

स्टेट प्रोजेक्ट डायरेक्टोरेट, राष्ट्रीय उच्चतर शिक्षा अभियान (रूसा)
उच्च शिक्षा विभाग, मध्यप्रदेश

(192, एवीएन टावर, मेजनाइन फ्लोर, जेन-1, एम.पी. नगर, भोपाल, फोन नं. 0755-2761320)

ई-मेल : rusamphe@gmail.com

क्रमांक 1055 / वि.बै.परि./2020
प्रति,

भोपाल, दिनांक 11/09/2020

प्राचार्य

(म.प्र. उच्च शिक्षा सुधार परियोजना अंतर्गत चयनित समस्त 200 शासकीय महाविद्यालय)
म.प्र., भोपाल

विषय:- आपके महाविद्यालय के लेखों के आंतरिक अंकेक्षण बाबत।

संदर्भ:- इस कार्यालय का पत्र क्रमांक 50/रूसा/2020 दिनांक 08.01.2020।

म.प्र. उच्च शिक्षा गुणवत्ता सुधार परियोजना अंतर्गत महाविद्यालयों के समस्त आय-व्ययों को निर्धारित चार्ट ऑफ अकाउंट के अनुरूप सॉफ्टवेयर के माध्यम से लेखा संधारण (वित्तीय वर्ष 2019-20 एवं 2020-21) किया जाकर आंतरिक अंकेक्षण का कार्य किया जाना है।

विश्व बैंक परियोजना अंतर्गत योजना के प्रारंभ से बजट शीर्ष 7464-म.प्र. गुणवत्ता सुधार परियोजना से आपके महाविद्यालय को विभिन्न वर्षों में परियोजना अवधि तक दी गई समस्त राशि के व्यय का आंतरिक लेखा परीक्षण कराया जाना भी अनिवार्य है जिसका प्रतिवेदन पृथक से प्राप्त किया जावेगा। विश्व बैंक परियोजना 7464 अंतर्गत महाविद्यालयों को वित्तीय वर्ष 2018-19 से वित्तीय वर्ष 2020-21 तक के शत-प्रतिशत व्ययों एवं लेखों का अंकेक्षण का कार्य पूर्ण कराया जाना है। आंतरिक अंकेक्षण केवल विश्व बैंक परियोजना 7464 मद का ही होगा।

उक्त अंकेक्षक के चयन हेतु विश्व बैंक से अनुमोदित प्रारूप, चयन प्रक्रिय एवं कार्यक्षेत्र आपकी ओर संलग्न कर भेजा जा रहा है। कृपया भंडार क्रय नियमानुसार अपने महाविद्यालय हेतु अंकेक्षक का चयन शीघ्र अतिशीघ्र करते हुए अंकेक्षण कार्य (एफएमएस सॉफ्टवेयर में एन्ट्री कराते हुए) पूर्ण करावें।

उक्त एवं संलग्न अनुसार संपूर्ण कार्य हेतु ऑडिटर/ऑडिटर फर्म का कुल मानदेय, एफएमएस में प्रविष्टि एवं एकाउंटिंग संबंधी अन्य कार्य हेतु म.प्र. भंडार क्रय नियमानुसार प्रस्ताव आमंत्रित किये जावें। कुल कार्य हेतु A, B श्रेणी के महाविद्यालय हेतु न्यूनतम 60,000 रु. प्रति महाविद्यालय एवं C श्रेणी के महाविद्यालय हेतु 40,000 रु. प्रति महाविद्यालय का अनुमानित बजट का आवंटन शीघ्र अतिशीघ्र किया जावेगा।

कृपया सी.ए. का चयन कर चयनित फर्म का नाम, पता, मोबाईल नं., ई-मेल एड्रेस, सी.ए. फर्म को इस हेतु भुगतान के लिए निर्धारित राशि आदि भी सी.ए. के चयन के पांच दिवस के भीतर इस कार्यालय को अवगत करावें।

संलग्न:- आंतरिक अंकेक्षण के चयन हेतु प्रस्ताव आमंत्रित करने हेतु शर्तें, कार्यक्षेत्र, प्रतिवेदन का प्रारूप आदि।

आयुक्त
उच्च शिक्षा विभाग,
भोपाल, म.प्र.

