of B. Ed	0.639	
356	8		Loss to Government due to payment of irrelevant allowance during Leave Period	0.041	
357	9		Non Deduction Advance Increment To F.A 3RD Division To PTC Teacher	0.094	
358	10		Doubtful payment to students on account of stipends	0.479	
359	11		Un-sound Budgeting / Non-surrender of Anticipated Savings	0.265	
360	Special Education Center, Khan Pur	1	Un-authorized drawl of pay and allowances without performing duties	1.215	
361		5	Irregular purchase of Uniform from default supplier	0.058	
362		9	Doubtful Expenditure on Advertisement	0.02	
363		11	Non-deposit of GST into Government Treasury	0.047	
364		12	Loss to govt. due to Non Compliance of Audit Observation of Previous period	1.472	
365		15	Fraudulent drawl of fund for changing Mobil-oil	0.48	
366		16	Misclassification of expenditure	0.679	
367		17	Loss to Govt. due to Misappropriation of Used Mobil Oil,	0.022	
368		18	Loss due to non-allotment of designated residences	0.213	
369		21	Non-recovery of repair & maintenance charges	0.04	

<b>Sr. No.</b>	<b>DDOs</b>	<b>Para No.</b>	<b>Subject</b>	<b>Amount</b>
370		22	Doubtful Expenditure on Diet of few Hostel Students	0.679
371		25	Un-authorized drawl of allowances during leave period	0.037
372		26	Doubtful Expenditure on Uniform of Students	0.72
373		29	Doubtful purchase of Uniform from default supplier	0.392
374		31	Unauthorized Payment of Mobility / Conveyance allowance during Winter vocation periods	0.003
375		33	Non-deposit of GST into Government Treasury	0.069
376		34	Loss to govt. due to purchase of POL at higher rates than the rates fixed by OGRA	0.02
377		35	Wrong reporting of Cost Center Description / DDO Account in SAP	5.338
378		37	Non-Submission of Working Papers of previous Audit period	-

**D.G.Khan**

(Rupees in million)

<b>Name of formations</b>	<b>Sr. No.</b>	<b>Para No.</b>	<b>Subject</b>	<b>Amount</b>
CEO (Education)	1	10	Un-scrutinized expenditure due to non-production of Logbook	0.043
	2	11	Unauthorized provision of supplementary grants	398.998
	3	16	Un-justified budget allocation	284.911
	4	18	Unjustified drawl of TA/DA and non-deposited of GST	0.035
	5	19	Unjustified allocation budget	0.033
	6	20	Excess expenditure than allocated of budget	0.159
	7	21	Overpayment due to excessive use of steel	0.229
	8	23	Overpayment on account of use of local sand	0.794
	9	24	Unjustified execution of soling	0.093
	10	25	Loss due to unjustified deduction of old material	0.043
	11	30	Overpayment due to excessive use of steel	0.208
Dy.DEO (EE-M) D.G.Khan	12	8	Recovery on account of pay & allowances due to irregular grant of BS-09 to P.T.C teachers	0.279
	13	10	Misappropriation on account of NSB fund	0.095
	14	17	Overpayment due to non-fixation of basic pay	0.074
GGHSS Gaddai	15	11	Overpayment due to irregular award of annual increments due leave without recovery	0.022
	16	12	Recovery of pay & allowance due to payment of salary during leave	0.153
	17	11	Overpayment due to irregular award of annual increments due leave without recovery	0.022
	18	12	Recovery of pay & allowance due to payment of salary during leave	0.153
Dy.DEO (EE-W) D.G.Khan	19	2	Unauthorized withdrawal of pay and allowances during absent period and after termination of contract	0.243
	20	4	Unauthorized drawl of pay and allowance from cost center without performing duties in this office	0.659
	21	14	Unauthorized payment of qualification allowance to ET BPS-16	0.043
	22	16	Less deduction of group insurance from employees salaries	0.131
Dy.DEO (EE-W) Taunsa	23	3	Overpayment Due To Non-Adjustment Of Ara-2016 And Ara-2017 After Regularization	0.047
	24	6	Dual payment on account of pay & allowances	0.028
	25	13	Overpayment on account of qualification allowance To ESE/SSE/SESE	0.286
	26	15	Drawl of salary during the period of leave without pay	0.143
	27	17	Non-recovery of overpayment	0.032



Name of formations	Sr. No.	Para No.	Subject	Amount
	28	20	Less deduction of group insurance from employees salaries	0.119
	29	22	Non-recovery of G.P fund upon regularization of services	0.528
	30	23	Overpayment on account of Pay & Allowances	0.109
	31	24	Unauthorized drawl of pay and allowance for the PST having bs-7	0.426
	32	26	Unauthorized payment of Pay and Allowances	0.694
	33	29	Overpayment on account of Pay & Allowances	0.057
	34	31	Overpayment Due To Grant Of Annual Increment Without Completing Six Month Service	0.123
	35	32	Un-authorized payment of previous years liabilities	0.021
	36	33	Irregular expenditure on repair of vehicle	0.048
GGHSS Shahdan Lund	37	3	Recovery of un authorized payment during absent period	0.021
	38	4	Drawl of salary during the period of leave without pay	0.130
	39	10	Recovery Of Overpayment Due To Non-Fixation Of Basic Pay	0.047
	40	14	Non-production of record	--
Headmaster city High School D.G.Khan	41	2	Un-authorized allocation of budget without sanctioned posts	4.603
	42	4	Overpayment due to unjustified award of double benefit against the same qualification	0.139
	43	8	Recovery on account of unauthorized payment of advance increment	0.053
Dy.DEO (EE-M) Kot Chutta	44	3	Overpayment on account of 45% house rent allowance	0.023
	45	7	Un-authorized payment of previous years liabilities	0.079
	46	9	Overpayment due to payment of higher rates of POL than notified by OGRA	0.005
	47	13	Overpayment due to unjustified adjustment	0.062
	48	14	Recovery on account of unauthorized payment of advance increment	0.056
	49	17	Unjustified and irregular expenditure	0.052
Dy.DEO (EE-W) Kot Chutta	50	6	Overpayment due to drawal of pay during leave without pay	0.077
	51	8	Loss due to non-deduction of G.P. Fund upon regularization of servicers	0.069
	52	17	Non-credit fund after released of budget	0.649
	53	18	Overpayment of on account of annual increment	0.032
Headmistress GGHSS Vehova	54	5	Recovery owing to acquiring double benefit against the same qualification	0.078
	55	13	Unjustified purchase of store items	0.219

Name of formations	Sr. No.	Para No.	Subject	Amount
	56	14	Irregular expenditure due to without approval of finance department	0.360
Headmistress GGHS Nutkani	57	1	Recovery on account of unauthorized payment of advance increments	0.052
	58	7	Non-utilization of equipment purchased for vocational training	0.274
Headmistress GGHS Sakhi Sarwar	59	5	Overpayment Due To Irregular Award Of Qualification Allowance	0.159
	60	9	Un-authorized payment against weather shield	0.069
	61	10	Expenditure on repair and maintenance of building without estimate and measurement	0.149
	62	13	Overpayment due to non-adjustment of ARA-2016 after regularization	0.009
Dy.DEO (EE-M) Taunsa	63	2	Recovery Of Overpayment Due To Non-Fixation Of Basic Pay	0.156
	64	3	Non-refund of one month salary after termination of contract	0.186
	65	13	Non-refund of salary during the period of leave without pay	0.108
	66	14	Withdrawl of pay and allowances by the absconded teachers for absent period	0.166
	67	20	Expenditure on payment of salaries to temporary teachers out of NSB grant	0.250
	68	23	Un-authorized payment of previous years liabilities	0.037
	69	24	Overpayment due to payment of higher rates of POL than notified by OGRA	0.008
Headmistress Government Girls High Kot Chutta	70	3	Irregular incurrence of development expenditure without detailed design and specifications	0.600
	71	4	Doubtful expenditure on rewinding of fans.	0.094
	72	6	Payment of pay & allowance without verification of degree	0.396
	73	11	Overpayment due to payment of higher rates of POL than notified by OGRA	0.008
Headmistress GGHS Yaroo	74	4	Recovery of un authorized payment of salaries after regularization	0.102
	75	5	Irregular expenditure due to without approval of finance department	0.507
	76	6	Expenditure on repair and maintenance of building without estimate and measurement	0.174
	77	7	Unauthorized auction of old building	0.240
	78	9	Unauthorized drawls of library security	0.138

## Layyah

(Rupees in million)

Name of formations	Sr. No.	Para no.	Subject	Amount
CEO (DEA)	1	1	Misappropriation due to double payment	0.116
	2	3	Mis-appropriation of POL	0.129
	3	5	Doubtful consumption/utilization of stores items due to non-accountal	0.127
	4	6	Unauthorized payments to contractors out of district education authorities funds without pre-audit	58.183
	5	7	Inauthentic payment due to doubtful measurement of measurement book	0.026
	6	9	Rush of expenditure under grant no. 36 at the close of financial year 2017-18	33.781
	7	11	Overpayment on account of use of local sand	0.794
	8	14	Inauthentic measurement of work	0.965
	9	16	Doubtful payment chances of fraud	0.241
	10	17	Overpayment due to unjustified payment of razor wire cut	0.074
	11	23	Expenditure on repair of vehicles	0.189
	12	24	Unauthorized retention of public money into account of DDO	26.227
	13	25	Purchase of stationery without tender advertisement	0.127
	14	26	Unauthorized provision of supplementary grants	8.330
	15	27	Un-justified budget allocation and incurrence of expenditure	108.958
	16	28	Excess expenditure than allocated of budget	538.168
	17	29	Fictitious maintenance of cash book unauthentic payments	17.855
	18	30	Non-maintenance of SDA A/c cash book unauthentic payments	20.376
	19	31	Unjustified expenditure on account of photocopies	0.070
	20	32	Non-maintenance of check measurement books expenditure incurred	58.183
	21	33	Unjustified drawl of TA/DA and hotel charges, recovery of GST	0.083
	22	37	Inauthentic payment due to non-execution of work	0.532
	23	39	Inauthentic payment due to non-execution of work	0.532
	24	40	Loss to government due to non-transfer of tax	0.581
Dy. DEO (EE-W) Layyah	25	1	Over drawl against pay and allowances	0.137
	26	11	Unauthorized retention of public money at the close of financial year	6.786
	27	17	Misappropriation of NSB	0.090
Dy. DEO	28	7	Un-authorized drawl of charge allowance	0.162

Name of formations	Sr. No.	Para no.	Subject	Amount
(EE-W) Karor	29	14	Doubtful expenditure on repair of vehicle and POL	0.343
	30	15	Unauthorized payment of pay and allowances during leave	0.097
	31	17	Misappropriation of NSB fund	0.564
	32	18	Misappropriation of NSB fund	0.932
Dy. DEO (EE-M) Layyah	33	1	Unauthorized withdrawal of pay after resignation from service	0.077
	34	16	Less deduction of group insurance from employees salaries	0.149
	35	19	Unjustified payment of salaries without verification of degrees/academic record	51.747
	36	24	Unauthorized payment of qualification allowance to ESE/SESE	0.015
	37	28	Misappropriation/doubtful drawl on account of uniform to students	0.032
	38	29	Misappropriation out of NSB fund	0.127
GGHS Karor	39	3	Recovery owing to acquiring double benefit against the same qualification	0.241
	40	4	Recovery owing to acquiring double benefit against the same qualification	0.286
	41	5	Recovery owing to acquiring double benefit against the same qualification	0.247
	42	8	Recovery against inadmissible pay and allowance	0.052
	43	12	Unjustified purchase of store items	0.195
Dy. DEO (EE-W) Choubara	44	6	Unauthorized payment of salaries during leave without pay	0.079
	45	14	Unauthorized allowing of increments	0.053
	46	19	Non-recovery of G.P fund upon regularization of services	0.304
DEO (EE-W) Layyah	47	4	Overpayment owing to excess drawl of POL	0.125
	48	6	Irregular expenditure against TA/DA	0.102
	49	9	Un-authorized payment of previous year liabilities	0.058
Dy. DEO (EE-M) Choubara	50	17	Shortage of government vehicle	0.800
	51	20	Overpayment due to irregular award of Bs-9	0.093
	52	22	Unauthorized award of 2 advance increment and Bs-9 on acquiring same qualification recovery	0.114
	53	25	Un-authorized / invalid expenditure against vehicle not owned by Dy DEO Choubara	0.077
Dy. DEO (EE-M) Karor	54	15	Unauthorized payment of fixed basic pay of inadmissible allowances	0.050
	55	17	Unauthorized drawl of pay & allowances	0.416
	56	20	Shortage of government vehicle	0.500

Name of formations	Sr. No.	Para no.	Subject	Amount
	57	21	Overpayment on account of qualification allowance	0.066
	58	22	Recovery due to unjustified payment of of qualification allowance	0.016
	59	25	Un-authorized payment of outstanding liabilities	0.129
	60	26	Doubtful consumption of POL due to non-production of logbooks	0.249
	61	27	Un-authorized / invalid expenditure against vehicle not owned by Dy DEO Choubara	0.207
	62	30	Expenditure without store entry	0.518
	63	32	Unjustified Payment of GST/Income Tax of Last Year	0.824
	64	33	Unjustified transferred and drawl out of NSB Fund and Chances of Misappropriation	0.497
	65	34	Non-Production of Record of NSB Fund	-
HM Special Education Center Layyah	66	3	Recovery of unauthorized payment of conveyance allowance during leave on full pay	0.005
	67	6	Doubtful issuance of store	0.221
	68	7	Doubtful consumption of POL	0.834
	69	8	Un-authorized / invalid expenditure on advertisement against other formation	0.072
	70	13	Loss of govt. Due to misappropriation of POL	0.018
	71	14	Un-authorized payment of previous years liabilities	0.100
	72	15	Overpayment due to payment of higher rates of pol than notified by OGRA	0.021
	73	17	Misclassification of expenditure	0.061
GBHS Karor	74	18	Less deduction of group insurance from employees salaries	0.012
	75	3	Poor performance due to results below board without any action	-
	76	4	Drawal of amount without any proof of activity (scouts) rs.43,450	0.043
	77	7	Non-verification of GST paid to supplier	0.040
GHS Chowk Azam	78	9	Unauthorized expenditure without estimate and measurement	0.942
	79	2	Unjustified expenditure on repairs of buildings	2.664
	80	3	Unjustified expenditure on repair of furniture	0.436
	81	4	Unjustified expenditure on repairs of machinery and equipment	0.305
GGHS Sugar Mills	82	7	Irregular award of B.ed/ M.a. Increments to middle school teachers recovery	0.811
	83	6	Recovery due to acquiring double benefit against the same qualification	0.287
	84	7	Recovery due to unauthorized payment of advance increment	0.052

Name of formations	Sr. No.	Para no.	Subject	Amount
	85	8	Unauthorized payment of salaries during absent/leave without pay	0.085
	86	9	Overpayment of qualification allowance	0.025
	87	12	Non-recovery of G.P fund advance drawn by the employees since long	0.495
	88	13	Unjustified payment of salaries without verification of degrees /academic record	5.088
	89	14	Unauthorized drawl of pay and allowance from cos center without performing duties in this office	0.315
	90	15	Unjustified expenditure on civil works without TS /MB and advertisement	0.360
GHSS Jaman Shah	91	6	Unjustified payment of charge allowance	0.005
	92	11	Unauthorized retention of public money into DDO account	0.413
GHSS Ladhana	93	11	Non-Recovery of G.P Fund Advance Drawn by the employees since long	0.356
	94	12	Overpayment of Pay and allowances to Subject Specialists after regularization of service	0.036
	95	14	Unjustified payment of Salaries without verification of Degrees /Academic Record	4.515
	96	15	Unauthorized drawl of Pay and allowances without performing duties in this office	0.044
	97	18	Misappropriation of Cash drawn without actual expenditure /disbursement due to non-availability of purpose of expenditure	0.317
	98	19	Misappropriation of amount drawn without actual purchase and stock entry	0.052

**Muzaffargarh**

(Rupees in million)

<b>Name of Formations</b>	<b>Sr. No.</b>	<b>Para No.</b>	<b>Subject</b>	<b>Amount</b>
CEO (DEA)	1	5	Unauthentic acceptance of tender, Undue favor to the contractor by awarding work	1.974
	2	8	Overpayment Due to Excessive Use of Steel	0.130
	3	12	Overpayment due to payment of higher rates of POL than notified by OGRA	0.015
	4	13	Un-authorized expenditure on advertisement	0.059
	5	14	Unjustified Drawl of Hotel Charges , Recovery of GST	0.056
	6	16	Unjustified Expenditure on Account of Photocopies	0.354
	7	18	Overpayment of Salaries	0.055
	8	19	Loss due to Un-Authorized withdrawal of two increments	0.028
DEO (EE-W) Muzaffargarh	9	6	Non-recovery of over payment pointed out by DAO against basic pays	0.595
	10	18	Unjustified incurrence of expenditure on repair of Vehicle	0.300
	11	19	Doubtful Purchase and consumption of Store Items	0.724
	12	20	Non-accountal of Store Items	0.651
	13	21	Doubtful and Unjustified expenditure on repair newly purchased vehicle	0.253
	14	23	Overpayment owing to excess drawl of POL	0.665
	15	24	Overpayment due to Double withdrawal	0.019
Dy.DEO (EE-M) Muzaffargarh	16	25	Expenditure on repair and maintenance of building without estimate and measurement	0.418
	17	3	Loss due to Un-Authorized withdrawal of two increments	0.132
	18	6	Misclassification of expenditure	0.340
	19	10	Unjustified Drawl of Hotel Charges , Recovery of GST	0.014
Dy.DEO (EE-W) Muzaffargarh	20	20	Unjustified payment of Salaries without verification of Degrees /Academic Record	55.678
	21	1	Unauthorized withdrawal of pay of ESE after Resignation from service	0.160
	22	3	Unauthorized payment of Pay And Allowances During Absent Period And After Termination of Contract	0.052
	23	11	Non-Recovery Of Penalty/Fine Imposed by the competent authority	0.399
	24	12	Less deduction of Group Insurance from employees salaries	0.169

Name of Formations	Sr. No.	Para No.	Subject	Amount
	25	18	Unjustified payment of Salaries without verification of Degrees/Academic Record	46.775
	26	27	Misappropriation/doubtful drawl on account of uniform	0.567
Dy.DEO (EE-M) Kot Addu	27	10	Overpayment due to irregular award of BS-9	0.071
	28	27	Withdrawal of pay and allowances without posting and performing duties	0.644
Dy. DEO (EE-W) Alipur	29	9	Recovery of unauthorized payments of salaries to retired employees	0.105
	30	12	Non-Deposit of Fine imposed by authority due to willful absent from duty reported by MEAs Recovery	0.013
	31	14	Unjustified Payment of Salaries after removal from Service	0.484
	32	15	Unjustified payment of Salaries without verification of Degrees /Academic Record	37.344
	33	17	Un-authorized excess payment on purchase of tab and recovery	0.058
	34	20	Unauthorized drawl of pay and allowance for the PST having BS-9	6.212
Dy.DEO (EE-M) Jatoi	35	5	Unauthorized retention of Public Money into DDO Account	5.944
	36	7	Overpayment due to unjustified award of double benefit against same qualification	0.123
	37	8	Recovery on account of unauthorized payment of advance increment	0.156
	38	11	Unauthorized payment of inspection allowance to AEOs	1.261
	39	17	Overpayment due to unjustified awarding of annual increments	0.020
	40	18	Overpayment due unjustified promotion/Up-gradation	0.030
	41	21	Non-recovery of penalty imposed during absent period	0.007
Dy.DEO (EE-M) Alipur	42	1	Likely misappropriation out of others due to higher rate of photocopies	0.031
	43	4	Unjustified Payment of POL against fictitious maintenance of logbook	
	44	5	Unjustified and irregular expenditure of	0.130
	45	8	Blockage of Government Money due to Non-utilization of NSB Fund	20.835
	46	9	Irregular incurrence of development expenditure without detailed design and specifications	0.600



Name of Formations	Sr. No.	Para No.	Subject	Amount
	47	13	Un-authorized payment of previous years liabilities	0.033
	48	16	Overpayment due to unjustified adjustment of Rs.34,839	0.035
Dy.DEO (EE-W) Jatoi	49	13	Unauthorized retention of public money into account of DDO	2.023
	50	17	Doubtful expenditure on repair of vehicle and POL Rs 554861	0.555
	51	20	Misappropriation of NSB Fund	0.240
Headmistress GGHS Chowk Sarwar Shaheed	52	9	Recovery owing to acquiring double benefit against the same qualification	0.265
	53	10	Recovery owing to acquiring double benefit against the same qualification	0.287
	54	14	Overpayment on account of Pay and allowance	0.134
	55	15	Unjustified Purchase of Store Items	0.404
Headmaster GBHS Mehmood Kot	56	4	Recovery of overpayment on account of pay	0.043
	57	5	Recovery of overpayment due to wrong fixation of pay	0.786
	58	7	Unjustified payment of conveyance allowance drawn during lockup	0.035
	59	11	Uneconomic purchase of store Items	0.553
Dy.DEO (EE-W) Kot Addu	60	7	Less deduction of Group Insurance from employee's salaries	0.160
	61	10	Non-deposit of fine imposed by authority due to willful absence from duty	0.114
	62	24	Unauthorized allowing of annual increment	0.052
	63	25	Unauthorized allowing of two increments	0.020
	64	26	Unauthorized withdrawl of pay and allowances Rs 38,691	0.039
Headmistress GGHS Mochi Wala	65	1	Unauthorized granted of Annual Increment	0.521
	66	4	Unauthorized Expenditure out of Purchase of Furniture	0.400
	67	11	Non-recovery of overpayment	0.063
	68	12	Unauthorized allowing of annual increment	0.082
Headmistress GGHS Mahra	69	4	Unjustified purchase of store items	0.102
	70	9	Recovery of unauthorized payment of Basic pay and allowances after regularization pointed out by DAO	0.018
	71	10	Payment of pay & allowance without verification of degree	1.096
	72	11	Improper Maintenance of Stock register with shortage of Items	0.081
Headmistress GGHS Belay Wala	73	4	Unauthorized payment of salaries during absent from duty	0.348
	74	7	Unjustified payment of Salaries without verification of Degrees/Academic Record	2.033

<b>Name of Formations</b>	<b>Sr. No.</b>	<b>Para No.</b>	<b>Subject</b>	<b>Amount</b>
	75	13	Recovery of Unauthorized and Unjustified drawl of TA/DA	0.031

**Rajanpur**

(Rupees in million)

Name of formations	Sr. No.	Para No.	Subject	Amount
CEO (Education)	1	2	Doubtful payment on account of POL	0.370
	2	3	Unjustified drawl of hotel charges , recovery of GST	0.056
	3	5	Unjustified expenditure on account of photocopies	0.349
	4	7	Loss to Govt. due to non-recovery of annual inspection fee from private registered schools	0.023
	5	8	Loss to Govt. due to non-recovery of registration fee from un-registered schools	0.431
	6	10	Non-availability of proof of sales tax returns	0.170
	7	11	Non-deduction of Provincial Sales Tax on services	0.054
	8	13	Misclassification of expenditure	0.050
DEO (SE) Rajanpur	9	8	Unjustified purchase of stationery/store items	0.117
	10	9	Unjustified consumption of POL	0.371
	11	10	Unjustified expenditure on account of electricity charges	0.441
	12	11	Non-verification of GST paid	0.072
	13	12	Loss due to non-recovery of Provincial Sales Tax on services	0.068
	14	13	Doubtful expenditure on repair of vehicle	0.151
	15	14	Doubtful expenditure against plants and tentage service	0.129
DY. DEO (MEE) Rajanpur	16	16	Unjustified consumption of POL and overpayment due to excess drawl	0.054
	17	2	Non-depositing of GST/Income Tax	0.021
	18	8	Unjustified payment against contingent bills and recovery	0.015
	19	9	Less deduction of group insurance from employees salaries	0.039
	20	10	Blockage of Government money due to non-utilization of NSB fund	3.643
DY. DEO (WEE) Rajanpur	21	14	Non-recovery of penalty imposed during absent period	0.089
	22	4	Overpayment on account of qualification allowance to ESE and SESE	0.022
	23	6	Less deduction of Group Insurance from employee's salaries	0.085
	24	7	Unauthorized drawl of pay and allowance for the PST having BS-7	0.827
	25	9	Irregular drawal of science teaching & other allowance not inadmissible	0.025
	26	19	Recovery due to purchase of tablet on higher rate	0.072
	27	20	Loss to Government due to non-production of Sales Tax Return	0.083

Name of formations	Sr. No.	Para No.	Subject	Amount
DY. DEO (MEE) Jampur	28	6	Overpayment on account of qualification allowance to ESE and SESE	0.049
	29	14	Unauthorized drawl of pay and allowance for the PST having BS-7	0.405
	30	16	Unauthorized drawl of inadmissible allowances	0.440
	31	18	Unauthorized allowing of annual increment without completing six month service	0.239
DY. DEO (WEE) Jampur	32	3	Non-depositing of GST/income tax	0.029
	33	7	Unjustified & irregular payment against contingent bills	0.168
	34	9	Un-authorized appointments of P.T.C teachers without prescribed academic qualification	1.440
	35	10	Less deduction of group insurance from employees salaries	0.042
	36	11	Blockage of government money due to non-utilization of NSB fund	2.921
	37	13	Overpayment due to unjustified drawals of allowances	0.038
	38	14	Non-recovery of penalty imposed during absent period	0.033
DY. DEO (MEE) Rojhan	39	9	Overpayment on account of qualification allowance to ESE and SESE	0.022
	40	10	Overpayment due to irregular award of qualification allowance	0.055
	41	11	Less deduction of Group Insurance from employee's salaries	0.040
	42	12	Unauthorized drawl of pay and allowance for the Chowkidar & PST having BS-7	0.914
	43	13	Unauthorized payment of integrated Allowance to the employees not admissible	0.011
	44	19	Less deduction of Group Insurance from employee's salaries	0.088
DY. DEO (WEE) Rojhan	45	10	Non-recovery of penalty/fine imposed during absent period	0.047
	46	15	Unauthorized payment of integrated allowance to the employees not admissible	0.022
	47	16	Doubtful expenditure on purchase of POL due to non-production of logbooks	0.404
	48	20	Payment of salaries after transfer	3.106
	49	21	Overpayment due to irregular award of qualification allowance	0.103
	50	24	Non-deduction/verification of GST paid	0.071
	51	26	Non-deduction of income tax	0.072
HM GGHS Harrand	52	6	Unjustified payment of salaries without verification of degrees /academic record	3.210

Name of formations	Sr. No.	Para No.	Subject	Amount
	53	7	Unauthorized payment of salaries during absent from duty	0.248
	54	8	Unauthorized drawl of pay and allowances during showing exam duty without NOC and written orders by the competent authority	0.495
HM GHS Muhammad Pur	55	2	Unjustified expenditure on repairs of buildings	0.556
	56	3	Unjustified expenditure on repair of furniture, machinery and equipment	0.237
	57	4	Non-deduction of Provincial Sales Tax on services	0.038
	58	12	Non-availability of proof of sales tax returns on purchases	2.200
	59	13	Misclassification of expenditure	0.043
HM GHS Allah Abad	60	3	Non-deduction of Provincial Sales Tax on services & deposit of GST	0.151
GGHSS Dajal	61	4	Expenditure on repair and maintenance of building without estimate and measurements	0.536
	62	5	Unauthorized auction of public assets	
	63	7	Unauthorized purchase of furniture and books	0.300
	64	11	Blockage of funds on purchase of multimedia	0.050
	65	12	Doubtful utilization of Government fund	0.173
	66	13	Doubtful expenditure out of Faroogh e Taaleem Fund	0.190
GGHS Bukhara	67	4	Loss to government due to payment of income tax out of school fund	0.015
	68	5	Non-recovery of house rent allowance	0.018
	69	6	Non-recovery of 5% maintenance charges	0.030
GBHSS Tariq Shaheed Kot Mithan	70	12	Loss due to Non- deduction of Income tax	0.050
	71	14	Unjustified expenditure on account of repair of machinery and equipment	0.241
	72	15	Non-availability of proof of sales tax returns	0.374
HM Deaf & Defective Hearing School, Rajanpur	73	6	Likely misappropriation of on uniforms of drivers	0.050
	74	8	Unjustified and doubtful incurrence of expenditure on repair of vehicles	0.454
	75	9	Doubtful expenditure of POL	0.432

(Rupees in million)

Sr. No.	DDOs	Para No.	Subject	Amount
<b>District Education Authority, Chiniot</b>				
1	Chief Executive Officer, District Education Authority, Chiniot	6	Unauthentic expenditure on development works	-
2		10	Loss of Government due to theft of vehicles	0.658
3		11	Loss to Govt. due to non-registration of private schools	0.603
4		14	Unauthentic financial data due to Difference in reconciled figures and SAP FI data	-
5	Deputy District Education Officer, (EEM), Chiniot	2	Encroachment of Government Land	-
6		4	Loss to Government due to theft of vehicle	0.650
7		7	Theft of various items of school	0.109
8		8	Unauthorized expenditure on running of second shift in the Primary/Elementary Schools	0.579
9		10	Non-maintenance of record	0.971
10		11	Misuse of Government vehicle involving expenditure	0.094
11		13	Doubtful expenditure on repair of machinery and equipment	0.015
12		14	Suspicious / doubtful expenditure without supporting record	0.071
13	Deputy District Education Officer, (EEM), Lalian	7	Irregular drawl of pay after completion of tenure of service at one office/station	0.784
14		10	Non-observance of Student Teacher Ratio (STR)/low enrollment/ poor performance of teachers	-
15		11	Non-provision of funds for missing facilities	-
16	Deputy District Education Officer, (EEW), Lalian	8	Non-verification of General Sales Tax	0.505
17	Government Girls High School 134/JB	5	Irregular procurement from unregistered supplier	0.235
18		6	Irregular payment of General Sales Tax against suspected invoices	0.178
19	Govt. Girls High School 223/JB	9	Irregular additional charge for more than three months	-
20	Government Girls High School, Barana	5	Unauthorized payment to irrelevant supplier	0.185
21		6	Irregular procurement from unregistered supplier	0.671
22		7	Irregular payment of General Sales Tax against suspected invoices	0.298
23	Government Girls High School, Chiniot	7	Suspicious expenditure on the repair of machinery and equipment	0.116
24		9	Unauthorized availing of leave without seeking approval of Competent Authority	-
25	Government Girls High School Rajoya Chiniot	6	Suspicious expenditure on the repair of machinery and equipment	0.031
26	Government High School, Rajoya	2	Irregular purchase of furniture during ban period	0.700
27		6	Non-verification of General Sales Tax	0.147

Sr. No.	DDOs	Para No.	Subject	Amount
28	Government AL Islah High School Chiniot	2	Encroachment of Government Land	-
29		4	Excess expenditure without appropriation of budget	-
30		5	Suspicious consumption of material	-
31		6	Irregular expenditure on additional charge of DDO	-
32		7	Non deposit of bank profit in Government Treasury	0.048
33		8	Loss to Govt. due to non-deduction of stamp duty	0.002
34		11	Physical verification of Stores and Stocks	-
35	Government Islamia High School Chiniot	4	Undue retention of Government Funds in DDO bank account	0.022
36		6	Non-deposit of bank profit in the Government Treasury	0.003
37	Government Special Education for Deaf Lalian	5	Undue retention of Government funds in DDO bank account	0.071
38		6	Non-verification of General Sales Tax	0.101
39		7	Irregular drawl of Travelling Allowance without countersignature of controlling officer	0.032
40	Government Special Educaiton for Deaf Chiniot	1	Irregular expenditure on additional charge of DDO	-
41		2	Irregular drawl of salaries by shifting of Headquarter on Additional Charge	-
42		3	IUnauthorized opening of bank account in HBL with closing balance	0.636
43		4	Unauthorized payment through online banking system	0.048
44		6	Non deposit of bank profit in Government Treasury	0.012
45		7	Non-accountal of receipts of donations from various agencies	0.021
46		8	Unauthorized drawl of TA / DA	0.138
47		11	Loss to Govt. due to non-deduction of stamp duty	0.004
48		12	Physical verification of Stores / Stocks	-
49		13	Non-maintenance of Cheque Book Register	-
50		15	Non-maintenance of Handing over/taking over record	-
51		16	Non-compliance of previous Audit Paras	-
52		17	Poor security measures	-
53		18	Non-verification of GST	0.077
54		19	Suspicious consumption of material	0.483
<b>District Education Authority, Faisalabad</b>				
55	Government National Special Education Centre, Faisalabad	2	Non-auction of condemned vehicles	0.300
56		7	Irregular vendor payment through DDO Bank Account	0.107
57	DDEO (EE-W), Jaranwala	4	Unauthorized deduction of Withholding Tax	0.010
58		9	Non-maintenance of record of moveable/immoveable property/assets register	-
59		8	Irregular drawl of pay after completion of tenure of service at one office/station	3.779

Sr. No.	DDOs	Para No.	Subject	Amount
60	Government Girls High School, Jhamra	7	Unknown whereabouts of funds drawn from Government Treasury	0.035
61	Deputy DEO (EE-W), Samundari	5	Non-recovery of fines	0.001
62		13	Loss due to non-safeguarding of public assets	0.190
63	Deputy DEO (EE-W), Tandlianwala	7	Failure of internal controls due to payment of salary to private teachers out of NSB	0.300
64		9	Unknown whereabouts of released funds	0.122
65		15	Excess payment of arrears of pay & allowances	0.059
66	Deputy DEO (EE-M), Sadar, Faisalabad	8	Non-recovery of administrative / monitoring fine	0.242
67		10	Unauthorized payment of Integrated Allowance	0.022
68		12	Non-utilization of Non-Salary Budget	0.237
69	DDEO(EE-W), Sadar, Faisalabad	12	Drawl of fund against other DDO code	0.030
70	Deputy DEO (EE-M), Samundari	11	Non-safeguarding of public vehicles	0.200
71		13	Unauthorized withdrawal and retention of funds	0.467
72		17	Irregular payment of General Sales Tax against suspected invoices	0.273
73	CEO, DEA, Faisalabad	3	Non-recovery of fine	0.255
74		9	Irregular execution of development schemes and unknown whereabouts of savings thereof	-
75		10	Excess drawal of Daily Allowance	0.014
76		11	Irregular payment of Cash Award	0.252
77		14	Overpayment beyond the actual claim / bill	0.036
78		16	Irregular procurement of material for Information Technology Laboratories	118.610
79	Deputy DEO (EE-M), City Faisalabad	5	Non-recovery of fine	0.112
80	DDEO (EE-W), City Faisalabad	12	Non-recovery of fine	0.003
81	Govt. Girls Higher Secondary School, Dijkot	8	Undue deduction of Zakat	0.024
82		13	Improper / non-maintenance of record	-
<b>District Education Authority, Jhang</b>				
83	CEO, District Education Authority, Jhang	1	Wasteful expenditure on advertisement	0.192
84	CEO, District Education Authority, Jhang	2	Retention of Strength of vehicles without sanctioned by Administrative Department	-
85	CEO, District Education Authority, Jhang	10	Irregular drawl of TA/DA bills	0.246



Sr. No.	DDOs	Para No.	Subject	Amount
86	CEO, District Education Authority, Jhang	11	Excess drawl of TA/DA	0.018
87	CEO, District Education Authority, Jhang	19	Non-transfer of ministerial staff after completion of tenure of service at one office/station	-
88	CEO, District Education Authority, Jhang	24	Irregular additional charge for more than three months	498.419
89	CEO, District Education Authority, Jhang	28	Unjustified supplementary Grant to High Schools	-
90	CEO, District Education Authority, Jhang	7	Irregular additional charge for more than three months	1.026
91	Deputy District Education Officer (EE-W), Shorkot	8	Non-observance of Student Teacher Ratio (STR)/low enrollment/ poor performance of teachers	-
92	Government Comprehensive Model High School, Jhang	6	Incurrence of expenditure by using doubtful bills	0.388
93	Government Comprehensive Model High School, Jhang	7	Irregular expenditure on repair of furniture and machinery & equipment	0.326
94	Government Comprehensive Model High School, Jhang	8	Non-verification of General Sales Tax	0.251
95	Government Comprehensive Model High School, Jhang	14	Non-preparation / reconciliation of expenditure statements	-
96	Government Special Education Centre, Ahmad Pur Sial	4	Irregular / suspicious expenditure on repair of transport, machinery and furniture	0.494
97	Government Special Education Centre, Ahmad Pur Sial	7	Unknown whereabouts of purchased items	0.096
98	Government Special Education Centre, Ahmad Pur Sial	9	Non-verification of General Sales Tax	0.072
99	Government Special Education Centre, Ahmad Pur Sial	13	Irregular payment of General Sales Tax against suspected invoices	0.042
100	Government Special Education Centre, Ahmad Pur Sial	15a	Non-utilization of school bus	-
101	Government Special Education Centre, Ahmad Pur Sial	15b	Non-distribution of hearing aids to students	-
102	District Education Officer (EE-M), Jhang	4	Non-recovery of fine	0.064

Sr. No.	DDOs	Para No.	Subject	Amount
103	District Education Officer (EE-M), Jhang	6	Irregular payment of General Sales Tax against suspected invoices	0.100
104	Government Girls Special Education Centre (HIC), Jhang	3	Irregular payment of General Sales Tax against suspected invoices	0.165
105	Government Girls Special Education Centre (HIC), Jhang	4	Irregular procurement without evaluation of technical bids	0.908
106	Government Girls Special Education Centre (HIC), Jhang	5	Unauthorized payment to irrelevant supplier	0.091
107	Government Girls Special Education Centre (HIC), Jhang	11	Unjustified payment of Special Education Allowance	0.212
108	Government Girls Special Education Centre (HIC), Jhang	12	Non-auction of condemned vehicle	0.500
109	Government Girls Special Education Centre (HIC), Jhang	14	Irregular payment of salary without verification of educational degrees	0.475
110	Deputy District Education Officer (EE-M), Shorkot	3	Non-rationalization/Re-allocation of teaching staff.	-
111	Deputy District Education Officer (EE-M), Shorkot	9	Non-verification of General Sales Tax and Income Tax	0.162
112	Deputy District Education Officer (EE-M), Shorkot	14	Non-recovery of fine imposed during monitoring	0.017
113	Deputy District Education Officer (EE-M), Jhang	6	Non demolishing of dangerous rooms/ buildings and construction of new buildings / rooms	0.850
114	Deputy District Education Officer (EE-M), Jhang	7	Non-recovery of fine	0.052
115	Deputy District Education Officer (EE-M), Jhang	10	Loss to Govt. due to non-auction of dry trees	0.073
116	Deputy District Education Officer (EE-M), Jhang	12	Unrequired expenditure on the remuneration of sweeperess	0.030
117	Government Higher Secondary School, Bagh	7	Irregular procurement of furniture – Recovery of liquidated damages for late supply – Non-verification of GST	0.086
118	Government Higher Secondary School, Bagh	9	Library security not credited to lapsed library security fund	0.067
119	Government Higher Secondary School, Bagh	11	Non-reconciliation of receipts with treasury	0.454

Sr. No.	DDOs	Para No.	Subject	Amount
120	Government Special Education Centre for Remaining Disabilities, Jhang	3	Non-verification of General Sales Tax	0.004
121	Deputy District Education Officer (EE-M), 18 Hazari	11	Loss due to procurement of furniture on higher rate	0.236
122	Deputy District Education Officer (EE-M), 18 Hazari	12	Non-recovery of fine	0.010
123	Deputy District Education Officer (EE-M), 18 Hazari	19	Irregular and doubtful expenditure	0.119
<b>District Education Authority, Toba Tek Singh</b>				
124	Government Girls Higher Secondary School 252 GB	4	Expenditure on repair of furniture and machinery	0.299
125		6	Incurrence of expenditure by using doubtful bills	0.160
126	Chief Executive Officer, District Education Authority, Toba Tek Singh	7	Misreporting by concealment of transactions in reconciled expenditure statement	0.613
127		13	Unauthorized withdrawal of TA/DA	0.050
128		20	Non-disbursement of PEC exam remuneration	16.036
129	DDEO (EE-W) PirMahal	3	Overpayment after retirement	0.303
130		5	Unjustified expenditure on wiring	0.093
131		14	Un-authorized drawal of salary during leave	0.131
132		15a	Un-authorized drawal of Conveyance Allowance	0.015
133		15b	Un-authorized drawal of Conveyance Allowance	0.014
134	District Education Officer(EE-M) Toba Tek Singh	5	Expenditure on repair and maintenance	0.455
135	Government Girls Higher Secondary School 316 GB	4	Irregular withdrawal of pay & allowances through adjustment	0.168
136		5	Less deduction of GPF	0.007
137		6	Consumption of other store items without maintenance of proper record/ stock register	-
138	DDEO (EE-M) Kamalia	10	Irregular and doubtful expenditure	0.817
139		12	Wasteful expenditure due to demolishing newly repair of class room	0.087
140		13	Misuse of Government Property	-
141		14	Incurrence of expenditure without stock entry	0.200
142		15	Misclassification of expenditure	0.600
143		16	Non-auction of old / dismantled material	-

<b>Sr. No.</b>	<b>DDOs</b>	<b>Para No.</b>	<b>Subject</b>	<b>Amount</b>
144	DDEO (EE-W) Kamalia	4	Non-deposit of auction money	0.103
145		6	Excess payment of inadmissible Qualification Allowance	0.012
146		9	Excess payment of Charge Allowance	0.045
147	DDEO (EE-M) Gojra	8	Expenditure without supporting record	0.665
148		9c	Expenditure on the procurement of uniforms/ bages	0.128
149		12	Unauthorized withdrawal of Conveyance Allowance during summer vacation	0.007
150	Government Special Education School, Kamalia	2	Irregular expenditure on the repair	0.484

## District Education Authority, Khanewal

(Rupees in million)

Name of formation	AIR Para No.	Subject	Amount
CEO (DEA), Khanewal	7	Unauthorized clearance of pending liabilities without allocation of funds	0.964
	17	Payment of pay and allowances during leaves without pay	0.220
	22	Un-reconciled difference between bank balance and cash book	3.170
	23	Unauthorized payment in cash instead of cross cheque	0.264
Deputy DEO (EE- Male), Mian	5	Irregular payment of Pay and Allowances of teachers	0.560
	6	Unauthorized grant of annual increment recovery thereof	0.253
	7	Unauthorized award of advance increments to AEOs recovery thereof	0.084
	8	Non-refund of unspent balance of non-salary budget from schools handed over to Punjab Education Foundation	0.052
	9	Unjustified payment of salary with fake ID card numbers	2.013
	11	Non recovery / deposit / collection of fines	0.040
	12	Doubtful withdrawal of funds by school	0.222
	17	Non-imposition / payment of Punjab Sales Tax and income tax on services	0.538
	18	Loss to Government due to overpayment of I/Tax	0.067
	19	Loss to Government due to non-auctioning of old / dry trees	-
Dy. DEO (EE-M) Kabirwala	2	Non-regularization of the services of staff despite direction of the Government and unauthorized withdrawal of 30% social security benefits	2.37
	3	Unauthorized grant of annual increment recovery thereof	0.169

