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सत्यमेवजयते

भारतसरकार
स्वास्थ्यएवंपरिवारकल्याणमंत्रालय
निर्माणभवन,नईदिल्ली- 110108
Government of India
Ministry of Health & Family Welfare
Nirman Bhavan, New Delhi - 110108

Foreword

Recognising the importance of health in the economic and social development and quality of life of our citizens, the Government of India launched the National Rural Health Mission (NRHM) in 2005 to carry out necessary architectural corrections in the health care service delivery. NRHM aims to catalyse a phased increase in health funding so as to reach 2-3% of the Gross Domestic Product (GDP) in forthcoming years.

The objective of NRHM is to provide accessible, affordable, accountable, effective and reliable health care, especially to poor and vulnerable sections of the population in rural areas countrywide. Various health care programmes of GoI are incorporated under NRHM including programmes for addressing communicable diseases, infrastructure development, immunization, nutrition etc.

Considering the enhanced fund allocations to the states under NRHM in the Twelfth Five Year Plan, a well defined and sound financial management system is essential for achieving the set physical and financial targets. Given the highly decentralized framework of NRHM implementation with special focus on rural areas, coherence in fund release, maintenance of records and monitoring of utilization becomes imperative.

I am happy to note that NRHM Finance Division of the Ministry has developed the Operational Guidelines to strengthen the Financial Management at all levels.

I have no doubt that these guidelines shall form the basis for a strong financial management system in states in years to come.

P.K. Pradhan

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भारतस रकार
स्वास्थ्यए वंप रिवारक ल्याणम ंत्रालय
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Mission Director's Message

I am pleased to note that the NRHM Finance Division has brought out the Operational Guidelines for streamlining the financial management systems under NRHM.

These guidelines shall be helpful in ensuring uniformity in all the states countrywide in the adoption of correct accounting, auditing and reporting procedures regarding fund flows under the Mission. I am confident that, these guidelines, if followed scrupulously and with proper understanding, shall considerably assist in ensuring greater efficiency and accountability of financial management down the line.

As we welcome the new financial year and a new phase in NRHM's progress, let us work towards strong and vibrant management and utilization of NRHM funds so as to ensure effective attainment of our programme goals.

27/3/12

Anuradha Gupta
Addl. Secretary & Mission Director

NATIONAL RURAL HEALTH MISSION
राष्ट्रीय ग्रामीण स्वास्थ्य मिशन

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भारत सरकार
स्वास्थ्य एवं परिवार कल्याण मंत्रालय
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Preface

The Operational Guidelines for the Financial Management have been developed by the NRHM Finance Division of the Ministry of Health & Family Welfare so as to serve as a guide and practical everyday reference for financial managers in the Ministry and the States.

The National Rural Health Mission has from its very initiation resulted in more funds being made available for rural health. With health funding proposed to be raised to 2.5 percent of the GDP during the XIIth Five Year Plan, health spending under the Mission will also see a commensurate increase. In order to make the best use of this opportunity, management of funds must be accountable, efficient, and effective so as to help in developing absorptive capacities.

Financial management should be characterised by robust structures, well-outlined delivery systems and a respect for rules while retaining flexibility of end-use of funds. This fine balance has been sought to be achieved in these operational guidelines which outline both planning and budgeting, fund flow, accounting, reporting and audit procedures.

The operational guidelines also include references and advisories on state share contribution, untied funds, Rogi Kalyan Samitis, Village Health Sanitation and Nutrition Committees and banking norms as brought out by the NRHM Finance Division. These have been collated so as to make the guideline a comprehensive reference for all NRHM finance managers.

The operational guidelines in their present form are topical and shall continue to be valid for the next phase of NRHM beyond 2012.

I thank my team in the NRHM Finance Division for their hard work and colleagues and Finance Managers in the states for their valuable inputs while framing these guidelines. I hope that the Operational Guidelines for Financial Management of NRHM will be made good use of, thereby ensuring that Financial Management under NRHM is strengthened even further.

Jaya Bhagat
27.3.2012

Jaya Bhagat

Contents

ANNEXURES

LIST OF ABBREVIATIONS

List of Abbreviations	Full Form
AMG	Annual Maintenance Grant
ASHA	Accredited Social Health Activist
ATR	Action Taken Report
AWW	Anganwadi Worker
BAM	Block Accounts Manager
BCHC	Block Community Health Centre
BMO	Block Medical Officer
BPHC	Block Primary Healthcare Centre
BPM	Block Programme Manager
BRS	Bank Reconciliation Statement
CA	Chartered Accountant
CDMO	Chief District Medical Officer
CHC	Community Health Centre
CM&HO	Chief Medical & Health Officer
CMO	Chief Medical Officer
DA	Data Assistant
DAM	District Accounts Manager
DHAP	District Health Action Plan
DHS	District Health Society
DPM	District Programme Manager
DPMU	District Programme Management Unit
FM	Financial Management
FMG	Financial Management Group
FMR	Financial Monitoring Report
GoI	Government of India
GFR	General Financial Rule
IDHAP	Integrated District Health Action Plan
IDSP	Integrated Disease Surveillance Programme
IMR	Infant Mortality Rate

JSY	Janani Suraksha Yojna
MIS	Management Information System
MO	Medical Officer
MoHFW	Ministry of Health and Family Welfare
MMR	Maternal Mortality Rate
NDCP	National Disease Control Programme
NIDDCP	National Iodine Deficiency Disorders Control Programme
NLEP	National Leprosy Control Programme
NPCB	National Programme for Control of Blindness
NPCC	National Programme Coordination Committee
NRHM	National Rural Health Mission
NVBDCP	National Vector Borne Disease Control Programme
PHC	Primary Health Centre
PMSU	Programme Management Supporting Unit
RCH	Reproductive and Child Health
RFP	Request For Proposal
RKS	Rogi Kalyan Samiti
RNTCP	Revised National Tuberculosis Control Programme
RoP	Record of Proceedings
SAM	State Accounts Manager
SC	Sub Centre
SFM	State Finance Manager
SFP	Statement of Fund Position
SHS	State Health Society
SoE	Statement of Expenditure
SPIP	State Project Implementation Plan
SPMU	State Programme Management Unit
TDS	Tax Deducted at Source
ToR	Terms of Reference
UC	Utilization Certificate
UT	Union Territory
VHSNC	Village Health, Sanitation and Nutrition Committees

SCOPE OF MANUAL

SCOPE

This Manual shall govern the financial management system of National Rural Health Mission (NRHM) program run by the Ministry of Health and Family Welfare.

This Manual shall cover the various aspects of the financial management activities including Planning, Budgeting, Funds Flow, Accounting, Financial Reporting, Internal Controls and Audit. For each of the activities, the manual elaborates on the key operational procedures, roles/ responsibility of the finance personnel, timelines and key formats.

The Scope of this Manual shall mainly be restricted to the finance & accounts staff under NRHM at various levels.

MAINTENANCE

The Manual shall be maintained in the office of Director NRHM (Finance).It shall be circulated to the states and the members of the governing body for utilization.

The same would be available at the Ministry's site under the link of Financial Management Group, so that the State-NRHM is also benefited.

USERS

All the members of the Financial Management Group (FMG) in MoHFW along with the finance and accounts staff at state, district and sub-district level shall be following the processes and timelines mentioned in the manual for implementation of various financial management activities.

AMENDMENT TO THE MANUAL

This manual can be amended for any policy issue through proper channel with the approval of Mission Director, NRHM as he/she will be the final authority approving this document.

CHAPTER 1: OVERVIEW OF FINANCIAL MANAGEMENT UNDER NRHM

1.1 INTRODUCTION

NRHM (2005-2012) was launched in April 2005 by the honorable Prime Minister and its detailed framework for implementation was approved in July 2006. It seeks to provide effective healthcare to rural population throughout the country with special focus on 18 states, which have relatively weaker public health indicators and/or weak infrastructure.

The goals of NRHM include the following:

- Reduction in Infant Mortality Rate (IMR) and Maternal Mortality Ratio (MMR).
- Universal access to public health services such as women's health, child health, water, sanitation & hygiene, immunization and nutrition.
- Prevention and control of communicable and non-communicable diseases including locally endemic diseases.
- Access to integrated comprehensive primary healthcare.
- Population stabilization, gender and demographic balance.
- Revitalize local health traditions and mainstreaming of AYUSH.
- Promotion of healthy life styles.

NRHM was conceived as an umbrella programme subsuming the existing programmes of health and family welfare, including the following programmes:

