

Annexure-A

ZILLA SWATHYA SAMITI KANDHAMAL

Expression of Interest for Engagement of Internal Auditor

Expression of Interest are invited from interested Chartered Accountant firms having minimum five years of experience in Govt. audit in sealed envelope for empanelment as Internal Auditor of District health Society for NRHM programme in the district. Preference will be given to the local firms & firms having branch office in the district headquarter. Application should reach the CDMO on or before **16.12.2011** in the prescribed format which is available along with scope of work, audit fees structure in the website **www. Kandhamal.nic.In** or may be obtained from the office of the undersigned. The Chief District Medical Officer reserve the right to reject any of the application without assigning any reasons thereof.


Dist. Programme Manager,
DPMU, Kandhamal

D.P.M, KANDHAMAL

Guideline for Appointment of Internal Auditors for District Health Society

The launch of NRHM in Orissa has helped health sector to move more towards rural people in a focused manner. Health functionaries at different levels have started receiving a sizable amount for implementation of a number of programme under the umbrella of NRHM. The quality of accounts keeping and accuracy of financial reports are at time found not up to the mark in many districts. The problem is not only confined to district level but manifests at block level also, where either the books of accounts are not being prepared in an uniform fashion. Position of advances are found at a very unpredictable manner, where advances remain unadjusted for a long time without being tracked regularly. The statutory audit by Chartered Accountants firms can point out the difficulties but they can not correct the maladies. The finance & accounts personnel appointed in SPMU, DPMUs & BPMU level are responsible for these aspects. But it is felt that they may be provided with technical support in putting the house in order.

In order to address the above issue, Health & Family Welfare Department, Govt. of Orissa, has introduced a novel system of internal audit of District Health Societies. This initiative would place the financial records and monitoring of the same on right track, which also result in consolidation of district balance Sheet as well as timely submission of audit reports & accounts with Govt. of India.

Appointment Procedure of Internal Auditor for District Health Societies (ZSS):-

The power of selection and appointment of District Internal Auditors is being vested with the respective District Health Societies (ZSS). The Purchase Committee formed in the CDMOs office will act as the Selection-cum-Evaluation Committee under the Chairmanship of CDMO, District Accounts Manager will be the Member Convenor of the Selection-cum-Evaluation Committee. The final approval of Collector-cum-Chairman (EC), ZSS will be necessary to appoint the auditor.

Details of appointment procedure:-

1. Advertisement inviting application of CA firms, format prescribed at Annexure-A, through
 - a. News Paper (2 local dailies)
 - b. Website (Done at State level)
 - c. Office Notice Board
2. Application of CA firm should be in the proper format prescribed at Annexure-B.
3. Evaluation of firms application need to be done as per the evaluation sheet attached at Annexure-C. Appointment letter to be issued by CDMO based on recommendation of Selection-cum-Evaluation Committee along with TOR & guideline cum check list.
4. TOR & additional points of audit for internal auditor prescribed at Annexure-D.
5. Internal audit fees for district level auditor prescribed at Annexure-E.
6. Guideline cum check list for audit of District Health Societies under NRHM at Appendix-II A.
7. DPMU will sensitize the auditor and their staffs before taking up of work by auditor.

The internal auditor will be selected for one year initially. However, based on their performance reviewed, the appointment can be renewed for the next financial year. The decision to extend the appointment to next financial year may be taken up by the Selection-cum-Evaluation Committee of District Health Society (ZSS).

The fees prescribed for internal auditor of District Health Societies (ZSS) is inclusive of service tax. No audit expenses will be reimbursed to the auditor. DPMU will arrange vehicle (of DPMU) for visit of internal auditor to blocks. No TA & DA of internal auditor will be entertained.

The District Accounts Manager will be in the overall responsibility of co-ordinating with the internal auditor in conducting the internal audit at District Health Society (ZSS), with the support of Dealing Assistants of all programmes like RCH-II, NRHM additionalities, National Disease Control Programmes, Immunisation & other miscellaneous items. Difficulties, if any, arising out of the above assignment shall be directly reported to Mission Director with information to CDMO.