५१

निरंतर.....

GOVERNMENT OF MADHYA PRADESH

Department Of Higher Education

College Name , Address-----

Madhya Pradesh, India,

Phone No-----, e- mail- -----

Limited Tender Enquiry (LTE)

(Single Envelope Process)

REQUEST FOR QUOTATION

LTE No: College Name-----/LTE/2019-20/

Date:

TO.

[Name of the CA Agency]

[Address of the CA Agency]

[Contact Person]

[Contact Person Mobile #]

[e Mail :]

Ref: **College Name-----/LTE/2019-20/ -----dated -----**

Dear Sirs,

Sub: Request for submission of Proposal for Consulting Services for Selection of Agency for Internal Audit Of Accounts by Chartered Account Firms for the College World Bank Funded Project Account **-Reg**

Please Submit your offer for the Services indicated in the enclosed annexure.

- 1 The Proposal shall be in sealed cover duly super-scribed as in clause No.10 below and should reach this office as per the following Details.

Last date of Submission, Time: [**10-03-2020, 2.00 PM**]

Bid Opening Date, Time: [**10-03-2020, 2.00 PM**]

Bid Submission and opening Venue: **College Address -----**

Madhya Pradesh, India,

- 2 CA Agency shall note that the **Bid Security is NIL** for the Proposal. CA Agency shall submit the proposal in sealed Cover as per the instructions herein and Cover that do not bear the superscription, as at clause "Superscriptions" will be returned unopened. CA Agency to submit the complete Limited Tender Enquiry document without any

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changes, to submit along with the Price schedule as attached at Annexure 1 duly filled with all the details signed, Sealed

LTE Proposal will be opened in presence of the representative of the CA Agency, who may like to be present.

3 PRICES:

The prices quoted are on firm basis, the services are to be provided at the College premises, inclusive of GST and levies wherever applicable, insurance charges for the working team, to cover the transport Logistics to the Colleges. Even though composite prices are quoted, the breakup of all the GST, shall be clearly furnished in the Annexure-1, Price Schedule. It is the responsibility of the CA Agency to inform the correct rates of GST on the services prevailing at the time of tendering.

Minimum price quoted for Category A&B colleges would be Rs 60,000/- (Sixty thousand) for whole work.

Minimum price quoted for Category C colleges would be Rs 40,000/- (Forty Thousand) for whole work.

4 PAYMENT:

The following terms of payment only are acceptable. Tenders received stipulating the payment terms other than the following payment terms will be summarily rejected.

- a. 90% payment of the due price will be paid within 30 days after receipt of the Quarterly Audit Report for the Previous Quarter completed duly inspected by the College's Authorized Representative(s) and on receipt of the CA Agency's Invoice in duplicate copy.
- b. The remaining 10% payment will be paid along with the consecutive Quarterly Invoice.

When CA Agency do not at any time, fulfill the obligations in rectifying of the defective Audit report in part or whole, promptly to the satisfaction of the College, College reserves the right not to accept the Invoices against subsequent deliverable Quarterly Report prepared by the CA Agency delivered to the College.

5 ACCEPTANCE:

It is not binding on College to accept the lowest or any Proposal. The College reserves the right to place orders for technically Qualified as per the Eligibility Criteria as

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specified in the Scope of Work. The no of Quarterly Audit is subject to modification at the time of placing the order.

6 **DELIVERY:**

The delivery of the Audit Reports shall be made as specified in the Scope of work. Without limiting any other rights or obligations of the parties hereunder, if the CA Agency is unable to deliver the Audit Reports by the delivery date(s) stipulated, the CA Agency shall immediately consult College to determine the most expeditious means for delivering the Audit Reports.

7 **BID SECURITY: Not Applicable**

8 **VALIDITY OF OFFER:**

The offer shall be kept valid for 90 days from the date of opening of the tender.