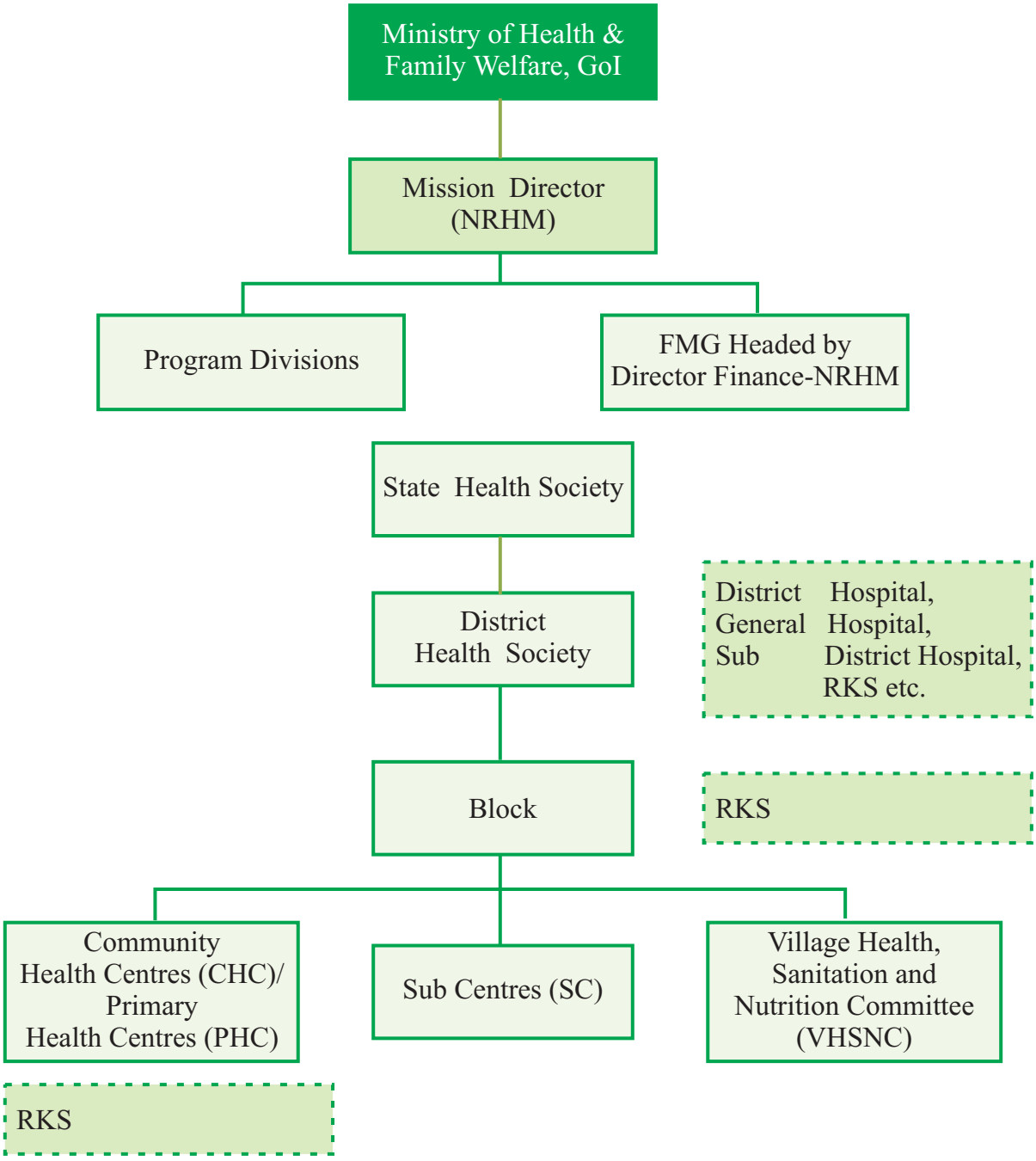
- Reproductive and Child Health, Phase II (RCH (II).
- Additioneries under NRHM (Mission Flexible Pool).
- National Disease Control Programmes (NDCPs) including the following:
    - o National Iodine Deficiency Disorders Control Programme (NIDDCP)
    - o Integrated Disease Surveillance Project (IDSP)
    - o National Vector Borne Disease Control Programme (NVBDCP)
    - o National Leprosy Eradication Programme (NLEP)
    - o National Programme for Control of Blindness (NPCB)
    - o Revised National Tuberculosis Control Programme (RNTCP)

A Mission Directorate has been established in the Ministry of Health and Family Welfare (MoHFW) for successful running of the NRHM program. It is headed by the Mission Director who is at the level of Additional Secretary to the Government of India. The Mission Director is supported by the Joint Secretary, Directors NRHM, Under Secretary, Assistant Director, Section Officer and other staff members at the Centre Level.

1.2 OVERALL IMPLEMENTATION STRUCTURE UNDER NRHM

The overall Programme Implementation structure for NRHM is as follows

Exhibit 1.1: Programme Implementation Structure



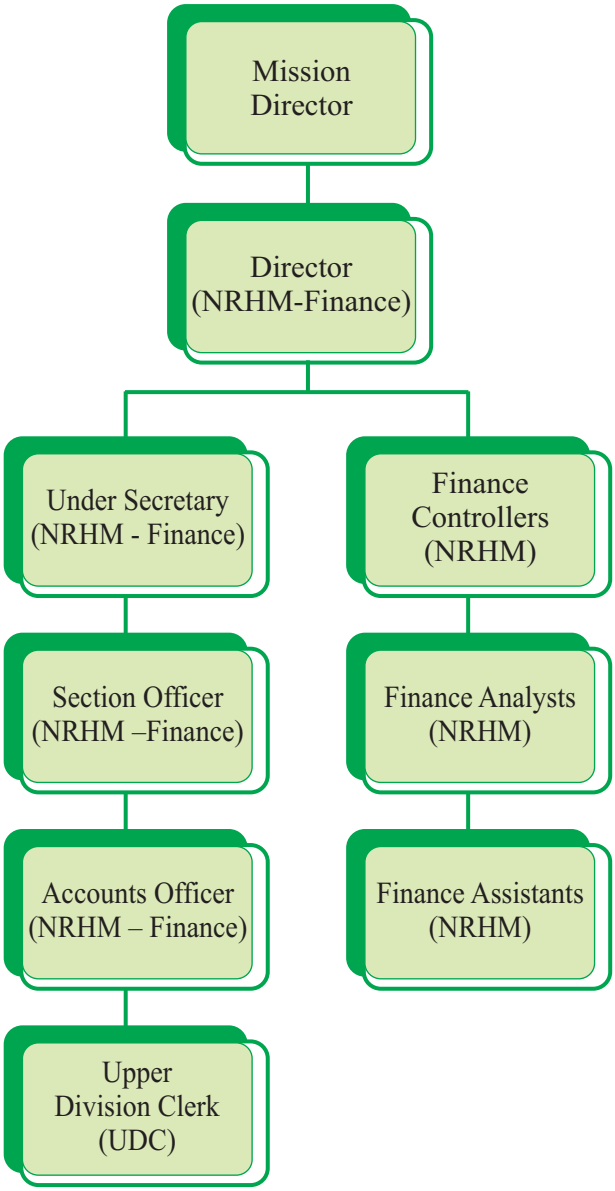
1.3 FINANCIAL MANAGEMENT STRUCTURES AT VARIOUS LEVELS

In order to ensure efficient financial management a separate Financial Management Group (FMG) has been formed at the GoI level which is supported by respective finance units/ staff at state, district and sub-district levels.

The detailed structures of FMG and various finance units at state, district and block levels are given below in Exhibits 1.2 to 1.5.

1.3.1 Centre Level – Financial Management Group (FMG)

Exhibit 1.2: GoI



The group is headed by the Director (NRHM-Finance), who is supported by one Under Secretary, one Section Officer, two Accounts Officers and various finance consultants. All these finance consultants including Finance Controllers, Finance Analysts and Finance Assistants report directly to Director (NRHM-Finance).

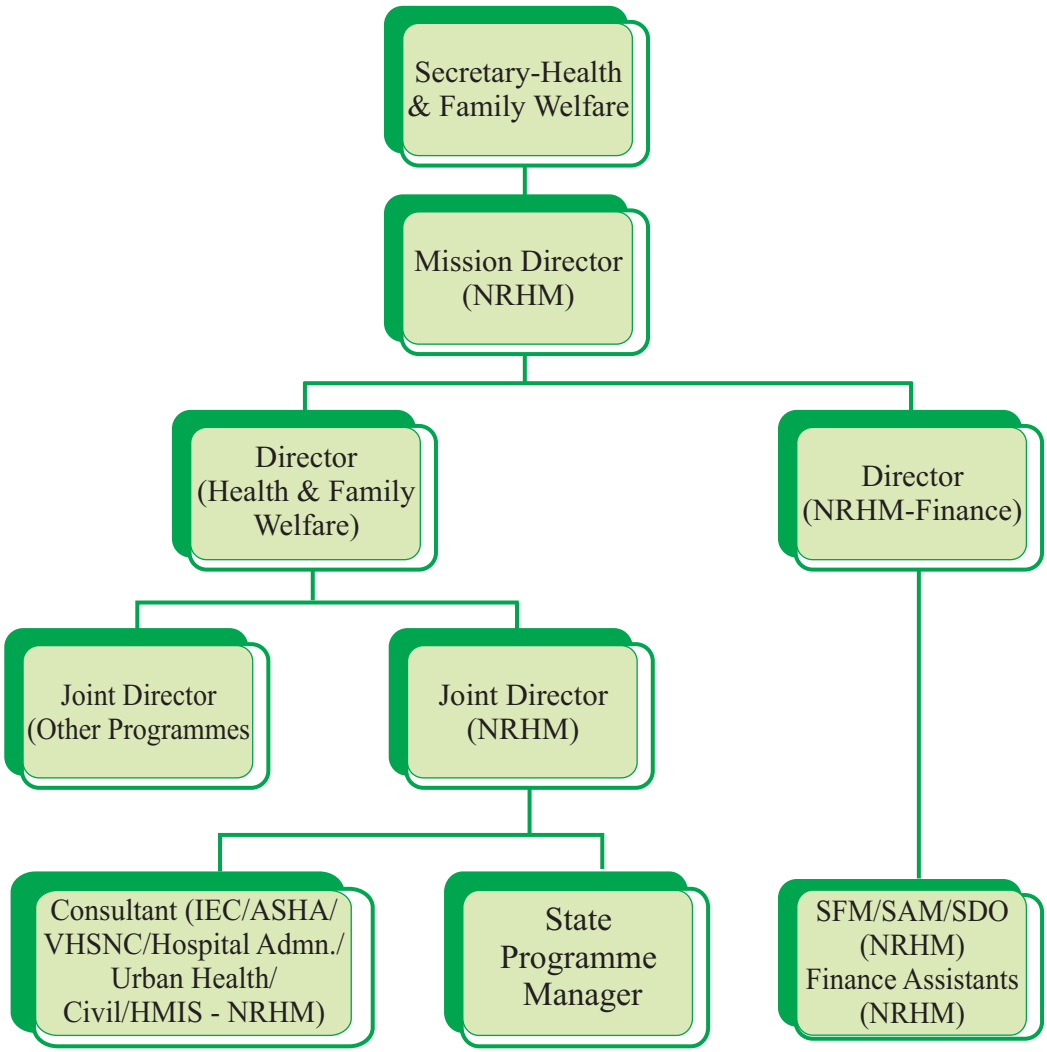
The broad role of FMG at the Centre Level is as follows:

- Process all the fund releases to the SHSs as per the approved budget and ensure timely release of the same.
- Monitor utilization level at states and districts including analysis of the advance position, identifying gaps hindering optimum utilization etc.