Name of formation	AIR Para No.	Subject	Amount
	7	Withdrawal of pay and allowances by teachers who left their services	0.494
	8	Unauthorized award of advance increments to AEOs	0.218
	10	Non-refund of unspent balance of non-salary budget from schools handed over to Punjab Education Foundation	0.559
	12	Excess payment of personal allowance - Recovery thereof	0.037
	14	Irregular payment of Charge Allowance to teachers with charge of Head Teachers	0.245
	16	Irregular withdrawal of inadmissible allowances recovery thereof	0.036
	18	Irregular payment of Fixed TA to Naib Qasid	0.07
	20	Non Deduction of Taxes on the Purchases Made / Services Hired	0.863
	21	Unjustified payment of salary with fake ID card numbers	1.451
	22	Irregular payment of Pay & allowances without availability of sanctioned posts of same scales in the budget	0.363
	23	Non-compliance of observations issued in previous year Audit	-
	GGMH School Khanewal	1	Recovery on Account of Conveyance Allowance
2		Non-compliance of Government instructions and withdrawal of social security benefits	1.553
8		Irregular expenditure from Farooq-E-Taleem Fund	0.898
12		Irregular purchase of furniture without competition	0.976
13		Non-verification of deposit of Sales Tax from the purchases of NSB	0.779
14		Non deposit of Sales Tax from the purchases of SMC	0.319
15		Non Deduction of Liquidated Damages	0.028
16		Non-deduction of Income Tax	0.99

Name of formation	AIR Para No.	Subject	Amount
	18	Irregular payment of Charge Allowance to Dy. Head Mistress without charge as Head	0.024
Dy. DEO (EE-W), Mian Channu	1	Unjustified payment of salary with fake ID card numbers	3.883
	2	Un-authorized Payment of Social Security Benefit @ 30%	2.800
	5	Doubtful expenditure on account of Assets and NSB Funds	0.882
	8	Irregular development expenditure without approved design and specifications	10.282
	10	Computerized invoices instead of original Sales Tax invoices & Non-Collection of Proof of Deposit of Sales Tax	1.723
	11	Loss to government due to theft of Assets	0.103
	12	Non-recovery of Pay and Allowance from Teacher during Earned Leaves	0.470
	13	Loss to Government due to excess payment of charge allowance	0.165
	14	Over payment of conveyance allowance during summer vacations	0.070
	15	Non – compliance of recovery against previous audit Paras	-
Dy. DEO (EE-W) Kabirwala	1	Unjustified Drawl of Inadmissible Charge Allowance, Annual increments & Double Increments by the AEOs	0.677
	2	Irregular Maintenance of Cash Book With-out availability of Initial / Signature of Cashier and DDO, Difference in the amount of payment and receipts of as per Bank statement and as per cash book	3.35
	3	Unsigned Cash Book and Difference Between Expenditure Cash Book & Bank Statement	2.72
	5	Unauthorized grant of annual increment recovery thereof	0.288
	6	Irregular drawl of inadmissible allowances , Recovery thereof	0.131
	9	Unjustified Drawl of Pay & Allowance	0.814

Name of formation	AIR Para No.	Subject	Amount
		During Without Pay Leave Period	
	13	Unjustified payment of salary with fake ID card numbers	4.344
	14	Doubtful transfer of pay & allowance in the Same Bank Accounts of the different employees of Education Department	1.071
	16	Irregular Drawl of Pay & Allowances after transfer from the Cost Center KC-6429	0.344
	17	Non-regularization of the services of staff despite direction of the Government and unauthorized withdrawal of 30% social security benefits	3.341
	19	Irregular Sanction of Maternity Leave , Recovery thereof	0.213
	22	Irregular & Doubtful expenditure from NSB fund Without Having Headship of the School GPS Dalil Wala	0.179
GGMHS Mian Channu	1	Non-payment of salary to evening shift teachers	1.06
	4	Irregular development expenditure without approved design and specifications	2.227
	6	Non-deduction of Income Tax at source	0.086
	7	Non-verification of Government Receipts	1.105
	8	Irregular drawl of amount out of SMC account	0.399
	12	Irregular purchase of machinery and equipment	0.337
	13	Non-recovery of Pay and Allowance from Teacher during Earned Leaves	0.840
Dy. DEO (EE-M) Khanewal	5	Irregular payment of charge allowance. Recovery thereof	0.081
	6	Double drawl of pay and allowance - Recovery thereof	0.053
	7	Unjustified payment of Inspection Allowance without codal formalities	0.365
	8	Non-return of NSB funds of schools privatized by the Government	0.038
	9	Overpayment of pay and allowances to AEOs	0.131



Name of formation	AIR Para No.	Subject	Amount
		and Dy. DEO and recovery thereof	
	10	Non allocation / non-Auction Government vehicle resulted in loss	0.261
	11	Mis-procurement of Tablet (notebook) of Rs. 1.095 million and recovery thereof Rs.159,827	1.095
	18	Non provision of compliance of Audit paras relating to Financial Year 2016-17	-
Government Secondary Special School For Hearing Impaired, Khanewal	2	Excess payment due to purchase of uniforms and shoes on higher rates	0.173
	3	Doubtful expenditure through excess withdrawal of POL	0.155
	4	Non-deposit of unjustified withdrawal of stipend	0.075
	5	Overpayment due to unjustified adding of GST after approval of rates and non-deposit of GST on purchase of uniforms	0.063
	6	Misclassification of expenditure	0.884
	8	Doubtful expenditure on repair of transport	0.147
	9	Irregular drawl of pay & allowances during general duty	1.78
	10	Doubtful expenditure on account of mobile oil	0.024
	11	Non deduction/deposit of government taxes on different purchases	0.023
	12	Non-Provision of compliance of previous Audit Paras	0
Dy. DEO (EE-W) Khanewal	1	Non-production of deposit proof of GST by Suppliers inquiry thereof	0.727
	3	Irregular withdrawal of conveyance allowance during vacations	0.885
	4	Unauthorized award of advance increments to AEOs recovery thereof	0.219
	5	Irregular withdrawal of charge allowance	0.057
	8	Irregular payment of Personal Allowances of teachers	0.101
	11	Unauthorized reinstatement of services compulsory retired person	1.26
	13	Irregular withdrawal of pay during the period	0.233

Name of formation	AIR Para No.	Subject	Amount
		of leave without pay	
	16	Non-imposition / payment of Punjab Sales Tax on services	0.366
	17	Irregular payment and non-recoupment of funds in FTF	1.376
	18	Advance withdrawal of funds in cash from bank account of school council	1.826
	20	Non-compliance of observations issued in previous year Audit	-
Government Special Education Centre Kabirwala	1	Unauthorized Payment of conveyance & House rent allowances due to designated residences within the boundaries of institution recovery thereof	0.124
	2	Improper maintenance of diary and dispatch register	0
	5	Non auction of old vehicles and machinery	0
	6	Non-provision of compliance of previous audit Paras	0
	7	Non maintenance of tree register for value of millions	0
	8	Unauthorized over budgeting	0.015
	9	Doubtful maintenance of record for Pay & Allowances	10.922
	10	Unauthorized constitute of School Management Committee without approval of competent authority	1.338
	11	Doubtful expenditures on the accounts of Contingencies	22.569
	12	Doubtful recovery on the accounts of ROP-Education	0.0097
	15	Doubtful service record of Mr. Muhammad Aslam Head Master	0
	17	Irregular/doubtful expenditure on the account of repair of transport	0.142
	18	Miss-procurement of Uniform	0.891
	19	Doubtful/ Illegal Payment of M. Phil Qualification Allowance, recovery thereof	0.055

Name of formation	AIR Para No.	Subject	Amount
	21	Irregular/doubtful with drawl on the accounts of repair of machinery & Equipment	0.03
	22	Irregular/doubtful with drawl on the account of Publicity & Advertisement	0.019
	23	Doubtful/Irregular expenditure on accounts of POL	0.393
	24	Irregular payment of scholarship, Non maintenance of Cash Book and Non maintenance of Separate Bank account	0
	25	Difference between Cash Book and Bank Statement	1.848
Special Education Center, Khanewal	1	Unauthorized Purchase in violation of PPRA Rules	0.326
	2	Unauthorized Appointment of Contingent Paid Staff beyond Sanctioned Strength and Payment of Salaries	0.165
	4	Undue Payment of Further Tax @ 2% and GST	0.011
Dy. DEO (EE-W) Jahanian	3	Non-regularization of the services of staff despite direction of the Government and unauthorized withdrawal of 30% social security benefits -Rs 1.760 million	1.76
	6	Irregular withdrawal of pay and allowances from irrelevant DDO Code – Rs 0.482 million	0.482
	9	Non-deduction of Punjab Sales Tax Rs 0.140 million and Income Tax Rs 0.102 million on services	0.242
	11	Unauthorized award of advance increments to AEOs recovery thereof – Rs 0.146 million	0.146
	12	Non-production of deposit proof of GST Rs 0.271 million	0.271
	13	Unauthorized grant of annual increment recovery thereof- Rs 58,800	0.059
	14	Unauthorized payment on account of integrated allowance - Rs 27,000	0.027
	15	Irregular withdrawal of charge allowance – Rs 19,000	0.019

## District Education Authority, Lodhran

(Rupees in million)

Name of formation	AIR Para No.	Subject	Amount
CEO DEA Lodhran	2	Non blacklisting of firm due to non supply of Air Conditioner- Rs 833,000 and non forfeiture of security- Rs 60,000	0.833
	5	Irregular Payment of Adhoc Allowances of Rs 73,326	0.073
	9	Irregular purchase by splitting the indents – Rs 671,210	0.671
	10	Irregular withdrawal of inadmissible allowances recovery thereof - Rs 84,653	0.084
	12	Loss to Government due to purchase of Interactive Board with Multimedia at higher Rates- Rs 420,000	0.42
	16	Irregular withdrawal of Pay & allowance after the superannuation, recovery thereof Rs 180,670	0.18
DEO (EE- W) Lodhran	1	Irregular purchases through splitting – Rs 509,278	0.509
	2	Irregular expenditure by splitting to avoid the tendering process – Rs 297,765	0.298
	3	Irregular payment of conveyance allowance during leave periods – Rs 35,741	0.036
	4	Doubtful / Unjustified expenditure on account of repair of Vehicle – Rs 131,329	0.131
	5	Non Verification of Sales Tax – Rs 221,163	0.221
	6	Doubtful / Unjustified expenditure on photo copies of – Rs 201,692	0.201
	8	Non-compliance of observations issued in previous year Audit	0
Dy. DEO (EE-W) Kehrorpacc a	3	Overpayment of Pay & Allownces After Resignation period- Rs258,560	0.258
	7	Unjustified expenditure by School Management Committee – Rs 354,882	0.354
	8	Recovery of overpayment of GST on exempt items – Rs 189,500	0.189
	11	Non-production of proof of deposit of General Sales Tax- Rs.216,071 and Income Tax-Rs.62447	0.062
	13	Unjustified Stay of Staff in the Dy. DEO (EE-W) More than three years In the Same office , Irregular Drawl of Pay & Allowance of Rs 0.928 million	0.928
Dy. DEO (EE-W) Dunya Pur	5	Excess payment of personal allowance - Recovery thereof Rs 88,400	0.088
	7	Irregular payment of charge allowance. Recovery thereof Rs.80,500	0.08
	8	Loss to Government due to non adjustment of advance increments on account of B.ed. - Recovery thereof Rs.	0.16

Name of formation	AIR Para No.	Subject	Amount
		160,767	
	9	Irregular Expenditure on repair of vehicle of Rs. 248,600/-	0.248
	10	Non-Deposit /deduction of Government Tax – Rs 219, 083	0.219
	12	Irregular expenditure by schools council over and above the authorized limit of School Management Council – Rs. 544,550	0.544
	15	Non provision of compliance of Audit paras relating to Financial Year 2016-17	0
Dy. DEO (EE-W) Lodhran	1	Unjustified Drawl of Inadmissible Charge Allowance & Annual increments by the AEOs , Recovery of Rs. 179,200/-	0.179
	2	Unjustified Drawl of Conveyance Allowance, Instead of Using Official Vehicle Rs. 135,000/-.	0.135
	4	Unjustified payment of salary with fake ID card numbers – Rs 1.988 million	1.988
	10	Irregular Drawal of Pay By PST/ ESE teacher In BPS-15 of - -- Rs 1.165 million	1.165
	12	Irregular & Doubtful Heavy expenditure on Photostate during one year instead of Availabilty of operative photostate Machine in office– Rs 175,728/-	0.175
	14	Irregular/overpayment payment of sales tax on Tablets , Paint by school council's of Rs. 115,670	0.115
	15	Non-production of deposit proof of GST by Suppliers of Rs 228,912/ –	0.229
	16	Unjustified expenditure From NSB Fund without Monitoring of SMC Committee- Rs 841,643	0.841
Dy. DEO (EE-M) Dunya Pur	4	Excess payment of personal allowance - Recovery thereof Rs – 0.386 million	0.386
	6	Excess Payment of Charge Allowance to Employees not Entitled to Draw the Same Rs 0.194 Million	0.194
	7	Unauthorized payment of project Incentive allowance without entitlement Rs.108, 000	0.108
	8	Unauthorized payment of conveyance allowance during LFP – Rs.068 million	0.068
	9	Irregular Payment of Pay & Allowances to Contract Teachers during Ex-Pakistan Leave Rs.0.0554 Million	0.0554
	10	Recovery of overpayment of GST on exempt items – Rs0.131 Million	0.131
	11	Non-deduction of Punjab Sales Tax on services from suppliers - Rs 0.223 million	0.223
	12	Non-Deposit of General Sales Tax – Rs 0.526 Million	0.526
	13	Mis-procurement of Tablet (notebook) for Rs 0.649 (M) and recovery of Rs0.107 Million.	0.649

Name of formation	AIR Para No.	Subject	Amount
Dy. DEO (EE-M) Lodhran	3	Non-recovery of excess paid pay and allowances – Rs 233,237	0.233
	5	Irregular payment of Pay and Allowances of teachers – Rs 87,756	0.088
	6	Unauthorized Payment of Pay and Allowances despite Superannuation Retirement of Employee – Rs 39,207	0.039
	8	Irregular purchases through splitting – Rs 208,445	0.208
	9	Irregular / Unjustified expenditure on Photo state – Rs 134,658	0.135
	10	Irregular / Unjustified withdrawal of funds on account of TA / DA – Rs 85,018	0.085
	12	Doubtful withdrawal of funds on account of POL - Rs 134,182	0.134
	14	Loss to Government due to overpayment of GST of exempted store Rs 0.246 million	0.246
	15	Loss to Government due to non-deduction of income tax Rs 0.121 million	0.121
	16	Uneconomical expenditure without quotations Rs 0.306 million	0.306
	17	Non-Deduction of punjab sales tax Rs 0.075 million and income tax Rs 0.054 million on services by the schools from firms	0.129
GGHSS 358/WB Dunyapur	19	Loss to Government due to non-deduction of GST 1/5 share of GST at source Rs 0.085 million and non-production of deposit proof of GST Rs 0.340 million	0.425
	2	Excess payment of personal allowance - Recovery thereof Rs 23,920	0.024
	3	Non surrender/ non utilization of funds - Rs. 241,934	0.241
	4	Withdrawal of funds without pre-audit - Rs 200,000	0.2
	5	Expenditure in excess of budget allocation – Rs 1.682 million	1.682
	6	Non-Deposit of General Sales Tax – Rs 56,269	0.056
GGHSS 365/WB Dunyapur	7	Irregular expenditure of Rs. 126,000	0.126
	4	Non return of Loan paid from FTF Rs 143,382	0.143
	5	Doubtful payment of pay and allowances through adjustments – Rs 531,360	0.531
	6	Non Surrender of Savings and excess expenditure Rs. 1,166,928	1.166
	7	Uneconomical purchase without advertisement on PPRA website– Rs 292,224	0.292
	8	Non-deduction of Punjab Sales Tax (PST) on services from suppliers by the schools - Rs 16,816	0.017
9	Recovery of overpayment of GST on exempt items – Rs	0.017	

Name of formation	AIR Para No.	Subject	Amount
		16,638	
	10	Non- Deposit of General Sales Tax from NSB – Rs. 18,940/-	0.019
	11	Non- Deposit of General Sales Tax– Rs. 42,461/-	0.042
	12	Unauthorized payment of SSB	0.0752
GHSS Makhdoom Aali Dunyapur	1	Payment of conveyance allowance during summer vacations - Rs 20,808	0.021
	2	Payment of conveyance allowance during leaves - Rs 109,937	0.109
	3	Non return of Loan paid from FTF Rs.929,856	0.93
	4	Doubtful payment of pay and allowances through adjustments – Rs 916,619	0.916
	5	Non Surrender of Savings and excess expenditure Rs. 1,948,634	1.948
	6	Excess expenditure over and above the budget allocation – Rs 437,427	0.437
	7	Recovery of overpayment of GST on exempt items – Rs 24,709	0.025
	8	General Sales Tax from the purchases of NSB – Rs 52,162	0.052
	10	Non-deduction of Punjab Sales Tax (PST) on services from suppliers by the schools amount Rs 17,112	0.017
	11	Non-deduction of Income Tax at source – Rs 18,893	0.018
	12	Non- Deposit of General Sales Tax– Rs. 81,287/-	0.081
	GHS 53/M Lodhran	1	Non-recovery of excess paid pay and allowances – Rs 528,672
5		Non-verification of deposit of GST – Rs 181680	0.181
6		Verification of Receipt Challans – Rs 391,925	0.392
7		Unauthorized withdrawal of pay and Allowances – Rs 55,109	0.055
8		<b>Excess withdrawal of TA/DA without family shifting Rs 126,622</b>	0.126
9		Unauthorized withdrawal of TA/DA – Rs 50275	0.05
10		Non-maintenance of Tree Register and Non-auction of sufaida trees	0
11		Deterioration of hostel building and residence of principal	0
12		Bogus withdrawal of medical claims – Rs 96,000	0.096
13		Doubtful expenditure out of NSB – Rs 74,944	0.074
14		Lapse of funds due to non surrender of savings – Rs 53.439 million	53.439
16		Difference in cash books, FI-Data and Bank Account Statements	0
	2	Unauthorized constitute of School Management Council without approval of competent authority	0
	4	Doubtful Maintenance of Ownership record of Land	0

Name of formation	AIR Para No.	Subject	Amount
GGHSS Danoot		Buildings of School	
	5	Doubtful maintenance of record receipts amounting to Rs; 3.152 million	3.152
	6	Non-surrendering of saving and lapse of non-development Budget – Rs; 15.483 million	15.483
	7	Non production of earned leaves, EOL, Ex. Pakistan leaves, Inquiry etc register with deduction of conveyance allowance	0
	8	Loss to the Government due to non-auctioning of Canteen	2.16
	9	Overpayment non stoppage of increment due to poor result	0
	10	Unauthorized Payment on the accounts of science teaching allowance during leave period– Rs; 18000	0.018
	12	Recovery of inadmissible allowances Rs; 575850	0.576
	13	Doubtful/Irregular Personnel Allowance amounting to Rs; 1.026 million	1.026
	14	Non Return of loan on the accounts of Farough-E-Taleem Fund amounting to Rs; 567354	0.567
	15	Doubtful payment of scholarship during the financial years 2013-14 to 2017-18	0
	16	No embrace numbering on trees up to date	0
	17	Doubtful deposit of GST & income tax with bank receipt amounting to Rs; 1.025 million	1.025
	GGHSS Kahror Pacca	1	Non-recovery of Pay and Allowance from Teacher during Earned Leaves – Rs 341,107
2		Un-authorized Payment of Social Security Benefit @ 30% – Rs. 275,394	0.275
3		Non-Collection of Proof of Deposit of Sales Tax	0.396
5		Irregular development expenditure from FTF without approved design and specifications – Rs 325,254	0.325
6		Irregular development expenditure without approved design and specifications – Rs 884,638	0.885
9		Non-auctioning of canteen resulted in loss to government - Rs 792,120	0.792
10		Recovery of overpayment of GST on exempt items – Rs 71,481	0.071
11		Non-recovery of Pay and Allowance from Teacher during winter vacations – Rs 56,216	0.056
12		Double drawl of Expenditure from FTF and NSB - Rs.140,959	0.141
14		Recovery of Inadmissible Allowances – RS. 24,000	0.024
15	Irregular expenditure on vocational workshop of home economics classes from FTF without Advertisement on PPRA's Website - Rs.292,224	0.292	



**District Education Authority, Multan**

(Rupees in million)

DDO's	Sr. No.	AIR Para No.	Subject	Amount
CEO Education	1	4	Issuance of Registration / Certificate of private schools on the Basis of Bogus & Unsigned Inspection Reports.	-
	2	5	Late issuance of registration certificate of private schools	-
	3	6	Extra-ordinay Increase In 187 Percent Expenditure of The Education Authority Office as compared to The Office of EDO Education of the same Budget Heads	2.960
	4	9	Irregular drawl of inadmissible allowances	0.729
	5	10	Excess Drawl of Transfer TA Grant	0.076
	6	11	Doubtful drawl of Entertainment Expenditure in the month of June and without maintain consumption record	0.117
	7	12	Non Taking Legal Action Against Dy. DEO (EE-W) Of MC instead of Proved Charges in Enquiry Report, Involving in Embezzlement	91.179
	8	14	Excess expenditure over and above the budget allocation	3.148
	9	15	Un-authorized revised allocation of funds against Nil Budget	600.638
	11	17	Irregular allocation against the Contingent Paid Staff	0.200
	12	21	Irregular drawl of inadmissible allowances	0.034
	13	22	Irregular re-allocation of teacher posts without approval of committee	34.370
	15	25	Non-reconciliation of cash and bank balance moreover whereabouts of bank balance not known	7.070
	16	26	Irregular Expenditure By Misclassification	0.260
	17	27	Irregular purchase of stationery by splitting up Inorder to Avoid the advertisement	0.893
	18	28	Irregular Higher Expenditure on purchase of Stationary & Doubtful Consumption Record	0.893
	19	29	Irregular repair of Office Building Without Estimates	

DDO's	Sr. No.	AIR Para No.	Subject	Amount
				0.161
	20	30	Unjustified Drawl of Pay & Conveyance Allowance During Leave period	0.280
	21	31	Irregular Issuance of order For Post Audit of expenditure of NSB Fund From District Accounts Office	441.430
DO Literacy	22	3	Irregular drawl of expenditure on different projects of Literacy Without Administrative Approval	34.273
	23	4	Irregular Drawl of Huge amount of Arrears of Pay & Allowances With out producing the arrear bills	1.040
	24	5	Irregular repair of Office Building Without Estimates	0.073
	25	6	Irregular purchase of stationery by splitting up In order to Avoid the advertisement	0.362
	26	7	Irregular drawl of inadmissible allowances	0.310
	27	8	Irregular drawl of expenses of transportation of Books & Black Board	0.075
Dy. DEO (EE-W) City Multan	29	4	Unjustified payment of salary with fake CNIC numbers	6.918
	30	7	Irregular sanction of expenditure of pension contribution of secondary schools by Dy. DEO (EE-W)	6.663
	31	9	Irregular payment of Pay and Allowances of teachers	0.561
Dy. DEO (EE-M) City Multan	34	5	Un-justified Detainment of Funds in DDO Account due to Non-closing of Cash Book	2.966
	35	6	Misclassification of expenditure	0.718
	36	7	Non-recovery of excess paid pay and allowances	0.754
	37	8	Payment of Unauthentic Claims of Leave Encashment	3.233
	38	9	Unjustified payment of salary with fake CNIC numbers	1.642
	39	10	Overpayment of Social Security Benefits and other allowances	0.378
	40	11	Excess expenditure on transportation of goods	0.081
	41	12	Non maintenance of record of Admin/General Branch	-

DDO's	Sr. No.	AIR Para No.	Subject	Amount
	43	15	Unjustified withdrawal of funds out of NSB by the School without maintenance of record	-
	44	16	Non surrender of savings	108.966
	45	17	Excess expenditure over and above the budget allocation	89.158
Dy. DEO (EE-M) Jalalpur	47	4	Unauthorized withdrawals of arrears of pay and allowances without budget allocation and sanction of the competent authority	21.297
	48	5	Unauthorized payment on account of various kinds of allowances	0.393
	49	6	Loss due to excess payment of charge allowance	0.274
	50	7	Unauthorized payment of integrated	0.115
	51	8	Unauthorized withdrawal of conveyance allowance for employees availing the government bikes	0.095
	52	9	Over payment of conveyance allowance during leave	0.064
	53	10	Loss due to overpayment of GST of exempted store and purchase of store without payment of GST	0.139
	54	11	Loss due to non-deduction of income tax	0.031
	55	12	Uneconomical expenditure without quotations	0.583
	56	13	Non-Deduction of Punjab sales tax and income tax on services by the schools from firms	0.029
	57	15	Loss due to non-deduction of GST 1/5 share of GST at source and non-production of deposit proof of GST	0.304
Dy. DEO (EE-M) Saddar Multan	58	3	Non-recovery of excess paid pay and allowances	3.006
	59	4	Unjustified payment of salary with fake CNIC numbers	3.701
	60	6	Excess payment of pay and allowance due to non fixation of pay after regularization	0.797
	61	7	Non disbursement of amount of electricity bills to schools	0.123
	63	11	Recovery of overpayment of GST on exempt items	0.258

DDO's	Sr. No.	AIR Para No.	Subject	Amount
DEO (EE-W) Multan	64	1	Non-regularization of the services of staff despite direction of the Government and unauthorized withdrawal of 30% social security benefits	6.531
	65	2	Unjustified expenditure on POL without maintenance of Logbook	0.215
	66	5	Irregular appointment on Fake marks of Union resident	0.270
	67	6	Non availability of whereabouts of Government vehicle KWA-7995	0.500
	68	7	Non maintenance of stock registers of purchases	0.416
	69	8	Non collection of deposit proof of GST	0.251
	70	9	Irregular Advance payment of electricity bills	0.100
	71	10	Unjustified payment to building department without execution of work	0.046
	72	11	Doubtful expenditure on account of Photostate	0.092
GBHS Nawab Pur	73	1	Overpayment due to non fixation of pay after regularization of services	0.631
	74	2	Overpayment due to irregular payment of SSB after regularization of services and non fixation of pay and allowances	0.116
	75	3	Doubtful expenditure from SMC	0.170
	76	5	Irregular withdrawal of conveyance allowance during winter vacations	0.127
	77	6	Non-auction of dry trees	0.300
	78	7	Non Deduction of Taxes on the Purchases Made / Services Hired	0.116
Dy. DEO (EE-M) Shujabad	79	2	Loss due to Payment of Conveyance Allowance during Leaves	0.518
	80	4	Unjustified drawl of Inspection Allowance	0.060
	81	5	Non-return of NSB funds of schools privatized by the Government	0.224
	82	6	Excess payment of personal allowance	0.926

DDO's	Sr. No.	AIR Para No.	Subject	Amount
	83	7	Loss due to non adjustment of advance increments on account of B.ed.	0.120
	84	8	Doubtful expenditure of NSB Funds by Schools	0.217
	85	9	Mis -procurement of Tablet (notebook)	0.878
	86	10	Non-Deposit of General Sales Tax	0.387
	87	11	Non-Deduction of Income Tax on Services from Suppliers by the Schools	0.284
	88	12	Poor performance of Managements resulted in Blockage of fund/ Non utilization of funds	14.302
	89	14	Irregular expenditure by schools council over and above the authorized limit of School Management Council	0.518
	90	15	irregular expenditure of salary of private school teachers from NSB fund	0.153
Principal Degree College Special Education	91	1	Irregular expenditure on the accounts of rent of building	2.240
	92	2	Irregular temporary duty & drawl of pay and allowances of different staff	-
	93	3	Improper maintenance of diary and dispatch register	-
	94	4	Expenditure statements and cash book and bank statement	0.112
	95	5	Recovery due to payment of unauthorized conveyance allowance to teachers during summer and winter vocations	0.023
	96	6	Non-surrendering of savings and laps of non-development budget	35.676
	97	7	Irregular appointment on contract basis instead of permanent in deceased/ invalidation quota against 17/A quota	-
	98	8	Doubtful tender process and Non-surrendering of savings and lapse of development Budget	36.903
	99	9	Uneconomical expenditure without advertisement on PPRA website and advertisement in newspaper	0.334
	100	10	Irregular drawl of TA/DA	0.019
	101	11	Non production of record	-

DDO's	Sr. No.	AIR Para No.	Subject	Amount
GGHS Smeejabad	102	1	Non Return of loan on the accounts of Farough-E-Taleem Fund	0.705
	103	2	Unauthorized Payment on the accounts of science teaching allowance during leave period	0.025
	104	3	Irregular Payment of conveyance allowance during earned, winter and summer leave periods	0.300
	105	4	Loss to the Government due to non-auctioning of dry trees & Machinery	-
	106	5	Unjustified payment of social security benefit to employees who were regularized/should be regularized during FYs 2011-18	0.368
	107	6	Doubtful deposit of GST & income tax with bank receipt	0.316
	108	7	Doubtful/Irregular expenditures on the account of Water Filtration Plants	1.190
	109	8	Doubtful Expenditure on account of Farogh-E-Taleem (FTF)	2.416
	110	9	Doubtful expenditure on the account of Contingencies	0.300
	111	10	Illegal temporary/loan/exam duties of staff	-
	112	11	Doubtful maintenance of diary and dispatch register	-
	113	12	Overpayment non stoppage of increment due to poor result	-
	114	13	Doubtful Drawl of Pay & Allowance without maintenance of Service Books and personnel files	-
	GHS 2-KMR	115	1	Loss due to payment of inadmissible allowances
116		2	Non-Surrender of Anticipated Savings	14.523
117		3	Loss due to payment conveyance allowance during vocations	0.137
118		4	Loss due to excess withdrawal of personal allowance	0.098
119		5	Loss due to withdrawal of science teaching allowance without teaching science	0.010
120		6	Unauthorized payment of social security benefits after regulation of services	0.351
121		8	Excess expenditure over and above the budget allocation	9.004

DDO's	Sr. No.	AIR Para No.	Subject	Amount
	122	9	Unauthorized expenditure from non salary budget without pre-audit	0.681
	123	10	Irregular expenditure from NSB through splitting up and without stock entries	0.681
	124	11	Un-Even Flow of Salary Expenditure	13.339
Principal GGHS No.2 Shamasabad Multan	125	1	Excess payment of pay and allowances despite superannuation retirement	0.200
	126	2	Payment of conveyance allowance during leaves	0.336
	127	5	Expenditure in excess of budget allocation	20.021
	128	6	Lapse of budget allocation due to non-surrender of savings	65.110
	129	7	Payment of conveyance allowance during summer vacations	0.220
	130	8	Payment of conveyance allowance during winter vacations	0.090
	131	9	Doubtful payment of personal pay	0.241
	132	10	Recovery of charge allowance	0.081
	133	11	Unauthorized withdrawal of pay & allowances without duty	0.193
	134	12	Non-verification of Government Receipts	3.377
	135	13	Doubtful withdrawal without record of payment	0.492
	136	14	Non-deduction of Income Tax at source	0.205
	137	15	Doubtful withdrawal of allowances	0.101
	138	16	Withdrawal of social security benefits after regularization of service	0.119
	139	17	Doubtful expenditure through splitting	0.845

**District Education Authority, Pakpattan**

**(Rupees in million)**

<b>Sr. No .</b>	<b>Name of formation</b>	<b>AIR Para No.</b>	<b>Subject</b>	<b>Amount</b>
1	Deputy District Education Officer (EE-M) Pakpattan	1	Irregular sanction of financial assistance beyond delegated financial powers	2
2		2	Unauthorized payment of inadmissible allowances	0.247
3		5	Unauthorized withdrawals of arrears of pay and allowances without budget allocation and sanction of the competent authority	5.723
4		6	Loss to Government due to excess payment of charge allowance	0.964
5		10	Irregular development expenditure without approved design and specifications	2.87
6		11	Non-utilization of NSB & FTF Funds	13.882
7		13	Non – compliance of recovery against previous audit Paras	-
8		14	Non-recovery of penalty and stoppage of one increment	0.277
9		15	Irregular auctioning of dismantle building material	0.26
10		16	Non-verification of Government Recoveries	0.12
11		17	Loss to Government by Ignoring the Destruction of text books	-
12	GG HS 91/EB Arifwala	3	Establishment of IT Labs without appointment of IT Teachers	-
13		5	Non deduction of Income Tax- Rs 32,693	0.033
14		6	Irregular purchases from unregistered suppliers– Rs 58,900	0.059
15		7	Doubtful Expenditure of Rs 22,449	0.022
16	GG HS Colony Area Pakpattan	1	Irregular withdrawal of pay and allowances from irrelevant DDO Code – Rs 157,767	0.158
17		6	Non-imposition / payment of Punjab Sales Tax on services– Rs 52,399	0.052
18		11	Irregular payment and non-recoupment of funds in FTF – Rs 87,250	0.087
19		12	Non-deduction of Income Tax at source – Rs 76,886	0.076
20		15	Non-compliance of observations issued in previous year Audit	-
21	GHS Urban Area	5	Unauthorized withdrawal of qualification allowance and recovery thereof Rs 480000	0.48



Sr. No.	Name of formation	AIR Para No.	Subject	Amount
22	Pakpattan	6	Unauthorized payment in cash instead of cross cheque Rs800,000	0.8
23		7	Unauthorized purchase from unregistered firms/suppliers Rs453,282	0.453
24		8	Irregular purchase without advertisement for Rs 275,000	0.275
25		11	Doubtful purchase of smart board for Rs 95,000	0.095
26		12	Doubtful withdrawal of fund during the month of June Rs 870,424	0.87
27		13	Un-authorized withdrawal of funds by fake signature of ex-DDO Rs 41,312	0.041
28	G MC High School Arifwala	2	Doubtful payment of personal allowance - Rs 95,100	0.095
29		4	Doubtful withdrawal of allowances - Rs 0.700 million	0.7
30		5	Irregular expenditure of Rs 0.926 million and doubtful payment / non deposit of GST/PST Rs 0.129 million and income tax Rs 0.066 million	0.066
31		7	Payment of sales tax on tablets, paint, white wash and construction material by school council Rs 0.069 million	0.069
32	District Education Officer (SE)	3	Irregular Payment of Special Allowance To the Teachers of Elementary & Secondary School Teachers of Rs 623,000	0.623
33		4	Irregular Payment of 45% House Rent Allowance Instead of 30% of House Rent Allowance Rs 85,920	0.086
34		5	Irregular Payment Of Inadmissible Allowances Rs 461,440	0.461
35		6	Excess drawl of Pay & allowances, Recovery thereof Rs 83,400	0.083
36		7	Irregular Drawl of Medical Bill of Rs-165,698	0.166
37	Deputy District Education Officer (EE-W) Arifwala	3	Unauthorized grant of annual increment recovery thereof- Rs 106,018	0.106
38		4	Unauthorized grant of annual increment recovery thereof- Rs 197,840	0.198
39		5	Unauthorized award of advance increments to AEOs recovery thereof - Rs 33,440	0.033
40		6	Irregular payment of Charge Allowance to AEOs - Rs 173,000	0.173
		7	Unjustified payment of salary with fake CNIC numbers – Rs 1.053 million	1.053
41		8	Doubtful payment of pay and allowances to employees having same CNIC numbers – Rs 860,077	0.86

Sr. No .	Name of formation	AIR Para No.	Subject	Amount
42		9	Unjustified withdrawal of pay without date of joining – Rs 3.595 million	3.595
43		10	Likely Fraudulent payment on account of Pay & Allowances - Rs 448,187	0.448
44		12	Mis -procurement of Tablet (notebook) for Rs 0.957 million and recovery thereof Rs 136,467	0.136
45		14	Non-imposition / payment of Punjab Sales Tax on services – Rs 75,719	0.076
46		15	Non provision of compliance of Audit paras relating to Financial Year 2016-17	-
	Deputy District Education Officer (EE-M) Arifwala	3	Unjustified payment of salary with fake CNIC numbers	0.557
47		4	Unjustified Drawl of Inadmissible Charge Allowance by the AEOs, Recovery of Rs. 112,000	0.112
48		5	Unjustified Drawl of Inadmissible Annual Increment To the newly recruited Educators, Recovery of Rs. 176,820	0.177
49		6	Unjustified Drawl of Inadmissible Annual Increment To the newly recruited Educators, Recovery of Rs. 135,200	0.135
50		7	Irregular Payment Of Inadmissible Allowances Rs 156,910	0.157
51		8	Unjustified Drawl of Inadmissible Annual Increment by the AEOs, Recovery of Rs 106,400	0.106
52		9	Irregular payment of Pay and Allowances due to non-fixation of Pay of teachers – Rs 0.557 million	0.557
53		12	Non-imposition / payment of Punjab Sales Tax and income tax on services– Rs 0.233 million	0.233
54		15	Unjustified grant of three advance increments resulted into overpayment of Rs194,110	0.194
55		17	Loss to the government due to charging of excess rates than approved rates amounting to Rs274,301	0.274
56	Chief Executive Officer Pakpattan	2	Irregular sanction of financial assistance beyond delegated financial powers – Rs 24.600 million	24.6
57		6	Mis-procurement of DVD Player and Computer Table by ignoring the rates of lowest bidders – Rs 66,019	0.066
58		9	Irregular payment of Pay & allowances without availability of sanctioned posts of same scales in budget - Rs 9.500 million	9.5

Sr. No .	Name of formation	AIR Para No.	Subject	Amount
59		12	Understated Books of Accounts of District Education Authority – Rs 240.468 million	240.468
60		14	Non maintenance of receipt in Account -V of District Education Authority	-
61		17	Irregular payment of Science Teaching Allowance – Rs 52,200	0.052
62		19	Irregular award of advance increments to AEOs recovery thereof – Rs 76,000	0.076
63		20	Irregular approval of revised budget without inclusion of receipts	-
64		22	Doubtful expenditure on teachers training – Rs 691,539	0.691
65		23	Doubtful award of Qualification Allowance inquiry thereof – Rs 667,400	0.667
66		24	Un-justified site selection of Schools against the provision of PC-I and payment of honorarium to self-favored NFBE teachers – Rs 2.400 million	2.4
67		Deputy District Education (EE-W) Pakpattan	2	Unauthorized payment of Charge Allowance to AEOs - Rs 207,658
68	4		Excess payment of pay and allowances after superannuation retirement - Rs 114,114	0.114
69	5		Unauthorized award of advance increments to AEOs recovery thereof – Rs 97,280	0.097
70	6		Non-utilization of NSB funds – Rs 18.906 million	18.906
71	10		Unjustified withdrawal of pay without date of joining - Rs 3.133 million	3.133
72	12		Recovery of undue payment on Inspection Allowances Rs 1.170 million	1.17
73	15		Recovery of undue payment on account of Inadmissible Allowances Rs 0.203 million	0.203
74	16		Non-deduction / Deposit of Provincial Sale Tax- Rs 0.171 million	0.171
75	18		Non-deduction / deposit of Income Tax – Rs 0.111 million	0.111
76	20		Undue award of annual increments to teachers recovery thereof – Rs 0.296 million	0.296
77	GHS Sandy Khan Pakpattan	5	Non return of Loan paid from FTF Rs0.143 million	0.143
78		6	Irregular Purchase of Items from N.S.B Fund Rs 0.090 Million	0.09

<b>Sr. No .</b>	<b>Name of formation</b>	<b>AIR Para No.</b>	<b>Subject</b>	<b>Amount</b>
79		9	purchase of Physical Assets (M&E) from Wrong Object Head Rs 0.049 Million	0.049
80		10	Irregular Purchase of Furniture without Obtaining Security Deposit and Non-forfeiture of Security Deposit on Late Supplies – Rs 0.040 Million	0.04
81		11	Non-Recovery of Liquidity Damages on Late Supply of Furniture Recovery Thereof –Rs 0.034 million	0.034
82		13	Irregular Payment of Personal Allowance after regularization – Rs 0.020 Million	0.02
83	GGHS City Arifwala	2	Doubtful payment due to Non Recouped of Farooqh-E-Taleem Fund – Rs 344,560	0.344
84		6	Recovery of Inadmissible Allowance – Rs 60,000	0.06
85		7	Unauthorized grant of annual increment recovery thereof- Rs 14,762	0.014
<b>Total</b>				<b>343.486</b>

**District Education Authority, Sahiwal**

(Amounts in million)

<b>Sr No</b>	<b>AIR Para No</b>	<b>Name of Formation</b>	<b>Subject of Para</b>	<b>Amount</b>
1	2	Dy. DEO (EE-M), Chichawatni	Unauthorized payment of inadmissible allowances	0.412
2	3		Doubtful payment of salary with doubtful ID Card numbers	38.966
3	7		Loss to Government due to excess payment of charge allowance	0.227
4	8		Non-verification of Government Recoveries	0.512
5	10		Loss to Government due to overpayment of GST of exempted store	0.868
6	16		Non – compliance of recovery against previous audit Paras	0.000
7	2	Dy. DEO (EE-M) Sahiwal	Overpayment of Pay & Allowances during Long Leaves	0.207
8	3		Irregular payment of Charge Allowance to AEOs	0.115
9	4		Unauthorized award of advance increments to AEOs recovery thereof -	0.06
10	5		Recovery of Inadmissible Allowances –	0.064
11	6		Irregular payment of Personal Allowance	0.096
12	8		Unauthorized withdrawal of DTE Allowance	0.216
13	9		Unjustified Drawl of Fixed TA / DA Recovery	0.032
14	10		Overpayment of pay and Allowances due to wrong fixation Recovery	0.044
15	12		Irregular payment of Charge Allowance to teachers without charge of Head Teachers	0.348
16	19		Non Taking Legal Action against Falak Sher PST Of instead of Proved Charges of NSB Fund Embezzlement in inquiry report	0.684
17	1	Dy. DEO EE- Women, Sahiwal	Recovery of Inadmissible Allowances	0.074
18	2		Irregular payment of Charge Allowance	0.189
19	3		Unauthorized grant of annual increment recovery thereof	0.134
20	4		Non-fixation of pay and allowances to adjust unauthorized advance increments on account of higher qualification recovery thereof	3.988
21	5		Excess withdrawal of Pay and Allowances recovery thereof –	0.411
22	6		Excess payment of Personal Allowance recovery thereof	0.867
23	7		Undue payment of Personal Allowance	0.329
24	10		Non-implementation of penalties imposed to employees	0.024
25	11		Unauthorized payment of pay and allowances during	0.305