22

Annexure-A

ZILLA SWATHYA SAMITI-----

Expression of Interest for Engagement of Internal Auditor

Expression of Interest are invited from interested **Chartered Accountant firms** having minimum five years of experience in Govt. audit in sealed envelop for empanelment as Internal Auditor of District health Society for NRHM programme in the district. Preference will be given to the local firms & firms having branch office in the district headquarter. Application should reach the CDMO on or before _____ in the prescribed format which is available along with scope of work, audit fees structure in the website www.orissahealth.org or may be obtained from the office of the undersigned. The Chief District Medical Officer reserve the right to reject any of the application without assigning any reasons thereof.

Chief District Medical Officer.

Note: The above advertisement should be taken out immediately after receipt of this letter giving 7 days time for receiving application in Annexure-B format. The evaluation should also be carried out by a Committee (the Purchase Committee). The final evaluation sheet (tabulated sheet) with the firm having first position should be put up to Collector for approval for engagement.

Expression of Interest for Short Listing Chartered Accountant Firms for the Audit of the Accounts of State SCOVA and its Dist. PM Units

Status of the Firm: Partnership Sole Proprietorship

1. (a) Name of the firm (in capital letters) _____
 (b) Address of the Head Office _____
 (Please also give telephone no. _____
 and e-mail address) _____
 (c) PAN No. of the firm _____
2. ICAI Registration No. _____ Region Name _____
 Region Code No. _____
3. (a) Date of constitution of the firm: _____
 (b) Date since when the firms has a full time FCA _____
4. Full-time Partners/Sole Proprietor of the firm as on 1st January,

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

Note: Please attach the copy of Firm's Constitution Certificate issued by ICAI as on 1.1. 200X.

5. Number of Part-time Partners if any, as on 1st January,
6. Number of Full-time Chartered Accountants as on 1st January,
7. Number of audit staff employed full-time with the firm
 (a) Articles/Audit Clerks _____

- (b) Other Audit Staff (with knowledge of book keeping and accountancy) _____
- (c) Other Professional Staff (Please specify) _____
- 8. Number of branches if any (Please mention places & locations) _____
- 9. Whether the firm is engaged in any internal or external audit or any other services providing to any Govt. Company/Corporation or co-operative institution etc. Yes/No
If 'yes', details may be given on a separate sheet.
- 10. Whether the firm is implementing quality control policies and procedures designed to ensure that all audits are conducted in accordance with Statements on **Standard Auditing Practices**. Yes/No
(If yes, a brief note on the procedure adopted is to be enclosed)
- 11. Whether there are any court/arbitration/any other legal case against the firm Yes/No
(If yes, give a brief note of the case indicating its percent status)

Undertaking

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

Date:

Place:

Signature of Proprietor/Sole Partner

Standard Evaluation Sheet for Evaluation of the Technical Bids of the Internal Auditors (CA Firms)

(For Official use only)