- Monitor submission of SOEs/ financial reports/UCs from States.
- Compile various MIS.
- Carry out monitoring through financial management indicators, state visits for review and providing support and contributing to Common and Joint Review Missions.
- Formulation of financial policies, guidelines, issue of advisories from time to time.
- Monitor the audit arrangements at the various SHS and ensure timely appointment of Statutory and Concurrent auditors.
- Oversee the audit arrangements of the SHS.
- Monitor submission of audit reports in a timely manner.
- Claim reimbursement from the Development Partners.
- Training of finance and accounts personnel of states/districts.

1.3.2 State Level

Exhibit 1.3: State Level



Each State has a State Health Society (SHS) headed by the Mission Director. Each SHS consists of a State Programme Management Support Unit (SPMSU). The State NRHM Finance must be headed by Director Finance, who should be from State Services and on full time basis, and is assisted by the State Finance Manager (SFM), the State Accounts Manager (SAM) and State Data Officer (SDO).

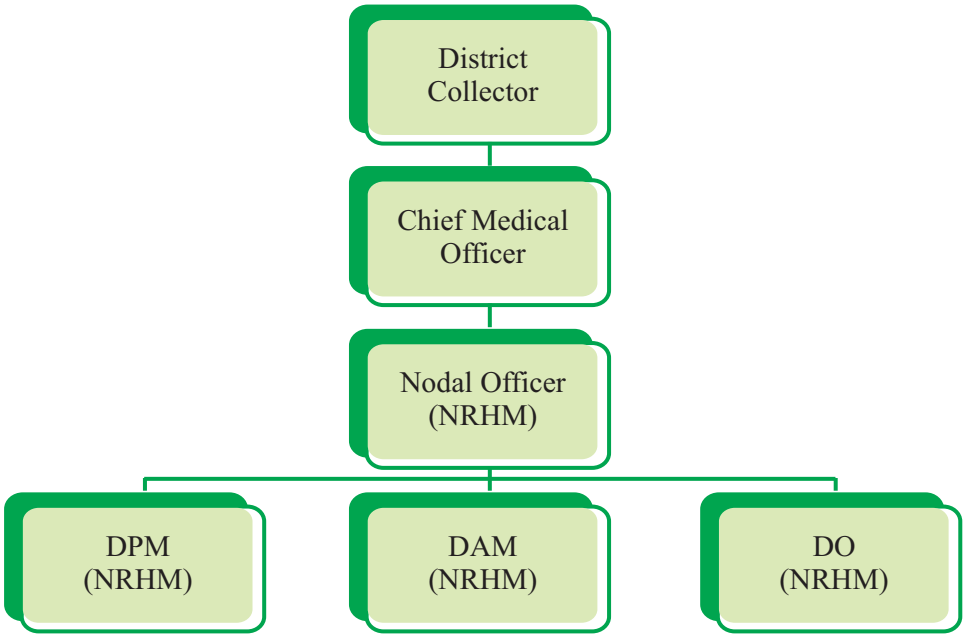
The broad roles of State finance personnel are as follows:

- Ensure timely fund releases to the District Health Societies.
- Maintenance of books accounts as per the guidelines.
- Monitor the expenditure and assess the requirements of funds and then prepare budget estimates.
- Develop / Refine guidelines/ manuals for management of funds in the state/ districts/ peripheral level.
- Monitor timely submission of Statement of Expenditure from the Districts.
- Preparation and timely submission of FMRs, SFPs, quarterly/ monthly MIS, Concurrent Audit Executive Summary to the MoHFW, GoI.
- Timely submission of Utilization Certificates.
- Facilitate and monitor the Statutory and Concurrent audit by appointing auditors on time and ensuring timely audit and submission of reports.
- Organize and conduct training for the district and peripheral units.
- Monitor Advances.

At the time of renewal of F & A personnel of State Level an intimation of the same shall have to be sent to Director (NRHM-Finance). Comments for the renewal or new appointment and any changes in the F & A personnel at state headquarters level shall have to be intimated to Director (NRHM-Finance) for concurrence.

1.3.3 District Level

Exhibit 1.4: District Level



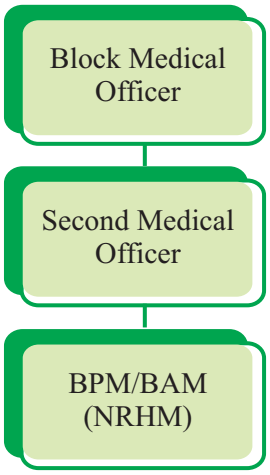
At the district level, a District Health Society (DHS) has been set up to manage the programme activities. The finance and accounts activities related to NRHM implementation are managed by District Accounts Manager (DAM) and a data assistant under the supervision of a Districts Programme Manager (DPM).

The broad roles of District finance personnel are as follows:

- Budgeting and Planning for programme implementation.
- Ensure timely fund releases to the Blocks/ CHC/ PHC/ Sub Centres.
- Maintenance of books of accounts as per guidelines.
- Monitor timely reporting from the Blocks through Statement of Expenditure every month.
- Ensure timely reporting of expenditure to the State.
- Facilitate and monitor the Statutory & Concurrent Audit by providing relevant information to the auditors timely.
- Ensuring follow up on audit observations.

1.3.4 Block Level

Exhibit 1.5: Block Level



The implementation of the programme activities starts at the Block level and the actual utilization of funds initiates from here. Block Medical Officer is supported by Block Accountant & Block Programme Manager (BPM). The Block Accounts Manager is responsible for disbursing the funds to the implementing units under its jurisdiction (CHC/PHC/ Sub Centre/ VHSNC) and monitoring their utilization and reporting for the funds disbursed. BAM is also responsible for maintenance of accounting records at the block level and reporting the utilization to the District Accounts Manager in respect of the funds received from the district.

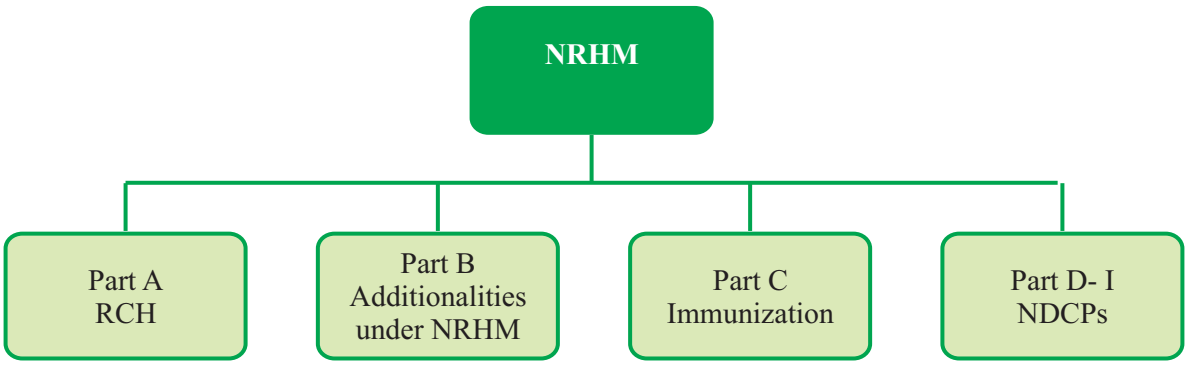
At CHC/PHC level, accounting and reporting activities are managed by the CHC/ PHC accountants. At Sub Centre level and Village Health, Sanitation and Nutrition Committees, the fund management and reporting is controlled by the ANM and ASHA respectively.

Detailed roles and responsibilities of Finance and Accounts Personnel at various levels under NRHM are appended as Annexure I to this Manual.

1.4 COMPONENTS OF FUNDS UNDER NRHM

Funds are pooled together under in NRHM and provided for implementation of various programmes under it. NRHM Flexi Pool is divided into various components under which funds are utilized for the respective programme implementation activities.