9 **SUPERSCRPTIONS:**

To be mentioned by the CA Agency on the Sealed Envelope

- a. LTE No.-----, due on (insert date)
- b. Bid Security- Not Applicable
- c. College terms of payment accepted. YES/NO

The sealed cover without **SUPERSCRPTION** as mentioned above and any omissions thereof will be **RETURNED UNOPENED**.

10 College is not responsible for any kind of delay in receipt of Proposal.

11 The Internal Auditor should not be statutory Auditor of same HEIs.

12 **SELECTION CRITERIA**

The College shall use the criteria and methodologies listed in M.P.Bhandar Kray Niyam to determine the Most Advantageous Bid by calling three or more Bid Quotations. The Most Advantageous Bid Quotation is the Bid Quotation of the CA Agency that meets the qualification criteria and whose Bid has been determined to be:

1 Substantially responsive to the bidding document, and

2 The lowest evaluated cost.

12 (A) Eligibility Criteria

The CA Agency shall furnish documentary evidence that meets the following Eligibility criteria (s):

- 1.1 CA Firm should have an Average Annual turnover during the last 3 financial years in the Audit works only (FY 2016-17, 2017-18, 2018-19) for a Value of **Rs 3 Lakhs** (Rupees Three Lakhs only)
- 1.2 The CA Firm should have Experience of Chartered Accountant –Partner /Proprietor to have minimum of 3 years’ Experience as on bid Submission.

2 A self-declaration from the firm to the effect that the firm including the partners of the firm has not been found guilty of professional/other misconduct by the Institute of Chartered Accountants of India under First and Second Schedule of the Chartered Accountants Act 1949 or is one against whom no disciplinary sanction order has been passed by the Public Companies Accounting Oversight Board

The CA Firm should have never been blacklisted /barred (temporary or permanent) disqualified by any regulatory /statutory body / public sector undertaking in India or internationally.

The CA Agency must give above declarations to this effect on its letterhead.

- 3 The CA Agency must have valid GST registration and PAN as on the date of submission of bid.
- 4 The Internal Auditor should not be statutory Auditor of same HEIs.

13 Documentary Evidence

The CA Agency shall furnish documentary evidence to demonstrate that the Non Consulting Services it offers meet the following usage requirement:

Number of team members for the project with their experience. Brief description of ownership details, objectives of the firm, total manpower strength, availability of appropriate professional staff, infrastructure etc.

Signature

[Name of the Authority]

Designation:

College Name , Address ,

Phone No-----,

e- mail- -----

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(Office seal)

Attached: Price Schedule Format- Annexure-1

Scope of Work -Annexure- 2

Report Format- Annexure-3

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Annexure- 1 - Price Schedule Format					Date:_____	
					LTE No: College Name -----/LTE/2019-20/ Page N° 1 of 1	
1	2	3	4	5	6	7
Line Item N°	Description of Goods	Physical unit	Quantity	Unit price	Total price per line item including GST 6= 4*5	GST payable by the CA Agency per line item if Contract is awarded
1	Internal Audit of College WB Funded Project Account as per the Scope of Work F.Y. 2018-19(if any Transaction of World Bank exist),2019-20 and 2020-21).	Half Yearly	6			
2	Handholding in Book Entries for F.Y 19-20 &20-21					
Total Price in Rs						

Signature of the CA Agency
Name of the Signature Authority

CA Agency Company Name
CA Agency Company Seal / CA Registration No.

Annexure II

SCOPE OF WORK - INTERNAL AUDITOR

The Scope of Work of internal audit activities encompasses the MPHEQIP fund only and will include the following:

13.1 The audit would cover the compliance of all rules, regulations and guidelines issued time to time by the Department of Higher Education and/or Department of Finance Madhya Pradesh or any other statutory/governing bodies.