Sr No	AIR Para No	Name of Formation	Subject of Para	Amount
			EOL –	
26	12		Non-deduction of Income Tax Rs 129,963 and 1/5 <sup>th</sup> of GST and non-verification of deposit of GST and Income Tax paid to supplier – Rs 472,386 million	0.472
27	13		Undue payment of GST and non-verification of deposit of the same	0.059
28	14		Irregular payment of conveyance allowance despite allocation of official vehicle	0.025
29	16		Excess payment of Charge Allowance to Head Teachers	0.019
30	17		Recovery of Qualification Allowances	0.064
31	18		Non-compliance of previous audit report	0
32	19		Non-deduction / Deposit of Provincial Sale Tax-	0.224
33	20		Irregular expenditure in violation of PPRA rules / guidelines for utilization of NSB funds and Cash Payments worth millions	0
34	21		Overpayment on Purchase of Tabs Rs 102,913 and unjustified payment of GST Rs 102,541	0.205
35	2		Uneconomical purchase of Rifle on excess rate	0.143
36	4		Non-deduction of Income Tax at source	0.115
37	9		Non-refund of loans granted form FTF	0.097
38	10	Principal GGHSS Farid Town Sahiwal	Non-verification of Government receipts	0.532
39	13		Unauthorized advance withdrawal of funds without actual expenditure and maintenance of record	0.08
40	14		Non-deposit of taxes	0.06
41	1		Uneconomical purchase of Rifle on excess rate	0.143
42	2		Withdrawal of funds without pre-audit	0.685
43	3		Irregular payment of salary with fake CNIC numbers	4.749
44	5	Government Higher Secondary School, Harappa	Non-Collection of Proof of Deposit of Sales Tax and Income Tax	0.122
45	6		Non-Collection of Proof of Deposit of Sales Tax	0.036
46	4		Non maintenance of receipt Account -V of District Education Authority	0
47	9		Doubtful expenditure of pay and allowances due to wrong fixation of basic pay	0.826
48	12		Irregular payment of Personal Allowance	0.332
49	13	CEO DEA, Sahiwal	Irregular payment of charge allowance. Recovery thereof	0.291
50	15		Unjustified payment on account of qualification allowance -	0.081
51	16		Irregular payment of Special Conveyance Allowance without observing specified criteria	0.515
52	17		Irregular payment of conveyance allowance despite	0.03

Sr No	AIR Para No	Name of Formation	Subject of Para	Amount
			allocation of official vehicle	
53	18		Recovery of Inadmissible Allowances	0.417
54	19		Unauthorized award of advance increments to AEOs recovery thereof	0.136
55	20		Irregular payment of Charge Allowance to AEOs and Dy. DEO	0.2
56	22		Irregular payment of salary with fake CNIC numbers	429.95
57	23		Non auction of vehicle and Machinery	0.107
58	24		Non recovery of Inspection fee/registration fee from the private schools	0.154
59	25		Un-economical expenditure on stationary – Rs 151,764 and recovery of Rs. 4,460	0.152
60	26		Non provision of compliance of Audit paras relating to Previous Years	0
61	1	Principal Government Higher Secondary School of Special Education (Hearing Impaired) Sahiwal	Unjustified payment of Sales Tax	0.058
62	3		Non-Regularization of the Services of Staff Despite Direction of the Government and Unauthorized Withdrawal of 30% Social Security Benefits	0.275
63	5		Non-collection of Deposit Proof of GST	0.097
64	3		Irregular expenditure by schools council over and above the authorized limit of School Management Council	0.413
65	5		Loss to Government Due to Non Auction of dead dry trees	0.5
66	6	Government Mehmoodi a High school Sahiwal	Irregular expenditure without Vetting of SMC Committee	0.046
67	7		Non Return of Loan Taken From FTF Fund of	0.782
68	8		Non Return of Loan of Utility Bills instead of drawn from Government treasury	0.448
69	9		Non collection of deposit proof of GST	0.093
70	1		Doubtful supply of desk bench	0.05
71	4		Irregular purchase without advertisement for	0.198
72	5		Unauthorized withdrawal of funds for purchase of arms and ammunition	0.193
73	9		Loss to government due to non-deduction of income tax and sales tax at source	0.204
74	1	Government	Irregular purchase of furniture from SMC	0.4

<b>Sr No</b>	<b>AIR Para No</b>	<b>Name of Formation</b>	<b>Subject of Para</b>	<b>Amount</b>
75	2	t Batala muslim high School sahiwal	Irregular payment on account of installation of Barbid Wire, UPS and CCTV Camera	0.13
76	3		Non deposit of PST	0.038
77	4		Non auction of Canteen resulting in Loss to Government –	0.396
78	7		Non collection of deposit proof of GST	0.087
79	8		Non recording of transaction in Cashbook	0.067
80	3	Government Girls Model Pilot Secondary School Sahiwal	Irregular/overpayment payment of sales tax on tablets, paint, white wash and construction material by school council	0.207
81	4		Non-deduction of Punjab Sales Tax Rs 0.088 million and Income Tax Rs 0.064 million on services	0.064
82	6		Doubtful payment / non- deposit of GST inquiry thereof –	0.348
83	7		Uneconomical purchase of Rifle on excess rate	0.143
84	8		Loss to Government on account of social security benefits due to non-regularization of services despite Government orders	0.367
85	9		Non-deduction of GST, PST & Income Tax	0.091
86	11		Non-refund of loans granted form FTF	0.862
87	14		Irregular drawl of amount out of SMC account	0.288
88	3	Government Special Education School for Mentally Retarded Children, Sahiwal	Irregular payment to supplier on account of purchase of uniform Rs 105,137 and non- recovery LD Rs 15,770	0.121
89	5		Unauthorized expenditure due to misclassification	0.88
90	8		Unauthorized withdrawal of funds for purchase of arms and ammunition	0.194
91	10		payments for advertisements	0.008



District Education Authority, Vehari

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
1	Dy. DEO (EE-W) Vehari	1	Irregular deduction of Punjab Sales Tax on services Rs 188,807 and non-deduction of income tax	0.118
		2	Loss to government due to excess payment and recovery thereof	0.485
		4	Mis-procurement of Tablet PCs for Rs 1.627 million and	0.897
		5	Non-Verification of Deposit Proof of General Sales Tax	0.472
		6	Blockage of fund/ Non utilization of funds for construction of class rooms	37.81
		8	Unauthorized payment of charge allowance to AEO and recovery	0.104
		11	Non-Surrender of Anticipated Savings Amounting	38.514
		12	Excess expenditure over and above the budget allocation	1.824
		13	Loss to government due to payment conveyance allowance during leaves	0.857
		14	Loss to government due to payment pay & allowances during EOL period	0.285
		16	Non production of record and non-maintenance of record	0.45
2	Principal Govt. Girls Higher Secondary School Tibba Sultan Pur	2	Irregular expenditure through splitting - Rs 0.541 million	0.541
		3	Excess expenditure over and above the budget allocation – Rs 109,130	0.109
		4	Non Surrender of Savings Rs. 1.248 million	1.248
		5	Unauthorized payment of conveyance allowance to teachers during leave period	0.295
		8	Payment of inadmissible allowances - Rs 21,715	0.021
		9	Irregular withdrawal of conveyance allowance during Summer vacations - Rs 402,912	0.402
		10	Non-imposition / payment of Punjab Sales Tax on services– Rs 53,733	0.053
		11	Recovery of overpayment of GST on exempt items – Rs 24,969	0.024
		12	Non-verification of deposit of Sales Tax from the purchases of NSB – Rs. 345,002/-	0.345
		14	Non-deduction of Income Tax at source – Rs 84,246	0.084
3	Dy. DEO (EE-W) Mailsi	3	Irregular withdrawal of conveyance allowance during vacations – Rs 435,315	0.435
		4	Unauthorized award of annual increments recovery	0.231

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
			thereof – Rs 231,230	
		5	Irregular withdrawal of charge allowance – Rs 116,000	0.116
		6	Non-refund of NSB funds from School Council Accounts of Schools transferred to PEF – Rs 516,275	0.516
		8	Irregular withdrawal of TA/DA by employees – Rs 432,062	0.432
		9	Unauthorized payment of conveyance allowance to teachers during leave period – Rs 740,732	0.74
		11	Excess expenditure than budget allocation – Rs 6.724 million	6.724
		12	Unjustified withdrawal and payment of SSB employees during period of regular service – Rs 306,717 million	0.306
		13	Irregular withdrawal of pay during the period of leave without pay – Rs 408,576	0.408
		16	Non-imposition / payment of Punjab Sales Tax on services– Rs 566,484	0.566
		19	Non-utilization of NSB funds – Rs 51.936 million	51.936
		20	Non-production of deposit proof of GST by Suppliers inquiry thereof – Rs 5.671 million	5.671
4	Dy. DEO (EE-M) Vehari	1	Irregular sanction of financial assistance beyond delegated financial powers	7.000
		2	Unauthorized payment of inadmissible allowances - Rs 89,255	0.089
		3	Un-authorized Payment of Social Security Benefit @ 30% – Rs. 78,342	0.078
		4	Over payment of conveyance allowance during winter vacations - Rs 681,948	0.681
		6	Loss to Government due to excess payment of charge allowance Rs 351,082	0.351
		7	Over payment of conveyance allowance during summer vacations - Rs 135,825	0.135
		11	Non-utilization of NSB & FTF Funds – Rs 9,339,502	9.33
		12	Non-Collection of Proof of Deposit of Sales Tax – Rs 3,865,359	3.865
		15	Irregular auctioning of dismantle building material – Rs 720,000	0.72
		16	Non-recovery of Pay and Allowance from Teacher during Earned Leaves – Rs 348,229	0.348
		17	Loss to government due not realization of FTF	0.958

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
			funds – Rs. 958,926	
		19	Non – compliance of recovery against previous audit Paras	0
5	Dy. DEO (EE-W) Burewala	2	Unjustified payment on account of qualification allowance - Rs 253,800	0.253
		3	Unjustified Payment of Social Security Benefits and recovery thereof - Rs 313,338	0.313
		4	Recovery of Inadmissible Allowances – Rs114,805	0.114
		5	Non verification of Deposit-Rs.2.924 million	2.924
		8	Doubtfull / Irregular expenditure from NSB funds by splitting the indent- Rs0.860 million	0.86
		10	Doubtful payment /non deposit of GST inquiry thereof – Rs 0.985 million	0.985
		11	Non provision of compliance of Audit paras relating to Previous Years	0
6	Dy. DEO (EE-M) Burewala	3	Unauthorized payment of conveyance allowance – 963,315	0.963
		4	Unjustified payment on account of qualification allowance - Rs 209,400	0.209
		5	Irregular payment of Charge Allowance to AEOs - Rs 206,000	0.206
		9	procurement of Tablet (notebook) of Rs. 303,788 and unjustified payment of GST thereon Rs. 40,241	0.04
		12	Non payment of income tax on account of miscellaneous services acquired – 139,041	0.139
		13	Irregular payment of Special Conveyance Allowance without observing specified criteria– Rs 114,000	0.114
7	CEO Education	2	Lost to the Government on account of advertisement charges due to non-accomplishment of Class-IV recruitment Rs 2.693 million.	2.693
		5	Drawl of POL without maintenance of log book of vehicle amounting to Rs 53,646	0.053
		6	Unauthorized procurement for IT Lab through irrelevant procurement committee– Rs 7.5 million	7.5
		8	Unauthorized Payment on Account of Integrated Allowance - Rs 0.909 Million	0.0909
		10	Irregular grant of honorarium amounting to Rs 911,450	0.911
		11	Unauthorized sanction of time bared claim without the sanction of Finance Department amounting to Rs36,680	0.036
		12	Non-collection of Deposit Proof of GST Rs 0.075	0.075

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
			million	
		13	Non-availability of stock entries of store and stock amounting to Rs442,665	0.442
		14	Non-monitoring of development budget resulted in lapsed of expenditures amounting to Rs 60.153 million.	60.153
8	Govt. Higher Secondary School Garha More	1	Payment of conveyance allowance during winter vacations – Rs 174,639	0.174
		2	Irregular Purchase of Items from N.S.B Fund without Sanction of Expenditure	0.265
		3	Irregular Construction of Canteen Out of F.T.F Rs.78,240	0.078
		4	Non return of Loan paid from FTF	0.111
		5	Irregular Payment of G.S.T on Exempt Items Rs 87,226	0.087
		6	Non Surrender of Anticipated Savings Rs.5,700,637	5.7
		7	Unjustified Payment of Arrears of Pay & Allowances without Release of Separate Budget Rs 267,329	0.267
		8	Uneconomical purchase without advertisement on PPRA website– Rs.694,457	0.694
		9	Non-Collection of Proof of Deposit of Sales Tax – Rs 253,393	0.253
		10	Non Deposit of PST – Rs 77,647	0.077
		11	Non deduction of Income Tax- Rs 44,746	0.044
		12	Doubtful Payment on Purchase of Rifle From F.T.F Rs.25,000	0.025
		13	Over Payment of Personal Allowance – Rs 19,430	0.019
		14	Irregular Payment of Personal Allowance after regularization – Rs 18,900	0.018
		15	Loss to government due to withdrawal of science teaching allowance without	0.018
9	Govt. Higher secundnar School Sheik Fazil	1	Loss to the Government due to non-auctioning of Canteen – Rs; 2.160 App	2.16
		2	Unauthorized Payment of conveyance allowance during winter and summer leave periods recovery of Rs; 274699	0.274
		3	No embrace numbering on trees up to date	0
		4	Doubtful maintenance of diary and dispatch register	0
		5	Non maintenance of earned leaves, EOL, Ex. Pakistan leaves, Inquiry, Budget control etc	0

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
			registers with deduction of conveyance allowance	
		7	Non-surrendering of saving and lapse of non-development Budget – Rs; 3.415 million	3.415
		8	Doubtful Drawl of Pay & Allowance without verification of degrees & maintenance of Service Books and personnel files amounting to Rs; 26.514 million	26.514
		9	Doubtful/ Illegal Payment of M.Phil/Ph.D./higher Qualification Allowances & recovery of Rs; 0.406 million	0.406
		10	Non maintenance of record & Overpayment due to non-stoppage of increment on poor result	0
		11	Non return of loan on the accounts of Farough-E-Taleem Fund amounting to Rs; 0.668 million	0.668
		12	Irregular expenditure on the accounts of purchase of furniture through splitting –Rs 0.435 million	0.435
		13	Unauthorized Payment on the accounts of science teaching allowance during leave period– Rs; 0.140 million	0.14
		14	Unauthorized withdrawal of conveyance and house rent allowance by the Mst. Tabassam Perveen Ex. Principal, therefore recovery amounting to Rs; 0.821 million	0.821
		15	Doubtful maintenance of record for Furniture, emanation, Toilet, Rooms, Camera/Security Instruments	0
		16	Non reconciliation/ difference in cash book & Bank Account Statements amounting to Rs; 0.291 million	0.291
		17	Doubtful/Irregular Pay & Allowances on the accounts of arrears through SAP/Bills amounting to Rs; 0.847 million	0.847
		18	Doubtful deposit of GST & income tax with bank receipt/FBR amounting to Rs; 01.226 million	1.226
		19	Non completion of Inquiry of Mst. Tabassam Perveen Ex. Principal	0
		21	Unauthorized Payment of conveyance allowance during earned leave; recovery of Rs; 0.523 million	0.523
		22	Non production of record amounting to Rs; 87.956 million Appr	87.956
		23	Doubtful Maintenance of Ownership record of Land Buildings of School	0
		24	Non-regularization of the services of staff despite	0.715

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
			directions of the Government and unauthorized withdrawal of 30% social security benefits, therefore recovery of Rs; 0.715 million	
		25	Doubtful expenditure on the accounts of Contingencies, NSB & FTF amounting to Rs; 05.701 million	5.701
		26	Doubtful maintenance of receipts record	0
10	DEO (EE-M) Vehari	2	Non- construction of class rooms out of NSB funds provided by the Government for the purpose	0
		3	Irregular payment of leave encashment – Rs 5.391 million	5.391
		4	Non-collection of proof of deposit of general sales tax – Rs 0.094 million	0.094
		5	Withdrawal of social security benefits after regularization of services	0
		6	Irregular purchase of stationery by splitting of expenditure– Rs 0.664 million	0.664
		7	Doubtful payment of inspection allowance during summer vacations -	0.809
		8	Doubtful payment of salaries through same bank account to different employees Rs 0.644 million	0.644
		9	Unauthorized payment of pay and allowances despite superannuation retirement of employees - Rs 0.054 million	0.054
		11	Doubtful withdrawal of funds on account of POL - Rs 0.125 million	0.125
		12	Non-monitoring/non-exercising review on utilization of school council funds inquiry thereof	0
		13	Over payment of sales tax on purchase of various store by school councils	0
14	Uneconomical purchase of various items without advertisement on PPRA website and print media	0		
11	DY. DEO (EE-M) Mailsi	1	Unauthorized withdrawal of conveyance allowance – Rs 949,229	0.949
		2	Non-imposition / payment of Punjab Sales Tax on services – Rs 981,347	0.981
		3	Unauthorized grant of annual increment recovery thereof- Rs 310,100	0.31
		4	Irregular payment of Charge Allowance to AEOs - Rs 205,000	0.205
		5	Unauthorized payment of conveyance allowance to teachers during leave period – Rs 139,036	0.139
		6	Recovery of inadmissible allowances 115,472	0.115

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>AIR Para No.</b>	<b>Subject</b>	<b>Amount</b>
		9	Non recovery of NSB fund from PEF schools Rs. 522,609	0.522
		11	Non-utilization of NSB funds – Rs 15.433 million	15.433
		12	Irregular retention of Development funds provided for construction of class rooms Rs. 4.110 million	4.11
		13	Doubtful payment of salary with doubtful ID card number – Rs 599,400	0.599
		14	Unjustified withdrawal of pay without date of joining – Rs 1.288 million	1.288
		16	Unjustified withdrawal of pay due to wrong date of joining	0

**Annexure – A**  
**Part-II**

**Memorandum for Departmental Accounts Committee Paras not attended in  
Accordance with the Directives of DAC Pertaining to Audit Year 2017-19**

**District Education Authority Bahawalnagar**

(Rupees in million)

Sr. No.	DDOs	Para No.	Subject	Amount
<b>District Education Authority Bahawalnagar</b>				
1	CEO(DEA), BWN	2	Fraudulent drawl of double payment	0.600
2	Principal G H S S 207/M	1	Unjustified payment of qualification allowance without obtaining prior permission for higher / further qualifications	0.060
3		2	Non Auction of Old material + Old newspaper	0.010
4		3	Non Utilization of Budget	0.200
5	Dy. DEO (EE-M) FAS	1	Non finalization of enquiry cases	-
6		2	Unjustified Expenditure on Account of POL without Driver	0.723
7		3	Doubtful expenditure / Likely misappropriation of funds on account of contingency bill	0.387
8		4	Loss to Government due to Irregular Drawl of Irrelevant allowance	0.226
9		8	Doubtful payment of Encashment bill	0.652
10	Dy. DEO (EE-M) MND	1	Unauthorized payment of conveyance allowance during vacation periods	0.007
11		2	Doubtful expenditure on repair of machinery and furniture	0.019
12		3	Un-authorized / doubtful expenditure on account of purchase of coal and ice	0.037
13		4	Non verification of deposit of Sales Tax on purchases	0.041
14	Dy. DEO (EE-M) HND	1	Loss to Govt. due to Unjustified Payment of Irrelevant Allowances	0.011
15		2	Loss to Govt. due to Purchase of POL at Higher Rates than the Rates Fixed by OGRA	0.002
16		3	Loss to Govt. due to Unjustified Payment of "Inspection Allowance"	0.070
17		4	Irregular Payment of TA/DA from Office Budget	0.011
18		5	Loss to Govt. due to Showing Higher Rates of Store Items	0.006
19		6	Loss to Govt. due to Irregular Maintenance of Stock Register	0.137



Sr. No.	DDOs	Para No.	Subject	Amount
20		7	Loss to Govt. Treasury due to Un-Justified Drawl of Conveyance Allowance during Leave Period	0.013
21	Dy. DEO (EE-W) FAS	20	Fraudulent drawl of double payment	0.600
22	District Officer (M-EE) Bahawalnagar	1	Non accountal into stock	0.487
23		2	Doubtful expenditure on repair of vehicles	0.035
24		3	Excess charging of rates of POL than the rates given on OGRA web sites	0.004
25		4	Non verification of deposit of Sales Tax on purchases	0.513
26		5	Doubtful expenditure on repair of machinery and furniture	0.074
27		6	Loss to Government due to misappropriation of used mobil oil	0.012
28		7	Unjustified withdrawal of POL without approved tour programmes on monthly basis	0.211
29		8	Unjustified expenditure on photo copies	0.084
30	Dy. DEO (EE-W) HND	1	Irregular award of advance increments to ESTs on account of B.Ed& M.A	0.103
31		2	Loss to govt. treasury due to un-justified expenditure regarding repair of school buildings	0.840
32		3	Loss to govt. due to non-deduction of provincial sales tax on services and Income Tax	0.052
33		4	Transfer of government schools to private sector due to weak performance of teachers and expenditure from NSB, pay and allowances	2.939
34		5	Variation in Expenditure of Pay & Allowances	348.687
35		7	Irregular Appointment as PET and payment of pay and allowances	0.181
36		8	Irregular overage appointment against the policy and writ petition	0.099
37		9	Un-authorized payment of qualification allowance	0.036
38		10	Unauthorized Payment of Charge Allowance during	0.024
39		12	Doubtful drawl of TA/DA and non-availability of Record	0.155
40		13	Loss to Govt. due to non-availability of consumption record	0.090
41		14	Unjustified drawl of Inspection Allowance	0.796
42		15	Loss to govt. due to payments on higher rates	0.120
43		16	Excess drawl of pay and allowances	0.031
44		17	Drawl of pay and allowance after transfer and retirement	0.103

Sr. No.	DDOs	Para No.	Subject	Amount
<b>District Education Authority Bahawalpur</b>				
1	Dy. DEO (EE-M) Ahmadpur East	1	Loss to Govt. due to Unjustified Payment of Irrelevant Allowances	0.018
2		3	Loss to Govt. due to Un-Authorized Traveling outside the Tehsil	0.049
3		4	Loss to Govt. due to Purchase of POL at Higher Rates than the Rates Fixed by OGRA	0.001
4		5	Irregular Purchase of POL from Desired / Unregistered Petrol Pump	0.092
5	Dy. DEO (EE-W) Ahmadpur East	1	Loss to Govt. due to Unjustified Payment of Irrelevant Allowances	0.073
6		3	Loss to Govt. due to Un-Authorized Traveling outside the Tehsil	0.138
7		4	Misappropriation of Funds through Fictitious Billing	0.039
8		5	Loss to Govt. due to Showing Higher Rates of Store Items	0.018
9		6	Loss to Govt. due to Purchase of POL at Higher Rates than the Rates Fixed by OGRA	0.002
10		7	Misappropriation of Govt. Money due to Unnecessary White Washing, Painting & Coloring of School Buildings	0.591
11		8	Loss to Govt. due to Un-Justified Expenditure Shown regarding Repair of Dangerous Declared School Buildings,	0.076
12		9	Loss to Govt. due to Irregular Maintenance of Stock Register	0.109
13		10	Loss to Govt. due to Personal Use of Official Vehicles	0.003
14		11	Loss to Govt. due to Drawl of Doubtful / Fake "Repair of Vehicle" Bills	0.060
15	DEO (EE-M) Bahawalpur	1	Irregular expenditure by splitting the indents and non observance of the Punjab Procurement Rules	0.175
16		2	Unjustified / doubtful expenditure on repair of furniture, machinery and vehicle	0.068
17	Dy. DEO (EE-W) Hasilpur	1	Irregular award of advance increments to Elementary School Teachers on account of B.Ed& M.A	0.073
18		2	Loss to govt. treasury due to un-justified expenditure regarding repair of school buildings,	0.729
19		3	Loss to govt. due to payments on higher rates	0.068
20		4	Loss to govt. due to non-deduction of provincial sales tax on services,	0.073

Sr. No.	DDOs	Para No.	Subject	Amount	
21		5	Loss to government due to unjustified drawl of social security benefit after regularization	0.065	
22		6	Unjustified drawl of Inspection Allowance	0.110	
23		7	Drawl of pay and allowance after resignation	0.066	
24		8	Irregular expenditure on POL	0.154	
25		9	Loss to Govt. due to non-availability of consumption record	0.168	
26		10	Irregular Payments of Arrears without Additional Budget	0.509	
27		11	Unauthorized drawl of pay & allowances due to change of cadre	0.233	
28		12	Un-authorized payment of qualification allowance	0.007	
29		13	Loss to Govt. due to unjustified payment of irrelevant allowances,	0.037	
30		14	Unauthorized payment of conveyance allowance	0.340	
31		15	Loss to Govt. due to Drawl of Doubtful / Fake "Repair of Vehicle" Bills,	0.036	
32		16	Unauthorized Payment of Charge Allowance during Recovery	0.057	
33		17	Loss due to unauthorized grant of Conveyance Allowance	0.025	
34		18	Loss to Govt. due to Purchase of POL at Higher Rates than the Rates Fixed by OGRA	0.005	
35		CEO (DEA) BWP	3	Abnormal delay in recruitment of key staff	0.650
36			4	Non-collection of renewal fee from the owners of private schools	0.099
37			5	Loss to Government due to payment of Conveyance Allowance during Leave Periods	0.031
38			6	Non finalization of enquiry cases	0.760
39	7		Non-verification of deposit of registration and renewal fee collected from the owners of private schools	0.493	
40	8		Non-reconciliation of bank statement with payment statement and unjustified retention of remuneration of NFBE/ALC teacher	1.135	
41	9		Doubtful Distribution of Stipend to Student	1.314	
42	10		Un-sound Budgeting / Non-surrender of Anticipated Savings	14.807	
43	Dy. DEO (EE-W) BWP Saddar		13	Non-stoppage of annual increment	0.140
44			14	Non Utilization of Budget	-
45		15	Loss to Government due to Irregular Drawl of Irrelevant allowance	0.018	

Sr. No.	DDOs	Para No.	Subject	Amount	
46		16	Loss to Government due to Unjustified Drawl of Social Security Benefit after Regularization	0.070	
47		17	Excess expenditure against sanctioned budget	31.426	
48	Dy. DEO (EE-W) Yazman	6	Loss to Government due to Unauthorized Payment of Mobility / Conveyance allowance during Winter vocation periods	0.614	
49		7	Unauthorized drawl of Qualification Allowances	1.075	
50		8	Loss to Government due to Irregular Drawl of Irrelevant allowance	0.011	
51		9	Loss to Government due to Unjustified Drawl of Social Security Benefit after Regularization	0.734	
52		10	Transfer of Government Schools to private sector due to weak performance of teachers	-	
53		11	Irregular incurrence of development expenditure without detailed design and specifications	4.881	
54		12	Loss to Govt. due to Misappropriation of Used Mobil Oil	0.007	
55		15	Loss to govt. due to purchase of POL at higher rates than the rates fixed by OGRA	0.012	
56		GHS Shahdra	12	Unauthorized Payment of Mobility / Conveyance allowance during vocation periods – Recovery	0.165
57			14	Unauthorized Excess Drawl of Funds on Accounts of Pay & Allowances	5.444
<b>District Education Authority Rahim Yar Khan</b>					
1	Dy. DEO (EE-W) Rahim Yar Khan	1	Loss to Govt. due to Unjustified Payment of Irrelevant Allowances	0.083	
2	DEO (EE-W) Rahim Yar Khan	7	Irregular expenditure on purchase of stationery	0.399	
3		8	Unjustified expenditure on repair of vehicle	0.135	
4		9	Irregular expenditure on purchase of durable goods	0.273	
5		10	Irregular expenditure on repair of vehicle	0.051	
6		11	Loss due to purchase of tyres at higher rates	0.017	
7		12	Non auction of scrap	0.100	
8		13	Non reconciliation of expenditure statement	6.692	
9		DEO (SE) Rahim Yar Khan	2	Non accountal into stock	0.593
10	3		Doubtful expenditure on repair of vehicles	0.153	
11	4		Doubtful expenditure on purchase of POL in the absence of stock entry & consumption record	0.417	
12	6		Doubtful expenditure on repair of machinery and furniture	0.110	
13	Dy. DEO (EE-M) Khan Pur	1	Non accountal of entries into relevant Register	0.320	
14		2	Doubtful TA/ DA	0.749	

<b>Sr. No.</b>	<b>DDOs</b>	<b>Para No.</b>	<b>Subject</b>	<b>Amount</b>
15	Govt. G/H School Kotli Murad	1	Non-surrender of anticipated savings	1.476
16		2	Non Utilization of Budget	1.026
17	Dy. DEO (EE-M) Rahim Yar Khan	1	Variation in Expenditure of Pay & Allowances	4.798
18		2	Unauthorized Procurement of Items without Approval of Austerity Committee	0.313
19	CEO (Education Authority) RYK	3	Abnormal delay in recruitment of key staff	0.650
20		4	Un-sound Budgeting / Non-surrender of Anticipated Savings	14.807
21	Dy. DO (EE-W) Khan Pur	17	Unauthorized Recruitment of PTC Teachers below Prescribed Qualification Resulting into Irregular Expenditure on Pay and Allowances	0.651
22		18	Irregular expenditure on purchase of stationery	0.134
23		19	Unjustified expenditure	0.170
24		20	Misclassification of expenditure	0.064

**D.G.KHAN**

(Rupees in million)

Name of Formations	Sr. No.	Para No.	Subject	Amount
CEO (Education)	1	12	Unjustified transfer of funds to school	1.271
	2	13	Payment of pending liabilities out of allocation for current year	0.121
	3	17	Recovery due to non-deduction of income tax	0.06
	4	18	Non-verification/non-production of GST paid	0.149
	5	19	Loss due to non-recovery of provincial sales tax on services	0.047
	6	20	Unjustified expenditure on repair of vehicles	0.103
	7	21	Misappropriation on account of repair of vehicle	0.05
	8	22	Doubtful payment of due to non-accountal of store	0.394
	9	23	Misclassification of expenditure	0.035
	10	24	Doubtful and unauthorized expenditure	0.158
	11	25	Unjustified advance withdrawal of Govt. money and retention	0.244
	12	26	Doubtful and unauthorized expenditure on account of refreshment charges	0.167
Dy.DEO (EE-M) D.G.Khan	13	20	Recovery on account of un-authorized withdrawal of conveyance allowance	0.025
	14	23	Recovery of overpayment owing to leave without pay and Conveyance Allowance	0.147
	15	24	Non-deposit of fine imposed by authority due to willfully absent from duty as reported by MEAs recovery	0.304
	16	25	Recovery of irregular payment of Conveyance allowance during Summer vacations	0.085
	17	26	Overpayment on account of Hill Allowance	0.572
GHSS Mana Ahmdani	18	11	Recovery of un authorized Payment of conveyance allowance during leave period	0.002
DY.DEO (EE-W) D.G.Khan	19	22	Recovery of un authorized payment of conveyance allowance during leave on full pay	0.094
	20	24	Non-recovery of penalty imposed during absent period	0.051
	21	25	Overpayment on account of qualification allowance to ESE and SESE	0.095
	22	26	Unauthorized grant of charge allowance and recovery	0.066
	23	28	Withdrawal of salary during the period of leave without	0.061
	24	29	Drawl of conveyance allowance drawn during summer vacations	0.018
	25	32	Less deduction of group insurance from employees salaries	0.043
	26	33	Doubtful expenditure/non-deduction of income tax out	0.016

Name of Formations	Sr. No.	Para No.	Subject	Amount
			of NSB grant	
	27	35	Non-deduction of G.P .fund, B. fund and group insurance from employees salaries	0.118
	28	38	Loss on account of conveyance allowance	0.020
Dy.DEO (EE-W) Taunsa	29	26	Non-recovery of penalty imposed during absent period	0.05
	30	27	Unauthorized payment of inspection allowance during leave	0.04
	31	29	Overpayment on account of qualification allowance to ESE and SESE	0.402
	32	30	Unauthorized withdrawal of charge allowance	0.027
	33	32	Doubtful expenditure on payment of salaries to temporary teachers out of NSB grant	0.149
	34	33	Withdrawal of salary during the period of leave without pay worth	0.033
	35	34	Overpayment due to irregular award of Bs-9	0.089
	36	35	Over payment due to unauthorized award of two advance increments	0.104
	37	36	Unauthorized payment of GST	0.147
	38	37	Doubtful expenditure of out of NSB funds	0.102
	39	38	Non-availability of proof of sales tax and income tax returns	0.331
Deaf & Defective school	40	39	Less deduction of group insurance from employees salaries	0.099
	41	7	Withdrawal of pay and allowance during leave without pay	0.048
	42	8	Illegal supply of electricity to residences and non-recovery of electricity charges	0.028
Headmaster City High School D.G.Khan	43	9	Non-recovery of penal rent from unauthorized occupants of government residence	0.038
	44	13	Overpayment of qualification allowance to SST	0.029
Dy.DEO (EE-M) Kot Chutta	45	20	Over payment on account of conveyance allowance drawn during summer vacations	0.019
	46	21	Overpayment of qualification allowance to secondary school teachers	0.007
	47	23	Purchase of furniture without advertisement	0.250
	48	24	Non-deduction of benevolent fund from salaries of employees	0.088
Headmaster GBHS Nizamabad	49	8	Unauthorized drawal of pay without sanctioned posts	0.181
	50	9	Recovery of unauthorized payment of conveyance allowance during leave	0.004
Headmaster	51	16	Non-production of sales tax returns	0.024

Name of Formations	Sr. No.	Para No.	Subject	Amount
GBHS Wallay Walla				
Headmistress GGHS Model Town	52	7	Non-surrender of savings	0.577
	53	9	Over payment on account of conveyance allowance drawn during summer vacations	0.026
Headmaster GBHS Samina D.G.Khan	54	11	Non-surrender of savings	1.292
Dy.DEO (EE-M) Taunsa	55	20	Recovery of unauthorized withdrawal of hill allowance	0.069
	56	21	Recovery of unauthorized payment of conveyance allowance during leave on full pay	0.012
	57	24	Recovery of one month pay due to resignation from contract services	0.145
	58	25	Non-recovery of penalty/fine imposed due to willful absent from duty	0.271
	59	27	Overpayment of conveyance allowance drawn during summer vacations	0.106
Headmistress Government Girls High School Paigah	60	12	Recovery of UN authorized payment of conveyance allowance– Rs 14,699	0.015



**Layyah**

(Rupees in million)

Name of Formations	Sr. No.	Para No.	Subject	Amount
CEO (DEA)	1	23	Purchase of IT equipment on higher rates	0.964
	2	25	Loss to Government due to payment of extra rate against advertisement	0.651
	3	28	Expenditure on repair of vehicles	0.089
	4	29	Loss to Govt. due to non-recovery of registration fee from un-registered schools	0.168
	5	31	Mis-appropriation of POL	0.047
	6	34	Loss to government due to non-deposit of CDRs in PLS bank account	0.247
	7	35	Loss to Govt. due to non-recovery of annual inspection fee from private registered schools	0.174
	8	36	Unauthorized incurrence of expenditure on seminar / conference beyond competency	0.683
	9	39	Misclassification of expenditure	6.398
	10	40	Doubtful purchase of stores due to non-accountal of stock	0.135
	11	41	Unjustified expenditure on TA/DA	0.038
	12	42	Loss due to non-recovery of withholding tax	0.022
	13	43	Overpayment due to payment of higher rates of POL than notified by OGRA	0.017
Dy. DEO (EE-W) Layyah	14	18	Recovery of overpayment due to non-fixation of basic pay	0.851
	15	22	Non-recovery of penalty imposed during absent period	0.016
	16	24	Overpayment on account of qualification allowance to ESE and SESE	0.142
	17	26	Un-authorized drawl of charge allowance	0.045
	18	28	Doubtful expenditure on payment of salaries to temporary teachers out of NSB grant	0.540
	19	29	Overpayment due to irregular award of BS-9	0.266
	20	30	Over payment due to un-authorize award of two advance increments	0.208
	21	33	Non-deduction of income tax	0.454
	22	34	Un-authorized expenditure beyond competency on rent of building	0.144
	23	35	Doubtful expenditure out of NSB funds	0.223
	24	36	Non-deduction of sales tax	0.074
	25	38	Less deduction of group insurance from employees salaries	0.066
	26	39	Doubtful purchase of stores due to non-accountal of stock	0.027
Dy. DEO (EE-W)	27	19	Recovery of unauthorized payment of salaries during leave without pay	0.065

Name of Formations	Sr. No.	Para No.	Subject	Amount
Karor	28	20	Double drawl of pay and allowances by opening two personal numbers of a single employee	0.054
Dy. DEO (EE-M) Layyah	29	31	Recovery of overpayment due to non-fixation of basic pay	0.092
	30	36	Non-recovery of G.P fund upon regularization of services	0.082
	31	37	Less deduction of group insurance from employees salaries	0.035
	32	38	Overpayment on account of pay & allowances	0.036
GHS Mandi Town	33	9	Defective maintenance of cash book	0.0
Dy. DEO (EE-W) Choubara	34	24	Unauthorized payment of inspection allowance	0.015
DEO (SE) Layyah	35	10	Undue delay in disbursement of merit scholarship to the student	0.432
	36	11	Non-imposition/recovery of penalty on the absent teachers reported by MEA	0.054
	37	12	Doubtful issuance of stationary due to non-availability of proof of consumption	0.058
Dy. DEO (EE-M) Choubara	38	27	Overpayment on account of qualification allowance	0.007
	39	32	Recovery on account of unauthorized payment of advance increment	0.013
	40	33	Overpayment due to unjustified award of B-14 and 3 advance increments against same qualification	0.020
	41	35	Non-recovery of penalty imposed during absent period	0.006
	42	37	Expenditure without store entry	0.640
Dy. DEO (EE-M) Karor	43	38	Unjustified drawl of inspection allowance of schools	0.040
	44	27	Overpayment of on account of qualification allowance	0.012
	45	33	Non-recovery of penalty imposed during absent period	0.013
HM Special Education Center Layyah	47	10	Overpayment due to unjustified award of B-14 and 3 advance increments against same qualification	0.018
			Less deduction of Income tax	0.010

## Muzaffargarh

(Rupees in million)

Name of Formations	Sr. No.	Para No.	Subject	Amount
CEO (DEA)	1	11	Recovery of unauthorized payment of conveyance allowance during leave on full pay	0.022
	2	12	Recovery of unauthorized and unjustified drawal of TA/DA	0.115
	3	15	Unjustified and doubtful consumption of POL without approved routs of Buses	0.281
	4	16	Drawal of money for stipend to special children without disbursement to the actual beneficiary chances of misappropriation	0.246
	5	18	Non-deduction of GST from the payment to Suppliers	0.364
	6	20	Loss due to non-recovery of provincial sales tax on services	0.049
	7	21	No proof of deposit of GST into Govt. treasury	0.912
	8	22	Recovery of unauthorized and unjustified drawal of TA/DA	0.032
Dy.DEO (EE-M) Muzaffargarh	9	32	Recovery of unauthorized payment of SSB after regularization	1.082
	10	33	Recovery of unauthorized payment of conveyance allowance during leave on full pay	0.049
	11	34	Recovery of unauthorized payment of salaries	0.027
	12	36	Recovery of overpayment on account of Ad hoc Relief 2016	0.098
	13	38	Loss due to non-recovery of provincial sales tax on services & less deduction of income tax	0.017
	14	40	Withdrawal of pay and allowances during absent period and after termination of contract	0.125
	15	41	Less deduction of Group Insurance from employees salaries	0.043
	16	42	Unauthorized excess payment on purchase of tab and recovery	0.041
	17	43	Payment of pending liabilities out of allocation for current year	0.031
Dy.DEO (EE-W) Muzaffargarh	18	17	Non-deduction of Punjab sales tax on repair	0.127
	19	18	Blockage of Government money due to non-utilization of NSB fund	7.947
	20	19	Loss due to less deduction of income tax	0.312
	21	21	Non-deduction of income tax	0.686
	22	22	Recovery of unauthorized payment of SSB after regularization	0.116
	23	23	Loss due to less deduction of group insurance from employees salaries	0.123

Name of Formations	Sr. No.	Para No.	Subject	Amount
	24	26	Unjustified drawal inspection allowance of schools	0.080
	25	30	Recovery on account of unauthorized payment of advance increment	0.024
Dy.DEO (EE-M) Kot Addu	26	24	Less deduction of Group Insurance from employee's salaries	0.046
	27	25	Irregular drawal of science teaching allowance	0.005
	28	26	Non-deposit of fine imposed by authority due to willful absence from duty	0.084
	29	29	Overpayment due to non-adjustment of allowances after regularization	0.047
	30	30	Non-recovery of G.P Fund upon regularization of services	0.421
	31	31	Withdrawal pay and allowances after superannuation	0.038
	32	34	Unauthorized drawal of pay and allowance for the PST having BS-7	0.967
Dy. DEO (EE-W) Alipur	33	25	Recovery of Overpayment due to non-adjustment of Ad hoc allowances after regularization	0.014
	34	26	Recovery of Overpayment of 50% Ad hoc Allowance-2010	0.048
	35	27	Recovery of unauthorized payment of salaries	0.067
Dy.DEO (EE-M) Jatoi	36	19	Recovery of overpayment of 50% ad hoc allowance-2010	0.239
	37	22	Non-deposit of fine imposed by authority due to willful absent from duty reported by MEAs	0.010
	38	24	Unjustified payments of TA/DA	0.220
	39	25	Non-deduction of GPF from the pay of permanent employees	0.178
	40	26	Recovery of un authorized payment of charge allowance	0.066
	41	28	Payment on account of Income tax out of NSB	0.212
	42	29	Unauthorized and doubtful purchase of stores without stock entry	0.144
	43	31	Doubtful Expenditure of POL	0.081
Dy.DEO (EE-M) Alipur	44	35	Non-refund of government money on transfer of schools to PEF	0.193
	45	39	Unauthorized excess payment on purchase of tab and recovery	0.062
	46	40	Expenditure without advertisement	0.278
	47	41	Less deduction of Group Insurance from employees' salaries	0.020
	48	42	Non-deduction of G. P.Fund from employees' salaries	0.201
	49	48	Recovery of overpayment on account of Ad hoc Relief 2016	0.069
	50	52	Non-verification of GST paid	0.053

Name of Formations	Sr. No.	Para No.	Subject	Amount
Dy.DEO (EE-W) Jatoi	51	30	Overpayment due to non-adjustment of ARA-2016 after regularization	0.119
	52	31	NON-recovery of penalty imposed during absent period	0.074
	53	32	Unauthorized payment of inspection allowance during leave	0.010
	54	33	Unauthorized drawal of inadmissible allowances	0.010
	55	35	Overpayment on account of 50% ARA 2010 after regularization	0.022
	56	37	Unauthorized drawal of charge allowance	0.125
	57	39	Drawal of salary during the period of leave without pay	0.070
	58	40	Overpayment due to irregular award of BS-9.	0.266
	59	41	Over payment due to unauthorized award of two advance increments	0.104
	60	43	Non-refund of one month salary after termination of contract by employees recovery	0.055
	61	44	Unauthorized payment against weather shield	0.515
	62	45	Overpayment due to irregular award selection grade to class IV	0.100
	63	46	Non-deduction of income tax	0.137
	64	47	Unauthorized payment of general sales tax	0.021
	65	49	Non-availability of proof of sales tax returns	0.106
	66	52	Overpayment due to higher rates of POL than notified by OGRA	0.012
	67	51	Unauthorized retention of public money into account of DDO	0.908
	68	53	Non-accountal of stores and doubtful issuance	0.158
	69	54	Less deduction of group insurance from employees salaries	0.025
	70	56	Unjustified payment of TA/DA bills	0.027
Headmistress GGHS Baseera	71	22	Recovery of over payment on account of ARA 2016	0.031
	72	23	Expenditure without calling tenders	0.156
	73	24	Misclassification of expenditure	0.200
	74	25	Unauthorized drawal of inadmissible allowances	0.034
	75	28	Drawal of salary during the period of leave without pay	0.019
	76	29	Over payment on account of 50% ad hoc allowance 2010	0.036
	77	31	Non-accountal of stores and doubtful issuance	0.156
	78	32	Non-availability of proof of sales tax returns	0.023
	79	33	Less deduction of income tax	0.066
Headmaster GHS Alipur	80	16	Unjustified purchase of machinery and equipment's	0.202
	81	17	Purchases without Advertisement on PPRA Website	0.351
	82	18	Unjustified expenditure on repairs	0.149
Dy.DEO (EE-W)	83	18	Overpayment due to non-adjustment of ad hoc relief all. 2016 10% after regularization	0.076