Exhibit 1.6: Key Components of Funds

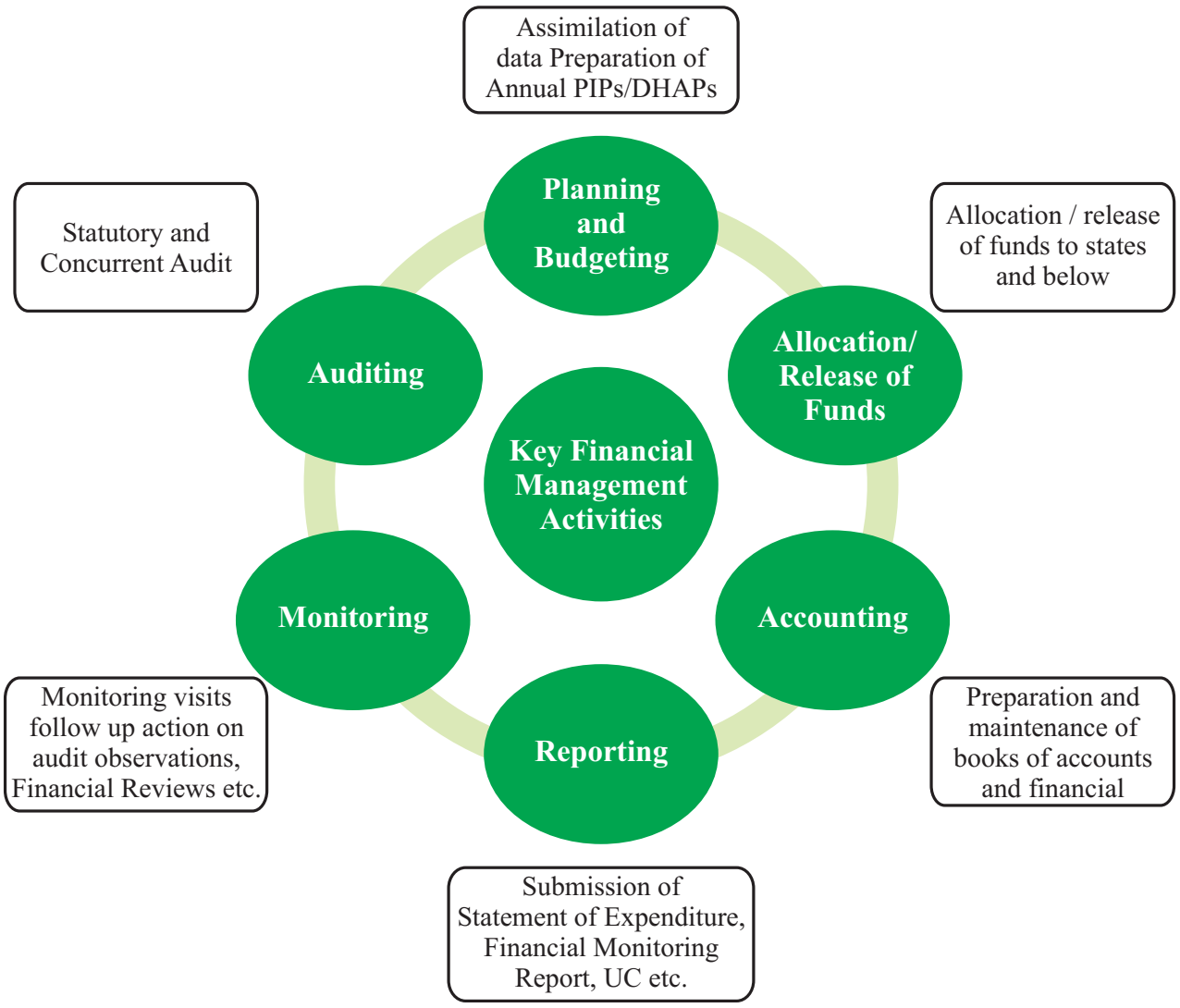


Part A RCH	Part B Additionalities under NRHM	Part C Immunization	Part D- I NDCPs
Includes funds for RCH related components such as Maternal Health, Child Health, Family Planning, Janani Suraksha Yojana, RCH camps, compensation for sterilization	Any additional activities which are essential for health system improvement but cannot be funded from any other programme are funded from this pool. Some activities include ASHA, RKS, Untied Funds, Annual Maintenance Grants etc.	Includes funds for routine immunization and pulse polio activities	Includes funds for activities related to NIDDCP, IDSP, NVBDCP, NLEP, NPCB and RNTCP respectively

1.5 OVERALL FINANCIAL MANAGEMENT CYCLE

The main aim of Financial Management is to operationalize an effective and accountable financial management system for budgeting, release, monitoring and utilization of funds under NRHM at the central/state/district/block and facility level.

Exhibit 1.7: Overall Financial Management Cycle



- **Planning and Budgeting:** Planning is required for formulating achievable targets for various activities for programme implementation and to accordingly allocate appropriate funds to states under various programs. Allocation of funds is facilitated through preparation detailed budgets. Under NRHM, the planning and budgeting process is carried out by preparing State Project Implementation Plans (SPIPs) and District Health Allocation Plans (DHAPs).
- **Allocation and Release of Funds:** The funds need to be allocated to states as per the budget approved for the programme/ activities. These have to be disbursed in

tranches on a timely basis subject to certain conditions to be fulfilled by states/ lower units.

- **Accounting:** Availability of funds implies accountability. Proper books of accounts and records need to be maintained at all levels (accounting centers) in accordance with the accounting policies and principles.
- **Reporting:** Financial Statements need to be prepared and submitted in specified formats and within the fixed timelines to report the utilization of the funds disbursed.
- **Monitoring:** The utilization levels of the states need to be monitored and evaluated on established parameters. Timely monitoring is essential for process improvement and follow up on audit observations.
- **Auditing :** To ensure correctness of financial statements & accounting records and appropriateness of internal control mechanism, audit is of foremost importance. Under NRHM, in addition to the annual Statutory Audit, Concurrent Audit also needs to be implemented.

**Note: Settlement of Utilization Certificates with PAO Sections is carried out after audit completion.*

Each of these financial management processes/ activities have been explained in detail in the following chapters.

CHAPTER 2: PLANNING AND BUDGETING

2.1 INTRODUCTION

Under NRHM, a detailed planning and budgeting exercise is taken up every year to fix the annual targets for programme implementation and hence the required budget for them. To effectively implement and monitor the activities during the year, each Implementing Agency in the State is required to prepare a plan of action. This should indicate the physical targets and budgetary estimates in accordance with the approved pattern of assistance under the NRHM. These should cover all aspects of the programme activities for the period from April to March each year, and are sent by each State/ UT to the Ministry of Health & Family Welfare, GoI for approval well before the start of the year. It is important that the action plan is realistic, practically implementable and correlates the physical outputs with the cost estimates.

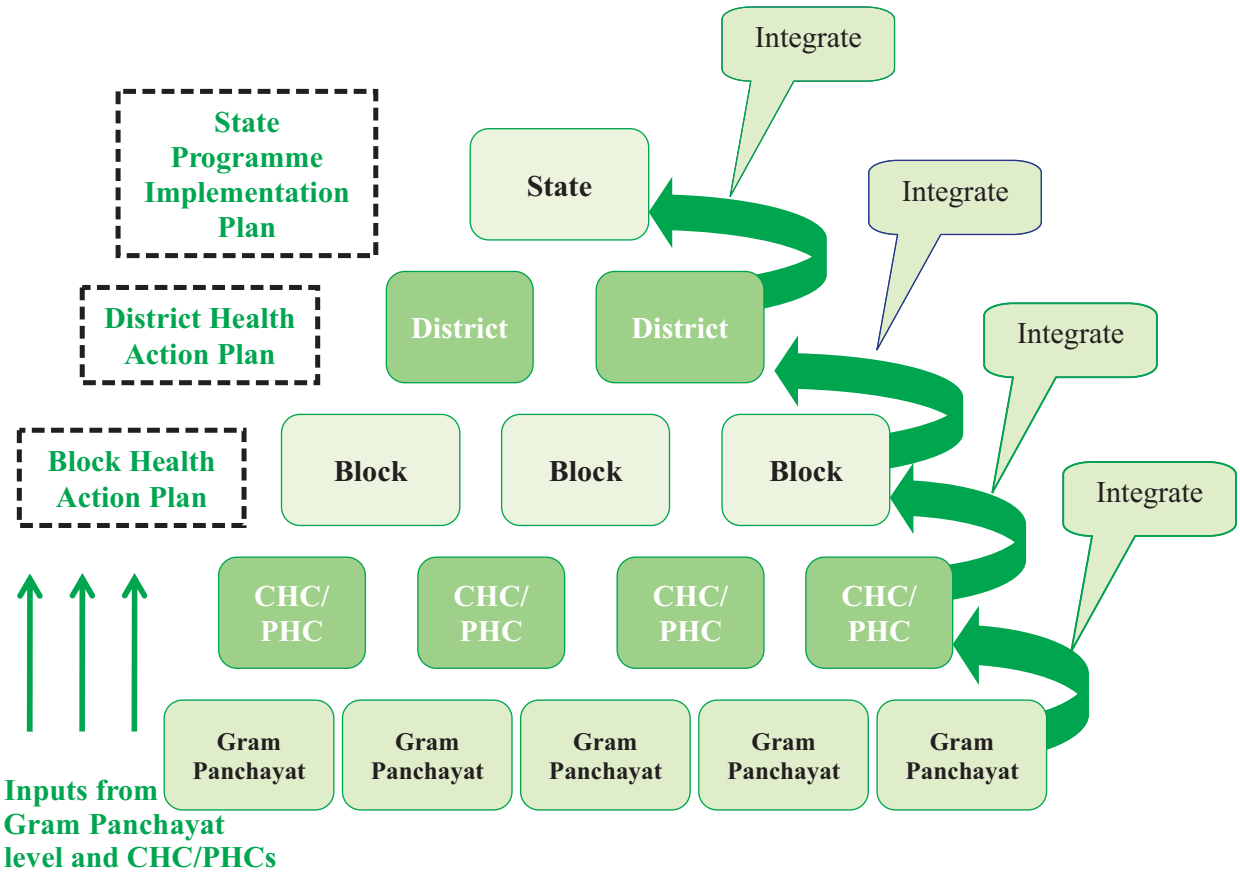
2.2 BOTTOM UP APPROACH

NRHM follows a Bottom Up approach for planning and budgeting. The process begins at the block level, which prepares the "Block Health Action Plan" based on inputs/ discussions with the implementing units and sends to the District. These Block Health Action Plans are then aggregated to form an "Integrated District Health Action Plan (IDHAP)" which is further sent to the State Level. The DHAPs of all districts are compiled and aggregated at the state level for framing the "State Program Implementation Plan (SPIP). All SPIPs are reviewed and compiled to estimate the next year's fund requirements for programme implementation activities under NRHM.

This requires setting up of planning teams and committees at various levels i.e. at Habitation/Village, Gram Panchayat (SHC), PHC (Cluster level), CHC/Block level and District level. At Village, PHC and Block levels, broadly representative committees perform both planning and on-going monitoring functions. A similar committee at the District level would be involved in reviewing the plans, based on drafting by the specialized district planning team.

The process of giving inputs and consolidation of plans through a bottom up approach is explained in the following Exhibit 2.1:

Exhibit 2.1: Hierarchy of Plans



State Health Missions & District Health Missions have total flexibility to include activities that are relevant to the needs of the State & Districts keeping in view the implementation guidelines of various Disease Control programmes being run by the centre. All the states need to allocate funds to some nationwide programs as per the directions of the center like Janani Suraksha Yojana (JSY), ASHA in high focus states, Mobile Medical Units, Untied Grants to facilities and VHSNC, funds to Rogi Kalyan Samitis, camps, sterilization compensation etc.