13.2 Hand holding, assist, Support ,capacity building on financial Entries in Tally (FMS) .

Colleges have procured the financial Management Software i.e. Tally ERP-9 and planning to make the financial Entries of F.Y 2019-20 and 2020-21 into the system hence selected Auditor is required to assist the Data entry process and support and capacity building on financial Entries in Tally (FMS) for the college Accounting staff. Further the prospective Internal Auditor will help the accounting staff in resolving the issues during the entries pertaining to the FMS applications as and when required. Requirement of the IA availability on continuous basis is required during the Data entry process.

Prospect bidder may visit the college at their own cost to understand the volume of work.

The prospective Internal Auditor, to submit the Financial quote as per the Annexure “1” of LTE.

13.3 The scope of the assignment will be comprehensive and will cover the audit of the project related activities and transactions of all cost centers. Internal Audit should provide assurance, whether:

a. Project funds have been used, in accordance with the conditions of the relevant project/program/scheme and only for the purposes for which the budget/fund was provided in an efficient and effective manner.

b. All necessary supporting documents, records, and accounts have been kept and filed appropriately in respect of the project/funds as per the order issued by the Higher Education Department, Government of Madhya Pradesh, State project Directorate and any other governing body.

c. Goods, services and non-consultancies have been procured in accordance with the standard procurement procedure prescribed under MP Procurement Rules, Procurement Manual applicable for MPHEQIP and Guidelines issued by Higher Education Department, Government of Madhya Pradesh and any other governing body. Procurements made under Component 3 of the Project have followed the World Bank Procurement Guidelines.

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- d. World Bank's "Procurement Regulations for IPF Borrowers "Procurement of Goods, Works and Non-Consulting Services under IBRD Loans and IDA Credits & Grants by World Bank Borrowers (January 2011), as updated in July 2014 ("Procurement Regulations"), are applicable and is open to all eligible Bidders as Eligibility Criteria in the Procurement. Interested CA Agency may visit the WB web site for further Information.
- e. Timely budget allocation /Fund remittance to HEIs and its effective utilization are in order and does not create any bottleneck in implementation of project.
- f. Effective financial management systems including internal controls are in operation throughout the period under audit examination. This would include aspects such as adequacy and effectiveness of accounting, financial and operational controls, and any need for revision; level of compliance with established policies, plans and procedures, reliability of accounting systems, data and financial reports; methods of remedying weak controls or creating them where there are none; verification of assets and integrity, controls, security and effectiveness of the operation of the computerized accounting system.
- g. The audit would also cover all consultancies or other contracts awarded by the HEIs as well as the Project Directorate as the case may be. Whether the contracts are being administered as per the terms of the contract; whether the outputs of the Agencies /contractor/consultants are being monitored for quantity/quality (as applicable), timeliness etc. and whether there is appropriate documentation of the same. Whether payments to contractors are being made in a timely manner.
- h. The Auditor should have adhered to compliance of Financial manual and Procurement Manual at HEIs level.

13.4 Auditor need to analyses and ensure to Implementation of Internal Control in allotted HEIs

- a. Analyzing Risk factors
- b. Adequacy of internal controls (e.g. maker checker, daily day book checking etc.)
- c. Roles and responsibilities
- d. Deputing key persons for implementing internal controls
- e. Periodical Review of system