<b>Name of Formations</b>	<b>Sr. No.</b>	<b>Para No.</b>	<b>Subject</b>	<b>Amount</b>
Kot Addu	84	21	Non-deduction of G.P Fund upon regularization of services	0.335
	85	24	Recovery of un authorized payment of charge allowance	0.087
	86	25	Recovery of overpayment due to payment of inadmissible pay and allowances	0.061
	87	26	Less deduction of Group Insurance from employees salaries	0.059
	88	28	less deduction of Income tax	0.182
	89	30	Expenditure without advertisement on PPRA website	0.278
Headmistress GGHS Sinawan	90	11	Loss to Government due to non-deposit of rent of canteen	0.030
	91	12	Unauthorized and doubtful purchase of stores without stock entry	0.065
	92	13	Recovery of un authorized payment of Charge allowance	0.003
Headmaster GHS Ehsan Pur	93	13	Recovery of overpayment due to unauthorized allowing annual increment and non-adjustment of ARA 10%-2016	0.018

## Rajanpur

(Rupees in million)

Name of Formations	Sr. No.	Para No.	Subject	Amount
CEO (DEA)	1	11	Non-forfeiture of earnest money and non-black listing of firms for non-supply of furniture amounting	0.708
	2	12	Doubtful purchase of stores due to non-accountal	0.116
	3	13	Misclassification of expenditure	44.259
	4	14	Loss to govt. due to non-recovery of annual inspection fee from private registered schools	0.022
	5	15	Loss to govt. due to non-recovery of registration fee from un-registered schools	0.431
	6	17	Sanction of pensioner benefit without recovery of overpayment on account of pay and allowances	0.054
	7	20	Undue delay in disbursement of merit scholarship to the student	0.732
	8	21	Unauthorized drawal of teachers' salaries without proof of disbursement	0.138
Dy. DEO (EE-W) Jampur	9	20	Non-deduction of inadmissible conveyance allowance	0.015
	10	21	Withdrawal of pay and allowances after superannuation	0.055
	11	23	Unjustified payment of science teaching allowance	0.005
	12	24	Unjustified drawal inspection allowance of schools	0.450
	13	27	Overpayment due to allowing of excessive rate of basic pay	0.031
	14	31	Unauthentic/doubtful expenditure on POL and ta/da claim	0.128
Dy. DEO (EE-M) Jampur	15	14	Loss due to non-deduction of GPF, bf and group insurance upon regularization of services	0.646
	16	15	Recovery of unauthorized payment against leave without pay	0.116
	17	17	Recovery due to payment of inadmissible allowances	0.026
	18	18	Recovery on account of unauthorized withdrawal of conveyance allowance	0.150
Dy. DEO (EE-W) Rajanpur	19	21	Overpayment due to irregular award of M.A. Increments to EST/secondary school teachers	0.051
	20	22	Less deduction of group insurance from employee's salaries	0.027
	21	23	Unauthorized payment of allowances and recovery	0.033
	22	25	Irregular drawal of science teaching allowance	0.010
	23	26	Recovery of overpayment of qualification allowance	0.033
	24	30	Non-recovery of G.P fund upon regularization of services	0.085
	25	31	Withdrawal pay and allowances after superannuation	0.038
	26	33	Overpayment due to drawal of pay during leave without pay	0.107

Name of Formations	Sr. No.	Para No.	Subject	Amount
	27	35	Doubtful drawal out of NSB fund	0.373
	28	36	Unauthorized drawal of pay and allowance for the PST having bs-7	0.751
	29	37	Unauthorized drawal of inadmissible allowances	0.397
	30	39	Unauthorized drawal of charge allowance	0.051
Dy. DEO (EE-M) Rajanpur	31	15	Overpayment of on account of qualification allowance	0.137
	32	16	Loss on account of conveyance allowance	0.150
	33	18	Unauthorized payment of pay of bps-16 to elementary school teacher working in bps-14	0.034
	34	19	Less deduction of group insurance from employees salaries	0.027
DEO (EE-M)	35	14	Overpayment of	0.067
	36	15	Unjustified withdrawal of POL	0.046
Govt. High School Sikhani Wala	37	9	Defective maintenance of cash book	0.000
Govt. Girls High School Rasool Pur	38	18	Non-recovery of faroogh-e-taleem fund	0.013
	39	20	Overpayment due to grant of annual increments without completing six month service and recovery	0.202
	40	21	Unauthorized award of 2 advance increment and b-9 on acquiring same qualification recovery	0.118
	41	22	Overpayment due to double benefit on higher qualification	0.009
	42	23	Unauthorized drawal of salaries after transfer	0.277
	43	25	Unauthorized drawal of inadmissible allowances (adj. Staff pay)	1.810
	44	29	Non-availability of proof of sales tax returns	0.097
	45	30	Non-deduction of income tax	0.023
Govt. High School Rasool Pur	46	12	Drawal of pay and allowance without performing duties	0.203
	47	14	Recovery on account of unauthorized payment of advance increment	0.013
	48	15	Unauthorized award of 3 advance increment and bps-14 on acquiring same qualification	0.017
Dy. DEO (EE-M) Rojhan	49	18	Non-recovery of penalty imposed during absent period	0.529
	50	19	Unauthorized drawal of inadmissible allowances	0.095
	51	20	Overpayment on account of qualification allowance to ESE	0.028
	52	22	Unauthorized drawal of charge allowance	0.070
	53	23	Non-refund of one month salary after termination of contract by employees recovery worth	0.052
	54	25	Doubtful expenditure on payment of salaries to temporary teachers out of NSB grant	0.279
	55	27	Non-deduction of income tax	0.090
	56	28	Non-refund of motor cycles by AEOs valuing	0.255



<b>Name of Formations</b>	<b>Sr. No.</b>	<b>Para No.</b>	<b>Subject</b>	<b>Amount</b>
	57	29	Loss on account Of conveyance allowance	0.015
	58	31	Drawal of salary during the period of leave without pay worth	0.026
	59	32	Non-availability of proof of sales tax and income tax returns	0.031
	60	34	Less deduction of group insurance from employees salaries	0.011
	61	35	Unauthorized payment of inspection allowance during leave	0.050
	62	36	Recovery on account of unauthorized payment of advance increment	0.038
	63	37	Unauthorized payment of hill allowances	0.036
	64	38	Doubtful expenditure on purchase of POL due to non-production of log books	0.105
Govt. Handicapped School, Jampur	65	14	Unauthorized retention of stipend.	0.782

(Rupees in million)

Sr. No.	DDOs	Para No.	Subject	Amount
<b>District Education Authority, Chiniot</b>				
102	Govt. Girls Higher Secondary School Lalian	2	Overpayment of General Sales Tax	0.02
103		4	Misclassification of expenditure	0.1
104		5	Non-verification of General Sales Tax	0.181
105		6	Unauthorized payment of General Sales Tax & non transfer of ownership of loader rickshaw	0.05
106	Govt. Girls High School Chak No.11 JB Chiniot	3	Drawal of pay during absence period	0.132
107		7	Unauthorized grant of inadmissible annual increment	0.013
108		8	Non-verification of General Sales Tax	0.026
109	Govt. Institute of Slow Learners Chiniot	1	Payment of salary without performing duty	0.07
110		2	Unjustified payment of Adhoc Allowance-2010	0.042
111		4	Payment of inadmissible allowance	0.007
112		5	Payment through uncrossed cheques	0.247
113		6	Non-verification of General Sales Tax	0.045
114		7	Undue retention of Government funds in DDO bank account	0.143
115		9	Non distribution of scholarship to students	0.027
116	DDEO (EE-W) Chiniot	6	Non-verification of General Sales Tax	0.276
117		9	Unjustified payment of General Sales Tax	0.04
118		10	Payment of Charge Allowance at excessive rate	0.033
119	DEO (EE-M) Chiniot	1	Excess drawal of salary after transfer	0.193
120		2	Excess payment of salary to teaching staff due to non-implementation of decisions of enquiries	0.127
121		3	Unjustified drawal of Inspection Allowance	0.11
122		5	Payment of salary after resignation	0.091
123		6	Non-verification of General Sales Tax	0.072
124		7	Drawal of inadmissible Conveyance Allowance	0.04
125		9	Unauthorized payment of Conveyance Allowance during leave period	0.014
126		10	Non-recovery of overpayment	0.009

Sr. No.	DDOs	Para No.	Subject	Amount
127	GHSS Lalian	1	Non-verification of General Sales Tax	0.029
128		2	Unauthorized payment of Conveyance Allowance during winter vacation	0.053
129		5	Excess drawal of pay and allowances after regularization of services	0.011
130		3	Irregular expenditure on telecom services obtained from private operators	0.035
131		4	Irregular payment of pay and allowances without verification of degrees	0.487
132	DEO (EE-W) Chiniot	1	Unjustified drawal of Conveyance Allowance during leave	0.033
133		2	Payment of Salaries after Cancellation of Contracts	0.063
134		5	Non-verification of General Sales Tax	0.091
135		6	Undue retention of the Government funds in DDO bank account	0.33
136		7	Non-auction of unserviceable old material	-
137	Govt. Madrassa-Tul-Banat	1	Unauthorized drawal of Conveyance Allowance during winter vacation	0.051
138		3	Unjustified drawal of Conveyance Allowance during leave	0.01
139		4	Non-verification of General Sales Tax	0.264
140		6	Payment of salary without performing duty	0.068
141		8	Irregular/suspicious expenditure on the repair of machinery & equipment and furniture & fixture	0.25
142	DDEO (EE-M) Bhowana	4	Expenditure through irregular School Council	0.463
143		9	Non-verification of General Sales Tax	0.077
144		10	Overpayment of General Sales Tax	0.008
145	DDEO (EE-M) Chiniot	4	Non-verification of General Sales Tax	0.257
146		5	Overpayment of General Sales Tax	0.042
147		7	Non-recovery of embezzled amount	0.033
148	GHS Chiniot	2	Non-verification of General Sales Tax	0.66
149		3	Irregular cash payments	0.524
150		5	Non-recovery of pay and allowances	0.172
151		6	Non-imposition of penalty for late supply of furniture	0.105
152		8	Unjustified payment of Inadmissible Allowances	0.066
153		11	Overpayment of General Sales Tax	0.023

Sr. No.	DDOs	Para No.	Subject	Amount
154		12	Non-auction of dead/fallen trees	-
155	GHS 14 JB	6	Non-verification of General Sales Tax	0.3
156	CEO Education Chiniot	1	Non-deduction of liquidated damages	0.838
157		2	Non-completion of development schemes	0.356
158		3	Misclassification of expenditure	-
159		5	Excess payment after removal/retirement from service	0.189
160		8	Non-deposit of forfeited amount into the Government Treasury –	0.8
161		10	Non-verification of General Sales Tax	0.129
162		12	Non-recovery of inspection fee from registered private schools	0.114
163		13	Unjustified payment of Adhoc Allowance-2016	0.036
164		14	Excess payment of Travelling Allowance on transfer	0.053
165	DDEO (EE-W) Bhowana	4	Non-verification General Sales Tax	0.799
166		7	Irregular/ suspicious expenditure without maintenance of authentic record	0.708
167		8	Unjustified payment of General Sales Tax	0.041
168		10	Suspicious/doubtful expenditure without supporting record	0.045
169	GHS TI Chenab Nagar	2	Non-verification of General Sales Tax	0.498
170	DEO (SE) Chiniot	3	Difference of cash balance	-
171		5	Non-verification of General Sales Tax	0.196
172		6	Excess payment of Social Security Benefit due to non-regularization of services	0.236
173		7	Doubtful/irregular drawl of POL	0.955
174		8	Unjustified drawl of T.A	0.053
<b>Distirct Education Authority, Faisalabad</b>				
225	Dy. District Education Officer (M-EE), Tandlianwala	4	Non-recovery of fine	0.149
226		6	Excess drawl due to payment of taxes from NSB account instead of recovery from contractors / suppliers	0.169
227		7	Excess payment after termination / retirement from service	0.207
228		8	Suspected embezzlement of public funds	0.231
229		11	Overpayment of General Sales Tax	0.272
230		12	Irregular cash payments	1.593
231		13	Excess drawl of pay and allowances	0.123
232		16	Undue retention of Government Funds in DDO bank account	0.198

Sr. No.	DDOs	Para No.	Subject	Amount
233	Government Girls High School 100 GB	4	Irregular expenditure on repair	0.036
234	Government Special Education Centre, Iqbal Town	5	Inadmissible payment of Social Security Benefit, Benevolent Fund and Group Insurance	0.051
235		7	a. Non-verification of General Sales Tax	0.192
236			b. Non-verification of General Sales Tax	0.039
237		8	Non-recovery of unjustified funds drawn	0.050
238	Government Special Education Centre, Jinnah Town	3	Non-verification of General Sales Tax	0.248
239		4	Irregular payment of stipend to Students	0.182
240		5	Unknown whereabouts of stores and stock	0.132
241	Government Special Education Centre, Jhumra	3	Non-verification of General Sales Tax .	0.186
242		8	Unauthorized renewal of rental agreement	0.060
243		9	Non-recovery one month's pay from resigned employees	0.048
244	Government Girls High School 73 RB, Tibbi	8	Irregular/suspicious expenditure on the repair of machinery & equipment and furniture & fixture	0.121
245	Government Girls Higher Secondary School PC 2	8	Irregular/suspicious expenditure on the repair of machinery & equipment	0.102
246		10	Non-preparation/reconciliation of expenditure statements	-
247	District Education Officer (SE)	1	Unknown whereabouts of Payment record/unauthorized drawl of funds	-
248		9	Non-deposit of auctioned money	0.251
249		10	Non-recovery of fine imposed during monitoring	0.100
250		13	Non-reconciliation of expenditure	-
251	Chief Executive Officer, District Education Authority	1	Drawl of Pay and Allowances after resignation	0.044
252		2	Unjustified expenditures on Transportation of Goods	0.079
253		3	Non-recovery of administrative / monitoring fine	0.214
254		4	Irregular expenditure under head of POL	0.313
255		8	Non-maintenance of record of renewal of registration of private registered schools	-
256		10	Difference between Cash Book and Bank Statement balance	-
257		13	Loss of Stamp Duty	0.043
258	Dy. District Education Officer (W-EE), Jhumra	7	Excess drawl of pay and allowances	0.187
259		8	Excess payment after termination / resigned from service	0.170
260		9	Overpayment of General Sales Tax	0.096
261	Government Comprehensive Girls	5	Retention of official accommodation without payment of rent	0.344

Sr. No.	DDOs	Para No.	Subject	Amount
	Higher Secondary School, Madina Town			
<b>District Education Authority, Jhang</b>				
262	DEO (Secondary Education), Jhang	4	Withdrawal of inadmissible Conveyance Allowance	0.093
263		5	Non-collection of Advance Income Tax	0.018
264		6	Less / non-deduction of taxes	0.017
265		8	Non-payment of assessed rent	0.007
266	Deputy District Education Officer (WEE), Jhang	1	Irregular selection of teachers as Assistant Education Officer (AEOs)	0.737
267		2	Non-recovery of fine	0.135
268		3	Non-recovery of pay and allowances after termination from Government service	0.503
269		4	Non-recovery of Conveyance Allowance	-
270		9	Overpayment of General Sales Tax	0.144
271		12	Non-verification of General Sales Tax	0.308
272		13	Non-deduction of Income Tax and Sales Tax	0.137
273	Government High School Shorkot City	4	Unauthorized withdrawal of Conveyance Allowance	0.103
274		5	Irregular/suspicious expenditure on the repair of furniture	0.398
275		7	Non-verification of General Sales Tax	0.303
276	Deputy District Education Officer (WEE) Shorkot	8	Less-deduction of Income Tax	0.023
277		9	Overpayment of General Sales Tax	0.073
278		10	Non-deposit of fines and non-implementation of decision/penalties of Competent Authority	0.032
279	EDO / District Education Authority Jhang	1	Non-recovery of inspection fee from the registered private schools	0.475
280		5	Substandard execution of civil works	-
281		6	Loss of Stamp Duty	0.043
282		7	Less deduction of Income Tax on salary	0.057
283		8	Less deduction of Income Tax on Services	0.183
284		9	Non-imposition of penalty for late supply of IT Labs equipment	0.236
285		10	Non-recovery of fines based on District Monitoring Officer's observations	0.025
286	Headmaster Special Education School for Deaf Jhang	1	Non-auction of condemned vehicle	0.300
287		3	Non-verification of General Sales Tax	0.094
288		4	Less / non deduction of Income Tax	0.014
289		5	Expenditure met from wrong object code due to non availability of funds	0.008
290		6	Irregular drawl of Conveyance Allowance	0.594

Sr. No.	DDOs	Para No.	Subject	Amount
291	Government High School MB, Rail Bazar Jhang	4	Non-verification of General Sales Tax	0.236
292		5	Unauthorized payment of Mobility / Conveyance Allowance during winter vacation	0.120
293		6	Non-deduction of Income Tax and Sales Tax	0.050
294		7	Unjustified payment of General Sales Tax	0.032
295		8	Non-auction of tree and condemned material	-
296	Government High School College Road, Jhang	4	Non-deduction of Income Tax	0.028
297		5	Loss due to purchase of furniture on higher rates	0.132
298		6	Drawal of Charge Allowance without admissibility	0.011
299		7	Drawal of pay after retirement	0.023
300		9	Non-verification of General Sales Tax	0.041
301	Government Girls High School 497-JB	2	Unauthorized withdrawal of Conveyance Allowance	0.009
302		4	Non-verification of General Sales Tax	0.033
303		5	Non utilization of building and non auction of old bricks	-
304		6	Unjustified drawl of arrears of Pay and Allowances through adjustment	0.092
305	Headmistress GGHS Mohalla Sultanwala	3	Unauthorized payment of Conveyance Allowance during summer/ winter vacation	0.501
306		4	Non/ less deposit of Income Tax and Sales Tax	0.065
307		5	Loss to public exchequer due to shortage of library books	0.032
308		6	Irregular/ suspicious expenditure on the repair of Hardware, Machinery and Equipment	0.058
309	Deputy District Education Officer (M), Jhang	3	Irregular withdrawal of Inspection Allowance	0.540
310		5	Irregular drawl of pay after completion of tenure of service at one office	0.819
311		6	Irregular selection of teachers as Assistant Education Officer (AEOs)	2.526
312		7	Payment of Conveyance Allowance for the period of summer/winter vacations	0.051
313		9	Non-verification of General Sales Tax	0.082
314		10	Excess payment due to less/non-deduction of taxes	0.245
315	Deputy District Education Officer (EE-M), Ahmed Pur Sial	2	Annual planning for proposed procurements not devised	-
316		4	Drawl of salaries against irrational student teacher ratio	0.600
317		6	Procurement of tabs at excessive rate without determining specifications	0.113
318		7	Non/Less deposit of General Sales Tax	0.350
319		8	a) Non/Less deposit of Income Tax	0.058

Sr. No.	DDOs	Para No.	Subject	Amount
320		8	b) Non-deduction of Sales Tax on Services	0.025
321	Deputy District Education Officer (EE-M), Shorkot	4	Non-deduction of Punjab Sales Tax on Services	0.088
322		5	Irregular withdrawal of Inspection Allowance	0.170
323		6	Recovery on account of General Sales Tax	0.187
324		7	Recovery on account of doubtful sales tax invoices	0.287
325		8	Irregular procurement of goods without Sales Tax Invoices	0.668
326		12	Expenditure through irregular School Councils	-
327		13	Irregular expenditure against POL of vehicle	-
328	Special Education School for Deaf, Shorkot	2	Irregular expenditure on the repair of vehicles	0.444
329		3	Non/less deduction of Income Tax/Sales Tax on Services	0.099
330		5	Unauthorized payment of Conveyance Allowance during leave	0.034
331		6	Non auction of vehicle	0.300
332		7	Irregular/suspicious expenditure on the repair of machinery and equipment	0.032
333		8	Non-sealing of speedometer/milometer resulting pilferage/misappropriation of fuel	-
334		9	Poor service delivery due to missing facilities	-
<b>District Education Authority, Toba Tek Singh</b>				
860	GHS, Pacca Anna, Gojra	3	Irregular advance withdrawal of funds without pre-audit	0.405
861		4	Non-deposit of auction money in the Government Treasury	0.065
862		5	Non-auction of trees	-
863		6	Overpayment of General Sales Tax	0.005
864	Govt. MC High School, Gojra	1	Irregular advance withdrawal of funds without pre-audit	0.899
865		3	Irregular cash payments	-
866		5	Misclassification of expenditure	0.150
867		6	Non-auction of trees	-
868	GHS, 718 GB, TTS	4	Overpayment of General Sales Tax on bricks	0.066
869		5	Irregular purchase of furniture by School Council on framework contract executed by EDO (Education)	0.350
870		7	Non-auction of trees	-
871		8	Non-verification of General Sales Tax	0.134
872	GHSS, 343GB, TTS	1	Irregular purchase of furniture by School Council on framework contract executed by EDO (Education)	0.500
873		2	Misclassification of expenditure	0.240



Sr. No.	DDOs	Para No.	Subject	Amount
874		4	Irregular expenditure without calling tenders	0.200
875		5	Non-verification of General Sales Tax	0.116
876		6	Excess withdrawal of pay and Adhoc Allowances due to wrong fixation of pay on promotion 4 million	0.054
877		8	Less deduction of Income Tax	0.014
878		9	Non-deduction of Income Tax and Sales Tax	0.013
879	GGHS, 289JB, TTS	4	Unjustified advance withdrawal of funds	0.080
880		6	Non-deduction of Income Tax and Sales Tax	0.019
881		8	Non-auction of trees and old building material	-
882	GIHS, Gojra	1	Irregular expenditure without calling quotations/tenders	-
883		2	Payment through uncrossed cheques	0.577
884		3	Non-verification of General Sales Tax	0.248
885		4	Overpayment of General Sales Tax	0.054
886		5	Excess payment due to less deduction of Income Tax	0.040
887	GHS, No. 1 Kamalia	3	Irregular advance withdrawal of funds without pre-audit	-
888		4	Unjustified expenditure on procurements	0.090
889		5	Non-verification of General Sales Tax	0.132
890		6	Excess payment due to unauthorized advance increment	0.131
891		7	Misclassification of expenditure	0.260
892	DDEO (EEW), Gojra	1	Irregular withdrawal of Inspection Allowance	0.520
893		2	Irregular expenditures under head of POL	0.219
894		3	Overpayment of Conveyance Allowance	0.035
895		4	Less deduction of Income Tax and Sales Tax	0.060
896		6	Non-maintenance of record of adjustments	-
897		7	Irregular drawl of pay after completion of tenure of service at one office	-
898		8	Irregular selection of teachers as Assistant Education Officer (AEOs)	-
899	GHSS, Sandhlianwali	3	Irregular/suspicious expenditure on the repair of machinery & equipment	0.256
900		4	Non-verification of General Sales Tax	0.129
901		5	Non-auction of trees and old brick material	-
902		8	Overpayment of General Sales Tax on bricks	0.025
903	GGHSS, 430 JB, Gojra	5	Irregular expenditure due to operation of bank account by single signatory	0.727
904		6	Expenditure through irregular School Council	-
905		9	Drawl of pay and allowances due to fictitious	-

Sr. No.	DDOs	Para No.	Subject	Amount
			change of cadre	
906	Govt. Lab High School, Kamalia	3	Less deposit of Sales Tax	0.014
907		7	Loans drawn out of student Farogh-e-Taleem Funds not refunded	0.218
908	DDEO (EE-M), TTS	3	Supply of substandard furniture	-
909		4	Suspected embezzlement of public funds	0.115
910		6	Non-forfeiture of Performance Security due to non-supply of furniture	0.069
911		9	Irregular award of works in violation of Procurement Rules	0.469
912		10	Non-deduction of Income Tax and General Sales Tax	0.050
913		12	Overpayment of General Sales Tax	0.123
914		13	Non-verification of General Sales Tax	0.112
915	GGHS 425JB, TTS	1	Unauthorized drawl of Conveyance Allowance during winter vacation	0.016
916		3	Irregular advance withdrawal of funds without pre-audit	0.195
917		4	Payment through uncrossed cheques	0.113
918		5	Misclassification of expenditure	0.194
919		6	Non-verification of General Sales Tax	0.079
920	GHS No. 1, Pirmehal	1	unjustified expenditure on school building	-
921		3	Irregular advance withdrawal of funds without pre-audit	-
922		5	Misclassification of expenditure	0.250
923		6	Unauthorized absent from duty	0.094
924		7	Unjustified payment of General Sales Tax	0.022
925		8	Non-auction of old material and trees	-
926	GGHSS, Pirmehmal	8	Non-deduction of Income Tax and General Sales Tax	0.051
927		9	Irregular cash payments	-
928		11	Non-auction of old building material	0.750
929		12	Overpayment of General Sales Tax	0.016
930	DDEO (EEW), TTS	4	Irregular Purchase of furniture from black listed firm	0.981
931		7	Non-deduction of Income Tax and Sales Tax	0.137
932		10	Non-verification of General Sales Tax	0.075
933		11	Non-recovery of fine	0.030
934	Govt. Sp. Edu. School for deaf, TTS	1	Drawl of inadmissible Conveyance Allowance	0.023
935		2	Irregular expenditures under head of POL	-
936		3	Unauthorized deduction of Withholding Tax	0.003

Sr. No.	DDOs	Para No.	Subject	Amount
937		4	Wasteful expenditure on pay of staff of hostel	-
938		5	Non-maintenance of record	0.499
939		6	Procurement in violation of procurement rules	-
940		7	Payment of Honorarium & Conveyance Allowance for the period of summer/winter vacations	0.096
941	Govt. Girls High School, Gojra	2	Overpayment of pay – Rs 0.103 million	0.103
942		4	Non-recoupment of Loans drawn out of student Farogh-i-Taleem Fund -0.715	0.715
943		5	a) Non deduction of Sales Tax on services Rs 0.256 million b) less deduction of Income Tax on services Rs. 0.088 million	0.344
944		6	Unauthorized struck off Library books resulting loss to Government – Rs. 0.606 million	0.606
945		7	Irregular/Suspicious expenditure on the repair of Hardware – Rs 0.625 million	0.625
946		8	Non-auction of trees valuing Rs 0.228 million	0.228
947		9	Non-preparation/reconciliation of expenditure statements – Rs 38.481 million	-
948		EDO Education, TTS	2	Non-deduction of General Sales Tax
949	4		Excess payment by charging Sales Tax on air conditioners	0.114
950	7		Non-supply of information technology equipment	-
951	9		Non-realization of revenue due to non-registration of private schools	0.213
952	11		Irregular execution of development schemes and unknown whereabouts of savings thereof	-
953	12		Misclassification of expenditure	-
954	13		Irregular expenditure against POL of vehicle	0.249

### District Education Authority, Khanewal

Name of Formation	Para No.	Subject of Para	Amount
GHA 79 / 10R	1	Non maintenance of cash book of expenditures	-
	3	Non Accountal of Stocks and Stores	0.031
	4	Non Maintenance of Tree Register for the Trees	1.000
DEO EE-M Khanewal	2	Unauthorized Cash Payments instead of Cheque	0.656
	3	Irregular payment of pending liabilities	0.215
	4	Unjustified payment of pay and allowances during absent period / EOL	0.291
	5	Unauthorized issuance of Anti-Aids Tickets to schools	-
	6	Misclassification of expenditure	0.104
Dy. DEO (EE-M) Khanewal	3	Unjustified drawl of conveyance allowance during leave period and drawl of pay during the period of leave without pay	0.255
	5	Non-deduction of taxes from suppliers and un-registered venders	2.418
	6	Unauthorized excess expenditure out of Grant for Barbered wire by the Schools	0.583
	12	Chance of embezzlement due to non-disbursement of uniforms to students	0.407
	13	Recovery of overpayment of GST on exempt items	0.304
	14	Excess payment for purchase of bricks	0.066
	15	Non-Provision of compliance of previous Audit Paras	-
Dy DEO (EE-M) Jahanian	4	Doubtful drawl of POL	0.047
	5	Drawl without approval of school Council and non-deposit of taxes	0.227
	9	Irregular mode of payments	0.444
Dy DEO (EE-W) Jahanian	1	Non-compliance of previous audit report involved recovery	2.123
	2	Overpayment due to non-recovery of conveyance allowance during long leaves	0.711
	6	Irregular re appropriation of funds	0.290

Name of Formation	Para No.	Subject of Para	Amount
	7	Irregular booking of expenditures	0.013
CEO / EDO Education Khanewal	2	Excess withdrawal of honorarium	0.125
	3	Unauthorized Sanction of Honoraria Beyond the Delegated Financial Power	0.262
	4	Non Payment of Electricity Bill & Accessed Rent of Room By EDO (Education) During Stay in School Rooms	0.211
	5	Doubtful transfer posting of 185 teachers beyond the requirements of transfer policy Inquiry thereof	-
	6	Non Payment Of Professional Tax	0.016
	8	Inferior Quality Purchase of Furniture for IT Lab By the Purchase Committee	0.827
	10	Purchase of Charts on Higher Price & Non deposit of Tender Sale fees	0.053
	11	Less Deduction of Income tax & Liquidated Damages	0.029
	13	Improper functioning of District Education Authority	-
	14	Non-compliance of observations issued in previous year Audit	-
GGHS School Abdul Hakeem	1	Unjustified Payment of Social Security Benefits , Non Recovery	0.982
	3	Unjustified Drawl of Conveyance Allowance During Leave Period	0.162
Government Boys High School 33 /10R, District Khanewal	1	Loss to government due to non-leasing of extra land of school for cultivation	0.300
	4	Non-Provision of compliance of previous Audit Paras	-
Dy DEO EE-W Mian Channu, Khanewal	1	Payment of conveyance allowance during leave periods Recovery	0.563
	8	Non maintenance of tree register for the tree	1.000
	9	Overpayment non stoppage of increment due to poor result	-
	10	Doubtful with drawl on the accounts of stationery	0.023
	11	Less monitoring of NSB funds	92.668
	15	Non-provision of compliance of previous audit Paras	-
	16	Excess payment of integrated allowance	0.185

**District Education Authority Lodhran**

<b>DDOs</b>	<b>Para No.</b>	<b>Subject</b>	<b>Amount</b>
CEO/EDO Education Lodhran	2	Unjustified payment of sales tax on exempted items recovery thereof	0.322
	5	Purchase of UPS other than specified in supply order	1.449
	11	Unauthorized withdrawals of Arrears of Pay and Allowances without Budget Allocation and Sanction of the Competent Authority	6.262
	12	Non deduction of PST on services	0.045
	13	Establishment of IT Labs in Various Schools Without Appointment of IT Teachers	-
	14	Deterioration of Sewing Machines	0.169
	15	Non deposit of sale proceeds of tenders	0.024
DO (Secondary Education)	2	Non-regularization of the services of staff despite direction of the Government and unauthorized withdrawal of 30% social security benefits -Rs 8.604 million	8.604
	3	Misclassification of expenditure	0.028
	4	Irregular/unjustified expenditure on Photostat	0.169
	5	Non-Collection of Proof of Deposit of Sales Tax	0.064
	6	Irregular payment of inadmissible Allowances	0.062
Dy. DEO (EE- W) Lodhran	2	Un-justified payment of pay and allowance after retirement	0.519
	5	Irregular/overpayment payment of sales tax on bricks and Tablets by school council's recovery thereof	0.475
Deputy DEO (EE-W) Dunya Pur	5	Non recovery / deposit / collection of fines	0.301
	6	Unauthorized drawl of Charge Allowance	0.050
	7	Loss to Government Treasury due to over Payment of Charge Allowance	0.016

DDOs	Para No.	Subject	Amount
	9	Doubtful withdrawal on account of Pay & Allowances	0.198
	11	Doubtful withdrawal on account of Pay & Allowances	0.099
	12	Unauthorized withdrawal of Charge Allowance	0.022
	13	Loss to Government Treasury due to over Payment of Charge Allowance	0.003
	14	Non production of compliance of observations issued in previous year Audit	-
Special Education Center Lodhran	1	Loss to government due to purchase of uniform at higher rates	0.055
	4	Unjustified /Irregular payment on hiring of Security Guard	0.295
	5	Irregular payment of conveyance Allowance during vacations	0.053
	6	Unauthorized payment of conveyance allowance during Maternity Leave	0.029
	7	Overpayment due to charging of excess rate of POL than the rate fixed by OGRA	0.031
	8	Doubtful purchase of books	0.080
	9	Irregular Advance payment on account of electricity bills	0.063
	10	Non collection of deposit proof of GST	0.330
	11	Unauthorized payment of 50% Adhoc Relief Allowance 2010	0.015
	12	Irregular expenditure on account of repair of vehicle	0.115
Deputy District Officer (EE-M) Kehror Pacca	1	Loss to government due to non deduction of Punjab Sales Tax on services	0.129
	2	Loss to government due to excess payment and recovery thereof	0.305
	3	Loss to government due to charging higher rates of bricks and recovery thereof	0.153
	4	Doubtful purchase of consumable items without stock entry	2.697

DDOs	Para No.	Subject	Amount
	5	Mis-procurement of Tablet PCs and recovery thereof	0.376
	6	Loss to government due to non deduction of sales tax on sand and excess payment on cement and recovery thereof	0.027
	7	Non-Verification of Deposit Proof of General Sales Tax	0.471
	10	Loss to government due to payment conveyance allowance during leaves and recovery thereof	0.057
Special Education Centre KehrorPacca	1	Doubtful purchase of consumable items without stock entry	0.049
	2	Non-Verification of Deposit Proof of General Sales Tax	0.081
	4	Irregular issuance of supply orders for purchase of uniform without obtaining performance guarantee	0.308
	6	Loss to government due to payment conveyance allowance during winter vocations and recovery thereof	0.017
	7	Un-authorized hiring of services of security agency and payment	0.290
District Education Officer (EE-M), Lodhran	1	Non-Monitoring/Non-Exercising Review on Utilization of School Council Funds Inquiry Thereof	67.613
	2	Unauthorized Withdrawals of Arrears of Pay and Allowances Without Budget Allocation and Sanction of the Competent Authority	2.219
	3	Non-Regularization of the Services of Staff Despite Direction of the Government and Unauthorized Withdrawal of 30% Social Security Benefits	1.588
	4	Irregular Payment of Sales Tax on Purchase of Tablets By School Councils Recovery Thereof	0.741
	5	Non-Return of NSB Funds of Schools Privatized by the Government	0.299
	6	Non-Collection of Proof of Deposit of Sales Tax	0.075
	7	Over Payment of Sales Tax on Purchase of Various Store By School Councils	-
Principal GGHS Jallah Arain	1	Unjustified Payment of Social Security Benefits	0.215
	4	Non- Deposit of General Sales Tax and Income Tax	0.157



<b>DDOs</b>	<b>Para No.</b>	<b>Subject</b>	<b>Amount</b>
Senior Headmaster GHS Gailay Wal	3	Non- Deposit of General Sales Tax and Income Tax	0.304
	4	Recovery on Account of Conveyance Allowance	0.014
	6	Non- Deposit of General Sales Tax	0.137
	22	Irregular/doubtful with drawl on the account of repair of furniture & fixture	0.122
	23	Irregular/doubtful with drawl on the account of transportation charges	0.285
	25	Irregular/doubtful expenditure on the account of Hot & Cold weather charges	0.317

## District Education Authority Multan

Sr.No.	DDO's	AIR Para No.	Subject	Amount
1	Govt. High School Central Jail Multan	1	Unjustified payment of pay and Allowance of teacher of other school	0.168
2		2	Overpayment of pay and allowances from the cost center after transfer	0.045
3		3	Irregular purchase of furniture by splitting to avoid tender -	0.138
4		4	Recovery of Overpayment on Account of Conveyance Allowance during Winter Vacations	0.020
5		5	Irregular expenditure on white wash of school	0.170
6		6	Non Deduction of Taxes on the Purchases Made / Services Hired Rs 128,642	0.129
7		7	Non Verification of Sales Tax Amounting to	0.038
8	District Officer Secondary	1	Recovery of due to unjustified payment of social security benefit to employees who regularized during	0.032
9		2	Excess payment of conveyance allowance during summer vacations	4.242
10		3	Recovery of inadmissible allowances	0.581
11		5	Non maintenance of tree register for the trees	-
12		6	Doubtful with drawl on the accounts of others amounting to	0.116
13		7	Overpayment Non Stoppage of Increment due to Poor Result	-
14		8	Non production of earned leave EOL, Ex. Pakistan leave etc. register with deduction of conveyance allowance	-
15		9	Irregular with drawl of on the accounts of repair of office building	0.100
16		10	Doubtful deposit of GST with bank receipt	67.958
17		11	Doubtful payment of merit scholar ship amounting to	0.598
18		12	Non-provision of compliance of previous audit paras	-
19		13	Non verification of deposit of sales tax on purchases made by schools through NSB	0.097

Sr.No.	DDO's	AIR Para No.	Subject	Amount
20		14	Excess payment of integrated allowance	0.587
21		15	Doubtful administrative approval and releases of funds	120.000
22		16	Doubtful expenditure on the account of financial assistance	11.031
23		17	Doubtful transfer of funds into SMC bank accounts and cost centers.	271.070
24		18	Doubtful expenditure on account of leave in cashment	34.896
25		19	Less monitoring of NSB funds	160.261
26		2	Unauthorized Payment of Integrated	0.342
27		3	Irregular Payment of Charge Allowance to Head Teachers	0.432
28		4	Over Payment of Conveyance Allowance During Leave	0.144
29		5	Over Payment of Conveyance Allowance During Winter Vacation	0.384
30		6	Over payment of conveyance allowance during summer vacation	0.484
31		7	Loss due to Overpayment of GST of Exempted Store and Purchase of Store Without Payment of GST	0.081
32		8	Loss due to Non-Deduction of Income Tax	0.057
33		9	Uneconomical Expenditure Without Quotations Rs 0.764 million	0.764
34		10	Non-Deduction of Punjab Sales Tax and Income Tax on Services by the Schools from Firms	0.029
35		11	Uneconomical purchase of various items without advertisement on PPRA website and advertisement in newspaper	0.306
36		12	Loss due to Non-deduction of GST 1/5 share of GST at source million and Non-Production of Deposit Proof of GST	0.118
37		2	Over Payment of Conveyance Allowance During Winter Vacations	0.372
38	Dy. Directress MC School Multan	3	Over payment of conveyance allowance during summer vacation	0.419
39		4	Irregular Payment of Charge Allowance to Head Teachers	0.504

Sr.No.	DDO's	AIR Para No.	Subject	Amount	
40		5	Unauthorized Payment of Integrated	0.130	
41		6	Over Payment of Pay and Allowances on Account of Unauthorized Absence and Resignation from Government Services	0.118	
42		7	Non-Completion of Enquiry Against Mr. Khizar Hayat, Senior Clerk	-	
43	Dy. DEO (EE-W) Shujabad	5	Non-reconciliation of Cash Book and Bank Statement and Un-justified Detainment of Funds in DDO Account Rs 1.272 Million and non-maintenance of separate Cash Book for the period after functioning of Education Authority	1.272	
44		6	Irregular expenditure by GGES Chak R.S. and GGES Shah Pur Ubha	0.710	
45		7	Unjustified drawl of charge allowance by the PST teachers without charge of having head ship charge and also in middle schools, recovery	0.360	
46		8	Unjustified drawl of conveyance allowance during leave period and drawl of pay during the period of leave without pay	0.243	
47		9	Non-deduction of punjab sales tax on services from suppliers by the schools amount	0.091	
48		10	Excess payment for purchase of bricks	0.041	
49		11	Non-deduction of conveyance allowance recovery thereof	0.020	
50		12	Non-Provision of compliance of previous Audit Paras	-	
51		Govt. High School Rasheed Abad	1	Unauthorized Payment on account of science teaching allowance	1.750
52			3	Uneconomical expenditure without advertisement on PPRA website and advertisement in newspaper	0.572
53	4		Non-adjustment of advance increments to elementary school teachers on account of B.Ed, Recovery thereof	0.222	
54	5		Non-deduction of Punjab sales tax on services from suppliers by the school	0.021	
55	Govt. Girls High School Makhdoom Rasheed	2	Payment of conveyance	-	
56		3	Mis-procurement of goods		

Sr.No.	DDO's	AIR Para No.	Subject	Amount
				1.219
57		4	Non Deposit of sales proceed of trees into Government treasury	0.153
58		5	Non-Verification of Deposit of General Sales Tax	0.020
59		6	Non provision of verified expenditure statement and other relevant record	-
60		1	Recovery on Account of Conveyance Allowance	0.062
61		2	Loss due to irregular payment of conveyance allowance during Winter vacations	0.258
62	Govt. Girls High School Mumtazabad	3	Non- Deposit of General Sales Tax	0.071
63		4	Shortage of Miscellaneous Items and recovery	0.024
64		5	Non maintenance of Reconciled Expenditure Statement	-
65		1	Irregular withdrawal of conveyance allowance during vacations	12.933
66		3	Non-refund of unspent balance of non-salary budget from schools handed over to Punjab Education Foundation	0.654
67		4	Concealment of purchase process besides costly purchase of library books	0.138
68		5	Irregular purchase of stationery by splitting up and defective maintenance of consumption record	0.224
69		6	Defective maintenance of log book and POL without having valid consumption certificate	0.378
70		8	Doubtful transfer posting of 252 teachers beyond the requirements of transfer policy inquiry thereof	-
71		9	Defective maintenance of log book and POL without having valid consumption certificate	1.096
72		10	Irregular withdrawal of conveyance allowance during vacations	0.975
73		12	Irregular withdrawal of conveyance allowance despite having Government vehicle Recovery thereof	0.181
74		13	Doubtful expenditure on POL without provision of consumption record	1.839

<b>Sr.No.</b>	<b>DDO's</b>	<b>AIR Para No.</b>	<b>Subject</b>	<b>Amount</b>
75		14	Non-production of consumption record of special education schools inquiry thereof	0.480
76		17	Doubtful issuance of fuel consumption certificate by issuing authority inquiry thereof	0.083
77		19	Irregular procurement of assets inquiry thereof	0.133
78		20	Doubtful recruitment of School Guard due to partial concealment of recruitment process	-
79		21	Improper functioning of District Education Authority Multan	-
80		22	Non compliance of observations issued in previous year Audit	-
81		23	Non-reconciliation of cash and bank balance moreover whereabouts of bank balance not known Inquiry thereof –	6.028

**District Education Authority, Pakpattan**

(Rupees in million)