2.3 BROAD COMPONENTS OF BUDGETS/PLANS

The broad components for preparation of State PIPs and District Health Action Plans will be as follows:

- **Part A: Reproductive & Child Health (RCH)**

  Planning and Budgeting for RCH should cover all the related components such as Maternal Health, Child Health and Family Planning which plan to reduce IMR/MMR/TFR as per National Programme Implementation Plan of RCH-II.

- **Part B: Additionalities under NRHM**

  NRHM is a programme for providing affordable and quality health care for rural population health system improvement. Thus, any additional activities which are essential for health system improvement but cannot be funded from any other programme can be funded from the NRHM.

- **Part C: Immunization**

  Planning for Immunization will be as per the guidelines provided by the Immunization Division of MOHFW

- **Part D: National Disease Control Programmes (NVBDCP, RNTCP, IDSP, NBCP, NLEP & NIDDCP)**

  Most of the NDCP programmes have Operating Manuals for monitoring activities approved by state PIPs. States are required to follow the broad framework/ guidelines provided under these manuals. It should be ensured that there is clear classification of items of expenditure specific to the programme.

- **Part E: Inter-Sectoral convergence**

  This part covers the inter-sectoral activities with line departments including Panchayati Raj Institutions (PRI), Integrated Child Development Services (ICDS), Rural Development, Public Health Engineering Dept. (PHED), Education and Labour Departments.

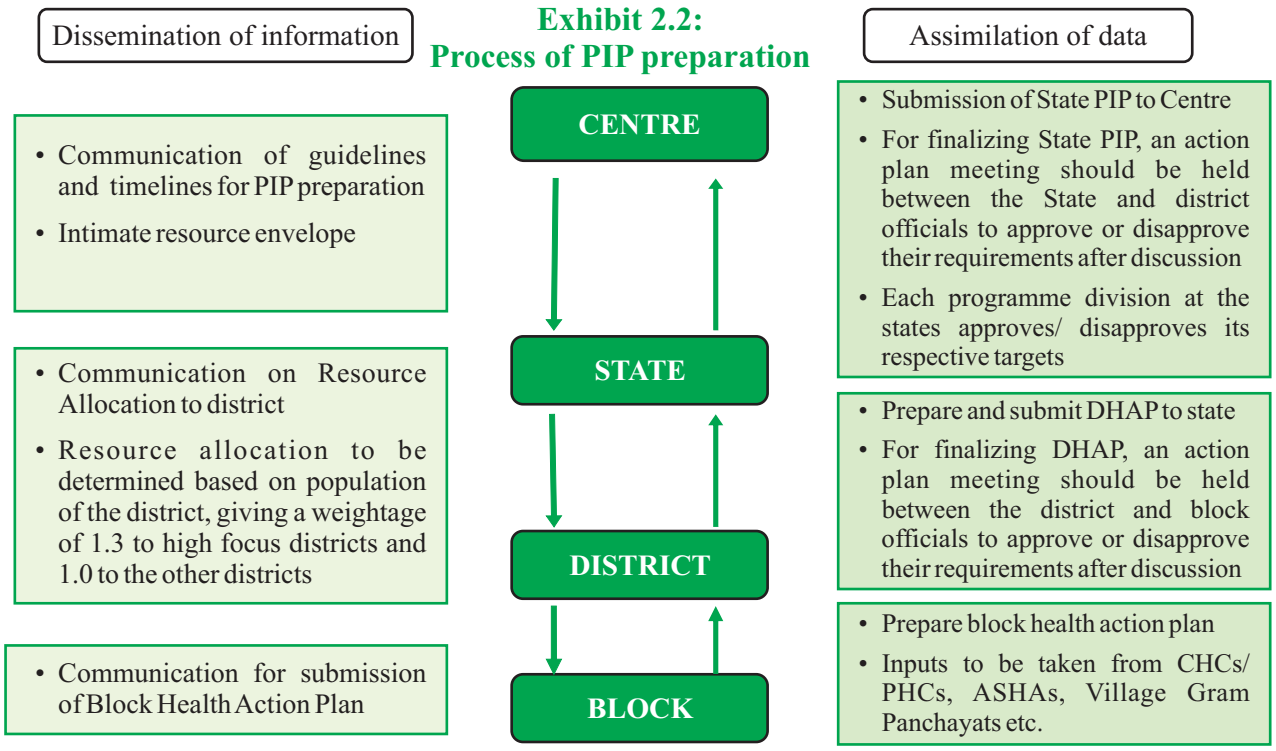
2.4 PROCESS OF PREPARATION OF SPIP AND DHAP

The Ministry of Health & Family Welfare is the nodal agency running the NRHM program. It receives the budget targets of participating states, reviews/ analyzes them & then gives approvals & makes disbursements, so the entire process runs through a two way mechanism:

- "Budgetary Demands" running from Blocks to the MoHFW, GoI
- "Budgetary Approvals/ Allocations" running from MoHFW, GoI to Blocks

The process is explained below diagrammatically:

Exhibit 2.2: Process of PIP preparation



2.4.1 Resource Allocation

The MoHFW follows equity-based approach to allocate funds under NRHM to various States. The overall allocation is made on the basis of population of the states. An additional weightage has been assigned to the NRHM priority States to ensure enhanced allocation of resources to states with weak socio-economic and health indicators. The eight EAG states have been assigned weightage of 1.3, North Eastern States have been assigned the weightage of 3.2 and other Non-EAG/NE States have been assigned weightage of 1. As per Central Government policy for centrally sponsored schemes, 10% of the total budget for developmental programmes and schemes has been allocated to North Eastern States. This approach ensures more resources to the States those are critical for achieving the objectives of NRHM.

Under NRHM, probably a maximum of 10% of funds are to be spent at the State level, 20% at the District level and at least 70% at the block level and below so that maximum benefits of affordable and quality health care reaches the people at the grass root level.

The states also need to allocate funds to the districts on an equitable basis. Socio-demographic variables like rural/urban distribution; proportion of SC/ST and vulnerable groups; districts with adverse health indicators; difficult, most difficult and inaccessible areas, left wing affected districts etc. are considered while allocating resources to the districts. A combination of such criteria and a weighted measure of 1.3 to high focus districts and 1.0 to the other districts is used to allocate funds to the districts.

2.4.2 Resource Envelope

The Resources allocated to a particular state for any given financial year is termed as the "Resource Envelope". The resource envelope for a Financial Year consists of:

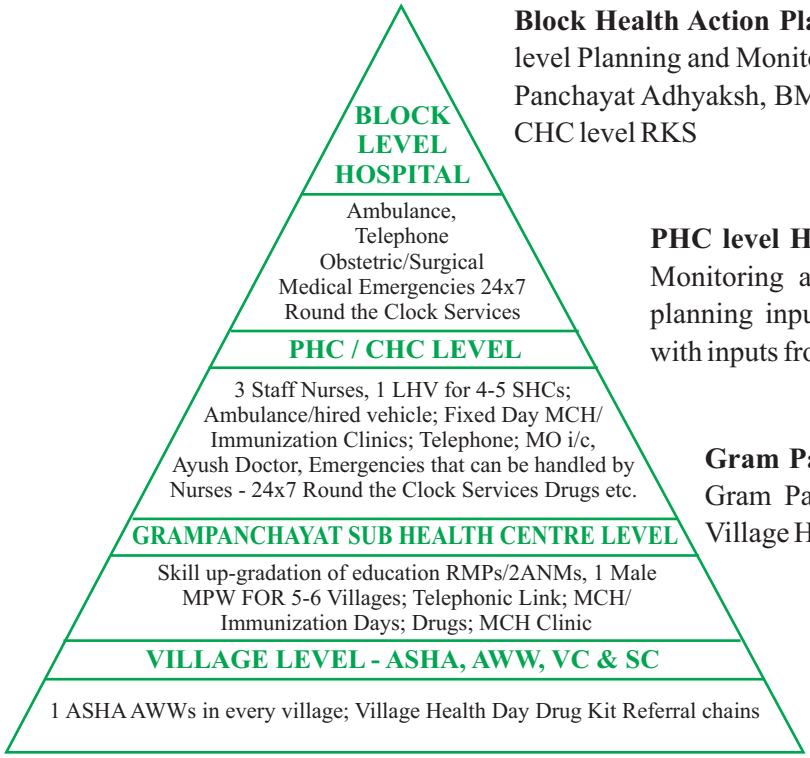
- Uncommitted Unspent Balance.
- GoI Allocation (BE) proposed for the year.
- State Share Contribution due for the year.

2.4.3 District Health Action Plan (DHAP)

The DHAP depicts the resource requirements at various sub district level units for programme implementation in terms of infrastructure, HR, procurement, various schemes running etc. and provides an overall budget required for the District to execute those activities. The District Health Mission is responsible for the preparation of DHAP which needs to be done by constituting a Planning team responsible for providing overall guidance and support to the planning process.

Preparation process of DHAP includes consolidation of the Block Health Action Plans which may be prepared as follows:

Exhibit 2.3: Preparation process of Block Health Action Plans



Block Health Action Plan is the responsibility of the Block/CHC level Planning and Monitoring committee which constitute of Block Panchayat Adhyaksh, BMO, NGO/CBO representative and head of CHC level RKS

PHC level Health Plan are made by the PHC Health Monitoring and Planning committee which facilitate planning inputs from Panchayat representatives along with inputs from the community.

Gram Panchayat level Health Plan are made by Gram Panchayat Pradhan, ANM, MPW and few Village Health Sanitation and Nutrition Committees

Village level Health, Sanitation and Nutrition Committees will be responsible for **Village Health Plan**

Once the district receives the Block Health Action Plans from all the blocks, all the block requirements along with the estimates of administrative & others costs to be incurred at the district level are consolidated to prepare a District Health Action Plan for the entire district. The DHAP should be prepared as per the set parameters defined by the State and should be submitted to the states within the prescribed timelines.