13.5 Specific areas of audit should include the following based on the broad audit activities

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- a. An assessment of the adequacy of the program's financial management system, including internal controls. This would include aspects such as adequacy and effectiveness of accounting, financial and operational controls exercised by the implementing agencies and suggestions of improvement, if any. Migration audit which covers checking of opening balances from manual system to online system when the latter is rolled out.
- b. Ensure timely Resolution of AG and Statutory audit objections or any queries raised by the State Project Directorate/ Higher Education Department and GoMP.
- c. Verify and validate that the funds have been used in accordance with the relevant financial norms and financial regulations with due attention to economy and efficiency, and only for the purpose for which the financing has been provided.
- d. Verify that the generally accepted Accounting Principles are followed by all entities that are authorized to incur expenditure under world bank project.
- e. Assessment of efficiency and timeliness of fund flow and reporting (Utilization Certificates) mechanism for implementation of project activities.
- f. Assessment of the adequacy of financial and administrative delegation and segregation of duties and controls.
- g. Assess, if the expenditures incurred/ advances provided are duly authorized as per the financial and administrative delegation approved by the Executive Committee.
- h. Verify expenditure incurred are in accordance with the IDP norms, operational guidelines, legal agreement or any other clarifications issued from time to time.
- i. Verify if adequate and proper supporting documents, namely, purchase orders, tender documents, invoices, vouchers, receipts, pay bills, TA bills etc. are maintained and linked to the transactions (100%).
- j. Check if Reconciliation of Treasury and accounts of HEI is regularly carried out on a monthly basis and necessary corrections on account of Treasury's credits/debits and are accounted for concurrently.
- k. Physical verification of the Assets for Completeness, existence, recording, safeguard and utilization
- l. Ascertain the reliability of integrity, controls, security and effectiveness of the operation of computerized system.
- m. Verify and reconcile the Statement of Expenditure submitted by HEIs against allotted fund with reference to records and accounts books maintained at HEIs office and report the variance in tabulation form for making necessary corrections/adjustments while releasing further grants.
- n. Verify if funds have been used in accordance with the conditions of the relevant legal agreements and only for the purposes for which the financing was provided.
- o. Guide HEIs on maintenance of SOEs (Statement of Expenditure) clear linkages between the books of account.
- p. Term Deposit and other Deposits (in any form) should be reconciled with Bank / Deposit Statement.
- q. Any other work related to above at the discretion of SPD/HEI.

14 PERIOD OF EMPANELMENT

Initially the Internal Audit contract with the CA Agency will be for Three years i.e Financial year 2018-19(If any Transaction of World Bank Project exist),2019-20 and F.Y 2020-21 which will be extended further another one year based on the performance on Mutual Agreed terms and conditions.

15 DELIVERABLES- REPORTING

- 15.1 The auditor will have to certify the financial statements generated manually for 2018-19(if any Transaction of World Bank exist) and from Tally for FY 2019-20 and FY 20-21 and flag any issues on the same
- 15.2 The CA Agency should provide an executive summary highlighting critical issues which require the attention of the Additional Director of the Division and State Project Directorate, In addition to the Half Yearly report in prescribed format (Annexure III). The executive summary should also include the status of action taken on the previous recommendations and queries raised by the Auditor.
- 15.3 All reporting will be made on Half yearly basis. The reports will comprise of summary of the key findings, implications and recommendations to enable the State Project Directorate and the HEI's to take timely actions. The audit observations should be supported by instances and quantified, as far as practicable.
- 15.4 The audit observations should be discussed with the auditee entity before they are finalized and should be duly signed by auditee.
- 15.5 The audit reports should be submitted within 15 days after completion of Half yearly audit. Any delay beyond 15 days for any report attracts the penalty of Rs 200 per day delay till 30 days. After that termination of the contract will be initiated without any financial liability of the SPD.

16 Payments

- 16.1 Colleges shall pay the Internal Auditor on Half Year basis upon submission of the Internal Audit report for the previous Half year.

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17 Time lines for deliverables

SPD and HEI’s Time lines of conducting the audit will be as follows:

Year	Period of Audit	Time line for submission of Reports
2018-19	First Half Year	30 Nov 2020
(If any Transaction of World Bank exist)	(1.4.2018 to 30.9.2018)	
	Second Half Year	30 Nov 2020
	1.10.2018 to 31.3.2019	
2019-20	First Half year	30 Nov 2020
	(1.4.2019-30.9.2019)	
	Second Half Year	30 Nov 2020
	(1/10/2019 to 31.3.2020)	
2020-21	First Half year	30 Nov2020
	(1.4.2020 to 30.9.2020)	
	Second Half Year	30 April 2021
	(1/10/2020 to 31.3.2021)	

Annexure III

REPORTING FORMAT

A. CA FIRM NAME

B. CHARTERED ACCOUNTANTS

C. COLLEGE NAME

D. REPORT OF INTERNAL AUDIT-

Based on the information available, observations made during our visits, and staff's explanation & information submitted to us our observations are summarized as under.