Sr. No.	DDO's	AIR Para No.	Subject	Amount
1	DEO (Secondary Education) Pakpattan	8	Excess drawl of TA/DA on transfer	0.048
2		9	Recovery of excess withdrawal of POL	0.034
3		12	Non-Provision of compliance of previous Audit Paras	-
4		14	Non-payment of Telephone bills despite advance withdrawal and recovery of unjustified withdrawal of ZONG EVO charges	0.111
5	Dy. DEO (M-EE) Arifwala	5	Non-return of NSB funds of schools privatized by the government	0.784
6		10	Doubtful expenditure of salary of private school teachers from NSB fund	0.896
7		12	Non stock entry of consumable stores	0.099
8	DEO (EE-W) Pakpattan	2	Un- justified average fuel consumption and doubtful expenditure on POL	0.357
9		3	Doubtful Expenditure on Electricity	0.323
10		4	Doubtful expenditure on repair	0.312
11		6	Irregular purchase on account of purchase of stationary and store items	0.325
12	GHSS 70-D	2	Irregular expenditure by schools council over and above the authorized limit of School Management Council	0.846
13		3	Non payment of advance obtained from GP fund Rs	0.076
14		4	Doubtful expenditure on repair of furniture	0.280
15		6	Irregular payment of GST on bricks exempt items	0.015
16		9	Non provision of verified expenditure statement and other relevant record	-
17	Dy. DEO (EE-W) Arifwala	9	Non compliance of previous audit report	-
18	Senior Headmaster Government High School 01/EB, Arifwala	3	Over Payment of Sales Tax on Purchase of Various Store By School Councils Recovery Thereof- Rs 0.081 million	0.081

Sr. No.	DDO's	AIR Para No.	Subject	Amount
19		4	Non-Reconciliation of Expenditure with DAO Pakpattan and Cash with Bank Balance Moreover Whereabouts Of Bank Balance Not Known	-
20	Dy. District Education Officer (EE-M) Pakpattan	5	Non-return of NSB funds of schools privatized/PEF by the Government	0.419
21		8	Non maintenance of tree register for the tree	-
22		9	Overpayment non stoppage of increment due to poor result	-
23		10	Non-provision of compliance of previous audit Paras	-
24		11	Less monitoring and Non Maintenance of record in consolidated, soft & hard form of NSB funds	-
25		12	Non maintenance of earned leaves, EOL, Ex. Pakistan leaves etc register with deduction of conveyance allowance	-
26		14	Doubtful payment of Merit Scholarship and Stipend to Girls during the financial years 2015-17	-
27		15	Excess payment of inadmissible integrated allowance	0.091
28		19	Doubtful expenditures on the accounts of NSB incurred by the School Management Councils	-
29		21	Irregular/doubtful with drawl on the account of Cost of Others & Others	-
30		22	Irregular/doubtful with drawl on the account of repair of furniture & fixture	0.122
31		23	Irregular/doubtful with drawl on the account of transportation charges	0.285
32		25	Irregular/doubtful expenditure on the account of Hot & Cold weather charges	0.317
33		EDO / CEO Education, Pakpattan	1	Non-provision of compliance of previous audit Paras
34	EDO / CEO Education, Pakpattan	2	Unauthorized running of private schools without registration and Non verifying of Registration and Renewal Fee	0.329
35		6	Doubtful/Irregular withdrawal of expenditure on the accounts of different head	-
36		7	Unjustified drawl of telephone charges	-



Sr. No.	DDO's	AIR Para No.	Subject	Amount
				0.360
37		3	Non-provision of compliance of previous audit Paras	-
38		4	Loss to the Government due to non-auctioning of dry trees	0.310
39		7	Doubtful maintenance of attendance register without marking of initials	-
40		8	Unjustified payment of social security benefit to employees who regularized/should be regularized during FY 2015-17	0.186
41		9	Non maintenance of trees register & numbering on trees up to date	-
42		11	Doubtful deposit of GST & income tax with bank receipt	0.124
43		12	Doubtful/uneconomical expenditures on the account of NSB funds	-
44		13	Doubtful expenditure on the account of Contingencies	-
45		14	Illegal temporary duty of Mr. Sajjad Hussain SST (G)	-
46		15	Difference in cash book & Bank Account Statements	-

## District Education Authority, Sahiwal

(Rupees in million)

Sr.No.	DDO's	AIR Para No.	Subject	Amount
1	Dy. District Education Officer (EE-M), Chichawatni	5	Irregular payment of GST on bricks exempts items.	0.110
2		7	Non-return of NSB funds of schools privatized by the Government.	0.650
3		8	Non deposit/collection of fines - Recovery thereof	0.044
4	Dy. District Education Officer (EE-W), Chichawatni	5	Non-return of NSB funds of schools privatized by the Government.	0.495
5		9	Non provision of compliance of Audit paras relating to Financial Year 2015-16	-
6	Government Institute for Slow Learner Sahiwal	4	Irregular drawl of Social Security Benefit.	0.038
7		5	Doubtful expenditure due to Costly Purchase of Rifles.	0.161
8		6	Non collection of proof of deposit of sales tax.	0.163
9		7	Doubtful repair of vehicles.	0.307
10		8	Unjustified consumption of POL.	1.639
11	Chief Executive officer District Education Authority, Sahiwal	1	Non-monitoring/non-exercising review on utilization of funds by executive engineer buildings for execution of development schemes as deposit work.	873.743
12		2	Non-monitoring/non-exercising review on utilization of school council funds inquiry thereof.	276.070
13		6	Deterioration of IT labs established in various high/higher schools of district education authority Sahiwal and wastage of government resources.	12.600
14		7	Unjustified hiring the services of resident consultants and allocation of funds for payment of consultancy charges.	6.313
15		9	Non-regularization of the services of staff despite direction of the Government and unauthorized withdrawal of 30% social security benefits -Rs 3.447 million	3.447

Sr.No.	DDO's	AIR Para No.	Subject	Amount
16		11	Unauthorized retention of amount of scholarship and improper maintenance of distribution record of scholarship.	3.485
17		15	Over payment of sales tax on purchase of various store by school councils.	0.413
18		16	Unauthorized payment on account of integrated allowance.	0.378
19		17	Deterioration of embroidery machines and sewing machines	0.330
20		18	Defective maintenance of log book and pol without having valid consumption certificate.	0.238
21		19	Establishment of IT Labs in various schools without appointment of it teachers and onsite training of available teaching staff	-
22		20	doubtful transfer posting of teachers beyond the requirements of transfer policy inquiry thereof	-
23		21	Non-renewal of registration of private schools and non-imposition of penalties action thereof	-
24		22	Non compliance of observations issued in previous year Audit	-
25		Principal Government Higher Secondary School of Special Education (Hearing Impaired), Sahiwal	2	Defective maintenance of log book and POL without having valid consumption certificate.
26	3		Non-regularization of the services of staff despite direction of the government and unauthorized withdrawal of 30% Social Security Benefits.	0.275
27	4		Loss to Government due to Non-deduction of GST 1/5 share of GST at source and Non-Production of Deposit Proof of GST.	0.156
28	5		Difference Between Cash Book and Bank Statement .	0.169
29	7		Receipt of Uniform Against the Specification.	0.055
30	9		Unauthorized Payment of Ad hoc Allowance - 2010.	0.023
31	11		Non Compliance of Observations Issued In Previous Year Audit	-

Sr.No.	DDO's	AIR Para No.	Subject	Amount
32	Principle Government High School Nangal Anbia, Sahiwal	1	Unauthorized Payment on account of science teaching allowance during leave period	0.108
33		4	Non-provision of compliance of previous audit Paras	-
34		5	Loss to the Government due to non-auctioning of dry trees.	0.350
35		7	Non maintenance of trees register up to date	-
36		9	Loss to the Government due to non-auctioning of Canteen.	2.880
37		10	Non-production of record	-
38		Dy. District Education Officer (EE-M), Sahiwal	7	Overpayment due to non-implementation of penalties imposed to employees
39	8		Unauthorized payment of pay and allowances during EOL / LFP –	0.175
40	9		Non deduction of 1/5 <sup>th</sup> of GST and non-verification of deposit of GST paid to supplier.	1.075
41	10		Non Deduction of Income Tax on the Expenditure from NSB.	0.266
42	11		Non deduction / deposit of GST and Income Tax on water tank by the schools.	0.553
43	12		Unknown whereabouts of the funds available in bank accounts of privatized schools.	0.816
44	14		Unauthorized payment of GST	0.622
45	15		Non implementation of the directives of Departmental Accounts Committee for observation of last three years	-
46	16		Non-completion of service record	-
47	District Education Officer (Special Education), Sahiwal	1	Non-Collection of evidence of deposit of General Sales Tax.	0.176
48		2	Unauthorized Drawl of Adhoc Relief 2010.	1.077
49		4	Unauthorized payment of pay and allowances during extraordinary leave.	0.134
50		8	Unauthorized payment of teaching allowances.	0.092
51	Deputy District Education	4	Non recovery / deposit / collection of	

Sr.No.	DDO's	AIR Para No.	Subject	Amount
	Officer (EE-W), Sahiwal		fines.	0.075
52	Officer (EE-W), Sahiwal	5	Un-authorized drawl of Charge Allowance.	0.100
53		6	Doubtful difference between departmental expenditure statement and FI data maintained in District Accounts Office.	0.503
54		8	Doubtful drawl on account of Pay & Allowances.	0.246
55		10	Non-collection of proof of deposit of sales tax and income tax.	0.184
56		11	Recovery of overpayment of GST on exempt items.	0.134
57		12	Unjustified drawl of pay and allowance /non-adjustment of advance increments on account of B. Ed and M.A.	0.202
58		Government Girls High School 24/11-L Sahiwal	1	Uneconomical purchase without advertisement on PPRA website and in newspaper.
59	2		Non-verification of deposit of GST and non-deduction of PST on services	0.022
60	Govt. High School for boys Sahiwal	1	Unauthorized Payment on account of science teaching allowance during leave period.	0.108
61		2	Payment of conveyance allowance during earned leave periods.	0.052
62		4	Non-provision of compliance of previous audit Paras	-
63		5	Loss to the Government due to non-auctioning of dry trees.	0.350
64		7	Non maintenance of trees register up to date	-
65		9	Loss to the Government due to non-auctioning of Canteen.	2.880
66		10	Non-production of record	-

### District Education Authority, Vehari

Sr. No.	DDO's	AIR Para No.	Subject	Amount
1	Chief Executive Officer	2	Non-Monitoring/Non-Exercising Review on Utilization of Funds by Executive Engineer Buildings for Execution of Development Schemes as Deposit Work Rs 131.870 million	131.870
2		3	Unauthorized withdrawals of Arrears of Pay and Allowances without Budget Allocation and Sanction of the Competent Authority worth Rs 79.138 million	79.138
3		5	Unauthorized Charging of Expenditure by Misclassification – Rs 5.392 million	5.392
4		9	Doubtful Payment of Inspection Allowance During Summer Vacations -	0.819
5		10	Unauthorized Purchase of Stationery and Other Store by Splitting of Expenditure and Without Consumption Record– Rs 0.807 million	0.807
6		11	Unauthorized Payment of Pay and Allowances Despite Superannuation Retirement of Employees - Rs 0.667 million	0.667
7		12	Unauthorized Payment of Inspection Allowance without Entitlement - Rs 0.260 million	0.260
8		13	Non-Collection of Proof of Deposit of Sales Tax – Rs 0.126 million	0.126
9		14	Recovery of Mobility Allowance Amounting to Rs 0.080 million	0.080
10		15	Deterioration of IT Labs Established in Various High/Higer Schools of District Education Authority Vehari and Wastage of Government Resources	-
11		16	Over Payment of Sales Tax on Purchase of Various Store By School Councils	-
12		17	Establishment of IT Labs in Various Schools Without Appointment of IT Teachers and Traning of Available Teaching Staff	-
13		18	Uneconomical Purchase of Various Items Without Advertisement on PPRA Website And Print Media	-

Sr. No.	DDO's	AIR Para No.	Subject	Amount
14		19	Doubtful Transfer Posting of Teachers Beyond the Requirements of Transfer Policy Inquiry Thereof	-
15		20	Non-Renewal of Registration of Private Schools and Non-Imposition of Penalties Action Thereof	-
16		21	Unauthorized Payment of Risk Allowance Police (2009) to Guards Amounting to Rs 0.007 million	0.007
17		22	Non Compliance of Paras Issued in Previous Year Audit	-
18	GGHS Sattlie Town Burewala	2	Recovery on Account of Conveyance Allowance of Rs.54,926/-	0.055
19		4	Non- Deposit of General Sales Tax – Rs174,479	0.174
20		5	Irregular Expenditure without Observing PPRA Rules and Inquiry Thereof – Rs 799,300	0.799
21		6	Non- Deposit of General Sales Tax and Income Tax – Rs.152, 106	0.152
22	Government Institute for Slow Learners, Vehari	2	Defective Maintenance of Log Book and POL Without Having Valid Consumption Certificate – Rs 2.831 million	2.831
23		3	Unnecessary Blockage of Government Funds by Deterioration of VCDs – Rs 0.200 million	0.200
24		4	Non-Collection of Proof of Deposit of Sales Tax – Rs 0. 194 million	0.194
25		5	Irregular purchase of Uniform & Liveries Through Rate Contract Without Obtaining of Performance Guarantee Rs 0.132 million	0.132
26		6	Over Payment of Conveyance Allowance During Leave - Rs 0.047 million	0.047
27		7	Loss to Government Due to Non Recovery of 5 % House Maintenance Charges Worth Rs 23,828	0.024
28		8	Irregular Drawl of Social Security Benefit of Rs 18,165	0.018
29		11	Non Compliance of Observations Issued in Previous Year Audit	-
30	Deputy DEO (EE-M) Vehari	2	Excess payment on account of charge allowance to employees not entitled to draw the same Rs; 1.361 million	1.361

Sr. No.	DDO's	AIR Para No.	Subject	Amount
31		3	Recovery of Rs; 0.146 million due to unjustified payment of social security benefit to employees who regularized during 2012-15	-
32		4	Payment of conveyance allowance during leave periods Recovery of Rs; 0.171 million	0.171
33		5	Non-return of NSB and FTF funds of schools privatized/PEF by the Government	-
34		6	Recovery of inadmissible allowances of Rs; 0.518 million	-
35		7	Non-surrendering of savings and lapse of non-development budget –	9.619
36		8	Non maintenance of tree register for the tree value in million	-
37		9	Overpayment non stoppage of increment due to poor result	-
38		10	Doubtful/chances of embezzlements with drawl on the accounts of stationary amounting to Rs; 99690	0.100
39		11	Non-provision of compliance of previous audit Paras	-
40		12	Less monitoring and Non Maintenance of record in consolidated, soft & hard form of NSB funds of Rs; 50.737 million	50.737
41		13	Non maintenance of earned leaves, EOL, Ex. Pakistan leaves etc, Inquiry and indexing of file registers with deduction of conveyance allowance	-
42		14	Doubtful deposit of GST on the account of NSB with bank receipt and chances of embezzlements amounting to Rs; 10.908 million	10.908
43		15	Doubtful payment of Merit Scholarship and Stipend to Girls during the financial year 2016-17	-
44		16	Bogus working of GST Firms and Embezzlements in GST and Income tax amounts on the account of NSB with bank receipt	10.908
45		17	Excess payment of inadmissible integrated allowance Rs; 0.0486 million	0.049



Sr. No.	DDO's	AIR Para No.	Subject	Amount
46		21	Doubtful expenditures on the accounts of NSB incurred by the School Management Councils Rs; 50.737 million	50.737
47		24	Irregular/doubtful with drawl on the accounts of Cost of Others & Others amounting to Rs; 01.223 million	1.223
48		25	Irregular/doubtful expenditure on accounts of POL Rs; 0.150 million	0.150
49		26	Irregular/doubtful with drawl on the account of repair of Machinery & Equipment amounting to Rs; 0.020 million	0.020
50		27	Irregular/doubtful with drawl on the account of repair of furniture & fixture amounting to Rs; 0.023 million	0.023
51		28	Irregular/doubtful with drawl on the account of transportation charges amounting to Rs; 0.05 million	0.050
52		29	Irregular/doubtful with drawl on the account of electricity bills amounting	0.048
53		30	Irregular/doubtful expenditure on the account of Hot & Cold weather charges Rs; 0.032 million	0.032
54		31	Irregular/doubtful expenditures on the account of TA/DA Rs; 0.325 million	0.325
55		32	Irregular/doubtful with drawl on the account of IT equipment amounting to	0.015
56		33	Doubtful/Irregular Incentive Allowance amounting to Rs; 0.189 million	0.189
57		34	Doubtful/Irregular Inspection Allowance due to non performing of supervisory duties regarding NSB/SMC/FTF by the AEOs amounting to Rs; 1.220 million	1.220
58		35	Doubtful/Irregular honorarium amounting to Rs; 0.269 million	0.269
59	DEO (EE-F) Vehari	1	Un-authorized withdrawal of conveyance allowance and recovery thereof	0.192
60		2	Unauthorized purchase of physical assets without obtaining NOC from austerity	0.232
61		3	Unauthorized withdrawal of honorarium for Rs 201,750	0.202
62		4	Difference between Bank Statement and Cash Book- Rs 986,365	0.986

Sr. No.	DDO's	AIR Para No.	Subject	Amount
63		5	Unjustified Cash Payment Instead Of Cheque - Rs.118,565	0.118
64		7	Irregular payment of pending liabilities – Rs412,244	0.412
65		8	Doubtful repair of vehicle for Rs78,650	0.079
66		11	Non-Verification of Deposit Proof of General Sales Tax 119,297	0.119
67		12	Unauthorized re-appropriation of development budget to Non development budget Rs 478900	0.479
68		1	Non-provision of compliance of previous audit Paras	-
69		2	Unauthorized withdrawal of Pay and Allowances of post not sanctioned – Rs; 478200	0.478
70		3	Irregular payment of scholarship – Rs; 957200	0.957
71		4	Doubtful service record of Mr. Syed Makhdoom Jahanian x. Head Master	-
72	Special Educaton Centre Mailsi	5	Payment of Conveyance Allowance to Staff during Leaves Periods recovery of Rs; 53,554	0.053
73		6	Irregular/doubtful expenditure on the account of repair of vehicle – Rs; 505066	0.505
74		7	Non-Verification of Deposit of General Sales Tax – Rs; 88937	0.089
75		8	Irregular expenditure on accounts of POL Rs; 1.323 million	1.323
76		10	Irregular appointment on contract basis instead of permanent in deceased/invalidation quota	-
77		1	Excess payment of Pay due to non-fixation after regularization of teachers – Rs 702,790	0.703
78		3	Unjustified drawl of charge allowance by the teachers without charge of head ship, recovery of – Rs 84,000	0.084
79	Dy. DEO (EE-M) Burewala	5	Unjustified drawl of conveyance allowance during leave period and drawl of pay during the period of leave without pay of Rs 98,346	0.098
80		6	Non-return of NSB funds of schools privatized by the government Rs 580,272	0.580

<b>Sr. No.</b>	<b>DDO's</b>	<b>AIR Para No.</b>	<b>Subject</b>	<b>Amount</b>
81		8	Loss to govt. due to non-deposit of sales tax amounting Rs 361,593	0.361
82		9	Non-deduction of punjab sales tax by the schools – Rs 243,460	0.243
83		10	Less deduction/ deposit of income tax on various purchases and services – Rs 222,453	0.222
84	GHS 273/EB	1	Uneconomical expenditure without quotations Rs 168,176	0.168
85		2	Non-availability of consumption record of stationery items – Rs 65,650	0.066
86		3	Doubtful expenditure on the store items – Rs 42,512	0.042
87		4	Recovery due to payment of unauthorized conveyance allowance to teachers during summer vocations - Rs 32,140	0.032
88		5	Non-verification of deposit of GST – Rs 129,580	0.129

**Annexure –B****Detail of Expenditure****(Rupees in million)**

<b>Sr. No.</b>	<b>District of DEA</b>	<b>Budget</b>	<b>Expenditure</b>	<b>Savings</b>
1	Bahawalnagar	8,525.520	8,475.222	50.298
2	Bahawalpur	8,532.727	7,828.918	703.809
3	Rahim Yar Khan	10,997.048	10,015.163	981.885
4	Dera Ghazi Khan	6,424.472	5,914.911	509.561
5	Layyah	6,064.860	5,363.030	701.830
6	Muzaffargarh	6,872.254	6,685.980	186.274
7	Rajanpur	3,886.373	3,465.587	420.786
8	Khanewal	7,946.245	7,558.343	387.902
9	Lodhan	4,120.076	3,755.522	364.554
10	Multan	8,991.156	7,878.367	1,112.789
11	Pakpattan	3,833.561	3,586.937	246.624
12	Sahiwal	6,869.143	6,623.735	245.408
13	Vehari	8,086.134	6,690.191	1,395.943
14	Chiniot	2,979.417	2,556.584	422.833
15	Faisalabad	17,371.178	14,600.825	2,770.353
16	Jhang	6,806.510	6,520.621	285.889
17	Toba Tek Singh	7,073.145	6,254.278	818.867
<b>Total</b>		<b>125,379.819</b>	<b>113,774.214</b>	<b>11,605.605</b>

**Annexure-C/BWP**  
**[Para 2.2. 1.1]**

**Recruitment of persons on forged documents and non recovery of loss –  
Rs 1.745 million**

(Amount in rupees)

Period		Months	Pay	Total
12.02.97	30.11.97	9-14	1605	15,247
01.12.97	30.11.98	12	1702	20,424
01.12.98	30.11.99	12	1799	21,588
01.12.99	30.11.00	12	1896	22,752
01.12.00	30.11.01	12	1993	23,916
01.12.01	30.11.02	12	2990	35,880
01.12.02	30.11.03	12	3135	37,620
01.12.03	30.11.04	12	3280	39,360
01.12.04	30.06.05	7	3425	23,975
01.07.05	30.11.05	5	3925	19,625
01.12.05	30.11.06	12	4090	49,080
01.12.06	30.06.07	7	4255	29,785
01.07.07	30.11.07	5	4895	24,475
01.12.07	30.06.08	7	5275	36,925
01.07.08	30.11.08	5	6350	31,750
01.12.08	30.06.09	7	6580	46,060
01.07.09	30.11.09	5	6580	32,900
01.12.09	30.11.10	12	6810	81,720
01.12.10	30.06.11	5	7040	35,200
01.07.11	30.11.11	7	11520	80,640
01.12.11	30.11.12	5	11900	59,500
01.12.12	30.11.13	7	12280	85,960
01.12.13	30.11.14	5	12660	63,300
01.12.14	30.06.15	7	13040	91,280
01.07.15	30.11.15	5	16925	84,625
01.12.15	30.06.16	7	17420	121,940
01.07.16	30.11.16	5	21450	107,250
01.12.16	30.06.17	7	22060	154,420
01.07.17	30.11.17	05	26370	131,850
01.12.17	31.12.17	01	27100	27,100
01.01.18	26.04.18	03-26	28050	108,460
<b>Total</b>				<b>1,744,607</b>

**Annexure-D/BWP**  
**[Para 2.2.3.4]**

**Irregular expenditure on pay and allowances due to irregular promotion  
from in-service quota – Rs 3.239 million**

(Amount in rupees)

Period		Months	Pay	Total
16.08.89	30.11.89	03-15	830	2,905
01.12.89	30.11.90	12	830	9,960
01.12.90	31.05.91	06	868	5,208
01.06.91	30.11.91	06	1329	7,974
01.12.91	30.11.91	12	1401	16,812
01.12.92	30.11.93	12	1473	17,676
01.12.93	31.05.94	06	1545	9,270
01.06.94	30.11.94	06	2187	13,122
01.12.94	30.11.95	12	2284	27,408
01.12.95	30.11.96	12	2381	28,572
01.12.96	30.11.97	12	2478	29,736
01.12.97	30.11.98	12	2575	30,900
01.12.98	30.11.99	12	2672	32,064
01.12.99	30.11.00	12	2769	33,228
01.12.00	30.11.01	12	2866	34,392
01.12.01	30.11.02	12	2963	35,556
01.12.02	30.11.03	12	4585	55,020
01.12.03	30.11.04	12	4730	56,760
01.12.04	30.06.05	7	4875	34,125
01.07.05	30.11.05	5	5575	27,875
01.12.05	30.11.06	12	5740	68,880
01.12.06	30.06.07	7	5905	41,335
01.07.07	30.11.07	5	6795	33,975
01.12.07	30.06.08	7	7175	50,225
01.07.08	30.11.08	5	8650	43,250
01.12.08	30.06.09	7	8880	62,160
01.07.09	30.11.09	5	9100	45,500
01.12.09	30.11.10	12	9480	113,760
01.12.10	30.06.11	7	9860	69,020
01.07.11	30.11.11	5	16900	84,500
01.12.11	30.11.12	12	17600	211,200
01.12.12	30.11.13	12	18300	219,600
01.12.13	30.11.14	12	19000	228,000

<b>Period</b>		<b>Months</b>	<b>Pay</b>	<b>Total</b>
01.12.14	30.06.15	07	19700	137,900
01.07.15	30.11.15	05	25465	127,325
01.12.15	30.06.16	07	26370	184,590
01.07.16	30.11.16	05	32550	162,750
01.12.16	30.06.17	07	43230	302,610
01.07.17	30.11.17	05	44560	222,800
01.12.17	30.06.18	07	45890	321,230
<b>Total</b>				<b>3,239,173</b>

**Annexure-E/RYK**  
**[Para 3.2.2.1]**

**Non production of record – Rs 236.215 million**

**(Rupees in million)**

<b>Sr. No.</b>	<b>DDOs</b>	<b>Description</b>	<b>Period</b>	<b>Amount</b>
1	CEO (DEA)	Record of purchase of plant and machineries and other misc. records	2017-18	221.504
2	DEO (EE-M) Rahim Yar Khan	Contingent vouchers of various heads and other misc. records	2010-18	1.180
3	Dy. DEO (EE-M) Liaqat Pur	Misc. records	2017-18	0
4	Dy. DEO (EE-W) Sadiq Abad	Misc. records	2016-18	0
5	GBHS Bagho Bahar, RYK	Expenditure Statements	2001-18	0.315
6	GGHS Noor-e-Wali, RYK	Vouchers of various heads and Misc. records	1994-18	0.077
7	Govt. Secondary School of Special Education for Hearing Impaired Children, Khan Pur	Hostel Attendance Register, History Sheet of Vehicles, School Council Record, Budget Control Register and Asset Register (Stock Registers), Photocopy bill, Tree / Plant/ decorated plants stock register.	2016-18	0
8	GGHSS Chak 1/P, Khan Pur	Misc. records	2001-18	0
9	GGHS Jinnah Park, RYK	Dead stock / permanent stock or ledger register, history sheet, stock register, consumable & issuance record, arrear bills, Payroll, Reconciled expenditure statement, Bank statements	2014-18	0
10	GGHS Senior Muslim, RYK	Misc. records	2001-18	0
11	GGHSS Feroza, LQP	Vouchers of various heads and Misc. records	2001-18	0.355
12	Dy. DEO (EE-M) Liaqat Pur	Consumption Record	2017-18	0.678
13	Dy. DEO (EE-M) Liaqat Pur	TA/ DA	2017-18	0.783
14	GGHSS Model, Khan Pur	Vouchers of various heads and Misc. records	2011-18	0.970
15	Dy. DEO (EE-W) Liaqat Pur	Store Items	2017-18	5.094
16	DEO (EE-M) Rahim Yar Khan	Acknowledgement from brick kiln students	2010-18	5.259
<b>Total</b>				<b>236.215</b>



**Annexure-F/RYK**  
**[Para 3.2.3.3]**

**Unauthorized expenditure by School Council beyond prescribed limit –  
Rs 18.126 million**

**Table A Dy.DEO (EE-W) RYK**

**(Amount in rupees)**

Sr. No.	Markaz	Name of School	Expenditure	Limit	Excess
1	BANGLA SHEEREN	GGPS BASTI DUKKI	561,000	400,000	161,000
2	ABAD PUR	GMPS 51/NP	643,017	400,000	243,017
3	AMIN GARH	GGPS KHAIR PUR OLD TIBBI MEHRAN	3,541,300	400,000	3,141,300
4	WAH ATHATA	GGMPS NAIMAT ULLAH	443,233	400,000	43,233
5	SARDAR GARH	GGPS ADAM ARAIN	488,587	400,000	88,587
6	DARI AZEEM KHAN	GGES MUD NOOR	1,017,505	400,000	617,505
7	HAJI PUR	GGPS AZIZ ABAD	579,088	400,000	179,088
8	MUSLIM ABAD	GGPS MUD DARBARI	478,741	400,000	78,741
9	MUSLIM ABAD	GGPS MUSLIM ABAD	858,170	400,000	458,170
10	BAHOODI PUR QURESHIAN	GGPS BAHODI PUR QURESIAN	581,087	400,000	181,087
11	BAHOODI PUR QURESHIAN	GGES ABDUL REHMAN VEEHA	436,527	400,000	36,527
12	WAH KOHNA	GGES 126/P	545,000	400,000	145,000
13	Rukan Pur	GGPS GALOUR MASU KHAN	541,949	400,000	141,949
16	HAJI PUR	GMPS ALLAH NAWAZ MANIK	629,721	400,000	229,721
17	RUKAN PUR	GMPS THULL KHAIR MUHAMMAD	633,391	400,000	233,391
18	TSK	GGPS Basti Panhwaran	1,146,022	400,000	746,022
<b>Total</b>			<b>13,124,338</b>	<b>6,400,000</b>	<b>6,724,338</b>

**Table 2 Dy.DEO(EE-W)LQT**

**(Amount in rupees)**

Sr. No.	Markaz	Emis Code	Name of School	Total exp.	Limit	Excess
1	Lqp East	31320582	GGES Chak No 19/A	517,967	400,000	117,967
2	Lqp East	31320476	GGES New Housing Scheem	657,720	400,000	257,720
3	LQP CITY	31320508	GGPS CHAK NO. 15/A	998,686	400,000	598,686
4	68/A	31321022	GGES CHAK NO 79/A	942,936	400,000	542,936
5	68/A	31320591	GGPS CHAK NO. 80/A	647,453	400,000	247,453
6	Akhtar Nagar	31320592	GGPS CHAK NO. 151/A	698,893	400,000	298,893
7	Allah Abad	31320076	GGES CHAK NO 132/NP	697,508	400,000	297,508
8	Allah Abad	31320536	GGPS 5- Marla Scheme Allah Abad	612,500	400,000	212,500
9	Rindan	31320462	GGPS SHAFIQ ABAD	652,330	400,000	252,330
10	Rindan	31320549	GGPS HAJI HAZOOR BUX	610,380	400,000	210,380
11	Jan Pur	31320465	GGPS NOOR AHMED NAICH	561,160	400,000	161,160
12	Feroza	31320629	GGPS SHAHEED ABAD	547,286	400,000	147,286
13	Feroza	31320217	GGPS RASHEED ABAD	1,032,311	400,000	632,311
14	Feroza	31321023	GGPS BHUTTO COLONY FEROZA	877,206	400,000	477,206
15	Ghooka	31320603	GGES GHOOKA	716,277	400,000	316,277
16	Ghooka	31320978	GGPS GHULAM MUHAMMAD	514,290	400,000	114,290
17	Ahmad Ali Lar	31320722	GGPS MUJAVRAN	1,056,858	400,000	656,858

Sr. No.	Markaz	Emis Code	Name of School	Total exp.	Limit	Excess
18	Ahmad Ali Lar	31320742	GGPS MALIK BAKHAT ALI	648,268	400,000	248,268
19	Ahmad Ali Lar	31320697	GGPS MALIK AZIZ NUMBERDAR	728,250	400,000	328,250
20	Khan Bela	31320694	GGPS RAIS PEER BUX	1,029,175	400,000	629,175
21	Khan Bela	31320699	GGPS HAJI BUDHA KHAN	619,233	400,000	219,233
22	Shedani Sharif	31320733	GMPS MAINI	1,073,000	400,000	673,000
23	Shedani Sharif	31320728	GGPS ABBAS ALI SHAH	1,067,167	400,000	667,167
24	Shedani Sharif	31320740	GGPS BABRAN LAL SHAH	632,241	400,000	232,241
25	Shedani Sharif	31320717	GGPS MALIK NABI BUX	661,981	400,000	261,981
26	T.M.Panah	31320079	GGES KACHI MUHAMMAD KHAN	725,069	400,000	325,069
27	Noor Wala	31320080	GGES NOOR WALA	725,302	400,000	325,302
<b>Total</b>				<b>20,251,447</b>	<b>10,800,000</b>	<b>9,451,447</b>

**Table 3 Dy.DEO(EE-M) RYK**

**(Amount in rupees)**

Sr. No	EMIS CODE	Name of school	Name of Markaz	Expenditure	Limit	Excess
1	31330377	GBPS Bangla Shareen	Bangla Sherren	568,250	400,000	168,250
2	31330421	GBES Khadali	Amin Garh	462,800	400,000	62,800
3	31331115	GBPS Block No. 8	Sadar	579,845	400,000	179,845
4	31330413	GBPS Chak NO.84/P	Tranda Saway Khan	440,033	400,000	40,033
5	31330317	GBPS Yousaf Abad	Mou Mumbarak	438,394	400,000	38,394
6	31330095	GBES Moza Channa	Mou Mumbarak	444,233	400,000	44,233
7	31330092	GBES Bhagowaila	Dari Azeem Khan	550,774	400,000	150,774
8	31330301	GBPS Nawaz Pur	Gloor Massu Khan	590,580	400,000	190,580
9	31330473	GBPS Bahudi Pur Machian	Akram Abad	809,439	400,000	409,439
10	31330183	GBES Trust Colony	Akram Abad	755,313	400,000	355,313
11	31330082	GBES Basti Molvian	Taj Garh	448,206	400,000	48,206
12	31330386	GBPS Basti Gujran	Taj Garh	611,160	400,000	211,160
13	31330394	GBPS Murad Pur Panwaran	Taj Garh	451,924	400,000	51,924
<b>Total</b>				<b>7,150,951</b>	<b>5,200,000</b>	<b>1,950,951</b>
<b>Table 2</b>				<b>20,251,447</b>	<b>10,800,000</b>	<b>9,451,447</b>
<b>Table 1</b>				<b>13,124,338</b>	<b>6,400,000</b>	<b>6,724,338</b>
<b>Grand Total of Table 1 to 3</b>				<b>40,526,736</b>	<b>22,400,000</b>	<b>18,126,736</b>

**Annexure-G/RYK**  
**[Para 3.2.3.4]**

**Irregular expenditure due to non-compliance of the Punjab Procurement  
Rules – Rs 15.900 million**

**(Rupees in million)**

<b>Sr. No.</b>	<b>DDOs</b>	<b>Period</b>	<b>Particulars</b>	<b>Amount</b>
1	GGHSS Model, Khan Pur	2016-18	Cost of others	0.866
2	Dy. DEO (EE-W) Rahim Yar Khan	2017-18	Cost of others and stationery	0.739
3	DEO (SE) RYK	2017-18	Stationery	0.622
4	DEO (SE) RYK	2017-18	Purchase of furniture	0.430
5	GGHS Jinnah Park, RYK	2017-18	Purchase of furniture	0.237
6	Dy. DEO (EE-M) Rahim Yar Khan	2017-18	Purchase of furniture	3.421
7	Dy. DEO (EE-W) Liaqat Pur	2017-18	Purchase of furniture	2.268
8	Dy. DEO (EE-M) Liaqat Pur	2017-18	Purchase of furniture	1.689
9	DEO (EE-M) Rahim Yar Khan	2014-18	Stationery	1.647
10	Dy. DEO (EE-M) Liaqat Pur	2017-18	Purchase of furniture	1.026
11	GGHS Noor-e-Wali, RYK	2016-18	Purchase of furniture	0.984
12	GGHSS Feroza, LQP	2016-18	Purchase of furniture	0.797
13	CEO (DEA) RYK	2017-18	Stationery	0.551
14	Dy. DEO (EE-W) Liaqat Pur	2017-18	Stationery	0.274
15	Dy. DEO (EE-W) Sadiq Abad	2017-18	Purchase of furniture	0.217
16	Special Education Center, Khan Pur	2017-18	Purchase of Uniform	0.132
<b>Total</b>				<b>15.900</b>

**Annexure-H/RYK**  
**[Para 3.2.3.7]**

**Cash payments in violation of rules – Rs 6.356 million**

**Dy. DEO (M-EE) Liaquat Pur**

**(Amount in rupees)**

Bill No.	Date	Supplier	Gross Amount
1890	05.06.2018	ALI TRADERS	40,000
1840	05.06.2018	ALI TRADERS	30,000
1866	05.06.2018	ALI TRADERS	50,000
1829	02.05.2018	ALI TRADERS	29,232
1858	12.05.2018	ALI TRADERS	50,000
1801	12.05.2018	ALI TRADERS	50,000
1860	06.06.2018	ALI TRADERS	50,000
1806	06.06.2018	ALI TYRADERS	50,000
1813	06.06.2018	ALI TYRADERS	50,000
1816	06.06.2018	ALI TYRADERS	50,000
1824	06.06.2018	ALI TYRADERS	50,000
1869	06.06.2018	ALI TYRADERS	50,000
1871	06.06.2018	ALI TYRADERS	50,000
1846	06.06.2018	ALI TYRADERS	50,000
1848	06.06.2018	ALI TYRADERS	50,000
1888	06.06.2018	ALI TYRADERS	37,000
1842	06.06.2018	ALI TYRADERS	50,000
1864	06.06.2018	ALI TYRADERS	50,000
531	12.02.2018	UNION TRADERS	29,946
529	12.02.2018	UNION TRADERS	40,821
535	12.02.2018	UNION TRADERS	25,974
537	12.02.2018	UNION TRADERS	23,400
533	12.02.2018	UNION TRADERS	19,656
<b>Total</b>			<b>976,029</b>

**2. Dy. DEO (EE-W) Liaquat Pur**

**(Amount in rupees)**

Sr. No.	Markaz	EMIS code	Name of School	Amount	Dates	Remarks
1	68/A	31320591	GGP chak 80/A	410,000	25.09.17	Payment drawn on 25.09.17 from bank and paid for const work and paid on 16.10.17 for const works
2	68/A	31320591	GGP chak 80/A	1530,000	25.09.17	Payment drawn on 25.09.17 from bank and paid for const work and paid on 28.09.17
3	Feroza	31320217	GGPS Rasheedabad	865,000	16.04 to 03.05.18	Drawls amounting to Rs 50,000 and Rs 95,000 each time with the fraction of one days
4	Amin Abad	31320613	GGPS Kotla Nawab	750,000	11.10 to 04.12.17	Drawls amounting to Rs 50,000 each time with the fraction of days b/w the periods. In

Sr. No.	Markaz	EMIS code	Name of School	Amount	Dates	Remarks
						various dates Rs 100,000 draws as well
5	Allah Abad	31320536	GPS 5 Marla Scheme	525,000	16.02 to 05.05.18	Drawls amounting to Rs 50,000 and Rs 100,000 (7 transactions) each time with the fraction of days b/w the periods. In various dates Rs 100,000 draws as well
6	LQP CITY	31320506	GGPS chak 5/A	700,000	09.05 to 06.06.18	Drawls amounting to Rs 50,000 each time with the fraction of days b/w the periods.
7	Rindan	31320462	GPS shafeeqabad	600,000	05.04 to 28.05.18	Drawls amounting to Rs 50,000 and Rs 100,000 (8 transactions) each time with the fraction of days b/w the periods. In various dates Rs 100,000 draws as well
<b>Total</b>				<b>5,380,000</b>		

**Annexure-I/RVK**  
**[Para 3.2.3.10]**

**Irregular expenditure due to unauthorized appointments by the Minister of  
Education – Rs 4.398 million**

(Amount in rupees)

Period		Months	Pay	Total
21.08.1989	31.08.1990	12	830	9,960
01.08.1990	30.11.1990	04	944	3,776
01.12.1990	31.05.1991	06	1,164	6,984
01.06.1991	30.11.1991	05	1,768	8,840
01.12.1991	30.11.1992	12	1,887	22,644
01.12.1992	30.11.1993	12	2,006	24,072
01.12.1993	31.05.1994	12	2,125	25,500
01.06.1994	30.11.1994	06	2,870	17,220
01.12.1994	30.11.1995	12	3,031	36,372
01.12.1995	30.11.1996	12	3,192	38,304
01.12.1996	30.11.1997	12	3,353	40,236
01.12.1997	30.11.1998	12	3,514	42,168
01.12.1998	30.11.1998	12	3,997	47,964
01.12.1999	30.11.2000	12	4,156	49,872
01.12.2000	30.11.2001	12	4,319	51,828
01.12.2001	30.11.2002	12	6,700	80,400
01.12.2002	30.11.2003	12	6,940	83,280
01.12.2003	30.11.2004	12	7,180	86,160
01.12.2004	30.06.2005	07	7,420	51,940
01.07.2005	30.11.2005	05	8,515	42,575
01.12.2006	30.06.2007	07	9,065	63,455
01.07.2007	30.11.2007	05	10,400	52,000
01.12.2007	30.06.2008	07	11,030	77,210
01.07.2008	30.11.2008	05	13,280	66,400
01.12.2008	30.11.2009	12	13,660	163,920
01.12.2009	30.11.2010	12	14,040	168,480
01.12.2010	30.04.2011	05	14,420	72,100
01.05.2011	30.06.2011	02	14,520	29,040
01.07.2011	30.11.2011	05	24,400	122,000
01.12.2011	30.11.2012	12	25,200	302,400
01.12.2012	30.11.2013	12	26,000	312,000
01.12.2013	30.11.2014	12	26,800	321,600
01.12.2014	30.06.2015	07	27,600	193,200

<b>Period</b>		<b>Months</b>	<b>Pay</b>	<b>Total</b>
01.07.2015	30.11.2015	05	35,680	178,400
01.12.2015	30.06.2016	07	36,715	257,005
01.07.2016	30.11.2016	05	45,320	226,600
01.12.2016	30.06.2017	07	46,600	326,200
01.07.2017	30.11.2017	05	55,390	276,950
01.12.2017	30.06.2018	07	59,950	419,650
<b>Total</b>				<b>4,398,705</b>