Detailed guidelines have been formulated for the preparation of DHAPs, namely **"Broad Framework for Preparation of District Health Action Plans"** These are available online on http://www.mohfw.nic.in/NRHM/NRHM/Guidlines_index.htm. These provide important guidelines relating to the following aspects:

- NRHM Background
- DHAP: An introduction
- Resource Allocation and Financial Norms
- Conducting situational analysis
- Block Level Consultations
- District Planning Workshop
- Work plan and Unit/ Average Costs
- Monitoring and Programme Management
- Structure of DHAPs

2.4.4 State Programme Implementation Plan (SPIP)

After submitting the DHAPs to the state office, they are to be reviewed in detail at the state level and finalized through extensive meetings/ discussions with the District authorities. The requirements for all the districts are combined with the State level budgetary requirements to form a State Programme Implementation Plan. This annual SPIP helps states in identifying and quantifying their targets required for programme implementation for the proposed year.

Key considerations while drafting State PIPs

Some of the key aspects which must be considered for preparation of SPIPs are given below:

- Funds released under NRHM do not lapse at the close of the Financial Year but are carried over to the next Financial Year in the form of committed and uncommitted unspent balances.
- Clear demarcation of Committed Unspent and Uncommitted unspent balances: The states need to show the quantum of usage of funds in the previous year and the quantum of unspent funds lying with them. The previous year funds lying with the states need to be clearly demarcated and shown under the heads:
  - Committed Unspent Funds: These funds are meant for those activities for which implementation have already started, are underway, or have been administratively approved but not implemented fully. These balances need to be indicated by the state activity wise while proposing the PIP for the next Financial Year. The State /UT may also provide the estimated timelines for utilization of committed liability, preferably within next two quarters. A format for disclosure of likely committed unspent balance is annexed as *Annexure-II*.
  - Uncommitted Unspent Funds: The funds lying with Districts and sub district which could not be committed for utilization during the year should also be worked out and incorporated in State level unspent balances.
- Ceiling on Civil works: A portion of state funds is used on civil works. As per Cabinet approval of NRHM, a maximum of 33% of approved SPIP can be spent on civil works in High Focus States and 25% in case of other States. Also, all the civil construction work should be taken up only after including the manpower & equipment requirements so that a large portion of public funds is not blocked in unutilized buildings.
- Ceiling on Programme Management Costs: A maximum of 6% of approved SPIP may be spent on programme management activities (Administrative Expenses) such as hiring of consultants coming under the ambit of programme management, monitoring and evaluation, audit expenses, mobility support, office expenses, purchase of computers, office furniture & fixtures, fax machines etc.
- One FRU in each block: The basic aim of NRHM is to provide healthcare facilities in the remotest parts of the state. Hence, planning and budgeting of SPIP should meet the basic necessity of providing a functional FRU in each Block comprising of 1,20,000

population in plain areas and 80,000 population in hilly, tribal and remote areas of the State.

- State's Share: The states participate with the centre in funding the NRHM programme. At present states are required to contribute 15% of the total amount released. From XIIth Plan (2012-2017) onwards, the relative share of the states may increase in due course. It should be ensured that all along the state expenditure on health increases in real terms and there is no substitution of the state expenditure by Central expenditure.

Format of SPIP

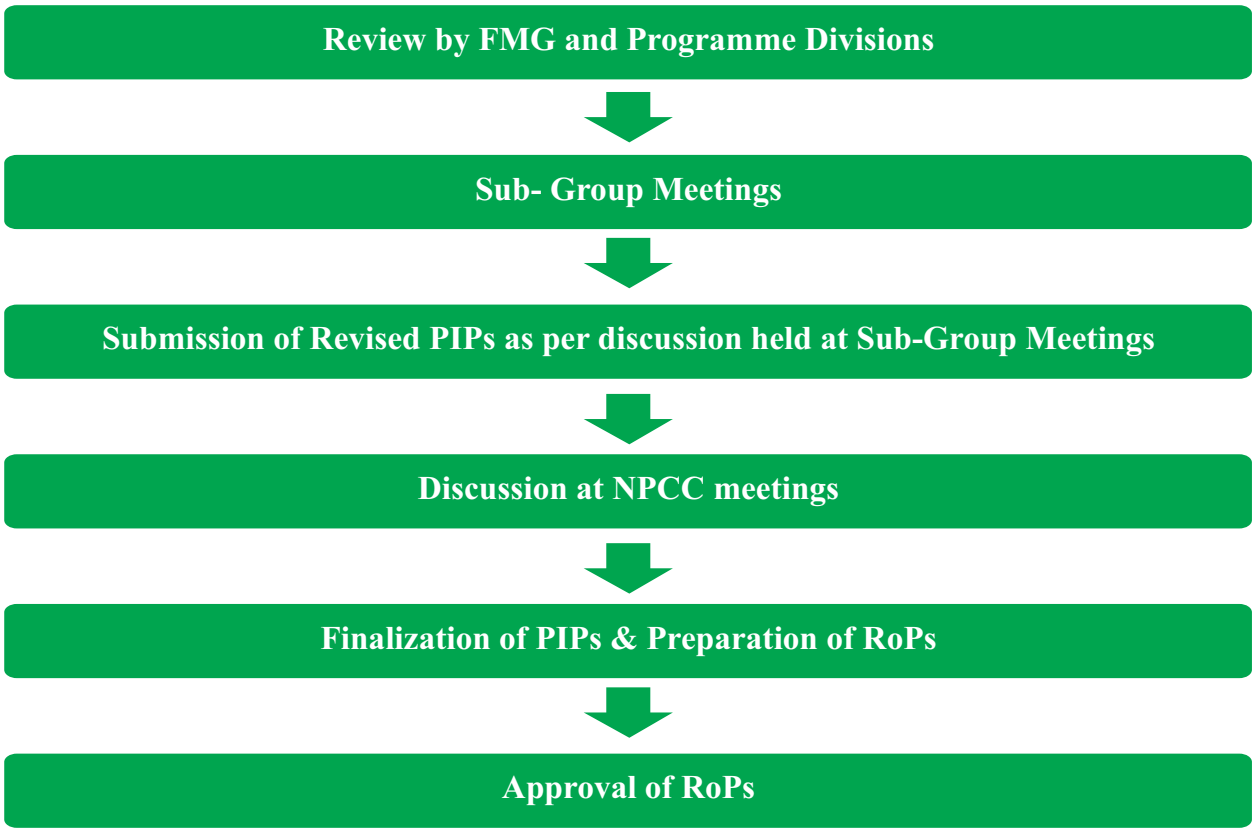
Another important aspect of the budget is the format in which it is presented. The format should be crisp, well defined and easily decipherable at all levels. For this, Ministry prepares the framework and guidelines for preparation of PIPs which are circulated to the States and UTs each year for submission and approval of their Budget for the forthcoming year. These guidelines aim to reduce the size of the framework and demand of information from the states, so as to make PIPs less bulky without compromising with the strategic inputs and other essential information. The new format of SPIP will be available online on the Ministry of Health & Family Welfare's website. As per the format, following are the broad contents of the SPIP:

- Executive Summary (includes summary of the budget in 19 functional heads- appended as *Annexure III* to this manual)
- Outcome analysis of PIP
- Policy and Strategic Reforms in Strategic Areas
- Conditionalities
- Scheme/ Program under NRHM
- Monitoring and Evaluation
- Financial Management
- State Resources and Other sources of funds
- Priority projects if other resources are available

2.5 PROCESS OF APPROVAL OF PIPs

After the PIPs are prepared by the states, they need to be sent to the Ministry for approval. Key steps involved in the finalization of PIPs after their submission to the MoHFW are as follows:

Exhibit 2.4: Process of Approval of PIP



2.5.1 Concept of Sub groups

Concept of Sub-groups has been introduced for the purpose of effective review & analysis of PIPs received from the States and efficient coordination with state level for the purpose of carrying out necessary revisions and approval of the PIPs. The States and UTs have been distributed into 8 zones for the examination of PIPs and for Sub Group meetings and NPCC meetings. The sub groups constitute officers/ consultants from MoHFW and state level. Each group consists of a Group Leader, Nodal Officer, Assistant Nodal Officers and few members (including Deputy Commissioners, Assistant Commissioners etc.)

Nodal officer is the contact person for the group and coordinates with the members of the group to carry out the tasks and responsibilities assigned to the group. The overall responsibilities of the sub groups include:

- Studying the profiles of States/ UTs, past PIPs and RoPs of states/ UTs.
- Study the draft PIP submitted by the states/ UTs and furnish comments.
- Share the comments on the Draft PIP for revision of PIP.
- Convene and participate in the sub group meetings, prepare and obtain approval to the minutes of the meetings and share the same with the states and NRHM division.
- Examine the revised PIP with reference to decisions taken in the Sub-Group Meetings.
- Participate in NPCC meetings and prepare RoPs of the NPCC meetings for the respective states.

- The Ministry may at its own discretion alternately directly send its comments/suggestions to the State for necessary amendments in the proposed PIP and following the state's response, amend the PIP accordingly before the NPCC meeting.

2.5.2 Approval process

Detailed review of the PIPs is undertaken by the FMG and the members of programme divisions at GoI level after submission of PIPs by the states. After this, sub-group meetings may be held with state officials to discuss their demands for the budget as per the targets set. Based on the discussion during the sub group meetings/comments furnished by various divisions of the Ministry and the inputs given by the members of the respective sub groups, the states revise their PIPs.

After all state PIPs are revised, NPCC meetings are conducted at the center/MoHFW level to finalize these PIPs. In these meetings, representatives of each state make a proposal through a presentation. These meetings have representatives from all divisions who approve or disapprove the targets set by the states. Suggestions made in the NPCC meetings are recorded in the form of Record of Proceedings (RoPs) and PIPs are finalized. The Mission Director, NRHM needs to approve the RoPs and send them to the respective states before 31st March.

2.6 TIMELINES

The Financial Year beginning from 1st of April is the enforcement date of the Annual Project Implementation Plans. Hence, the budget needs to be approved and communicated at all levels before this date. This implies that it needs to be sent for approval and consented at all levels of authority before 1st April.