SI No.	Criteria	Remarks	Maximum Marks	Marks Obtained
1	No. of Patners (FCA/ACA) FCA @ 2 marks ACA @ 1 mark		10	
2	Years of Experience 0.25 marks per year		10	
3	Years of Patners association with the Firm > 1yr - 0 mark 1 to 5 yrs - 2 marks 6 to 10 yrs - 4 marks 11 to 15 yrs - 6 marks 16 to 20 yrs - 8 marks > 20 yrs - 10 marks		10	
4	No. of Staffs:		10	
i	Qualified - 2 marks per staff			
ii	Semi Qualified 1 to 5 staff - 2 marks 6 to 10 staff - 4 marks > 10 staff - 5 marks		5	
iii	Other 1 to 5 staff - 1 mark 6 to 10 staff - 2 marks 11 to 15 staff - 3 marks 16 to 20 staff - 4 marks > 20 staff - 5 marks		5	
5	Nature of Experience Turnover / Project Cost / Years of Experience & Project audited		20	
i	RCH Audit			
ii	Govt. Social Sector 1 to 5 nos. - 1 mark 6 to 10 nos. - 2 marks 11 to 15 nos. - 3 marks 16 to 20 nos. - 4 marks >20 nos. - 5 marks		5	
iii	Other Social Sector 1 to 5 nos. - 1 mark 6 to 10 nos. - 2 marks 11 to 15 nos. - 3 marks 16 to 20 nos. - 4 marks >20 nos. - 5 marks		5	
6	No. of Branches - 2 marks per branch		10	
7	Total Turnover of the Firms in last 3 years Up to Rs.25.00 lakhs - 0 mark > Rs.25.00 lakhs but < Rs.50.00 lakhs - 3 marks > Rs.50.00 lakhs but < Rs.75.00 lakhs - 6 marks > Rs.75.00 lakhs - 10 marks		10	
	Total		100	

- Note:** 1. CA firms are required to give details of all these criteria while applying
2. CA firms are also required to provide the latest certificate of firm constitution as on 1st Jan. of the current year issued by ICAI & their late income tax return duly acknowledged by IT Dept. Firms not able to these two documents will not be consider.

Name of the Member

Signature
with date

**Pre-requisites for applying for undertaking concurrent audit at
State & District level**

The below mentioned are pre-requisites for the firms interested to take up monthly concurrent audit at State & District Health Societies under NRHM

- i. The firm must have been empanelled with C&AG and ICAI.
- ii. The firm should have an experience of at least 5 years as on 01.01.10.
- iii. The firm must have under taken at least 3 assignments in social & health sector and 5 assignments in corporate sector prior to this.
- iv. The firm should have an average turnover of Rs.20.00 lakhs in last 3 years.
- v. The firm must provide at least 1 inter CA/ICWA and 2 audit assts. every month for the said assignment.
- vi. The auditors have to sign the attendance register at district/block level with entry & exit timing.
- vii. The auditor shall start the audit on 16th & complete the same latest by 20th of every month as per the prescribed format of GoI. The auditing work has to be completed in 4 working days.
- viii. The auditor has to submit the report to the CDMO latest by 25th of the following month. The CDMO has to furnish the copy of the report to the Mission Directorate latest by 30th of the following month.
- ix. The auditor has to certify reconciliation of activity wise expenditure reported in the FMR & financial statement & ask for the compliance if there is any discrepancy between two figures.
- x. The auditor has to cover at least 30% of the PHC/CHC/AH/OH every month on rotation basis.
- xi. The auditor before taking the audit for a particular month must ensure compliance to the observation of the previous month & action taken on them.
- xii. The district must furnish the books of accounts & relevant records and Financial Statements before the auditor in due time. In case of failure the auditor must inform the same to the CDMO in writing with a copy to the Mission Directorate.
- xiii. The fees of the auditors @ ~~₹ 1200/-~~ per month per block shall be released only after successful completion of the assignment for that month. However, out of

district firms or the firms having office not within the District Head Quarter shall be paid TA/DA & accommodation cost as per the norm of the Society.

- xiv. The firm should submit its bio-data having information on the following areas.
 - a. No. of Partners (FCA/ACA)
 - b. Years of Experience
 - c. Years of Partners association with the Firm
 - d. No. of Staffs
 - e. Nature & years of Experience
 - f. Turnover of the firm in last 3 years
- xv. The firm has to furnish necessary documents (self attested) along with the bio-data in support of the above.
- xvi. A firm cannot be assigned the audit of more than two districts.
- xvii. Final selection shall be made on the basis of the marks secured out of 100 in the technical bid.
- xviii. The firm interested for the assignment at SHS, other than its regular audit work, has to assist the audit cell at State level in scrutiny of the reports of the districts and preparation of summary report for submission of the same to GoI.
- xix. The State Internal Auditor is required to perform filed visit, at least to one district every month.