**Annexure-J/RYK**  
**[Para 3.2.4.1]**

**Loss due to unjustified payment of Conveyance Allowance – Rs 60.491 million**

**(Rupees in million)**

Sr. No.	DDOs	Period	Amount of Conveyance Allowance Drawn		Total Recovery Due
			Winter / Summer Vacation	Leave on Full Pay	
1	CEO (DEA) Rahim Yar Khan	2017-18	44.623	0	44.623
2	Dy. DEO (EE-W) Rahim Yar Khan	2017-18	6.150	0	6.150
3	Dy. DEO (EE-W) Sadiq Abad	2016-18	1.502	0.309	1.811
4	Dy. DEO (EE-M) Rahim Yar Khan	2017-18	2.773	0	2.773
5	Dy. DEO (EE-M) Liaqat Pur	2017-18	1.521	0	1.521
6	Dy. DEO (EE-W) Liaqat Pur	2017-18	0	0.447	0.447
7	CEO (DEA) Rahim Yar Khan	2017-18	0	0.795	0.795
8	Dy. DEO (EE-W) Liaqat Pur	2017-18	0.186	0	0.186
9	GGHSS Model, Khan Pur	2011-18	0.038	0	0.038
10	Dy. DEO (EE-M) Rahim Yar Khan	2017-18	0	0.303	0.303
11	GGHS Noor-e-Wali, RYK	2005-18	0.042	0	0.042
12	GGHSS Feroza, LQP	2001-18	0	0.219	0.219
13	GGHSS Chak 1/P, Khan Pur	2001-18	0	0.249	0.249
14	GGHS Senior Muslim, RYK	2001-18	0.215	0	0.215
15	GGHSS Feroza, LQP	2001-18	0.191	0	0.191
16	GGHS Senior Muslim, RYK	2001-18	0	0.185	0.185
17	GGHSS Chak 1/P, Khan Pur	2001-18	0.167	0	0.167
18	Dy. DEO (EE-M) Liaqat Pur	2017-18	0	0.125	0.125
19	GBHS Bagho Bahar, RYK	2001-18	0.011	0	0.011
20	DEO (EE-M) Rahim Yar Khan	2010-18	0	0.086	0.086
21	GGHSS Model, Khan Pur	2011-18	0	0.354	0.354
<b>Total</b>					<b>60.491</b>



**Annexure-K/RYK**  
**[Para 3.2.4.10]**

**Non deposit of Income & Sales Taxes – Rs 2.143 million**

**(Amount in rupees)**

Sr. No.	Markaz Name	School Emiscode	School Name	Tot. exp.	Income tax 4.50%	S/Tax 17%	Total
1	Allah Abad	31320536	GGPS 5- Marla Scheme Allah Abad	612,500	27,563	104,125	131,688
2	Talbani	31320470	GMPS GHULLAN LAR CHAK 123/NP	95,000	4,275	16,150	20,425
3	Jan Pur	31320465	GGPS NOOR AHMED NAICH	561,160	25,252	95,397	120,649
4	Jan Pur	31320467	GMPS AZIZ PUR BASTI AZIZ PUR	206,500	9,293	35,105	44,398
5	Ahmad Ali Lar	31320731	GMPS GABRAN	379,981	17,099	64,597	81,696
6	Ahmad Ali Lar	31320697	GGPS MALIK AZIZ NUMBERDAR	728,250	32,771	123,803	156,574
7	Ahmad Ali Lar	31320624	GGPS HABIB ABAD	127,542	5,739	21,682	27,422
8	Ahmad Ali Lar	31320741	GGPS ALLAH BACHAYA BEHALLA	402,645	18,119	68,450	86,569
9	Shedani Sharif	31320733	GMPS MAINI	1,073,000	48,285	182,410	230,695
10	Duffli Kabir Khan	31320743	GGPS MALIK SOBHA ARAIN	212,009	9,540	36,042	45,582
11	Khan Bela	31320694	GGPS RAIS PEER BUX	1,029,175	46,313	174,960	221,273
12	T.M.Panah	31320081	GGES JOKE GULAB SHAH	207,607	9,342	35,293	44,636
13	Ghooka	31320603	GGES GHOOKA	716,277	32,232	121,767	154,000
15	Metla	31320648	GGPS HAROON ABAD	162,352	7,306	27,600	34,906
16	Feroza	31320629	GGPS SHAHEED ABAD	547,286	24,628	93,039	117,666
17	10/A	31320072	GGES Chak No 03/A	226,000	10,170	38,420	48,590
18	10/A	31320515	GMPS CHAK NO.1/A	237,130	10,671	40,312	50,983
19	42/A	31320452	GGPS CHAK NO. 88/A JADEED	23,680	1,066	4,026	5,091
20	Rindan		GGPS Ghulam Fareed Maral	616,550	27,745	104,814	132,558
21	Ahmed Ali Lar		GGPS Jamal Din	225,140	10,131	38,274	48,405
22	Ahmed Ali Lar		GGPS Jalilabad	80,000	3,600	13,600	17,200
23	Shedani		GGPS Watran Machee	162,350	7,306	27,600	34,905
24	Shedani		GGPS Abdul Karim Khan	87,105	3,920	14,808	18,728
25	Zafarabad		GGPS Tibi Syedan	177,000	7,965	30,090	38,055
26	Zafarabad		GGPS Amir Khan Gullani	273,500	12,308	46,495	58,803
27	Duffli Kabir Khan		GGPS Gul Muhammad Arain	98,460	4,431	16,738	21,169
28	Duffli Kabir Khan		GGES Allah Bux Bali	356,422	16,039	60,592	76,631
29	LQT City		GGPS16/A	209,320	9,419	35,584	45,004
<b>Total</b>				<b>9,969,441</b>	<b>448,625</b>	<b>1,694,805</b>	<b>2,143,430</b>

**Annexure-C/DGK**

**[4.2.2.7]**

**Unauthorized payment of conveyance allowance – Rs 8.718 million**

(Amount in rupees)

<b>Sr. No</b>	<b>DDOs</b>	<b>Period</b>	<b>Nature of leave</b>	<b>Total</b>
1	Dy. DEO (W-EE) Kot Chutta	2017-18	Earned Leave	256,247
			Winter vacation	284,636
2	GGHSS Vehova		Winter vacation	174,504
			Earned Leave	106,433
3	Dy. DEO (M-EE) D.G.Khan		Winter vacation	57,447
			Winter vacation	691,255
4	Dy. DEO (W-EE) Taunsa		Summer vacation	178,713
			Winter vacation	24,864
			Winter vacation	543,486
5	GGHS Shahdan Lund		Earned Leave	320,342
			Winter vacation	100,687
6	GGHS Nutkani		Earned Leave	156,765
			Winter vacation	74,648
7	GGHS Sakhi Sarwar		Winter vacation	141,498
		Summer vacation	39,860	
8	Dy. DEO (M-EE) Taunsa	Earned Leave	106,655	
		Winter vacation	110,338	
9	Dy. DEO (M-EE) Kot Chutta	Summer vacation	243,408	
		Winter vacation	1,677,786	
		Earned Leave	95,781	
10	GGHS Kot Chutta	Winter Vacation	447,568	
		Summer Vacation	61,345	
11	GHSS Yaroo	Earned Leave	104,267	
		Winter vacation	191,463	
12	Dy. DEO (EE-W) D.G.Khan	Winter vacation	75,193	
		Summer Vacation	175,803	
13	HM GGHS D.G.Khan	Earned Leave	92,400	
		Winter vacation	732,924	
14	CEO (DEA)	Winter vacation	602,446	
		Earned Leave	229,182	
15	HM GGHS D.G.Khan	Earned Leave	90,632	
		Summer vacation	39,232	
16	CEO (DEA)	2017-18	Availing Conveyance facility	25,000

<b>Sr. No</b>	<b>DDOs</b>	<b>Period</b>	<b>Nature of leave</b>	<b>Total</b>
15	GGHSS Gaddai	1993-18	Summer vacation	30,849
			Winter vacation	296,475
			Earned Leave	138,017
<b>Total</b>				<b>8,718,149</b>

**Annexure-D/DGK**

**[4.2.2.13]**

**Unauthorized payment of inadmissible allowances – Rs 4.907 million**

(Amount in rupees)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Nature of withdrawal</b>	<b>Amount</b>
1	Dy. DEO (M-EE) D.G.Khan	Charge Allowance to AEOs	177,968
2		Unauthorized inspection allowance	190,000
3		Charge Allowance to teacher	74,300
4		Hill Allowance	551,800
5		50% Ad hoc Allowance 2010	313,231
6		Inadmissible Allowance	126,366
7		Qualification & science teaching Allowance	29,700
8		DTE allowance & Fixed TA/DA	62,850
9	Dy. DEO (EE-W) Kotchutta	Charge allowance to AEOs	81,763
10	Dy. DEO (EE-W) Taunsa	Inspection Allowance	35,000
11		Inadmissible Allowance	79,512
12		Charge Allowance to AEOs	112,672
13		Charge Allowance	69,000
14		SSB to permanent employees	115,038
15	GGHS Sakhi sarwar	Adjusted staff pay	64,419
16	Dy. DEO (EE-M) Taunsa	Charge Allowance to teachers	108,000
17		Ad hoc Allowances	50,424
18		Inadmissible Allowance	303,807
19		Charge Allowance to AEOs	242,213
20		Hill Allowance	405,000
21	Dy. DEO (EE-M) Kot Chutta	Charge Allowance to teachers	95,000
22		Charge Allowance to AEOs	153,238
23	GGHS Kot Chutta	Inadmissible Allowance	17,923
24	Dy. DEO (EE-W) D.G.Khan	Salaries during LWP	427,746
25		Charge Allowance to AEOs	33,000
26		Inadmissible Allowance	54,067
27		Charge Allowance to teachers	27,500
28		Inadmissible Allowance	17,835
29	GGHSS Vehova	Inadmissible Allowance	95,667
30	GGHSS Gaddai	SSB to permanent employees	267,767
31		Inadmissible Allowance	66,147
32		Computer Allowance to SST	12,000
33		Overpayment of Allowances	51,953
34		Qualification Allowance	37,800
35		Annual Increment	40,845
36		Non-fixation of Basic Pay	162,475

<b>Sr. No.</b>	<b>DDOs</b>	<b>Nature of withdrawal</b>	<b>Amount</b>
37	GGHS Shahdan Lund	Inadmissible Allowance	9,122
38	GGHS central Model	Qualification Allowance	9,000
39	D.G.Khan	Inadmissible Allowance	73,525
40	GGHS Nutkani	Charge Allowance	28,700
41		Qualification Allowance	33,000
<b>Total</b>			<b>4,907,373</b>

**Annexure-E/DGK**

**[4.2.2.14]**

**Less recovery on account of old material – Rs 4.210 million**

(Amount in rupees)

<b>Date/Package</b>	<b>Scheme</b>	<b>Amount recovered</b>	<b>Amount to be Recovered</b>	<b>Difference</b>
P-156	Re construction of two class rooms in GGHS City D.G.Khan	167,451	334,902	167,451
2nd bill	Re construction of 4 Nos. C/Rooms in GGHS Sarwar Wali	215,443	430,886	215,443
3rd bill	Re construction of 3 Nos. class rooms at GGHS Ghous Abad	147,819	295,638	147,819
4th Bill	Re construction of 4 class rooms in GGPS Mahmood abad	254,700	509,400	254,700
3rd bill	Re construction of 8 class room in GBHS Sakhi sarwar	257,615	515,230	257,615
3rd bill	Re construction of 3 class rooms in GES Thatha Gaboolan	147,819	295,638	147,819
4th Bill	Re construction of seven class rooms in GES Paigah	211,828	423,656	211,828
4th Bill	Re construction of 4 class rooms in GBHS Sarwar Wali	215,452	430,904	215,452
3rd bill	Re construction of four class rooms in GGES Mundrani	317,833	635,666	317,833
4th Bill	Re construction of four class rooms in GBHS Shahoo Buzdar	67,633	135,266	67,633
3rd bill	Re construction of four class rooms in GBHS Mian Pheroo	215,452	430,904	215,452
4th Bill	Re construction of two class rooms in GBHS Lohar Wala	112,828	225,656	112,828
3rd bill	Re construction of two class rooms in GGHS City D.G.Khan	167,451	334,902	167,451
4th Bill	Re construction of seven class rooms in GBHS Aali Wala	338,404	676,808	338,404
3rd bill	Re construction of seven class rooms in	67,330	134,660	67,330
3rd bill	Re construction of seven class rooms in GGHS Gaddai U/C Gaddai	228,972	457,944	228,972
4th Bill	Re construction of seven class rooms in GGHS Mana Ahmadani	147,819	295,638	147,819
5th bill	Re construction of six class rooms in GGMS Feroz Wala	221,470	442,940	221,470
3rd bill	Re construction of six class rooms in GBHS Choti Zareen	260,647	521,294	260,647
4th Bill	Construction of 2 class rooms in GGMPs Tremin	150,275	300,550	150,275
3rd bill	Re construction of 5 class rooms in GES Essan Goraha	147,819	295,638	147,819
3rd bill	Re construction Of 3 class rooms in GGMS Khakhi	147,819	295,638	147,819
<b>Total</b>		<b>4,209,879</b>	<b>8,419,758</b>	<b>4,209,879</b>

**Annexure-F/DGK**

**[4.2.2.16]**

**Non-reduction of allowances after regularization of services –Rs 3.628 million**

(Amount in rupees)

<b>Sr. No.</b>	<b>Formation</b>	<b>Subject</b>	<b>Amount</b>
1	Dy.DEO (W-EE) Kot Chutta	Non-fixation of pay and SSB	113,196
		Non-fixation of pay and SSB to Class-IV	165,527
		Payment of SSB after regularization	59,664
2	GGHSS Vehova	Pay and allowance	114,016
		Pay and allowance	119,582
3	Dy.DEO (M-EE) D.G.Khan	Payment of SSB after regularization	141,266
4	Dy.DEO (W-EE) Taunsa	Payment of SSB	552,402
5	GGHS Shahdan Lund	Non-fixation of pay	238,880
6	GGHS Nutkani		20,746
7	GGHS Sakhi sarwar		55,710
8	Dy.DEO (M-EE) Taunsa		148,500
9	Dy.DEO (M-EE) Kot Chutta		485,844
10	GGHS Kot Chutta	ARA 2016 & 2017	26,208
11	GHSS Yaroo	Payment of SSB	33,362
12	Dy. DEO (W-EE) D.G.Khan	Payment of SSB	45,384
		Ad hoc Allowance and Dearness Allowance	45,986
		SSB to Class-IV	421,806
		Ad hoc Allowance to Class-IV	96,436
		Payment of SSB	565,474
		Ad hoc Allowances 2016 & 17	177,672
<b>Total</b>			<b>3,627,661</b>

**Annexure-G/DGK**

**[4.2.2.17]**

**Unjustified transfer of SMC funds to closed schools - Rs 2.388 million**

(Amount in rupees)

Sr. No.	School Name	EMIS	Tehsil	Amount Transferred				Total Amount
				1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	
List of Schools Reported Closed in October-2017								
1	GGPS Sukhaira Arain	32110627	D.g.khan	64,840	64,139	58,265	56,246	243,490
2	GPS Mohsin Shah Wala	32111005	D.g.khan	0	32,547	28,461	30,120	91,128
3	GGPS Qutba	32120701	Taunsa	27,635	30,185	27,961	30,533	116,314
4	GPS Bahngi Ladwani	32120820	Taunsa	24,088	27,643	25,737	29,423	106,891
5	GPS New Hairo East Taunsa	32120223	Taunsa	0	24,396	21,469	25,763	71,628
List of Schools Reported Closed in November-2017								
1	GPS Gazlope	32110529	D.g.khan	29,304	34,798	29,480	27,003	120,585
2	GGPS Someege	32120705	Taunsa	22,311	25,026	26,957	26,804	101,098
3	GGPS Haren Borr	32120734	Taunsa	30,034	29,095	24,726	28,969	112,824
4	GGPS Daghay War	32120890	Taunsa	25,870	24,631	21,490	25,059	97,050
5	GGPS Basti Nooren Naseer	32120699	Taunsa	18,144	23,139	19,884	21,091	82,258
6	GGPS Dada Khoh	32120693	Taunsa	22,729	21,316	20,547	20,023	84,615
7	GGPS Mut Chandia	32120727	Taunsa	17,407	21,042	18,143	21,964	78,556
8	GGPS Sorha	32120397	Taunsa	3,765	4,243	3,174	18,410	29,592
9	GGPS Khalay Gali	32120733	Taunsa	26,087	29,050	25,209	28,016	108,362
10	GPS Budhay Ghari	32120347	Taunsa	29,924	29,212	26,896	29,202	115,234
11	GPS Khali Gali	32120408	Taunsa	27,924	31,131	26,896	28,026	113,977
List of schools reported closed in December-2017								
1	GGPS Chak Dalail	32110619	D.G.khan	41,098	34,274	38,410	40,091	153,873
2	GGES Bathi	32120674	Taunsa	55,656	54,195	59,914	61,340	231,105
List of schools reported closed in January-2018								
1	GGPS Khalay Gali	32120733	Taunsa	0	0	0	0	0
2	GPS Mut Chakrani	32120376	Taunsa	34,768	33,373	29,209	31,458	128,808
List of schools reported closed in March-2018								
1	GPS Dalsar	32110498	D.G.khan	20,920	22,523	26,034	25,943	95,420
2	GPS Sakokh	32110519	D.G.khan	27,059	26,058	26,244	26,132	105,493
<b>Total</b>				<b>549,563</b>	<b>622,016</b>	<b>585,106</b>	<b>631,616</b>	<b>2,388,301</b>



**Non-obtaining of additional performance security required for below  
quotation/tender- Rs 6.901 million**

(Amount in rupees)

Token	Date	Name of Scheme	% Below	Agreed Amount	Amount
229	20.06.18	Construction of B/Wall 1680 Rft at GPS Chak No. 104/TDA	23.37	2,926,144	683,840
210	20.06.18	Construction of 900 RFT B/Wall at GHS Marahan Wali	18.15	568,318	103,150
92	11.05.18	Construction of 161 Rft B/Wall at GES Chak No. 136/TDA.	18.75	257,406	48,263.63
76	04.05.18	Construction of 1600 Rft B/Wall at GPS 239-B/TDA.	17.8	4,549,986	809,898
80	04.05.18	Construction of B/Wall 1012 Rft at GPS Chak No. 112/TDA	22.87	1,799,516	411,549
64	21.04.18	Construction of B/Wall 490 Rft at GPS Chak No. 437/TDA	16.214	962,207	156,012
85	08.05.18	Construction of 584 Rft B/Wall at GPS 227-A/TDA.	19.05	1,764,262	336,092
89	11.05.18	Construction of 1628 Rft B/Wall at GPS Chak No. 308/TDA.	22.57	4,273,662	964,566
160	14.06.18	Construction of 850 Rft B/Wall at GPS Chak No. 426-B/TDA	17	1,498,540	254,752
167	14.06.18	Construction of 418 Rft B/Wall at GPS Chak No. 426/TDA	16	835,719	133,715
153	11.06.18	Construction of 750 Rft B/Wall at GPS Mirani Jadeed.	19.15	1,434,735	274,752
149	11.06.18	Construction of 150 Rft B/Wall at GPS Basti Joia	15.27	229,652	35,068
187		Construction of 220Rft B/Wall at GPS Chak No. 123/TDA..	18.99	143,015	27,159
31234	20.06.18	60 RFT B/W AT GPS 363/TDA	5.11	125,711	6,424
239		Construciton of 172 RFT B/W AT GPS 155/TDA	15.77	302,745	47,743
214		210 RFT B/W AT GPS 427-B/TDA	18	379,416	68,295
14/916	P-44	Construction of 924 Rft B/Wall at GHS Chak No. 174/TDA. (First running Bill)	20.15	1,398,836	281,865
180	20.06.18	Construction of TWO C/Room at GPS Chak No. 83/ML	17.21	1,343,822	231,272
59	21.04.18	Construction of Two C/Room at GPS Chuni Janoobi	17.85	466,738	83,313
179	20.06.18	Construction of TWO C/Room at GPS Chak No. 159/TDA.	17.27	572,418	98,857

Token	Date	Name of Scheme	% Below	Agreed Amount	Amount
81	08.05.18	Construction of TWO C/Room at GPS Chak No. 84/ML ( Maktab)	15.73	1,422,360	223,737
93	11.05.18	Construction of TWO C/Room at GPS Chak No. 85/ML	17.51	1,374,280	240,636
152	11.06.18	Construction of TWO C/Room at GPS Jethay Wala	21.57	1,323,891	285,563
150	11.06.18	Construction of TWO C/Room at GPS Chak No. 86/TDA.	17.37	1,335,380	231,956
195	20.06.18	02 C.R WITH VER. AT GES 465/TDA	15.15	1,627,281	246,533
75	04.05.18	Construction of Toilet Block (One Set) at GGES Kotla Qazi.	19	172,404	32,757
84	08.05.18	Construction of Toilet Block (One Set) at GGES Chak No. 149-B/TDA.	19.86	169,296	33,622
232		Provision of TWO Additional C/Room AT GHSS JAMAN SHAH ( Having Highest Enrollment)	25	1,645,016	411,254
204		ONE SET TOILET BLOCK AT GGES 333/TDA	17.514	143,794	25,184
212		Construction of 204 RFT B/W AT GPS 295/TDA	16.14	379,645	61,275
213	20.06.18	Construction of 152 RFT B/W AT GES SHAFIQ ABAD	18.82	280,302	52,753
<b>Total</b>					<b>6,901,855</b>

**Annexure-I/LYH****[Para 5.2.2.14]****Payment of inadmissible allowances – Rs 2.859 million**

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Nature of withdrawal</b>	<b>Amount</b>
1	Dy. DEO (EE-W) Choubara	Charge Allowance	0.012
3		Adjustment of charge allowance	0.021
4	Dy. DEO (EE-M) Choubara	Charge allowance	0.024
5		Personal Allowance	0.014
6		Two increment to AEO	0.274
7		Integrated allowance	0.027
8		Inadmissible Allowances	0.248
9		Charge Allowance to AEO	0.125
10	HM GBHS Chowk Azam	Charge allowance	0.012
11	Dy. DEO (EE-M) Layyah	Conveyance allowance	0.120
12		Charge allowance	0.055
13		Two increment to AEO	0.145
14		Inadmissible Allowances	0.037
15	Dy. DEO (W-EE) Karor	Charge Allowance to AEO	0.162
16		Two increment to AEO	0.055
17		Inadmissible Allowances	0.042
18	Dy. DEO (M-EE) Karor	Charge allowance	0.321
19		Two increment to AEO	0.346
20		Integrated allowance	0.035
21		Inadmissible Allowances	0.187
22		Charge Allowance to AEO	0.160
23	GHHS Ladhana	Salaries during leave on full pay	0.242
24		Science teaching allowance	0.014
25		Salaries during without pay	0.054
26		Conveyance allowance during leave	0.085
27	Dy. DEO (W-EE) Layyah	Charge allowance to AEO	0.042
<b>Total</b>			<b>2.859</b>

**Annexure-J/LYH****[Para 5.2.2.18]****Expenditure on repair and maintenance of building without estimate and measurements-Rs 1.898 million**

(Amount in rupees)

<b>Document Date/FY</b>	<b>Document No./Fund</b>	<b>Detail</b>	<b>Amount</b>
2017-18	NSB	Repair and maintenance work	545,750
<b>Sub. Total</b>			<b>545,750</b>
27.12.2016	1905764049	Building material for civil work	49,990
27.12.2016	1905682891	Building material for civil work	49,950
27.12.2016	1905733914	Building material for civil work	49,980
27.12.2016	1905722046	Building material for civil work	49,995
<b>Sub. Total</b>			<b>199,915</b>
20.06.2016	1905323028	Building material for civil work	99,333
20.06.2016	1905391353	Repair and maintenance Services	49,630
20.06.2016	1905320032	Paints for repair and maintenance	99,965
20.06.2016	1905320033	Building material for repair and maintenance	99,977
20.01.2016	1904948978	Building material for repair and maintenance	59,951
20.01.2016	1904948976	Building material for repair and maintenance	49,994
20.01.2016	1904948977	Building material for repair and maintenance	49,994
20.01.2016	1905002591	Repair and maintenance Services	27,567
03.03.2016	1905069509	Building material for repair and maintenance	49,000
03.03.2016	1905059476	Repair and maintenance Services	45,036
03.03.2016	1905132310	Building material for repair and maintenance	48,000
<b>Sub. Total</b>			<b>678,447</b>
17.01.2015	1904313733	Building Repair and maintenance	49,000
17.01.2015	1904313736	Building material for repair and maintenance	49,000
17.01.2015	1904277450	Building material for repair and maintenance	25,800
17.01.2015	1904277453	Building material for repair and maintenance	38,700
21.05.2015	1904603097	Building material for repair and maintenance	38,500
13.05.2015	1904540675	Building material for repair and maintenance	50,000
13.05.2015	1904540678	Building material for repair and maintenance	16,000

<b>Document Date/FY</b>	<b>Document No./Fund</b>	<b>Detail</b>	<b>Amount</b>
13.05.2015	1904540677	Building material for repair and maintenance	48,000
23.06.2015	1904627985	White wash for repair and maintenance	60,000
23.06.2015	1904709296		49,800
23.06.2015	1904709297		49,845
<b>Sub. Total</b>			<b>474,645</b>
<b>G. Total</b>			<b>1,898,757</b>

**Annexure-K/LYH****[Para 5.2.2.20]****Overpayment due to un-justified allowing of 20% contractor profit- Rs 1.191 million****(Amount in million)**

<b>Token No.</b>	<b>Date</b>	<b>Name of Scheme</b>	<b>wire cut</b>	<b>20% Profit</b>	<b>Amount</b>
92	11.05.18	Construction of 161 Rft B/Wall at GES Chak No. 136/TDA.	141	55.7	7,854
133	08.06.18	Construction of 640 Rft B/Wall at GGPS Chak No. 223/TDA.	754	55.7	41,998
76	04.05.18	Construction of 1600 Rft B/Wall at GPS 239-B/TDA.	1483	55.7	82,603
131	08.06.18	Construction of 334 Rft B/Wall at GPS Chak No. 334/TDA.	334	55.7	18,604
138	08.06.18	Construction of 320 Rft B/Wall at GES Chak No. 336/TDA.	320	55.7	17,824
139	08.06.18	Construction of 815 Rft B/Wall at GPS Chak No. 286/TDA.	804	55.7	44,783
221	20.06.18	Construction of 450 Rft B/Wall at GPS 126/ML. 2RD RUNNING	391	55.7	21,779
97	22.05.18	Construction of 184 Rft B/Wall at GGPS 447/TDA Junior Campus..	184	55.7	10,249
91	11.05.18	Construction of 418 Rft B/Wall at GGPS Chak No. 404/TDA Junior Campus.	441	55.7	24,564
80	04.05.18	Construction of B/Wall 1012 Rft at GPS Chak No. 112/TDA	1010	55.7	56,257
60	20.04.18	Construction of B/Wall 793 Rft at GPS Chak No. 259/TDA	733	55.7	40,828
65	21.04.18	Constructon of 300Rft B/Wall at GPS Chak No. 459/TDA	315	55.7	17,546
62	20.04.18	Construction of B/Wall 230 Rft at GHS Kotla Haji Shah.	221.5	55.7	12,338
64	21.04.18	Construction of B/Wall 490 Rft at GPS Chak No. 437/TDA	489.7	55.7	27,276
		Construction of B/Wall 260 Rft at GPS Chak No. 116-B/TDA	270	55.7	15,039
		Construction of 900 Rft B/Wall at GPS Chak No. 344/TDA.	914	55.7	50,910
85	08.05.18	Construction of 584 Rft B/Wall at GPS 227-A/TDA.	586	55.7	32,640
86	08.05.18	Construction of 920 Rft B/Wall at GPS Chak No. 346/TDA.	878	55.7	48,905
89	11.05.18	Construction of 1628 Rft B/Wall at GPS Chak No. 308/TDA.	1628	55.7	90,680
162	24.06.18	Construction of 530 Rft B/Wall at GPS Chak No. 151/TDA.	506	55.7	28,184
166	14.06.18	Construction of 460 Rft B/Wall at GES Summra Nashaib.	450	55.7	25,065
160	14.06.18	Construction of 850 Rft B/Wall at GPS Chak No. 426-B/TDA	774	55.7	43,112
167	14.06.18	Construction of 418 Rft B/Wall at GPS Chak No.	416	55.7	23,171

Token No.	Date	Name of Scheme	wire cut	20% Profit	Amount
		426/TDA			
165	14.06.18	Construction of 950 Rft B/Wall at GES Dalki Balki	447	55.7	24,898
153	11.06.18	Construction of 750 Rft B/Wall at GPS Mirani Jadeed.	750	55.7	41,775
187		Construction of 220Rft B/Wall at GPS Chak No. 123/TDA..	220	55.7	12,254
239		Construciton of 172 RFT B/W AT GPS 155/TDA	165	55.7	9,191
214		210 RFT B/W AT GPS 427-B/TDA	476	55.7	26,513
135	08.06.18	Construction of 450 Rft B/Wall at GPS 126/ML. 3RD RUNNING	391	55.7	21,779
227	20.06.18	597 RFT B/W GPS 113/ML	583	55.7	32,473
31204	20.06.18	Construction of 418 RFT B/W AT GGPS 99/TDA	399	55.7	22,224
198	20.06.18	Construction of B/Wall at GHS Head Mehboob	985	55.7	54,865
228		418 RFT B/W AT GPS 102/TDA	405	55.7	22,559
207	20.06.18	Construction of 4579 RFT B/Wall at Sahu Wala	1574	55.7	87,672
192	20.06.18	Construction of 600 Rft B/Wall at GES Kanjan Wala	517	55.7	28,797
212		Construction of 204 RFT B/W AT GPS 295/TDA	204	55.7	11,363
213	20.06.18	Construction of 152 RFT B/W AT GES SHAFIQ ABAD	152	55.7	8,466
244	20.06.18	Construction of 79 RFT B/W AT GPS 312/TDA (First Running bill)	79	55.7	4,400
		<b>Total</b>	<b>21390.2</b>		<b>1,191,438</b>

**Annexure-L/MGH****[Para 6.2.2.2]****Unauthorized Payments without Pre-Audit Rs 21.777 million**

(Amount in rupees)

<b>Cost Center</b>	<b>Document Date</b>	<b>Amount</b>
MV8996	12.06.2018	311,747
MV8996	14.05.2018	20,000
MV8996	23.06.2018	509,333
MV8996	27.03.2018	368,984
MV8996	02.06.2018	716,997
MV8996	15.05.2018	3,011,720
MV8996	07.06.2018	1,176,281
MV8996	12.06.2018	949,427
MV8996	20.02.2018	936,226
MV8996	11.04.2018	805,620
MV8996	20.02.2018	752,861
MV8996	20.02.2018	710,083
MV8996	12.06.2018	692,354
MV8996	12.06.2018	680,348
MV8996	03.05.2018	650,751
MV8996	20.02.2018	627,199
MV8996	20.02.2018	604,488
MV8996	20.02.2018	560,853
MV8996	02.06.2018	547,656
MV8996	23.06.2018	512,934
MV8996	21.02.2018	507,239
MV8996	22.06.2018	496,904
MV8996	14.05.2018	451,725
MV8996	14.02.2018	428,576
MV8996	14.02.2018	406,146
MV8996	26.03.2018	391,207
MV8996	10.04.2018	374,027
MV8996	22.06.2018	350,192
MV8996	14.02.2018	336,035
MV8996	14.02.2018	314,895
MV8996	03.05.2018	293,730
MV8996	10.04.2018	292,233
MV8996	02.06.2018	248,258
MV8996	22.06.2018	211,117
MV8996	26.03.2018	184,246
MV8996	25.04.2018	179,631
MV8996	25.04.2018	174,048
MV8996	14.02.2018	149,927
MV8996	27.03.2018	124,228



<b>Cost Center</b>	<b>Document Date</b>	<b>Amount</b>
MV8996	22.06.2018	122,760
MV8996	14.02.2018	108,239
MV8996	25.04.2018	84,481
MV8996	02.06.2018	78,649
MV8996	22.06.2018	74,892
MV8996	12.02.2018	72,799
MV8996	22.06.2018	54,816
MV8996	12.06.2018	24,711
MV8996	26.03.2018	20,000
MV8996	26.03.2018	20,000
MV8996	26.03.2018	20,000
MV8996	14.05.2018	20,000
MV8996	22.06.2018	15,227
<b>Total</b>		<b>21,776,800</b>

**Annexure-M/MGH****[Para 6.2.2.3]****Unjustified transfer of funds to school Rs 20.960 million**

(Amount in rupees)

Emis Code	Name Of School	Markaz	Head Teacer Name	NSB Account No.	BANK Name	NSB Current Balance
32310215	GGPS Basti Gabool	BANDAY SHAH	Rashida Bano	005628-000-1	BOP Ali Pur	821,966
32310213	GGPS Sakker Wala	Alipur I	Khalida Kousar	005663-000-3	BOP Ali Pur	821,966
32310027	GGES Tarat	BANDAY SHAH	Farzana Rasul	4042897407	NBP Ali Pur	821,966
32310160	GGES Gabbar Araein	Khairpur I	Safia Jamsheed	4042897676	NBP Ali Pur	821,966
32310033	GGES Baz Wala	BAZ WALA	Khalida Farhat	5649-3	BOP ALIPUR	821,966
32310165	GGPS Basti Langah	Ali Pur II	Nabila Khanam	5701-1	BOP ALIPUR	821,966
32310235	GGPS Mohammadia Colony	DAMAR WALA JANOobi	FARZANA	005634-000-9	BOP Ali Pur	821,966
32310183	GGPS Niazi Wala	BAZ WALA	Sakina Bibi	5746-1	BOP ALIPUR	821,966
32310221	GGPS Karich Wala	DAMAR WALA JANOobi	RUQYYA PARVEEN	5646-8	BOP Ali Pur	821,966
32310218	GGES Chowki Gabool	Ghalwan	Farah Shehzad	5813-3	BOP ALIPUR	821,966
32310214	GGPS Liaqat Abad	Ali Pur II	Saira Ajmal	5778-1	BOP ALIPUR	821,966
32310181	GGPS Mithan Wali	Khairpur I	Nazia Shakoor	4042897381	NBP Ali Pur	410983
32310162	GGPS Dargai Wala	Khairpur II	Najma Saeed	4042897541	NBP ALI PUR	410983
32310206	GGPS Yaki Wali No.2	BANDAY SHAH	Azra Perveen	4042897569	NBP Ali Pur	410983
32310232	GGPS Tahli Wala	BANDAY SHAH	Nasreen Zaidi	005800-000-2	BOP Ali Pur	410983
32310180	GGPS Khumbrah	Khairpur II	Atika Mureed	4042897621	NBP ALI PUR	410983
32310159	GGPS Lodhran	Sultanpur	BUSHRA TANVEER	#####	HBL Khairpur sadaat	410983
32310158	GGPS Kohar Faqiran	Khairpur II	Rukhsana Khalil	5743-6	BOP ALIPUR	410983
32310225	GGPS Haji Ghaloo	Alipur I	Misbah Batool	005796-000-9	BOP Ali Pur	410983
32310227	GGPS Marian	Ghalwan	Naseem	5651-4	BOP	410983

Emis Code	Name Of School	Markaz	Head Teacer Name	NSB Account No.	BANK Name	NSB Current Balance
			akhter		ALIPUR	
32310237	GGPS Basti Sial	Ali Pur II	Razia Mariam	5694-1	BOP ALIPUR	410983
32310175	GGPS Ghulam Hayder Wala	Ali Pur II	Shahnaz Parveen	5644-4	BOP ALIPUR	410983
32310220	GGPS Basti Dogran	Alipur I	Aroosa Farooqi	005654-000-0	BOP Ali Pur	410983
32310316	GGPS Sarki	Seetpur	Rukhsana Naz	005665-000-7	BOP Ali Pur	821966
32310238	GGCMS Channan Wala	Ali Pur II	Shagufta Naveed	4042897578	NBP ALI PUR	821966
32310314	GGPS LARKI	Seetpur	Ishrat Batool	005664-000-5	BOP Ali Pur	821966
32310319	GGPS Agrani	Ghalwan	Sumaira Zawar	5720-0	BOP ALIPUR	821966
32310303	GGPS Pipal Wala	Ghalwan	Naila Iqbal	4042897452	NBP ALI PUR	410983
32310305	GGPS Faiz Pur	BAZ WALA	Faheem Zahra	4042897336	NBP ALI PUR	410983
32310309	GGPS Basti Gopang	DAMAR WALA JANOobi	KISHWAR GHAFAR	5728-4	BOP Ali Pur	410983
32310239	GGPS Kanjin Wali	Alipur I	Taskeen Kousar	005671-000-5	BOP Ali Pur	410983
32310223	GGPS Tibbi Arain	Ghalwan	Munawar Sultana	5685-8	BOP ALIPUR	821966
32310317	GGPS Noorani	Khairpur I	Uzma Batool	4042897630	NBP Ali Pur	821966
32310022	GGES Sultan Pur	Sultanpur	ADEELA IQBAL	4042897523	NBP Alipur	410,983
<b>Total</b>						<b>20,960,133</b>

**Annexure-N/MGH****[Para 6.2.2.5]****Unauthorized payment of conveyance allowance during leave –  
Rs 17.886 million**

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Description</b>	<b>Amount</b>
1	D.E.O (EE-W) M.Garh	Summer Vacation	0.140
2		Winter Vacation	0.330
3		Earned Leave	0.279
4	GHSS Chowk Sarwar Shaheed	Winter Vacation	0.369
5		Summer Vacation	0.141
6	Dy. DEO (EE-W) Kot Addu	Winter Vacation	0.710
7		Summer Vacation	0.035
8		Earned Leave	0.537
9	GGHS Mochi wala		0.248
10		Winter Vacation	0.126
11	Dy. DEO (EE-W) Ali pur	Earned Leave	0.095
12		Winter Vacation	0.261
13		Summer Vacation	0.870
14	Dy. DEO (EE-M) Kot Addu		1.798
15		Earned Leave	0.225
16		Winter Vacation	0.684
17	CEO (DEA)		0.022
18	D.E.O (EE-M) M.Garh	Earned Leave	0.167
19		Summer Vacation	0.076
20			2.105
21		Winter Vacation	0.702
22	Dy. DEO (EE-M) Ali pur		0.271
23		Summer Vacation	0.805
24		Earned Leave	0.091
25	GGHS Mahra	Winter Vacation	0.042
26		Earned Leave	0.080
27	Dy. DEO (EE-W) Jatoi	Winter Vacation	0.246
28		Earned Leave	0.071
29		Summer Vacation	0.246
30	Dy. DEO (EE-W) M.Garh	Earned Leave	0.990
31			0.102
32		Summer Vacation	2.162
33		Winter Vacation	0.780
34	GGHS Belay Wala	Earned Leave	0.123

<b>Sr. No.</b>	<b>DDOs</b>	<b>Description</b>	<b>Amount</b>
35		Winter vacation	0.094
36		Summer Vacation	0.034
37			0.125
38	GBHS Mehmood Kot	Winter Vacation	0.596
39		Earned Leave	0.111
40	Dy. DEO (EE-M) Jatoi	Winter Vacation	0.106
41		Summer Vacation	0.891
<b>Total</b>			<b>17.886</b>

**Annexure-O/MGH**

**[Para 6.2.2.8]**

**Loss due to non-reduction of bricks rate – Rs 9.464 million**

(Amount in rupees)

Drawl Date	Contractor	MB No	Bill no.	Qty (Foundation)	Qty (G. Floor)	Brick work in foundation	Ground floor	Total
03.05.2018	MS Khawaja Zahid	913/818	CC3rd	1241	1946	199,530	334,037	533,567
22.06.2018	Malik Altaf Hussain	904/809		2201	2284	353,877	378,953	732,830
22.06.2018	Zafar Hussain Bhutta	871/76	CC3rd	1883	68	323,223	12,275	335,497
22.06.2018	Ghulam Abbas	805/1210	CC5th	2066	2873	352,636	174,923	527,559
25.04.2018	MS Sadiq Hussain Khan	768/1473	CC3rd	1268	1749	203,871	300,221	504,092
14.05.2018	Malik Altaf Hussain	71/71	CC3rd	1,228	1,864	197,440	319,961	517,401
02.06.2018	Al Noor	49/49	CC3rd	1697	1924	272,846	330,264	603,110
22.06.2018	Muhammad Ajmal	450/4452	CC4th	1127	290	18,309	49,779	68,088
12.06.2018	Naveed and sons	311/1318	CC1st	357	841	36,823	142,172	178,995
07.06.2018	MS Fiaz Ahmad	305/1960	CC1st	2115	251	126,804	25,890	152,694
12.06.2018	Al Noor	301/1956	CC1st	1206	1905	203,875	344,392	548,267
12.06.2018	Shaikh Sajad Hussain	299/2394	CC1st	298	531	30,738	15,244	45,981
11.04.2018	Maab Cons	286/211	CC1st	1589	1768	268,621	318,240	586,861
22.06.2018	Makhdoom Syed Farhan Raza	215/1220	CC3rd	974	373	156,601	15,673	172,274
12.06.2018	Muhammad Shahbaz	216/1221	CC3rd	1031	1744	165,766	299,363	465,129
23.06.2018	Sadi Hussain Khan	191/1386	CC3rd	1668	1960	268,184	336,440	604,623
22.06.2018	Ch. Group of Compny	185/1380	CC2nd	834	1277	652	219,203	219,855
23.06.2018	Ms Ch Group	185/1380	CC2nd	703	1177	113,029	202,038	315,067
22.06.2018	MS Shabaz & Co	185/1380	CC3rd	1252	1195	201,297	187,615	388,912
12.06.2018	Muhammad Ikram	184/1379	CC2nd	3533	748	568,036	32,912	600,948
02.06.2018	Fiaz Hussain Sohрани	173/68	CC4th	891	1863	143,256	319,790	463,046
02.06.2018	Malik Muhammad Rafiq Pahore	147/892	CC4th	991	1880	159,334	322,708	482,042
25.04.2018	MS Ahsan Zohaib	34	CC4th	1157	1352	186,024	232,078	418,102
					<b>Total</b>	<b>4,550,771</b>	<b>4,914,169</b>	<b>9,464,940</b>

**Annexure-P/MGH**

[Para 6.2.2.12]

**Payment of inadmissible allowances – Rs 4.844 million**

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Nature of withdrawal</b>	<b>Amount</b>
1	GHSS Chowk Sarwar Shaheed	CA	0.091
2		Advance Increment	0.155
3	Dy. DEO (EE-W) Kot Addu	SSB to permanent employees	0.437
4		Charge Allowances	0.090
5		Inadmissible Allowances	0.073
6	GGHS MOchi Wala	SSB to permanent employees	0.517
7	Dy. DEO (EE-W) Ali pur		0.145
8		Charge Allowances	0.051
9	Dy. DEO (EE-M) Kot Addu	Annual Increment	0.198
10		Charge Allowances	0.402
11		Integrated Allowance	0.077
12		Inadmissible allowances	0.475
13	Dy. DEO (EE-M) M.Garh	Annual increment without completing six months service	0.207
14		Inadmissible	0.476
15		Charge Allowances	0.194
16	Dy. DEO (EE-M) Alipur	Inadmissible	0.042
17		Annual increment without completing six months service	0.071
18	Dy. DEO(EE-W) Jatoi	Charge Allowances	0.455
19	Dy. DEO(EE-W) M. Garh	CA	0.022
20		Inspection allowance to SST	0.100
21		Charge Allowances	0.117
22		Inadmissible Allowances	0.046
23	GGHS Belay Wala	Charge Allowances	0.026
24	DEO (EE-W) M.Garh	Conveyance Allowance	0.027
25	Dy. DEO (EE-M) Jatoi		0.210
26		Charge Allowances	0.066
27		Inadmissible Allowances	0.074
<b>Total</b>			<b>4.844</b>

**Annexure-Q/MGH**

**[Para 6.2.2.13]**

**Unjustified RCC work – Rs 4.767 million**

(Amount in rupees)