The success of budgeting exercise is dependent on adherence to time schedules. Delays in submissions and approvals can delay the finalization of the PIPs. Hence, NRHM specifies the dates by which submissions and approvals need to be carried out. The tabular representation of the time schedule to be followed is given below:

Table 2.: Timelines for submission of SPIP and DHAP

Submitting Authority	Approving Authority	Date For Submission	Date For Approval
District	State	31st Oct	15th March
State	Centre	31st Dec	28th Feb

Activity-wise timelines in respect of the process of preparation and approval of PIPs and DHAPs are given below:

Note: These dates are indicative and may vary across years

Exhibit 2.5: Detailed Probable Timelines

Activity	*Timeline*
Communication of Resource envelope to Districts by the State	10th December
Submission of District Plans based on Village/Gram Panchayats/ Block Panchayat Samiti Plans	31st December
First Draft PIP to be submitted to State Health Mission	15th January
Receiving of PIP in MOH&FW, GOI	Third week of January
Pre-appraisal/ sub-group meetings at Centre	Last week of January up to Mid-February
Discussion at NPCC meetings	Mid February to Mid March
Submission of RoPs to Mission Director by the Group Leaders of the Sub- Groups	Varies each year as per the PIP framework circulated to states
Approved RoPs sent to the states after Mission Director's approval	Varies each year as per the PIP framework circulated to states

2.7. REVISION OF BUDGET

After the finalization of the RoP, the state can place an additional demand for funds for any specific purpose to the Ministry. After review and feedback from the concerned programme divisions, the Ministry may approve or disapprove the request. In case of an approval, a letter/corrigendum shall be issued to the state notifying the approved amount and the subsequent change in the RoP of the state.

CHAPTER 3: FUND FLOW ARRANGEMENT

3.1 INTRODUCTION

NRHM receives huge quantum of funds for the programme implementation activities. The fund flow process and its various aspects under NRHM are explained in this chapter in detail.

3.2 KEY SOURCES OF FUNDS

The funds given to the State Health Societies mainly consist of the following components:

- Grants-in-aid - Made by or through MoHFW, GoI
- Contribution by the State Government - As per NRHM Framework of Implementation, all States and UT Health Societies receiving grants from the Central Government will contribute in the ratio of 85:15 based on the total funds released by the Govt. of India under all the programmes under NRHM including NDCPs, NCDs and Infrastructure Maintenance. Key requirements in this regard are given below:
  - o The state contribution made by the State Government will be booked as expenditure in the State Budget at the time of its release to the SHS.
  - o For utilization, the state contribution can be proportionately utilized among the different programmes or the same can be utilized on any or all programmes/ activities considering their priorities and requirement of funds for such programmes under intimation to the Ministry.
  - o For reporting, the same may be reflected separately in the periodical FMRs and Statement of Funds Position (SFPs) and a separate Utilization Certificate of the total amount utilized along with unspent balance, if any, would be required to be furnished at the end of the financial year.
  - o The States/ UTs will also send the proof i.e. the copy of the bank statement showing the credit of the state share into the State Health Society Account to FMG in the Ministry.

  (A format of the Utilization Certificate for the state share contribution is appended as *Annexure IV*)
- In addition to the above sources, all money received by way of grants, gifts, donations and benefactions and any interest credited in bank balances transferred and in any other manner received from any source other than the government.

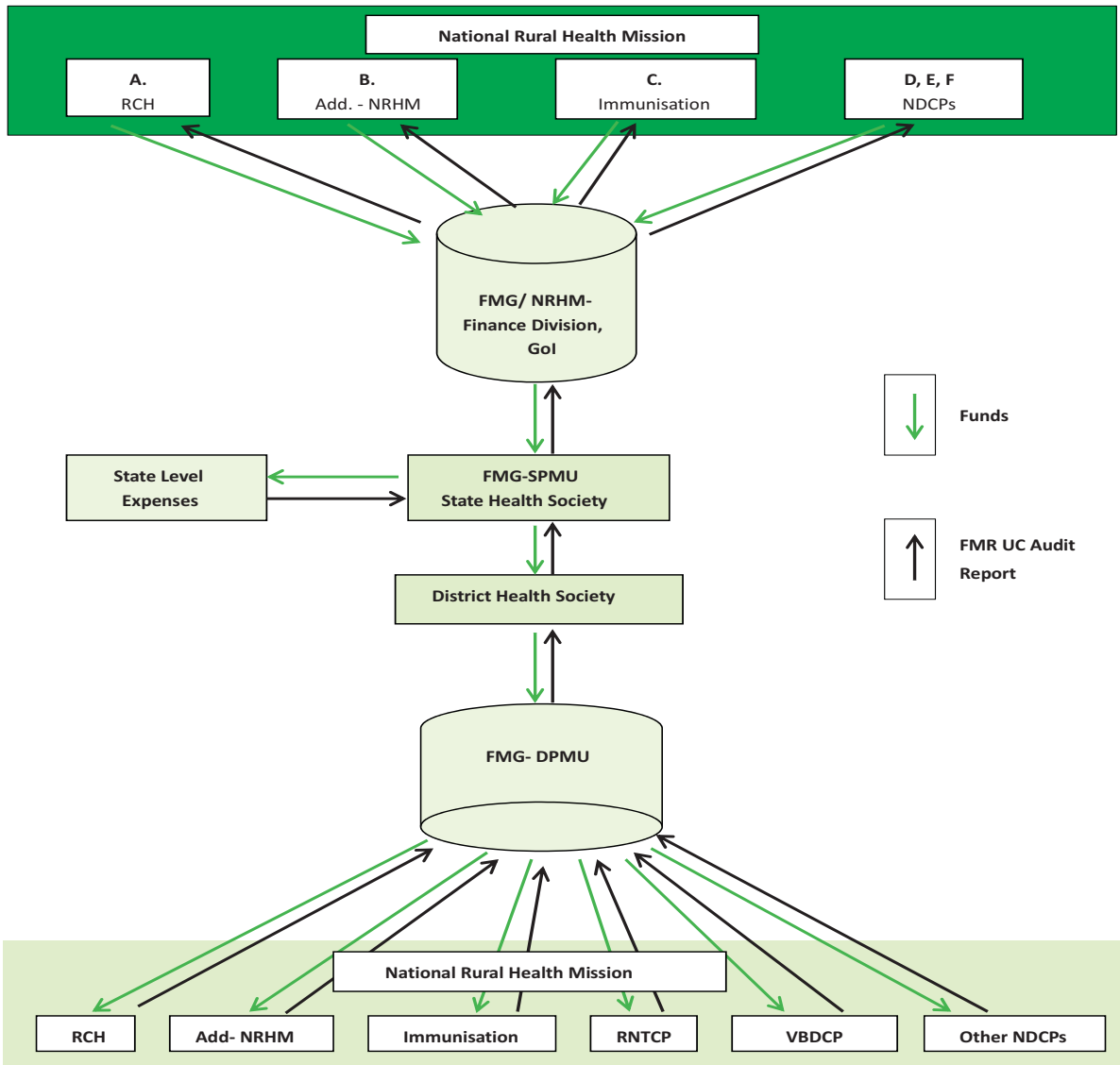
Note: As per instructions of the MoHFW, GoI, any of the unspent funds of RCH I (period prior to 31st March, 2005) should be returned/refunded to the Government of India immediately. If the funds of RCH I have been spent, then the UCs for the same should be furnished after reconciling the accounts with the accounts of the DHS or SHS, duly audited.

3.3 FUND FLOW ARRANGEMENT

Though NRHM is an umbrella programme with various programmes under it with different budgetary requirements, the funds for entire NRHM are disbursed through pools for RCH, Additionalities under NRHM (Mission Flexipool), PPI and NDCPs. The funds from the Mission Flexible Pool are further divided into components to suit the requirements of the various programmes.

The funds received by the States are further disbursed to the District Health Societies in accordance with the requirements stated in the respective DHAPs. The districts disburse funds to the blocks which further disburse funds to various implementing units (CHCs/PHCs/ SCs/ VHSNCs) for programme implementation activities. Out of the total funds, approximately 10% of the total funds are spent at the state level, 20% at district level and 70% at the block level and below since most of the implementation activities take place at the lower level units. The fund flow process is explained below with the help of a flow diagram.

Exhibit 3.1: Flow of funds – National Rural Health Mission



3.3.1 Fund Flow from MoHFW to State

- FMG at the GoI level puts a proposal to the Integrated Finance Division (IFD) for fund release.
- Approval of Director Finance & Mission Director has been taken for fund release to State/UTs concerned.
- After the approval, sanctions are issued to respective SHS accounts after uploading on the website of the Controller General of Accounts (CGA). After this funds are transferred online to the states/ UTs.
- The State should also deposit its proportionate share to the State Health Society in the same financial year and confirm the credit of 15% of State's share of PIP (Based on total Releases under NRHM) within 7 days of such credit to the Ministry. The format for Certificate to be issued by the Mission Director of the state to FMG, GoI is given as *Annexure V*
- The funds with the SHS do not lapse at the close of financial year. SHS is empowered to utilize the unspent balance during the next financial year for the same purpose for which the funds were allocated. The amount shall however be taken into account while releasing grants-in-aids for the next year as explained in Chapter 2. Also, the amount remaining unutilized at the close of the programme shall either be refunded or utilized in a manner as decided by the Government of India.

3.3.2 Fund Flow from State to District & Below

- SHS should transfer the funds to the districts within 15 days of the receipt of funds from GoI. These funds include components like Untied Funds, Annual Maintenance Grants and Grants for RKS to the PHCs, CHCs and Sub-district hospitals etc.
- SHS should directly credit to the bank account of the main account of District Health Society from where the funds shall be transferred to the sub account maintained under each programme. The guideline issued vides Ministry's D.O. no. G.27017/21/2010-NRHM(F) dated 23.01.2012 for banking arrangements under NRHM may be followed.
- The releases made to districts should be as per the approved District Health Action Plans and after adjusting unspent balances from the previous year
- The districts then disburse the funds to the blocks as per their requirements, part of which are further disbursed to the implementing units including CHC/PHCs, SCs and VHSNCs

3.3.3 Frequency of Fund Releases

The funds are released in tranches based on the utilization of previous funds. The funds are normally released in a minimum of two or more tranches if required.