E. PERIOD

F. DISTRICT / DIVISIONS AUDITED –

G. REGISTERS-

We have verified the following Registers/ Books/Records for the period under review:

S.no	Name of Registers/ Books/Records	Auditors Observations
	Physical registers	
01	Inward / outward register	
02	Fixed assets register	
03	Advance Register	
04	Bill Register	

H. LEDGERS

S.no	Creditors Ledger	Auditors Observations
01	All payments issued for Vendor payment are required to be adjusted bill to bill only.	
02	Disallowance of expenditure as per the World Bank Rules	
03	Procedural Lapse (Compliance of Procurement manual).	
04	Procedural Lapse (Compliance of Financial manual).	
05	All Purchase made under the M P Procurement Rule , if not give details	
06	To check Discount/ Penalty While making payment to Vendor	

Limited Tender Enquiry –Selection of Internal Auditor

07	Advance Given to any person and adjustment their off ?	
08	Debit balance Vendor a/c	
09	Whether it is reconciled with Vendor account or not.	
10	Suspense a/c: Suspense's account created by	
11	Trial balance:	
12	Accounting books & records not maintained.	
13	Marking of Individual Fixed Assets procured under world Bank fund and their verification.	
14	Whether assets is properly used for the purpose for which it was purchased. .	

I. Payments (if any) Audit Observations required to be covered:

Sr. no.	Report Name	Auditors Remark	Action taken By HEI to rectify
01	Treasury voucher expenses head classification		
02	Treasury vouchers authorisations and receiver signature		
03	Treasury voucher Serial nos. tallying with Accounting system		
04	Treasury vouchers without approval entered in to software		
05	Supporting documents with Treasury Voucher		
06	Treasury Expense head as per voucher and software account		
07	Petty cash payments made in excess of specified limit(Let Rs 500)		
08	cash voucher Revenue stamp affixing as per State Govt. rules (if required		
09	Advance given to staff and its recovery process		

Limited Tender Enquiry –Selection of Internal Auditor

10	Treasury Payment voucher filing system		
11	Reconciliation of Treasury expenses with books of accounts		

J. EXPENSES ANALYSIS

We have verified all the Expenses during the period under review and our observations are as follows:

Fund Wise Details::- World Bank .

Sr. no.	Expenses	Expenses up to previous Quarter	Expenses made in current Quarter	Total Expenses	Remark
01					
02					
03					
04					
05					
06					
07					
08					
09					

K. Budget

Budget were received for the period under review and the following are our observations:

Sr. No	Name of Report	Auditor Observations
01	Is any Budget allotted during the period for any fund ? if yes than given the fund wise details	
02	Is all allocated fund is utilized against the budget if not give reason why it is not utilized	
03	if its pending than reason why it is pending	
04	Utilisation Certificate sent to S.P.D. office	

L. AG Audit objection

Sr. No	Name of Report	Auditor Observations

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01	Is any AG audit conducted during this period if yes details	
02	Is any AG audit Objection pending till date if yes, than details of pending objection and reason why it is pending	

M. General

Sr. No	Name of Report	Auditor Observations
01	Admin passwords is not openly given to everyone.	
02	Regular Backup is taken by authorized person	
03	Physical and Computerized data is matching	
04	Audit or track changes that affect the integrity of a transaction, such as changes made to Date, Ledger Masters and Amounts	
05	If any fraud ,	
06	Any other remarks	

N. PROCESS GAP

Sr. No	Name of Report	Auditor Observations
1	Process Name 1	
2	Process Name 2	
3	Process Name 3	

- Note:-
1. If any above point has not satisfactory opinion than Auditor should mention the reason for not satisfaction.
 2. Internal Audit Reporting formats may be changed as per discretion of SPD office and HEIs according to specific need of HEI with justification and with prior approval of SPD office.
 3. Auditor may add separate annexure for additional points, if want to report on some additional point not covered by above format.