<b>Drawl Date</b>	<b>Contractor</b>	<b>Bill</b>	<b>MB</b>	<b>Cost of Mild Steel</b>	<b>Cost of RCC</b>	<b>Total</b>
22.06.2018	MS Ahsan Zohaib	CC4th	34	125,514	19,289	144,803
03.05.2018	Malik Muhammad Rafiq Pahore	CC4th	147/892	226,853	18,384	245,237
02.06.2018	Fiaz Hussain Sohrani	CC4th	173/68	214,398	2,033	216,431
22.06.2018	Muhammad Ikram	CC2nd	184/1379	11,169	537,459	548,628
22.06.2018	Ms Ch Group	CC2nd	185/1380	109,917	32,832	142,749
25.04.2018	Ch . Group of Compny	CC2nd	185/1380	109,917	36,480	146,397
12.06.2018	MS Shabaz & Co	CC3rd	185/1380	113,091	139,024	252,116
02.06.2018	Sadi Hussain Khan	CC3rd	191/1386	194,728	17,252	211,979
03.05.2018	Muhammad Shahbaz	CC3rd	216/1221	194,629	271	194,900
12.06.2018	Makhdoom Syed Farhan Raza	CC3rd	215/1220	198,681	302,109	500,791
23.06.2018	Maab Cons	CC1st	286/211	45,271	481	45,752
12.06.2018	Shaikh Sajad Hussain	CC1st	299/2394	123,124	10,282	133,406
02.06.2018	Al Noor	CC1st	301/1956	51,185	413	51,598
12.06.2018	MS Fiaz Ahmad	CC1st	305/1960	328,186	9,524	337,710
22.06.2018	Naveed and sons	CC1st	311/1318	133,770	97,868	231,638
15.05.2018	Muhammad Ajmal	CC4th	450/4452	-	1,599	1,599
22.06.2018	Al Noor	CC3rd	49/49	192,158	20,460	212,618
14.05.2018	Malik Altaf Hussain	CC3rd	71/71	221,416	2,425	223,841
12.06.2018	MS Sadiq Hussain Khan	CC3rd	768/1473	36,178	216	36,394
22.06.2018	Ghulam Abbas	CC5th	805/1210	224,317	100,559	324,876
14.05.2018	Zafar Hussain Bhutta	CC3rd	871/76	223,690	2,410	226,099
22.06.2018	Malik Altaf Hussain	nill	904/809	10,312	6,919	17,231
23.06.2018	MS Khawaja Zahid	CC3rd	913/818	216,770	104,302	321,073
<b>Total</b>				<b>3,305,273</b>	<b>1,462,594</b>	<b>4,767,866</b>



**Annexure-R/MGH**

[Para 6.2.2.15]

**Un-authorized appointments of P.T.C teachers without prescribed  
academic qualification - Rs 2.617 million**

(Amount in rupees)

<b>Name of Teacher</b>	<b>Period</b>	<b>Rate of B. Pay</b>	<b>Months</b>	<b>Amount</b>
Khuda Bukhsh	13.02.1997 to 30.11.1997	1605	10	16,050
	01.12.1997 to 30.11.1998	1702	12	20,424
	01.12.1998 to 30.11.1999	11799	12	141,588
	01.12.1999 to 30.11.2000	1896	12	22,752
	01.12.2000 to 30.11.2001	1296	12	15,552
	01.12.2001 to 30.11.2002	3715	12	44,580
	01.12.2002 to 30.11.2003	3860	12	46,320
	01.12.2003 to 30.11.2004	4005	12	48,060
	01.12.2004 to 30.06.2005	4150	7	29,050
	01.07.2005 to 30.11.2005	4750	5	23,750
	01.12.2005 to 30.11.2006	4915	12	58,980
	01.12.2006 to 30.06.2007	5080	7	35,560
	01.07.2007 to 30.11.2007	5845	5	29,225
	01.12.2007 to 30.06.2008	6225	7	43,575
	01.07.2008 to 30.11.2008	7500	5	37,500
	01.12.2008 to 30.11.2009	7690	12	92,280
	01.12.2009 to 30.11.2010	8340	12	100,080
	01.12.2010 to 30.06.2011	8720	7	61,040
	01.07.2011 to 30.11.2011	14100	5	70,500
	01.12.2011 to 30.11.2012	14710	12	176,520
	01.12.2012 to 30.11.2013	15320	12	183,840
	01.12.2013 to 30.11.2014	15930	12	191,160
	01.12.2014 to 30.06.2015	16540	7	115,780
	01.07.2015 to 30.11.2015	21400	5	107,000
01.12.2015 to 30.06.2016	22190	7	155,330	
01.07.2016 to 30.11.2016	27420	5	137,100	
01.12.2016 to 30.06.2017	28400	7	198,800	
01.07.2017 to 30.11.2017	33900	5	169,500	
01.12.2017 to 30.06.2018	35070	7	245,490	
<b>Total</b>				<b>2,617,386</b>

**Annexure-S/MGH****[Para 6.2.2.19]****Non-maintenance of record of security deposits – Rs 1.810 million**

(Amount in rupees)

<b>Document Date</b>	<b>Amount</b>	<b>Security Deducted</b>
20.02.2018	604,488	60,449
15.05.2018	3,011,720	149,095
20.02.2018	752,861	71,701
02.06.2018	716,997	70,990
03.05.2018	650,751	64,431
20.02.2018	627,199	59,733
20.02.2018	560,853	56,085
14.02.2018	314,895	56,085
02.06.2018	547,656	54,229
20.02.2018	936,226	44,582
14.05.2018	451,725	43,021
14.02.2018	428,576	40,811
14.02.2018	406,146	38,681
10.04.2018	374,027	37,032
27.03.2018	368,984	36,533
11.04.2018	805,620	34,726
14.02.2018	336,035	32,003
26.03.2018	391,207	21,190
20.02.2018	710,083	20,398
07.06.2018	1,176,281	117,628
12.06.2018	949,427	94,943
12.06.2018	692,354	69,235
12.06.2018	680,348	68,035
23.06.2018	512,934	51,293
23.06.2018	509,333	50,933
21.02.2018	507,239	50,724
22.06.2018	496,904	49,690
22.06.2018	350,192	35,019
12.06.2018	311,747	31,175
03.05.2018	293,730	29,373
10.04.2018	292,233	29,223
02.06.2018	248,258	24,826
22.06.2018	211,117	21,112
26.03.2018	184,246	18,425
25.04.2018	179,631	17,963
25.04.2018	174,048	17,405

<b>Document Date</b>	<b>Amount</b>	<b>Security Deducted</b>
14.02.2018	149,927	14,993
27.03.2018	124,228	12,423
22.06.2018	122,760	12,276
14.02.2018	108,239	10,824
<b>Total</b>	<b>21,271,225</b>	<b>1,819,292</b>

**Annexure-T/MGH**

[Para 6.2.2.26]

**Expenditure on repair and maintenance of building without estimate  
and measurements - Rs 1.041 million**

(Amount in rupees)

<b>Date</b>	<b>Document No.</b>	<b>Detail</b>	<b>Amount</b>
18.06.2018	NSB	White wash charges against boundary wall outside	50,000
18.06.2018		White wash charges against boundary wall inside	50,000
18.06.2018		White wash charges against corridor/baranda	50,000
18.06.2018		White wash charges against washrooms etc.	21,024
18.06.2018		White wash charges against 10 Rooms	50,000
	<b>Sub. Total</b>		<b>221,024</b>
19.06.2017	1900108108	Cement for repair work	36,095
19.06.2017	1900072286	Paints	10,000
19.06.2017	1900108110	Sand for repair work	14,008
19.06.2017	1900032157	Charges against whitewash	40,000
19.06.2017	1900108109	Cement for repair work	24,897
19.06.2017	1900028127	Distemper/paints	50,000
19.06.2017	1900028125	Distemper/paints/ weather sheet	50,000
19.06.2017	1900063377	Charges against whitewash	16,421
19.06.2017	1900044090	Paints items	33,579
	<b>Sub. Total</b>		<b>275,000</b>
19.01.2016	1905022417	Repair and maintenance	17,455
21.04.2016	1905228102	Building material	46,910
18.06.2016	1905406207	Repair and maintenance	44,884
18.06.2016	1905406206	Distemper and whitewash charges	49,616
	<b>Sub. Total</b>		<b>158,865</b>
06.01.2015	1904232994	Boundary wall construction work	25,000
06.01.2015	1904232993	Boundary wall construction work	50,000
27.03.2015	1904452445	Iron patti repair of building	41,400
27.03.2015	1904468570	Iron patti repair of building	39,000
11.06.2015	1904652503	charges for distemper	20,600
11.06.2015	1904652504	Bricks	49,959
11.06.2015	1904662700	Paints for building	40,000
12.06.2015	1904638366	Paints for building	49,140
12.06.2015	1904590867	Writing on walls	35,000
12.06.2015	1904566936	Repair of ground/building	36,610
	<b>Sub. Total</b>		<b>386,709</b>
	<b>G. Total</b>		<b>1,041,598</b>

**Annexure-U/RP**

[Para 7.2.2.4]

**Unauthorized payment of inadmissible pay and allowances –  
Rs 11.522 million**

(Amount in rupees)

Sr. No.	DDOs	Nature of withdrawal	Amount
1	GHS Muhammad Pur	Two increments	29,200
2		M.A B.Ed increments	155,250
3		Charge allowance	12,500
4	Dy. DEO (MEE) Rojhan	Double drawl of Pay and allowances	409,437
5		Science Teaching, PPM allowance	75,754
6		Inspection allowance	474,999
7		Hill allowance	50,800
8		Charge allowance to AEO	92,291
9		Charge allowance	120,800
10	Dy. DEO (MEE) Jampur	Inspection allowance	4,915,000
11		Qualification allowance	93,430
12		Leave with out pay	28,356
13		Charge allowance	107,000
14		Charge allowance to AEO	260,861
15		QA Charge allowance	39,507
16	HM GHS Allah Abad	Charge allowance, SSB	247,998
17	Dy. DEO (WEE) Jampur	Qualification allowance	51,652
18		Leave with out pay	29,866
19		Charge allowance to AEO	191,810
20		Charge allowance	204,000
21	Dy. DEO (MEE) Rajanpur	Qualification allowance	124,609
22		Leave with out pay	22,481
23		Pay in BPS-16 instead of BPS-14	426,480
24		Incentive allowance HRA 45%	16,964
25		Charge allowance to AEO	73,968
26	Dy. DEO (WEE) Rajanpur	Charge allowance	244,750
27		Charge allowance to AEO	82,226
28		Qualification allowance	282,200
29		Qualification allowance	10,800
30		Leave with out pay	285,329
31		Pay after superannuation	53,583
32	DEO (SE)	TA/DA	135,645
33		TA/DA	64,000
34		TA/DA	52,000
35	Dy. DEO (WEE) Rojhan	Pay after termination	28,356
36		Pay after cancellation of orders	275,319

<b>Sr. No.</b>	<b>DDOs</b>	<b>Nature of withdrawal</b>	<b>Amount</b>
37		Inspection allowance	37,500
38		Charge allowance	222,000
39		Pay after compulsory retirement	92,223
40		Science teaching , medical allowance exempt	96,600
41		Charge allowance to AEO	18,000
42		Leave with out pay	153,841
43	GGHSS Dajal	Qualification allowance	113,400
44	GGHS Bukhara	M.A B.Ed increments	148,002
45		Increments	233,404
46	GBHSS Tariq Shaheed Kot Mithan	Charge allowance, inspection allowance	48,844
47		Science teaching allowance	154,800
48		M.A B.Ed increments	434,544
<b>Total</b>			<b>11,522,379</b>

**Annexure-V/RP**

[Para 7.2.2.6]

**Unauthorized payment of conveyance allowance – Rs 9.407 million**

(Amount in rupees)

<b>Sr. No</b>	<b>DDOs</b>	<b>Nature of leave</b>	<b>Total</b>
1	CEO, DEA	CA during LFP	29,422
2	GHS Muhammad Pur	CA during Winter vacation	282,831
3		CA during LFP	28,789
4	Dy. DEO (MEE) Rojhan	CA during Winter vacation	404,770
5		CA during Summer vacation	869,130
6		CA during LFP	36,764
7	Dy. DEO (MEE) Jampur	CA during availing Govt. vehicle	20,618
8		CA during Summer vacation	98,573
9		CA during LFP	144,648
10		CA during Winter vacation	212,846
11		CA during Summer vacation	1,713,894
12	HM GHS Allah Abad	CA during LFP	70,478
13		CA during Winter vacation	80,989
14	Dy. DEO (WEE) Jampur	CA during Winter vacation	496,186
15		CA during LFP	223,265
16	Dy. DEO (MEE) Rajanpur	CA during Winter vacation	363,224
17		CA during Summer vacation	345,000
18		CA during LFP	89,236
19	Dy. DEO (WEE) Rajanpur	CA during Winter vacation	337,970
20		CA during LFP	192,875
21		CA during Summer vacation	1,334,000
22	DEO (SE)	CA during availing Govt. vehicle	67,258
23		CA during LFP	8,811
24	GGHS Harrand	CA during LFP	69,885
25		CA during Winter vacation	51,902
26		CA during Summer vacation	11,404
27	Dy. DEO (WEE) Rojhan	CA during LFP	132,734
28		CA during Summer vacation	327,089
29		CA during Winter vacation	180,765
30	GGHSS Dajal	CA during Winter vacation	300,988
31		CA during LFP	127,587
32	GGHS Bukhara	CA during Winter vacation	27,783
33	GBHSS Tariq	CA during Winter vacation	318,527
34	Shaheed Kot Mithan	CA during Summer vacation	129,593

<b>Sr. No</b>	<b>DDOs</b>	<b>Nature of leave</b>	<b>Total</b>
35		CA during LFP	43,332
36	HM Deaf & Defective	CA during Summer vacation	102,841
37	Hearing School,	CA during LFP	34,516
38	Rajanpur	CA during Summer vacation	96,694
<b>Total</b>			<b>9,407,217</b>



**Annexure-W/RP**

[Para 7.2.2.8]

**Non-reduction of allowances after regularization of services – Rs 6.836 million**

(Amount in rupees)

<b>Sr. No.</b>	<b>Formation</b>	<b>Description of payment/ Subject</b>	<b>Amount</b>
1	Dy. DEO (MEE) Rojhan	SSB After regularization	168,837
		Basic pay	366,840
		ARA 2016	62,553
		ARA 2017	67,788
2	Dy. DEO (MEE) Jampur	Basic pay	325,250
		ARA 2016, 2017	41,911
		SSB	1,928,240
3	Dy. DEO (WEE) Jampur	SSB After regularization	186,039
4	Dy. DEO (MEE) Rajanpur	SSB After regularization	850,638
5	GGHS Harrant	SSB After regularization	149,224
		Ad hoc allowance 2016, 2017	43,565
6	Dy. DEO (WEE) Rajanpur	Basic pay	778,410
		ARA 2016	91,416
		ARA 2017	105,180
		SSB	338,094
7	Dy. DEO (WEE) Rojhan	SSB After regularization	556,044
		Basic pay	322,740
		ARA 2016	38,844
8	GGHSS Dajal	ARA 2005, Dearness allow	35,148
9	GBHSS Tariq Shaheed Kot Mithan	Basic pay	174,096
		SSB	184,587
		ARA 2016, 2017	21,120
<b>Total</b>			<b>6,836,564</b>

**Annexure-C/CHN**

**[Para: 8.2.2.4]**

**Irregular expenditure without tenders / quotations – Rs 14.015 million**

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>No. of Schools</b>	<b>Description</b>	<b>Amount</b>
1	Deputy District Education Officer, (EE-W), Bhowana	18	Purchase of furniture and white wash material	1.506
2	Deputy District Education Officer, (EE-M) Lalian	9	Execution of civil works, Purchase of different items	3.606
3	Headmistress Government Girls High School 134 JB	1	Purchase of various items	0.538
			Purchase of furniture	0.173
4	Headmistress Government Girls High School 223 JB	1	Purchase of furniture	0.496
5	Headmistress Government Girls High School, Barana	1	Execution of civil works, Purchase of different items	0.731
6	Headmistress Government Girls High School, Shah Burhan	1	Purchase of stationery and other store items	0.450
7	Headmaster Government High School Rajoya	1	Purchase of furniture	0.577
			Purchase of science lab items, white board, make etc.	0.180
8	Headmaster Government Special Education Centre for Deaf Lalian	1	Purchase of various items	0.604
9	Headmaster Government Islamia High school	1	Expenditure on ceiling and piling of computer lab	0.099
10	Headmaster Government High School Al-Islah Chiniot	1	Purchase of furniture and laboratory items	1.007
11	Deputy District Education Officer, (EE-W), Chiniot	16	Execution of civil works, Purchase of furniture and white wash material	2.469
12	Deputy District Education Officer, (EE-W), Bhowana	11	Execution of civil works, Purchase of furniture and white wash material	1.055
			Purchase of smart phones, furniture and computers	0.524
<b>Total</b>		<b>62</b>		<b>14.015</b>

**Annexure-D/CHN****[Para: 8.2.2.7]****Payment of inadmissible Conveyance Allowance – Rs 11.144 million**

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Description</b>	<b>Amount</b>
1	Deputy District Education Officer (EE-M), Chiniot	Unauthorized withdrawal of conveyance allowance during summer vacation	3.795
2	Headmaster Government High School Rajoya	Unauthorized withdrawal of conveyance allowance during summer/winter vacation	0.219
3	Headmistress Government Girls High School 134 JB	Unauthorized withdrawal of conveyance allowance during summer/winter vacation	0.129
4	Headmistress Government Girls High School, Barana	Unauthorized withdrawal of conveyance allowance during summer/winter vacation	0.212
5	Headmaster Government Special Education Centre for Deaf Lalian	Unauthorized withdrawal of conveyance allowance during summer vacation	0.129
6	Headmistress Government Girls High School 223 JB	Unauthorized withdrawal of conveyance allowance during summer/winter vacation	0.080
7	Headmaster Government Special Education Centre for Deaf Chiniot	Unauthorized withdrawal of conveyance allowance during summer/winter vacation	0.029
8	Deputy District Education Officer (EE-M), Lalian	Unauthorized withdrawal of conveyance allowance during summer/winter vacation	2.148
9	Headmistress Government Girls High School, Shah Burhan	Unauthorized withdrawal of conveyance allowance during summer/winter vacation	0.230
10	Deputy District Education Officer (EE-W), Lalian	Unauthorized withdrawal of conveyance allowance during summer/winter vacation	3.404
11	Principal, Government Al-Islah High School, Chiniot	Unauthorized withdrawal of conveyance allowance during leave	0.013
12	Headmistress Government Girls High School, Rajoya Chiniot	Unauthorized withdrawal of conveyance allowance during summer vacation	0.220
		Unauthorized withdrawal of conveyance allowance during leave	0.006
13	Headmistress Government Girls High School, Chiniot	Unauthorized withdrawal of conveyance allowance during summer vacation	0.475
		Unauthorized withdrawal of conveyance allowance during leave	0.055
<b>Total</b>			<b>11.144</b>

**Annexure-E/CHN**

**[Para: 8.2.2.12]**

**Payment of inadmissible pay and allowances – Rs 5.188 million**

(Rupees in million)

Sr. No.	DDOs	Description	No. of Employees	Amount
1	Deputy District Education Officer (EE-W), Lalian	Excess salary drawn after regularization of services	7	0.175
		Payment of police, Ration, Risk Allowance and Adhoc Allowance 2010	8	0.123
		Excess drawal of Incentive and Personal Allowance	8	0.352
2	Deputy District Education Officer (EE-M), Lalian	Payment of inadmissible Charge Allowance	2	0.076
		Irregular drawal of Inspection Allowance	4	0.571
3	Headmaster Government High School Rajoya	Inadmissible payment of Social Security Benefit	2	0.100
		Payment of Charge Allowance without / beyond entitlement	1	0.015
		Excess payment of Adhoc Relief Allowance 2010	2	0.015
4	Deputy District Education Officer (EE-W), Bhowana	Unauthorized drawl of allowances i.e. Risk, Police, Utility and Adhoc Allowance 2010	12	0.103
5	Headmistress Government Girls High School, Shah Burhan	Inadmissible Personal Allowance	4	0.072
6	Headmistress Government Girls High School 134 JB	Unauthorized payment of Social Security Benefit	1	0.024
7	Headmistress Government Girls High School, Barana	Excess payment of adhoc relief and annual increment	1	0.016
		Personal Allowance	1	0.020
8	Headmaster Government Special Education Centre for Deaf Lalian	Excess payment of pay and allowances after regularization	3	0.094
		Payment of Personal Allowance without / beyond entitlement	3	0.032
		Unjustified payment of Special Education Allowance	9	0.217
		Overpayment of during leave period	2	0.065
9	Principal, Government Al-Islah High School, Chiniot	Excess payment of annual increment	1	0.047
10	Headmistress Government Girls High School, Chiniot	Excess payment of social security benefit and adhoc relief allowance	1	0.014
11	Deputy District Education Officer (EE-W), Chiniot	Excess payment of salary after termination	1	0.054
		Unjustified payment of Inspection Allowance	8	0.656

<b>Sr. No.</b>	<b>DDOs</b>	<b>Description</b>	<b>No. of Employees</b>	<b>Amount</b>
		Unjustified payment of Charge Allowance	8	0.050
		Inadmissible payment of Social Security Benefit after regularization	7	0.247
12	Deputy District Education Officer (EE-M), Bhowana	Excess payment of social security benefit	30	1.137
		Excess payment of inadmissible Charge Allowance	6	0.068
		Irregular drawl of Inspection Allowance	5	0.355
		Payment of inadmissible Allowances i.e. Adhoc Allowance 2010, 2013, 2014, Fixed Daily Allowance, Dress/Uniform, Inspection Allowance etc	37	0.470
		Excess payment of inadmissible Qualification Allowance	3	0.020
<b>Total</b>			<b>177</b>	<b>5.188</b>

**Annexure-F/CHN**

**[Para: 8.2.2.14]**

**Non/less deduction of taxes – Rs 2.686 million**

(Rupees in million)

Sr. No.	DDOs	No. of Schools/ DDO	Income Tax	Sales Tax on Services	General Sales Tax	Amount	Remarks
1	Chief Executive Officer, District Education Authority, Chiniot	1	0.134	0	0.115	0.249	Non/Less deduction
3	Deputy District Education Officer (EE-M), Chiniot	25	0.232	0.247	0.330	0.809	Non deduction
4	Headmaster Government High School Rajoya	1	0.014	0	0.055	0.069	Less deduction
			0	0	0.015	0.015	Excess payment
5	Headmistress Government Girls High School 134 JB	1	0.007	0	0.029	0.036	Non deduction
			0.010	0	0.001	0.011	Less deduction
			0	0	0.003	0.003	Excess payment
6	Headmistress Government Girls High School, Barana	1	0.014	0.012	0.058	0.084	Non deduction
			0	0	0.007	0.007	Excess payment
7	Headmaster Government Special Education Centre for Deaf, Lalian	1	0	0	0.007	0.007	Excess payment
			0.020	0	0	0.020	Non deduction
8	Headmistress Government Girls High School 223 JB	1	0.043	0	0.020	0.063	Non deduction
9	Headmaster Government Islamia High school, Chiniot	1	0	0	0.012	0.012	Excess payment
10	Deputy District Education Officer (EE-M), Lalian	9	0.168	0	0.063	0.231	Non/Less deduction
11	Deputy District Education Officer, (EE-W), Bhowana	7	0.034	0	0.025	0.059	Non deduction
		29	0	0	0.083	0.083	Excess payment
12	Headmistress Government Girls High School, Shah Burhan	1	0.012	0	0.001	0.013	Non deduction
13	Headmistress Government Girls High School Rajoya Chiniot	1	0	0	0.086	0.086	Non/Less deduction
			0.006	0.016	0	0.022	
14	Headmistress Government Girls High School, Chiniot	1	0	0	0.177	0.177	Non/Less deduction
			0.009	0.025	0	0.034	
15	Deputy District Education Officer (EE-W), Chiniot	27	0.187	0.299	0	0.486	Non/Less deduction
16	Deputy District Education Officer (EE-M), Bhowana	9	0	0.029	0	0.029	Non/Less deduction
		13	0	0	0.081	0.081	Excess payment
<b>Total</b>		<b>129</b>	<b>0.890</b>	<b>0.628</b>	<b>1.168</b>	<b>2.686</b>	

**Annexure-G/FSD**

**[Para: 9.2.2.3]**

**Irregular expenditure without tenders/quotations – Rs 38.002 million**

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Description	Amount	Remarks
1	Deputy DEO (EE-M), Sadar Faisalabad	9	Purchase of furniture and building material	1.739	Without calling tenders
2	Deputy DEO (EE-W), Sadar Faisalabad	3	Purchase of furniture and construction material	0.854	
3	Principal, Government Girls Higher Secondary School Dijkot	1	Purchase of furniture	1.464	
4	Headmistress, Government Girls High School No.02 Tandlianwala	1	Purchase of furniture	0.300	
5	Headmistress, Government Girls High School 563 GB	1	Purchase of furniture	0.200	
6	Headmistress, Government Girls High School No.02 Tandlianwala	1	Purchase of building material	0.201	Without calling quotations
7	Principal, Government Girls Higher Secondary School Dijkot	1	Purchase of building material	0.408	
8	Headmistress, Government Girls High School 563 GB	1	Purchase of building material	0.123	
9	Deputy DEO (EE-W), Tandlianwala	18	Purchase of furniture, building material etc.	2.137	Without calling quotations/tenders
10	Deputy DEO (EE-M), Jaranwala	7	Purchase of furniture, building material etc.	0.867	
11	Deputy DEO (EE-W), Jaranwala	19	Purchase of furniture, building material etc.	3.847	
12	Deputy DEO (EE-W), Samundari	30	Purchase of furniture, building material etc.	4.064	
13	Deputy DEO (EE-M), Samundari	18	Purchase of furniture, building material etc.	2.914	
14	Deputy DEO (EE-W), City Faisalabad	20	Purchase of furniture, building material etc.	3.738	

<b>Sr. No.</b>	<b>DDOs</b>	<b>No. of Schools</b>	<b>Description</b>	<b>Amount</b>	<b>Remarks</b>
15	Headmistress, Government Girls High School, Jhamra	01	Purchase of furniture	0.250	Without calling tenders
16	Deputy DEO (EE-M), City Faisalabad	29	Purchase of furniture	14.896	
<b>Total</b>		<b>160</b>		<b>38.002</b>	



**Annexure-H/FSD****[Para: 9.2.2.7]****Non-deduction of Income Tax and Sales Tax – Rs 8.512 million**

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Income Tax	General Sales Tax	Sales Tax on Services	Amount
1	Principal, Government Girls Higher Secondary School, Dijkot, Faisalabad	01	-	0.029	-	0.029
2	Headmistress, Government Girls High School, Jhamara, Faisalabad	01	0.009	0.044	-	0.053
3	Headmistress, Government Girls High School No.02, Tandlianwala, Faisalabad	01	0.012	0.043	-	0.055
4	Headmistress, Government Girls High School 563 GB	01	0.041	0.010	-	0.051
5	Deputy District Education Officer (EE-W), Samundari	03	0.024	0.004	-	0.028
6	Deputy District Education Officer (EE-M), Sadar, Faisalabad	53	1.140	1.811	0.649	3.600
7	Deputy District Education Officer (EE-W), Sadar, Faisalabad	11	0.044	0.142	0.008	0.194
8	Principal, Government National Special Education Centre, Faisalabad	01	-	-	0.007	0.007
9	Deputy District Education Officer (EE-W), Jaranwala	11	0.275	0.071	-	0.346
10	Deputy District Education Officer (EE-M), Samundari	1	0.017	0.010	-	0.027
11	Deputy District Education Officer (EE-M), City Faisalabad	146	1.441	1.260	1.421	4.122
<b>Total</b>		<b>227</b>	<b>3.003</b>	<b>3.424</b>	<b>2.085</b>	<b>8.512</b>

**Annexure-I/FSD****[Para: 9.2.2.9]****Irregular cash payments – Rs 5.718 million**

(Rupees in million)

<b>Sr. No.</b>	<b>Name of School</b>	<b>Cash Payment above Rs 1,000</b>	<b>Cash Payment above Rs 100,000</b>	<b>Total Amount</b>
1	GES 200 GB	0.330	0.281	0.611
2	GPS 134 GB	0.235	-	0.235
3	GPS 136 GB I	0.182	-	0.182
4	GPS 138 GB	0.171	-	0.171
5	GPS 165 GB	0.110	-	0.110
6	GPS 175 GB	0.158	-	0.158
7	GPS 193 GB	0.237	-	0.237
8	GPS 197 GB	0.196	-	0.196
9	GPS 202 GB	0.177	-	0.177
10	GPS 207 GB	0.350	-	0.350
11	GPS 209 GB	0.244	-	0.244
12	GPS 213 GB	0.151	-	0.151
13	GPS 216 GB	0.152	-	0.152
14	GPS 217 GB	0.155	-	0.155
15	GPS 219 GB	0.179	-	0.179
16	GPS 224 GB	0.401	-	0.401
17	GPS 439 GB II	0.100	-	0.100
18	GPS 44 GB	0.150	-	0.150
19	GPS 441 GBII	0.140	-	0.140
20	GPS 448 GB	0.171	-	0.171
21	GPS 46 GB	0.185	-	0.185
22	GPS 47 GB III	0.197	-	0.197
23	GPS 473 GB	0.187	-	0.187
24	GPS 48 GB I	0.051	0.190	0.241
25	GPS 48 GB II	0.139	-	0.139
26	GPS 481 GB	0.348	-	0.348
27	GPS 484 GB	0.152	-	0.152
<b>Total</b>		<b>5.247</b>	<b>0.471</b>	<b>5.718</b>

**Annexure-J/FSD**

**[Para: 9.2.2.10]**

**Drawl of Social Security Benefit and pay & allowances at excessive rates – Rs 5.241 million**

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>No. of Employees</b>	<b>Amount</b>	<b>Remarks</b>
1	Deputy District Education Officer (EE-W), Tandlianwala	23	1.062	Drew SSB after regularization of services
2	Deputy District Education Officer (EE-W), Sadar, Faisalabad	25	0.352	
3	Deputy District Education Officer (EE-M), Sadar, Faisalabad	02	0.342	
4	Deputy District Education Officer (EE-W), Samundari	35	1.723	
5	Deputy District Education Officer (EE-M), Samundari	03	0.081	
6	Deputy District Education Officer (EE-W), City, Faisalabad	05	0.013	
7	Deputy District Education Officer (EE-W), Samundari	06	0.401	Drew pay and allowances after retirement/removal from service/termination/resignation/absence period
8	Deputy District Education Officer (EE-W), Tandlianwala	02	0.090	
11	Government, National Special Education Centre, Faisalabad	01	0.006	
12	Deputy District Education Officer (EE-M), City, Faisalabad	02	0.115	
13	Deputy District Education Officer (EE-M), City, Faisalabad	01	0.028	
14	Headmistress, Government Girls High School, Jhamra	01	0.305	Drew pay and allowances at excessive rates
15	Principal, Government Girls High Secondary School, Dijkot	02	0.157	
16	Deputy District Education Officer (EE-M), City Faisalabad	01	0.328	
17	Deputy District Education Officer (EE-M), Sadar, Faisalabad	31	0.238	Annual Increment
<b>Total</b>		<b>140</b>	<b>5.241</b>	

**Annexure-K/FSD****[Para: 9.2.2.15]****Unauthorized withdrawal of Conveyance Allowance, House Rent Allowance and Charge Allowance – Rs 2.260 million**

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Name of Allowance</b>	<b>Amount</b>
1	Deputy District Education Officer (EE-W), Samundari	Conveyance Allowance	0.011
		Charge Allowance	0.070
2	Deputy District Education Officer (EE-M), Samundari	Conveyance Allowance	0.014
		Charge Allowance	0.024
3	Deputy District Education Officer (EE-W), Tehsil City, Faisalabad	Conveyance Allowance	0.006
4	Deputy District Education Officer (EE-W), Jaranwala	Conveyance Allowance	0.088
			0.020
		House Rent Allowance	0.133
5	Deputy District Education Officer (EE-M), Sadar Faisalabad	Conveyance Allowance	0.054
		House Rent Allowance	0.433
6	Deputy District Education Officer (EE-W), Sadar Faisalabad	Conveyance Allowance	0.865
7	Deputy District Education Officer (EE-W), Tandlianwala	Conveyance Allowance	0.075
		Charge Allowance	0.057
8	Headmistress, Government Girls High School 563 GB	Conveyance Allowance	0.028
			0.018
9	Principal, Government Girls Higher Secondary School Dijkot	Conveyance Allowance	0.001
10	Principal, Government National Special Education Centre, Faisalabad	Conveyance Allowance	0.171
			0.105
			0.087
<b>Total</b>			<b>2.260</b>

**Annexure-L/JHG**

**[Para: 10.2.2.3]**

**Payment of inadmissible pay and allowances – Rs 30.411 million**

(Rupees in million)

Sr. No.	DDOs	Description	No. of Employees	Amount
1	Chief Executive Officer, District Education Authority, Jhang	Adhoc allowances 2010,2011,2013,2014	19	0.126
		Basic pay & Adhoc allowance 2017	1,638	11.205
2	District Education Officer (EE-M), Jhang	Pay and allowances during EOL	4	0.115
		Adhoc allowance 2010 at excessive rate	3	0.169
		Inadmissible inspection and incentive allowance	2	0.362
		Science teaching allowance	7	0.040
		Pay and allowances after regularization at excessive rates	16	2.202
		Pay and allowances paid after death of employee	4	0.441
		Pay and allowances after retirement	10	0.550
3	Principal, Government Special Education Centre for HIC, Jhang	Pay and allowances after regularization	2	0.182
4	Deputy District Education Officer (EE-M), Jhang	Adhoc allowance 2010, Science teaching allowance	5	0.026
5	Deputy District Education Officer (EE-M), Shorkot	Inadmissible pay and allowances	11	1.216
		Payment of SSB after regularization	11	0.435
		Excessive basic pay and Adhoc allowance 2017	6	0.665
6	Deputy District Education Officer (EE-W), Ahmad Pur Sial	Unauthorized payment of charge allowance	5	0.027
		Pay and allowances after retirement	1	0.080
		Inadmissible annual increment	5	0.138
		Inadmissible payment of SSB	5	0.680
		Excessive payment of basic pay	108	1.095
7	Deputy District Education Officer (EE-W), 18 Hazari	Pay and allowances after retirement	12	0.457
		Excessive payment of basic pay	71	0.550
		Inadmissible payment of SSB	5	0.149
8	Principal, Government Higher Secondary School, Bagh	Excessive payment of basic pay	3	0.046
9	Deputy District Education Officer (EE-W), Shorkot	Excessive payment of basic pay and allowances	152	1.013
		Payment of inadmissible allowances	2	0.081
		Payment of inadmissible charge allowances	10	0.074
10	Headmaster, Government Special Education Centre, Ahmad Pur Sial	Payment of Adhoc allowance 2010	1	0.014
		Pay and allowances during leave	1	0.114

Sr. No.	DDOs	Description	No. of Employees	Amount
11	Deputy District Education Officer (EE-M), Ahmad Pur Sial	Pay and allowances after transfer	1	0.829
		Pay and allowances after resignation	1	0.284
		Inadmissible payment of SSB	28	1.223
		Inadmissible payment of charge allowance	13	0.065
		Excess payment of Basic Pay and Adhoc Allowance 2017 on upgradation.	72	0.502
12	Deputy District Education Officer (EE-W), Jhang	Inadmissible payment of charge allowance	35	0.316
		Adhoc Allowance 2010, 2103, 2014, Fixed Basic Pay, Judicial Allowance, Utility Allowance, Prison Allowance, Mobility Allowance & Personal Allowance	19	0.255
		Basic Pay at excessive rate due to wrong fixation	4	0.032
		Excess payment of Basic Pay and Adhoc Allowance 2017 on upgradation.	433	2.732
		Inadmissible payment of SSB	41	1.283
		Excess payment of Charge Allowance	434	0.025
13	Deputy District Education Officer (EE-M), 18 Hazari	Payment of salary after termination of services	1	0.362
		Excess salary drawn after regularization of services	1	0.157
		Payment of Charge Allowance without / beyond entitlement	5	0.082
		Payment of inadmissible Deputation Allowance	3	0.012
<b>Total</b>			<b>3,210</b>	<b>30.411</b>

**Annexure-M/JHG**

**[Para: 10.2.2.6]**

**Irregular expenditure without tenders / quotations – Rs 17.982 million**

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>No. of Schools</b>	<b>Description</b>	<b>Amount</b>	<b>Remarks</b>
1	Principal, Government Special Education Centre for HIC, Jhang	1	Purchase of uniform, Repair of transport	0.402	Without calling quotations/tenders
2	Deputy District Education Officer (EE-M), Jhang	2	Purchase of furniture, Execution of civil works	0.253	Without calling quotations
3	Deputy District Education Officer (EE-M), Shorkot	2	Various items	0.345	Without calling quotations
4	Deputy District Education Officer (EE-W), Ahmad Pur Sial	8	Execution of civil works	1.312	Without calling tenders
		23	Purchase of furniture and white wash material	1.986	Without calling quotations
5	Deputy District Education Officer (EE-W), 18 Hazari	6	Execution of civil works, Purchase of furniture and white wash material	0.855	Without calling tenders
		16	Purchase of furniture and white wash material	1.226	Without calling quotations
6	Principal, Government Higher Secondary School, Bagh	1	Purchase of furniture	0.907	Without calling tenders
7	Deputy District Education Officer (EE-W), Shorkot	1	Execution of civil works, Purchase of furniture	0.307	Without calling tenders
8	Principal, Government Comprehensive Model High School, Jhang	1	Execution of civil works, Purchase of different items	3.615	Without calling quotations/tenders
9	Headmaster, Government Special Education Centre, Ahmad Pur Sial	1	Purchase of different items, Repair of vehicle	0.427	Without calling quotations
10	Deputy District Education Officer (EE-M), Ahmad Pur Sial	7	Procurement of furniture, white wash material and execution of civil works	0.848	Without calling quotations/tenders
11	Deputy District Education Officer (EE-W), Jhang	19	Procurement of furniture, white wash material and execution of civil works	2.266	Without calling quotations/tenders
12	Deputy District Education Officer (EE-M), 18 Hazari	16	Procurement of furniture and execution of civil works	3.233	Without calling quotations/tenders
<b>Total</b>		<b>104</b>		<b>17.982</b>	

**Annexure-N/JHG**

**[Para: 10.2.2.11]**

**Non-deduction of Income Tax and Sales Tax – Rs 4.556 million**

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Income Tax	General Sales Tax	Sales Tax on Services	GST Paid on Exempt Supplies	Amount	Remarks
1	Headmistress, Government Girls Special Education Centre (HIC), Jhang	1	0.041	0	0	0	0.041	
2	Chief Executive Officer, District Education Authority, Jhang	1	1.091	0.181	0	0	1.272	
3	Deputy District Education Officer (EE-M), Jhang	4	0	0.018	0	0	0.018	
		24	0	0	0.185	0	0.185	
		17	0.084	0.232	0	0	0.316	
		1	0	0.018	0	0	0.018	GST paid out of NSB
4	Deputy District Education Officer (EE-W), Ahmad Pur Sial	20	.022	0	0	0	0.022	
		24	.034	.025	0	0	0.059	
		21	0	0	0	0.066	0.066	GST overpaid
5	Deputy District Education Officer (EE-W), 18 Hazari	1	.024	.010	0	0	0.034	
		29	0.124	0	0	0	0.124	Income tax paid from NSB grant
		24	0	0	0	0.104	0.104	GST overpaid
6	Principal, Government Higher Secondary School, Bagh	1	0	0	0.042	0	0.042	
		1	0.014	0.271	0	0	0.285	
7	Deputy District Education Officer (EE-W), Shorkot	4	0	0	0	0.027	0.027	GST Overpaid
		9	.029	.004	0	0	0.033	
		4	.035	.005	0	0	0.04	Taxes Paid out of NSB grant
8	Principal, Government Comprehensive Model High School, Jhang	1	0	0	0	0.045	0.045	
		1	0.072	0	0	0	0.072	Less/non deduction of taxes
		1	0	0	0.104	0	0.104	
9	Headmaster, Government Special Education Centre, Ahmad Pur Sial	1	0.050	0.010	0	0	0.06	
		1	0	0	0.063	0	0.063	
10	Deputy District Education Officer (EE-M), Ahmad Pur Sial	10	0	0	0.060	0	0.060	
		8	0	0	0	0.143	0.143	GST paid on exempt



Sr. No.	DDOs	No. of Schools	Income Tax	General Sales Tax	Sales Tax on Services	GST Paid on Exempt Supplies	Amount	Remarks
								supplies or higher rate of GST was charged
		8	0.049	0	0	0	0.049	
		24	0	0	0.082	0	0.082	
11	Deputy District Officer (EE-W), Jhang	37	0	0	0	0.305	0.305	GST paid on exempt supplies or higher rate of GST was charged
12	Deputy District Education Officer (EE-M), 18 Hazari	11	0.134	0.214	0	0	0.348	Income Tax & GST was not deducted / deposited
		9	0	0	0.063	0	0.063	
		11	0	0.328	0	0	0.328	GST paid out of NSB
		16	0	0	0	0.148	0.148	GST paid on exempted supplies
<b>Total</b>		<b>325</b>	<b>1.803</b>	<b>1.316</b>	<b>0.599</b>	<b>0.838</b>	<b>4.556</b>	

**Annexure-O/TTS****[Para: 11.2.2.2]****Irregular expenditure on civil works without approval of design and specifications – Rs 20.260 million**

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>No. of Schools</b>	<b>Funds Utilized</b>
1	Deputy District Education Officer (EE-M), Kamalia	25	4.809
2	Deputy District Education Officer (EE-W), Kamalia	16	3.472
3	Government Girls Higher Secondary School Chak 316 GB	01	0.518
4	Deputy District Education Officer (EE-W), PirMehal	40	2.697
5	Deputy District Education Officer (EE-M), Gojra	08	2.468
6	Deputy District Education Officer (EE-W), Toba Tek Singh	09	2.359
7	Deputy District Education Officer (EE-M), PirMehal	09	2.286
8	District Education Officer (EE-M), Toba Tek Singh	01	0.298
9	Government Girls Higher Secondary School, 252 GB	01	0.376
10	,Government Girls High School, Kamalia	01	0.914
11	Government Girls High School, 746/GB	01	0.063
	<b>Total</b>	<b>112</b>	<b>20.26</b>

**Annexure-P/TTS**

**[Para: 11.2.2.3]**

**Procurement in violation of Procurement Rules – Rs 19.192 million**

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Description	Amount	Remarks
1	Deputy DEO (EE-M), Pir Mehal	04	Purchase of furniture	0.460	Without calling tenders
2	DEO (EE-M), Toba, Tek Singh	1	Purchase of furniture and construction material	1.826	
6	Government Girls High School 746 GB, Toba Tek Singh	1	Purchase of building material	0.132	Without calling quotations
7	Deputy DEO (EE-W), Toba Tek Singh	12	Purchase of building material and furniture etc.	2.205	
9	Deputy DEO (EE-M), Gojra	07	Purchase of furniture, building material and uniform etc.	0.766	Without calling quotations/tenders
10	Government Girls High School, Kamalia	01	Purchase of furniture, building material etc.	1.230	
11	DEO (EE-W), Toba Tek Singh	01	Purchase of, building material etc.	0.514	
12	Government Girls High School 252 GB	1	Purchase of building material etc.	0.762	
15	Deputy DEO (EE-M), Kamalia	00 25	Purchase of computer Purchase of furniture and building material	0.200 5.900	
16	Deputy DEO (EE-W), Kamalia	15	Purchase of furniture and building material	2.448	Without calling tenders
17	Government Higher Secondary School, Chak 316 GB	01	Purchase of building material	0.518	
			Purchase of furniture	0.841	Purchase of furniture/fixture without specification
18	Deputy DEO (EE-W), Pirmehal	03	Purchase of building material	0.420	Without calling tenders
		12	Purchase of furniture and building material	0.970	Without calling quotations
<b>Total</b>		<b>84</b>		<b>19.192</b>	

**Annexure-Q/TTS**

**[Para: 11.2.2.8]**

**Payment of inadmissible pay and allowances – Rs 6.707 million**

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Description</b>	<b>Amount</b>
1	District Education Officer (EE-M), Toba Tek Singh	Drawal of Salary due to appointment without eligibility	0.899
		Drawal of pay and allowances after death/retirement	0.231
		Qualification Allowance	0.094
2	Government Special Education Centre, Kamalia	Drawal of pay & allowances during absence	0.018
		Conveyance Allowance	0.026
		Conveyance Allowance	0.017
		Special Education Allowance	0.845
3	Government Girls High School, 252 GB	Drawal of pay & Allowances after regularization	0.060
		Conveyance Allowance	0.115
		Conveyance Allowance	0.037
4	District Education Officer (EE-W), Toba Tek Singh	Drawal of pay after retirement	0.224
		Drawal of pay after death	0.077
		Drawal of pay during leave	0.131
		Excess drawal of pay and Allowances	0.014
		Qualification Allowance	0.105
		Conveyance Allowance	0.016
5	Government, Girls High School, Kamalia	Personal Allowance	0.006
6	Deputy District Education Officer(EE-M), Pirmehal	Conveyance Allowance	0.751
8	Deputy District Education Officer(EE-W), Toba Tek Singh	Inspection Allowance	1.188
		Charge Allowance	0.006
9	Deputy District Education Officer(EE-W), Kamalia	Pay & Allowances	0.244
		Social Security Benefits	0.387
10	Deputy District Education Officer(EE-W), Pirmehal	Charge Allowance	0.060
		Social Security Benefits and annual increments	0.251
		Personal Allowance	0.130
		Adhoc Allowance 2010	0.277
11	Chief Executive Officer, District Education Authority, Toba Tek Singh	Overpayment after retirement/dismissed	0.498
<b>Total</b>			<b>6.707</b>

**Annexure-R/TTS**

**[Para: 11.2.2.9]**

**Non/less deduction of Income Tax and Sales Tax – Rs 3.358 million**

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Income Tax	Sales Tax	Sales Tax on Services	Sale Tax on exempt supplies	Amount
1	Deputy District Education Officer (EE-M), Gojra	27	0.483	0.103	0.464	0.262	1.312
2	Deputy District Education Officer (EE-W), Toba, Tek Singh	08	0.004	0.040	-	0.108	0.152
3	Deputy District Education Officer (EE-M), PirMehal	09	-	0.188	-	-	0.188
4	.Government Girls Higher Secondary School, 252 GB	01	0.041	-	-	0.010	0.051
5	Principal, Government Girls High School, Kamalia	01	0.033	-	-	0.025	0.058
6	Government Special Education School, Kamalia	01	0.010	0.002	-	-	0.012
7	Deputy District Education Officer (EE-W), Kamalia	34	-	0.111	0.524	-	0.635
8	Deputy District Education Officer (EE-M), Kamalia	23	0.123	0.032	0.362	0.249	0.766
9	Deputy District Education Officer (EE-W), Pirmehal	02	0.004	0.003	-	0.161	0.184
		02	0.016	-	-	-	0.016
<b>Total</b>		<b>108</b>	<b>0.714</b>	<b>0.479</b>	<b>1.350</b>	<b>0.815</b>	<b>3.358</b>

**Annexure-S/TTS**

**[Para: 11.2.2.14]**

**Fake competition by using managed quotations – Rs 1.283 million**

(Rupees in million)

Sr. No.	Name of School	Name of Supplier / Contractor	Names of So Called Competitors	Inv. No. & Date	Item Description	Amount	Remarks	
1	GES Bagai Wala	M/s Hafeez Traders, Pir Mahal	.1. M/s Malik Enterprises T.T. Singh 2. M/s Zain Enterprises, Faisalabad	158 dated 16.08.16	Upraising of Boundary wall 2 to 3 feet	0.099	Work of boundary wall upraising but title on quotations of so called lowest bidder and the competitors mentioned as "Contract for White Wash" which indicated that bids were prepared by the same person in the same computer	
2				110 dated 24.08.16	Fans, wiring material with installation cost	0.088	1. Same competitors as at Sr. No. 1 above; 2. Requests for quotations and quotation letters without number and date	
3				135 dated 23.08.16	Fans, wiring material with installation cost	0.095	1. Same competitors as at Sr. No. 1 above; 2. Submission of bids shown without mentioning quantity, size and specification of work to be executed; 3. Letter regarding request for quotations and quotations of the bidders shown sent/received through Mr. Nadeem Security Guard whereas he had recorded his statement before Audit that he neither visited the so called suppliers in T.T. Singh and Faisalabad nor delivered the said letters; 4. School Council Meeting dated 19.08.2016 showed that the Council was not sure about awarding contract to M/s Hafeez Traders because it was mentioned in Urdu that "in Badi un Nazar contract was awarded to M/s Hafeez Traders"	
4		M/s Al-Hadi Enterprises, Pir Mahal	1. M/s Malik Enterprises T.T. Singh 2. M/s Zain Enterprises, Faisalabad	167 dated 18.08.17	Contract for white wash	0.099	1. same contact i.e. 03346807317 of Al-Hadi Enterprises and M/s Hafeez Traders whereas fake quotations of M/S Hafeez Traders, M/s Zain Enterprises and M/S Malik Enterprises; 2. Requests for quotations and quotation letters without number and date	
5				144 dated 25.07.17	Contract for construction of corridor	0.099	Same as at Sr. No. 4 above	
6				234 dated 16.12.17	Contract for Cycle Stand and Stage	0.099	Same as at Sr. No. 4 above	
7		GES 725/GB	M/s Hafeez Traders, Pir Mahal	1. M/s Malik Enterprises T.T. Singh 2. M/s Zain Enterprises, Faisalabad	135 dated 26.12.16	Contract for white wash	0.085	Same competitors as at Sr. No. 1 above
8		GES 724/GB	M/s Al-Hadi Enterprises, Pir Mahal		194 dated 20.12.17	Contract for construction of wash rooms	0.095	1.Submission of bids shown without mentioning quantity, items, specification of work to be executed; 2 Same as at Sr. No. 4 above
9			M/s Al-Yousaf Traders, T.T. Singh	1. M/s Mian Jee Traders, T.T. Singh 2. Fazal Haq Traders,	910 dated 18.08.16	Contract for white wash	0.058	Procurement without competition / before receiving quotations because Postal Stamp indicates arrival of quotations on 20.08.16 whereas work was executed till 18.08.2016 as per date mentioned in invoice No. 910;

Sr. No.	Name of School	Name of Supplier / Contractor	Names of So Called Competitors	Inv. No. & Date	Item Description	Amount	Remarks
			Gojra				2. quotations of so called competitors were dispatched from same Post Office i.e. P.O. Sultan Market with sequentially numbered RL No. i.e. 522 and 523 despite the fact that addresses of both the competitors were of different cities i.e. Toba Tek Singh & Gojra
10	GES 724/GB	M/s Al-Yousaf Traders, T.T. Singh	1. M/s Al-Abbas Educational Service, Jhang 2. M/s Jhang Stationers Jhang	419 dated 06.07.17	Contract for construction of soling	0.057	Quotations of so called competitors were dispatched from same Post Office i.e. T.T.Singh GPO sequentially numbered RL Nos. i.e.491, 492 & 493 despite the fact that address of both the competitors was of District Jhang; 2. Bids of non-professional persons i.e. stationers were used for so called competition
11			1. M/s Al-Abbas Educational Service, Jhang 2. M/s Hafeez Traders Pir Mahal	370 dated 16.12.16	Contract for construction of soling	0.095	Sequential RL Nos. i.e. 549, 550 & 551 despite addresses of so called competitors were of different cities
12			1. M/s Mian Jee Traders, T.T. Singh 2. Fazal Haq Traders, Gojra	221 dated 10.01.17	Contract for white wash	0.055	1. Quotations of so called competitors were dispatched from same Post Office i.e. T.T. Singh GPO with sequentially numbered RL Nos. i.e. 2, 3 and 4 despite the fact that addresses of both the competitors were of different cities i.e. Toba Tek Singh & Gojra
13	GES 714/GB	M/s Al-Hadi Enterprises, Pir Mahal	1. M/s Malik Enterprises T.T. Singh 2. M/s Zain Enterprises, Faisalabad	65 dated 26.08.16	Generator 5 Kva	0.099	1. Same as at Sr. No. 4 above; 2. bids of generator without mentioning make, model, specifications etc.
14	GES 717/GB	M/s Hafeez Traders, Pir Mahal	Malik Enterprises T.T. Singh	85 dated 19.08.16	Contract for White wash	0.080	1. Same competitors as pointed out in case of bill No. 198 of GPS Bagai wala (White Wash); 2. Comparative Statement shows lowest rate Rs 80,000 of M Farooq Traders but bill Rs 80,000 of Hafeez Traders and quotations were also not requested from M Farooq Traders
15	GES 705/GB	M/s Al-Hadi Enterprises, Pir Mahal	Malik Enterprises T.T. Singh	174 dated 11.08.17	Contract for White wash	0.080	Same as at Sr. No. 4 above
<b>Total</b>						<b>1.283</b>	

**Annexure-C/KWL**

**[Para: 12.2.2.3]**

**Irregular withdrawal of NSB funds without pre-audit –  
Rs 499.714 million**

(Rupees in million)

<b>Quarter 2017-18</b>	<b>Sr. No.</b>	<b>Cheque No.</b>	<b>Date</b>	<b>No. of Schools</b>	<b>Bank Name / Office</b>	<b>Amount</b>
1 <sup>st</sup>	1	596046	14.10.17	36	UBL Khanewal	3.215
1 <sup>st</sup>	2	596047	14.10.17	498	NBP Khanewal	47.781
1 <sup>st</sup>	3	596048	14.10.17	31	MCB Khanewal	2.781
1 <sup>st</sup>	4	596049	14.10.17	188	HBL Khanewal	16.570
1 <sup>st</sup>	5	596050	14.10.17	9	ABL Khanewal	0.895
1 <sup>st</sup>	6	596051	14.10.17	445	BOP Khanewal	49.299
1 <sup>st</sup>	7	596052	14.10.17	14	PPCB Khanewal	1.040
1 <sup>st</sup>	8	596053	14.10.17	14	Sindh Bank Mian Channu	0.807
2 <sup>nd</sup>	1	596054	02.01.18	498	NBP Khanewal	47.749
2 <sup>nd</sup>	2	596055	02.01.18	38	UBL Khanewal	3.205
2 <sup>nd</sup>	3	596056	02.01.18	448	BOP Khanewal	49.665
2 <sup>nd</sup>	4	596057	02.01.18	15	Sindh Bank Mian Channu	0.935
2 <sup>nd</sup>	5	596058	02.01.18	13	PPCB Khanewal	1.055
2 <sup>nd</sup>	6	596059	02.01.18	31	MCB Khanewal	2.835
2 <sup>nd</sup>	7	596060	02.01.18	190	HBL Khanewal	16.787
2 <sup>nd</sup>	8	596061	02.01.18	9	ABL Khanewal	0.891
3 <sup>rd</sup>	1	596062	16.04.18		NBP Khanewal	49.395
3 <sup>rd</sup>	2	596063	16.04.18		UBL Khanewal	3.615
3 <sup>rd</sup>	3	596064	16.04.18		BOP Khanewal	51.019
3 <sup>rd</sup>	4	596065	16.04.18		Sindh Bank Mian Channu	1.003
3 <sup>rd</sup>	5	596066	16.04.18		PPCB Khanewal	1.088
3 <sup>rd</sup>	6	596067	16.04.18		MCB Khanewal	2.886
3 <sup>rd</sup>	7	596068	16.04.18		HBL Khanewal	17.448
3 <sup>rd</sup>	8	596069	16.04.18		ABL Khanewal	0.973
4 <sup>th</sup>	1	596070	05.05.18	59	DEO(SE),Khanewal	2.202
4 <sup>th</sup>	2	596071	05.05.18	42	DEO(SE),Khanewal	1.970
4 <sup>th</sup>	3	596072	05.05.18	34	DEO(SE),Khanewal	5.430
4 <sup>th</sup>	4	596073	05.05.18	17	DEO(SE),Khanewal	8.456
4 <sup>th</sup>	5	596074	05.05.18	114	DEO(SE),Khanewal	6.265



4 <sup>th</sup>	6	596075	05.05.18	53	DEO(SE),Khanewal	6.511
4 <sup>th</sup>	7	596076	05.05.18	35	DEO(SE),Khanewal	6.537
4 <sup>th</sup>	8	596077	05.05.18	21	DEO(SE),Khanewal	7.511
4 <sup>th</sup>	9	596078	05.05.18	76	DY.DEO(M)Kabirwala	6.330
4 <sup>th</sup>	10	596079	05.05.18	56	DY.DEO(M)Khanewal	5.825
4 <sup>th</sup>	11	596080	05.05.18	52	DY.DEO(M) Mian Channu	4.478
4 <sup>th</sup>	12	596081	05.05.18	23	DY.DEO(M)Jahanian	1.917
4 <sup>th</sup>	13	596082	05.05.18	145	DY.DEO(M)Kabirwala	6.355
4 <sup>th</sup>	14	596083	05.05.18	113	DY.DEO(M)Khanewal	3.863
4 <sup>th</sup>	15	596084	05.05.18	107	DY.DEO(M) Mian Channu	2.099
4 <sup>th</sup>	16	596085	05.05.18	83	DY.DEO(M)Jahanian	1.195
4 <sup>th</sup>	17	596086	05.05.18	10	DY.DEO(W)Kabirwala	6.116
4 <sup>th</sup>	18	596087	05.05.18	14	DY.DEO(W)Khanewal	6.829
4 <sup>th</sup>	19	596088	05.05.18	24	DY.DEO(W) Mian Channu	6.391
4 <sup>th</sup>	20	596089	05.05.18	45	DY.DEO(W)Jahanian	3.024
4 <sup>th</sup>	21	596090	05.05.18	28	DY.DEO(W)Kabirwala	7.149
4 <sup>th</sup>	22	596091	05.05.18	31	DY.DEO(W)Khanewal	7.912
4 <sup>th</sup>	23	596092	05.05.18	26	DY.DEO(W) Mian Channu	7.254
4 <sup>th</sup>	24	596093	05.05.18	34	DY.DEO(W)Jahanian	5.162
<b>Total</b>						<b>499.718</b>

**Annexure-D/KWL****[Para: 12.2.2.9]****Irregular expenditure by schools council beyond the authorized limit –  
Rs 34.179 million**

(Rupees in million)

Sr. No.	Name of School	Expenditure 2016-17	Expenditure 2017-18
	<b>Deputy DEO (EE-M) Mian Channu</b>		
1	GMS MC No. 4	0.681	0.665
2	GMS MC Centre	0.467	1.015
3	GMS 44/15-L	0.611	0.665
4	GMS 46/15-L	-	0.418
5	GMS 47/15-L	-	0.421
6	GMS 51/15-L	-	0.511
7	GMS 54/15-L	-	0.400
8	GMS 88/15L	-	0.435
9	GMS 89/15-L	-	0.876
10	GMS 92/15-L	0.440	0.931
11	GMS 105/15-L	0.436	-
12	GMS 108/15-L	0.415	0.644
13	GMS 109/15-L	0.454	0.594
14	GMS 116/15-L	-	0.683
15	GMS 120/15-L	-	0.623
16	GMS 128/15-L	-	0.649
17	GMS 129/15-L	0.427	1.149
18	GMS 133/16-L	-	0.886
19	GMS 20/8-BR	-	0.479
20	GMS 18/8-R	-	0.517
21	GMS 19/8-R	-	0.526
22	GMS H. P. Ari Wala	-	0.554
23	GPS MC No.5	-	0.578
24	GPS 41-A/15-L (B)	-	0.402
25	GPS 112/15-L	-	0.754
26	GPS 45/15-L	-	0.737
27	GPS 111/15-L	0.469	0.485
28	GPS 56/15-L (B)	-	0.626
29	GPS Jungle Deray Wala	-	0.555
<b>Total</b>		<b>4.399</b>	<b>17.779</b>
<b>Total (I)</b>			<b>22.179</b>

**Deputy DEO (EE-M) Khanewal**

<b>S.N.</b>	<b>EMIS CODE</b>	<b>SCHOOL NAME</b>	<b>NSB 2017-2018 EXPENDITURE</b>
1	36420162	GES 16/V	1.221
2	36420225	GES 2/9-R	0.898
3	36420076	GES 23/10-R	0.777
4	36420072	GES DENY WALA	0.773
5	36420062	GES MAKHDUM PUR	0.740
6	36420061	GES MC-6B	0.730
7	36420647	GES 18/AH	0.716
8	36420198	GPS 15/V NO 2	0.661
9	36420677	GPS 72/15-L	0.650
10	36420224	GES 19/9-R W	0.636
11	36420064	GES 74/10R	0.597
12	36420179	GES 168/10R	0.658
13	36420239	GES 28/10-R	0.539
14	36420075	GES 5/9-R	0.529
15	36420590	GPS 58/10R	0.521
16	36420168	GES 67/10R	0.710
17	36420208	GPS 75-A/10R	0.644
<b>Total (II)</b>			<b>12</b>
<b>Grand Total (I + II)</b>			<b>34.179</b>

**Annexure-E/KWL****[Para: 12.2.3.6]****Overpayment of pay and allowances - Rs 1.122 million**

(Rupees in million)

Personal Number	Name	Designation	Date of Retirement	Monthly Pay	Recovery	Remarks
30472514	Naseem Akhtar	PST	14.12.2017	43416	0.025	Died on 14.12.2017 , but pay of Dec-2017 was paid
30275200	Abdul Shakoor	PST	14.02.2018	51569	0.026	Retired on 14.02.2018, but full pay of Feb-18 was paid
30472691	Nasreen Naz	PST	02.02.2018	54876	0.051	Retired on 02.02.2018, but full pay of Feb-18 was paid
30275601	Muhammad Shafique	PST	30.11.2017	43811 44446	0.088	Retired on 30.11.2017, but full pay of Dec-17 & Jan-18 was paid
30274645	Muhammad Aslam	PST	31.03.2018	39750	0.040	Retired on 31.03.2018, but full pay of April-18 was paid
30472613	Touhid Akhtar	PST	17.09.2017	40336	0.017	Retired on 17.09.2017, but full pay of Sep-2017 was paid
30275176	TABASSUM SHAHEEN	PST	14.10.2017	32486	0.018	Retired on 14.10.2017, but full pay of Oct-2017 was paid
30472450	KOUSAR PERVEEN KWL 9639)	PST	12.01.2018	43120	0.026	Retired on 12.01.2018, but full pay of Jan-2018 was paid
30472521	SHAHEEN AKHTAR KWL 9616)	PST	30.09.2017	45837 45837 46893 50437	0.189	Retired on 30.09.2017 but full pay of Oct-17 to Jan-18 was paid
30472691	NASREEN NAZ KWL 9632)	PST	1.02.2018	54876	0.055	Retired on 01.02.2018 but full pay of Feb-18 was paid
30275200	ABDUL 30548190 kw-9670)	PST	14.02.2018	51569	0.026	Retired on 14.02.2018 but full pay of Feb-18 was paid
30472765	ZUBIDA BAGUM KWL 9770)	PST	03.03.2018	48260	0.044	Retired on 3.03.2018 but full pay of Mar-18 was paid
30567856	MUHAMMAD NAWAZ KWL 9635)	IV	28.02.2018	28491	0.028	Retired on 28.02.2018 but full pay of Mar-18 was paid

30274645	MUHAMMAD ASLAM KWL 9735)	PST	31.03.2018	52751	0.053	Retired on 31.03.2018 but full pay of April- 18 was paid
30275897	MUHAMMAD IQBAL	SG	19.04.2018	22981	0.054	Retired on 19.04.2018 but full pay of April- 18 to June-2018 was paid
30472228	RUQIA BANO	PET	02.01.2018	52102	0.049	Retired on 02.01.2018 but full pay of Janl-18 to June-2018 was paid
30273068	KHIZAR HAYAT KWL 9732)	PST	31.03.2018	48970	0.046	Retired on 31.03.2018 but full pay of April- 18 was paid
30472510	AKHTAR PERVEEN kw- 9671)	PST	9.01.2018	49937	0.035	Retired on 09.01.2018 but full pay of Jan-18 was paid
<b>Total</b>					<b>0.871</b>	

Teachers resigned from the jobs and after acceptance of resigned their salary was used to be drawn. In this way excess payment of Rs 251,157 was made. Detail is enclosed.

Personal No.	Name	Date of Resignation	contract was cancelled due to bogus documents of BSC, MA	Remarks
31732022	Mst. Sadia Batool ESE	22.02.2018	0.204	Teacher was resigned but her pay was used to be drawn upto Aug-2018, Pay was not stopped
30604761	Mst. Zahida Parveen PST	2.12.2017	0.047	Resigned was accepted but her pay for the month of Dec-17 & Jan-18 was paid full
<b>Total</b>			<b>0.251</b>	

**Annexure-F/KWL**

**[Para: 12.2.4.5]**

**Payment of pay and allowances without availability of sanctioned posts  
- Rs 17.639 million**

(Rupees in million)

Pers.no.	Name of Employee	Scale	Job Title	Cost Center	Amount
30476311	FAUZIA FAYYAZ	18	S.S.T	KC6426	1.024
30275127	NAFEESA RUBAB	17	S.S.T	KC6426	0.798
30472168	ABIDA RUBAB	17	S.S.T	KC6426	0.763
30689512	FALAK NAZ	17	S.S.T	KC6426	0.853
30472199	ROOBINA ANDLEEB	17	S.S.T	KC6426	0.839
30471991	NASREEN AKHTAR	17	S.S.T	KC6426	0.984
30472735	FARKHANDA JABEEN	17	S.S.T	KC6426	0.854
30472214	RASHIDA ZAFAR	18	S.S.T	KC6426	1.273
30472409	GULL NASREEN	17	S.S.T	KC6426	0.923
30471901	NAHEED PARVEEN	17	S.S.T	KC6426	0.984
30472119	ZAHIDA BEGUM	17	S.S.T	KC6426	0.986
30471921	NAVEEDA YASMIN	17	S.S.T	KC6426	0.924
30471742	AISHA PERVEEN	18	S.S.T	KC6426	1.139
30472105	FARIDA ISHRAT	17	S.S.T	KC6426	0.881
30472251	NUZHAT SULTANA	17	S.S.T	KC6426	0.837
<b>Total (I)</b>					<b>14.062</b>

**ii)**

Pers.n o.	Name of Employee	Date of Joining	Employee Subgroup Desc	Job Title	Cost Center	Amount
319886 86	LUBNA RAFIQ	06.07.2017	Grade 16	Asst: Education Officer	KC6426	0.842
317202 28	FIZA ASGHAR	30.05.2015	Grade 15	Computer Supervisor	KC6426	0.476
302753 13	MUHAMMAD ASLAM			Senior Clerk	KC6426	0.651
304945 01	MUHAMMAD SIDDIQUE		Grade 16	Head Clerk	KC6429	1.191
304719 00	SALEEM AKHTAR		KC6426	Additional Director	KC6426	0.417
<b>Total (II)</b>						<b>3.577</b>
<b>Grand Total (I+II)</b>						<b>17.639</b>

**Annexure-G/KWL****[Para: 12.2.4.12]****Ignorance of Government rules and undue rejection / delay in recruitment of officials under Rule 17-A**

Sr.#	Dairy No. & Date	Name of Candidate with Parentage & Place of Posting	Qualification	Relation	Date of Death / Invalidation
1	298/11-01-2018	Kalsoom Yousaf D/O Muhammad Yousaf PST, Govt. Primary School 4/8-AR Khanewal	B.A	Daughter	21.06.2016. D
2	8942/12-10-2017	Fareeha Samreen D/O Mian Muhammad Zubair Sr. Headmaster, Govt. High School 67/15-L Vijiyan Wala	B.A	Daughter	30.12.2003. D
3	3676/02-05-2017	Abida Ghaffar D/O Abdul Ghaffar, Mother Naziran Bibi PST, Govt. Girls Primary School 103/15-L Mian Channu	B.Sc	Daughter	14.08.2006. D
4	289/11-01-2018	Syed Waqas Tariq S/O Syed Muhammad Tariq, EST, Govt. Middle School Chak No. 133/10-R Tehsil Jahanian	B.A	Son	23.06.2016
5	315/11-01-2018	Zubair Aziz S/O Muhammad Rafique Aziz, PTC, Govt. Primary School Choughatta Panjuana, Tulamba Tehsil Mian Channu	B.A	Son	05.12.1995
6	8947/12-10-2017	Allah Ditta S/O Muhammad Aslam EST Govt. Middle School Dara Mehran Tehsil Kabirwala	Inter	Son	24.12.2009. D
7	8928/12-10-2017	Muhammad Usman Khan S/O Faiz Ahmad PTC, Govt. Primary School Dani Sargana, Sarai Sadhu Tehsil Kabirwala	Inter	Son	30.01.2005. D
8	8932/12-10-2017	Muhammad Ali Nawaz S/O Muhammad Arshad PST, Govt. High School Kot Islam Tehsil Kabirwala	I.Com	Son	08.09.2017. D
9	285/11-01-2018	Muhammad Farzan Nadeem S/O Abdul Khaliq PST, Govt. High School Shamkot Tehsil Kabirwala	Diploma	Son	22.07.2017. D
10	1198/08-02-2018	Muhammad Aamir Akhtar S/O Akhtar Ali PST, Govt. High School 123/10-R Tehsil Jahanian	B.Sc	Son	01.04.2015. I
11	287/11-01-2018	Muhammad Awais Khan S/O Muhammad Nasir Khan C-IV, Govt. High School 6/8-AR Tehsil Mian Channu	B.A	Son	05.09.2017. I
12	8941/12-10-2017	Muhammad Faisal Iqbal S/O Muhammad Iqbal C-IV, Govt. High School 14/8-AR Tehsil Mian Channu	BS(IT)	Son	29.10.2013. D
13	8946/12-10-2017	Muhammad Saifullah Burq S/O Zulfiqar Ali Burq PST, Govt. High School Abdul Hakeem	B.A	Son	15.06.2014. D
14	288/11-01-2018	Syed Nasar Ullah Sharjeel S/O Syed Shakeel Ahmad PST, Govt. Girls Primary School Bhirki Tehsil Jahanian	F.Sc	Son	21.05.2014. I
15	4791/27-05-	Arsalan Saeed S/O Muhammad Tariq, Mother	I.Com	Son	24.04.2009.

	2017	Sajida Mubarak EST, Govt. Girls Higher Secondary School Jodh Pur Kabirwala			I
16	7324/22-08-2017	Hafiz Muhammad Hasaan Naeem Khan S/O Hafiz Muhammad Naeem Khan EST, Govt. Moin ul Islam High School Mian Channu	B.com	Son	03.09.2013. D
17	7919/11-09-2017	Toqeer Abbas Khan S/O Munawar Abbas SST, Govt. Middle School Bilawalpur Tehsil Kabirwala	Inter	Son	01.08.2012. D
18	7320/22-08-2017	Hafiz Usama Nouman S/O Muhammad Farooq PST, Govt. High School Tulamba	Inter	Son	04.08.2015. D
19	293/11-01-2018	Muhammad Taqi Raja S/O Mukhtar Hussain PTC, Govt. Primary School Qureshian Wala Tehsil Kabirwala	Inter	Son	22.07.2015. D
20	10616/19-10-2016	Musfira Rasheed D/O Abdul Rasheed EST, Govt. Model High School Khanewal	F.A	Daughter	27.04.2015
21	10586	Saadia Manzoor D/O Manzoor Hussain, Shahida Naseem PST, Govt. Girls Primary School 62-A/15-L Tehsil Mian Channu	F.A	Daughter	28.08.1996
22	9410/25-10-2017	Muhammad Tayyub S/O Munsaf Ali PST, Govt. High School 9 Ghag Tehsil Kabir Wala	Diploma in Associate Engineering	Son	19.12.2016
23	15585/17-10-2016	Shahid Hussain Kanju S/O Khadim Hussain SST, Govt. Model High School Jahanian	Inter	Son	13.05.2015
24	1645/19-02-2018	Fakhar Zaman S/O Abdul Mutlib, Farzana Tasneem PTC,	Inter	Son	15.01.1998
25	10546	Muhammad Usama Iftikhar S/O Iftikhar Ahmad EST, Govt. High School Kohiwala	Bsc	Son	01.08.2007
26	283/11-01-2018	Muhammad Mubashir Naeem S/o Rasheed Ahmad, Memoona Rasheed, PTC, Govt. Girls Primary School 1/8-AR Tehsil Mian Channu	I.Com	Son	08.02.2002
27	10480/15-10-2016	Muhammad Awais Akram S/O Muhammad Akram PST, Govt. Primary School Taleem UL Quran Makhdoom Pur Pahoran Tehsil Kabirwala	Inter	Son	
28	943/02-02-2016	Muhammad Faheem Shahbaz S/O Shakeel Ahmad EST, Govt. MC Middle School 6-B Khanewal	MSC (Accounting & Finance)	Son	21.10.2015
29	9541/28-10-2017	Muhammad Awais Ashraf S/O Muhammad Ashraf Khalid EST, Govt. High School 2/8-R Tehsil Mian Channu	F.A	Son	28.04.2016
30	10345/20-11-2017	Muhammad Tariq Jameel S/o Riaz Hussain PST, Govt. Middle School Jawahri Tehsil Kabirwala	F.A	Son	06.04.2017
31	9724/21-09-2016	Ayesha Aslam D/O Muhammad Aslam PST, Govt. Girls Middle School 10/8-AR Tehsil Mian Channu	Inter	Daughter	12.03.2015
32	10343/20-11-2017	Intisar Hussain S/O Muhammad Arif PTC, Govt. Primary School Basti Sasrana, Abdul Hakim Tehsil Kabirwala	Inter	Son	07.06.2009
33		Waseem Abbas S/O Muhammad Ramzan PST, Govt. High School 124/15-L Tehsil Mian Channu	Diploma	Son	15.05.2014
34	11698/30-12-2017	Ayesha Shafique D/O Muhammad Shafique, Mother Zubaida Parveen PST, Govt. Girls Primary	Inter	Daughter	12.03.1998. I



		School Okan Wala Tehsil Kabirwala			
35	3002/27-03-2018	Waqar Amjad S/O Amjad Mehmood Nadeem, Mother Shazia Nazneen PST Govt. MC Primary School Mian Channu	Inter	Son	22.10.2008. D
36	7985/26-06-2018	Syed Muhammad Fazal Abbas Rizvi S/O Syed Azhar Abbas Rizvi EST, Govt. Girls High School Sarai Sadhu	Inter	Son	
37	7483/30-05-2018	Muhammad Ayyaz Shahid S/O Shahid Javed Iqbal PST Govt. MC Middle School Mian Channu	M.A	Son	17.04.2018. I
38	3439/07-04-2018	Syed Ahsan Abbas S/O Syed Fatir Hussain Shah, Mother Tasneem Fatir EST Govt. Girls High School 116/15-L		Son	28.02.2002. I
39	1681/20-02-2018	Muhammad Hamza Bilal S/O Bilal Khan PST Govt. High School 34/10-R Khanewal	F.Sc	Son	31.10.2017

**Annexure-H/LDN**  
**[Para-13.2.3.3]**

**Non imposition of penalties on private schools running without registration –Rs 3.360 million**

Name of school	Registration fee	Renewal fee	Fine	Total
Abid Public School Lodhran	0.005	0.0005	0.300	0.305
Al-Hussain Ideal Public School Chak No. 343/WB Dunyapur	0.005	0.0005	0.300	0.306
Al-Qasim Public School Jaladi Wahin Kehror Pacca	0.005	0.0005	0.300	0.305
Al-Tariq Public School Chak Himta Lodhran	0.005	0.0005	0.300	0.306
Ayub School Lodhran	0.005	0.0005	0.300	0.305
Fizan-e-Mustafa Public School	0.005	0.0005	0.300	0.306
Haider Public Primary School	0.005	0.0005	0.300	0.305
Hamd Public School	0.005	0.0005	0.300	0.306
Johar Public Scholl	0.005	0.0005	0.300	0.305
Jinnah Oxford Public School Gogran	0.005	0.0005	0.300	0.306
Maaz Bin Jabal School	0.005	0.0005	0.300	0.305
	<b>0.055</b>	<b>0.0055</b>	<b>3.300</b>	<b>3.360</b>

**Annexure-I/ MLN****[Para -14.2.2.5]****Irregular payment of pay & allowances by higher scale officers against lower scale sanctioned posts - Rs 24.288 million**

(Rupees in million)

Sr. No.	Personal No.	Cost Center	Post Name	Pay Scale Of Post		Pay Drawn
				Sanction Scale	Actual Drawn Scale	
1	30329580	MC6057	HEAD MASTER	17	18	1.360
2	30331708	MC6058	HEAD MASTER	17	18	1.360
3	30332252	MC6073	HEAD MASTER	17	18	1.431
4	30329572	MC6074	HEAD MASTER	17	18	1.325
5	30330529	MC6077	HEAD MASTER	17	18	1.361
6	30331309	MC6107	HEADMASTER	17	18	1.184
7	30328948	MC6119	HEAD MASTER	17	18	1.325
8	30333813	MC6121	HEAD MASTER	17	18	0.964
9	30333817	MC6133	HEAD MASTER	17	18	1.366
10	30333668	MC6134	HEAD MASTER	17	18	1.155
11	30332531	MC6135	HEAD MASTER	17	18	1.361
12	30331961	MC6143	HEAD MASTER	17	18	1.102
13	30335505	MC6148	HEAD MASTER	17	18	1.277
14	30331963	MC6158	HEAD MASTER	17	18	1.344
15	30334935	MC6169	HEAD MISTRESS	17	18	1.303
16	30363901	MC6177	HEAD MISTRESS	17	18	1.328
19	30341961	MC6207	HEAD MASTER	17	18	0.962
20	30336023	MC6217	HEAD MISTRESS	17	18	1.489
21	30333174	MC6218	HEADMISTRESS	17	18	1.290
<b>Total</b>						<b>24.289</b>

**Annexure-J/MLN**

**[Para - 14.2.4.6]**

**Irregular payment of pay & allowances after superannuation - Rs  
1.824 million**

(Rupees in million)

Pers.no.	Name of Employee	Birth date	Age	Due	Month	Amount
				Date of retirement	of pay drawn	
30564183	MUHAMMAD MUSLIM	02.04.1957	61	1.04.2017	7	0.023
30564183	MUHAMMAD MUSLIM	02.04.1957	61	1.04.2017	7	0.020
30564183	MUHAMMAD MUSLIM	02.04.1957	61	1.04.2017	7	0.011
30564183	MUHAMMAD MUSLIM	02.04.1957	61	1.04.2017	7	0.020
30564183	MUHAMMAD MUSLIM	02.04.1957	61	1.04.2017	7	0.014
30564183	MUHAMMAD MUSLIM	02.04.1957	61	1.04.2017	7	0.234
30573789	SHARRAM MAI	01.01.1957	61	31.12.2016	9	0.173
30573789	SHARRAM MAI	01.01.1957	61	31.12.2016	9	0.012
30573789	SHARRAM MAI	01.01.1957	61	31.12.2016	9	0.012
30573789	SHARRAM MAI	01.01.1957	61	31.12.2016	9	0.016
30573789	SHARRAM MAI	01.01.1957	61	31.12.2016	9	0.014
30573789	SHARRAM MAI	01.01.1957	61	31.12.2016	9	0.016
30573789	SHARRAM MAI	01.01.1957	61	31.12.2016	9	0.019
30808298	SHAGUFTA TABASAM	06.06.1957	61	05.05.2017	5	0.020
30808298	SHAGUFTA TABASAM	06.06.1957	61	05.05.2017	5	0.017
30808298	SHAGUFTA TABASAM	06.06.1957	61	05.05.2017	5	0.008
30808298	SHAGUFTA TABASAM	06.06.1957	61	05.05.2017	5	0.014
30808298	SHAGUFTA TABASAM	06.06.1957	61	05.05.2017	5	0.011
30808298	SHAGUFTA TABASAM	06.06.1957	61	05.05.2017	5	0.205
30831104	KAUSAR PERVEEN	30.12.1955	62	29.12.2015	21	0.703
30831104	KAUSAR PERVEEN	30.12.1955	62	29.12.2015	21	0.041
30831104	KAUSAR PERVEEN	30.12.1955	62	29.12.2015	21	0.060
30831104	KAUSAR PERVEEN	30.12.1955	62	29.12.2015	21	0.032
30831104	KAUSAR PERVEEN	30.12.1955	62	29.12.2015	21	0.059
30831104	KAUSAR PERVEEN	30.12.1955	62	29.12.2015	21	0.070
<b>Total</b>						<b>1.824</b>

**Annexure-K/PPN****[Para-15.2.4.2]****Defective prioritization of Schools selected for development work  
– Rs 26.409 million**

(Rupees in million)

Sr. No	Name of Scheme	Major Scope of Work	Approved Cost		
			Gap	5% GST	Total
1	GPS Behla Hithar	Const. of B/Wall (600 Rft)	2.062	0.103	2.165
2	GGMPS Man Singh	Const. of B/Wall (100 Rft)	0.344	0.017	0.361
3	GGCMS 1/KB	Const. of B/Wall (292 Rft)	1.003	0.05	1.053
4	GGPS 23/SP	Const. of B/Wall (816 Rft) with Gate & Gate Pillar, 3-Room Toilet Block with Soakage Pit and Drinking Water Point	3.906	0.195	4.101
5	GPS Sharif Pura	Const. of B/Wall (400 Rft) with Gate & Gate Pillar	1.546	0.077	1.623
6	GPS Yaseen Kay	Const. of B/Wall (580 Rft)	2.165	0.108	2.273
7	GPS 11/EB	Const. of B/Wall (1255 Rft) with Gate & Gate Pillar	4.484	0.224	4.708
8	GPS 40/EB	Const. of B/Wall (1254 Rft) with Gate & Gate Pillar	4.481	0.224	4.705
9	GPS 22/EB	Const. of B/Wall (1380 Rft) with Gate & Gate Pillar	4.913	0.246	5.159
<b>Total</b>			<b>24.904</b>	<b>1.244</b>	<b>26.148</b>
<b>1% Tree Plantation</b>					<b>0.261</b>
<b>G. Total:-</b>					<b>26.409</b>

**Annexure-L/PPN**

**[Para-15.2.4.3]**

**Mis-procurement of IT Equipment for IT Labs – Rs 22.227 million**

Sr. No.	Name of Article / Particulars	Name of Supplier	Invoice / Bill No.	Bill date	Qty	Rate	Amount	GST	Amount incl. Tax	Net Amount
1	Dell Optiplex 3050 MT computer	Technosol Pvt. Ltd Lahore	L18043001	30.04.18	10	0.071	0.709	-	0.709	0.709
2	External DVD/CD Player	Technosol Pvt. Ltd Lahore	L18043002	30.04.18	2	0.006	0.011	0.002	0.013	0.013
3	UPS 3 KVA	Technosol Pvt. Ltd Lahore	L18043002	30.04.18	2	0.065	0.129	0.022	0.151	0.151
4	Dell Optiplex 3050 MT computer	Technosol Pvt. Ltd Lahore	L18043009	30.04.18	64	0.071	4.536	-	4.536	4.536
5	External DVD/CD Player	Technosol Pvt. Ltd Lahore	L18043010	30.04.18	4	0.006	0.022	0.004	0.026	0.026
6	UPS 5 KVA	Technosol Pvt. Ltd Lahore	L18043010	30.04.18	4	0.092	0.367	0.062	0.429	0.429
7	Sisco Switch	Technosol Pvt. Ltd Lahore	L18043010	30.04.18	4	0.045	0.181	0.031	0.212	0.212
8	Cannon Scan Lide 120	Technosol Pvt. Ltd Lahore	L18043011	30.04.18	3	0.008	0.024	0.004	0.028	0.028
9	Dell Optiplex 3050 MT computer	Technosol Pvt. Ltd Lahore	L18043003	30.04.18	50	0.071	3.544	-	3.544	3.544
10	External DVD/CD Player	Technosol Pvt. Ltd Lahore	L18043004	30.04.18	10	0.006	0.056	0.009	0.065	0.065
11	UPS 3 KVA	Technosol Pvt. Ltd Lahore	L18043004	30.04.18	10	0.065	0.645	0.110	0.755	0.755
12	Dell Optiplex 3050 MT computer	Technosol Pvt. Ltd Lahore	L18043005	30.04.18	64	0.071	4.536	-	4.536	4.536
13	External DVD/CD Player	Technosol Pvt. Ltd Lahore	L18043007	30.04.18	4	0.006	0.022	0.004	0.026	0.026
14	Sisco Switch	Technosol Pvt. Ltd Lahore	L18043007	30.04.18	4	0.045	0.181	0.031	0.212	0.212
15	UPS 5 KVA	Technosol Pvt. Ltd Lahore	L18043007	30.04.18	4	0.092	0.367	0.062	0.429	0.429
16	Dell Optiplex 3050 MT computer	Technosol Pvt. Ltd Lahore	L18043006	30.04.18	80	0.071	5.670	-	5.670	5.670
17	External DVD/CD Player	Technosol Pvt. Ltd Lahore	L18043008	30.04.18	5	0.006	0.028	0.005	0.033	0.033
18	Sisco Switch	Technosol Pvt. Ltd Lahore	L18043008	30.04.18	5	0.045	0.226	0.038	0.265	0.265

Sr. No.	Name of Article / Particulars	Name of Supplier	Invoice / Bill No.	Bill date	Qty	Rate	Amount	GST	Amount incl. Tax	Net Amount
19	UPS 5 KVA	Technosol Pvt. Ltd Lahore	L18043008	30.04.18	5	0.092	0.459	0.078	0.537	0.537
20	Cannon Scan Lide 120	Technosol Pvt. Ltd Lahore	L18043012	30.04.18	9	0.008	0.072	0.012	0.084	0.084
<b>Total</b>							<b>21.784</b>	<b>0.474</b>	<b>22.259</b>	<b>22.259</b>
<b>less Spl. Discount</b>										<b>0.032</b>
<b>Net Expenditure</b>										<b>22.227</b>