3.3.4 Timelines of fund release

A summary of the timelines to be followed for release of funds from one level to another is given below:

Table 3.1: Timelines for release of funds

Disbursing Unit	Receiving Unit	Frequency
MoHFW –FMG	State	Generally in May and October or as and when required
State Health Society	District	Within 15 days of the receipt of funds from the GOI
District Health Society	Block	Immediately after receipt of fund from SHS
Block/ supervisory unit	Implementing Units	Immediately after receipt of fund from DHS

3.3.5 Key Conditions Precedent to Fund Release

- Based upon the approval of the Programme Implementation Plans (PIPs) and Annual Work Plans (AWPs) of the States/UTs by National Programme Co-ordination Committee (NPCC), the funds are released to the SHS in accordance with the General Financial Rules (GFR), 2005 of Department of Expenditure, Ministry of Finance, Government of India. Rule 212(1) of GFR rules 2005 states that:

  "Ministry/Department concerned should release any amount sanctioned for the subsequent financial year only after Utilization Certificates/FMR on provisional basis in respect of grants of the preceding financial year is submitted. Release of grants-in-aids in excess of 75% of approved PIP shall be done only after the Utilization Certificates and the Annual Audited Statement relating to grants-in-aids released in preceding year are submitted to the satisfaction of the Ministry concerned. Ministry or Department would, however, ensure even flow of expenditure throughout the year. Reports submitted by the Internal Audit parties of the Ministry or Department and inspection reports received from Indian Audit and Accounts Department and the performance reports, if any, received for the year should also be looked into while sanctioning further grants."

- It should be ensured at all levels that the funds provided for various programmes are used for the purpose for which they were given and should not be mixed with other funds.

3.3.6 Tranche Release Arrangement

The tranches of funds are released by the FMG only when precedent conditions are fulfilled. The release of funds and conditions required to be fulfilled for each tranche are given below in tabular form:

Table 3.2: Tranche Release Arrangement

	Extent of release possible	Precedent Condition*
First Tranche	Up to 75% of approved BE after taking in to account the Unspent balance available with the State/UTs at the beginning of the financial year	• Approval of SPIPs by NPCC. • Submission of Utilization Certificates /FMR on provisional basis for the grants released in preceding year. • Submission of Financial Monitoring Reports for the last quarter of the preceding financial year • Submission of Statement of Fund Position (SFP) showing the bank balance and advance position of SHS (including DHS), interest earned and utilized for the last quarter of the preceding financial year (quarter ending 31st March 200…)
Second Tranche	Up to 100% of approved B.E. after taking in to account the Unspent balance available with the State/UTs at the beginning of the financial year (i.e. 1st April 200…)	• Provided Annual Audited Accounts along with UCs (duly tallied with the Audited Statements) are submitted for the preceding financial year.

** As per NRHM framework 2011-12, the following additional conditionality needs to be fulfilled for the release of first tranche of funds*

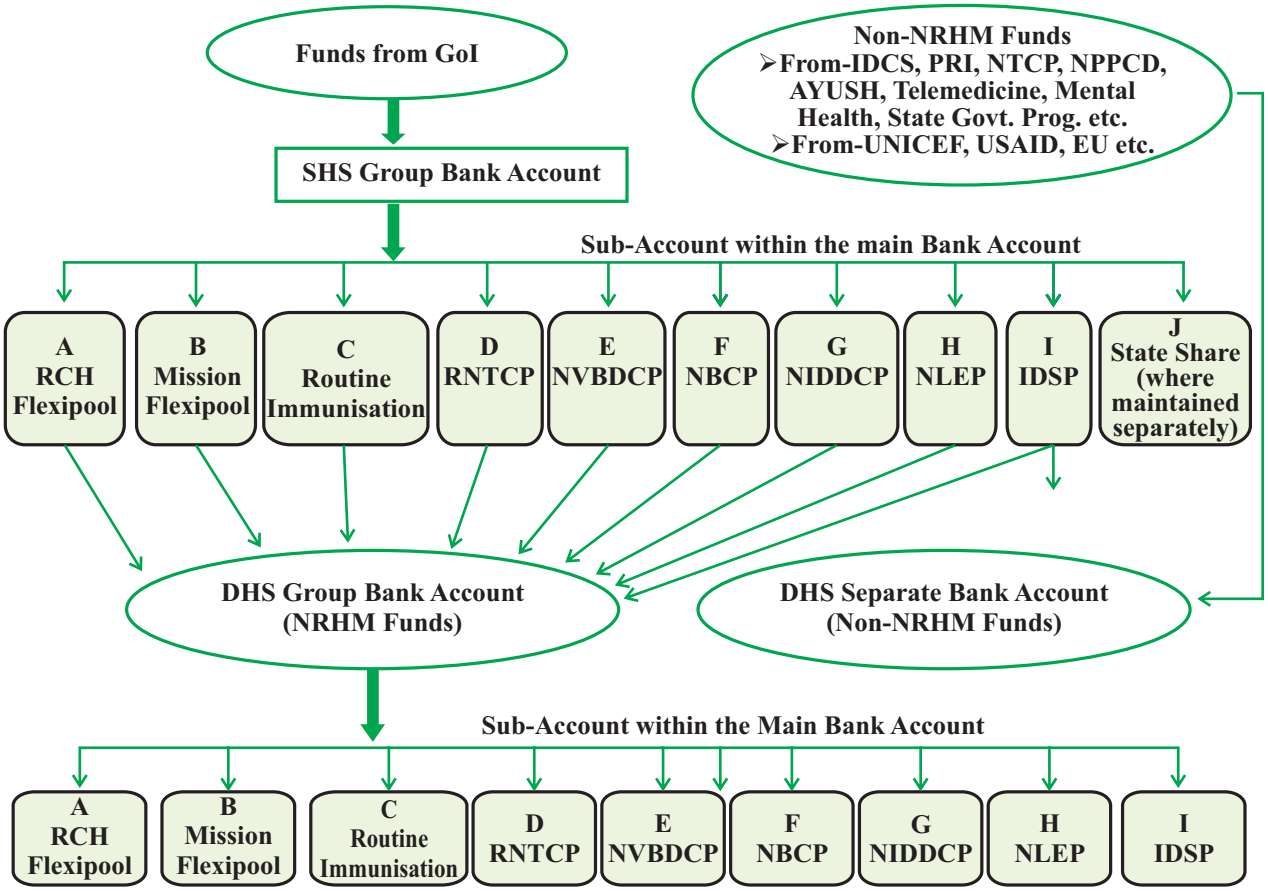
"Placement of a full time Director/ Joint Director/ Deputy Director- finance (depending on the resource envelope of state), not holding any additional charge outside the health department, from the state finance services or other organized financial services (audit/accounts)."

3.4 BANKING ARRANGEMENTS

To facilitate movement of funds proper banking arrangements at all levels is crucial. All funds are transferred through RBI approved banks. Efforts are being done to electronically transfer the funds at all levels to make the system smoother and speedier.

The fund flow movement along with the banking arrangements is depicted in the flow chart given below:

Exhibit 3.2: Banking Arrangements



***State share where maintained separately by the State would be in a separate sub group account, otherwise this would be credited against relevant sub-group account as desired by the state.**

Funds shall be released by the Ministry to the SHS Bank Account for NRHM. The concerned Programme Officer on receipt of the sanction order from the Ministry shall move a specific proposal for release of funds to their respective sub accounts at state and district level in accordance GFR, to the Mission Director. The State FMG shall ensure that funds are released within ten working days of the receipt of the proposal.

The Funds at State Level are managed by State PMSU and at district level by District PMSUs. Few important points w.r.t bank accounts are as follows:

- Bank accounts of SHS and DHS should be kept in Savings Bank Accounts of the Scheduled Commercial Bank of RBI. Flexi savings/Bonanza Savings Accounts & Fixed Deposit linked accounts are to be avoided.
- SHS and DHS should open the bank accounts of the all the health facilities in those banks which are technologically capable for electronic fund transfer.
- As per the instructions of MoHFW, SHS & DHS should maintain the main Group account with any bank, preferably a nationalised bank or state-accredited bank or state lead bank, if the bank concerned has the facility of maintaining RTGS enabled Group bank accounts linked to sub accounts for NDCPs.

- The individual sub-bank accounts should be linked to the Main Group Account for parts A, B & C viz. for RCH, Mission Flexipool and Immunization and for each NDCPs viz. (D) for RNTCP, (E) for NVBDCP, and (F) for National Blindness Control Program, (G) for Iodine Deficiency Disorder Control Program, (H) for National Leprosy Eradication Program, (I) for Integrated Disease Surveillance Program.
- In case of Sub-Centres and VHSNCs, accounts can be opened in any scheduled commercial bank / Grameen Bank/ Post office.

3.4.1 Operating the main Bank Accounts and Sub-Accounts

In addition to the above points, the following points should be noted for compliance while operating the Group Bank Account & linked Sub-Accounts:

- The main Group account will be utilized for crediting funds received under all NRHM Programmes from GoI.
- Funds released for parts A, B & C Viz. for RCH,' Mission Flexipool and Immunization will flow directly from Group account into the sub-accounts for parts A, B & C.
- Funds released for NDCPs will flow directly from the main Group account into the sub-accounts of each NDCP viz. RNTCP, NVBDCP, NLEP, IDSP, NIDDCP and NPCB.
- Any additional funds received under Non-NRHM Programme and Non GoI funded programs viz. UNICEF, USAID, EU, NACO, SACP etc. sponsored programs or State Govt. funded health & other programs will not be routed through main Group bank account or sub accounts linked thereto and shall have to be maintained in a separate bank account.
- Where funds are being routed through SHS / DHS, a separate bank account (non-NRHM) may be opened for other national programs viz. Non Communicable Diseases, National Tobacco Control Program, National Program for Prevention and Control of Deafness, Mental Health, Integrated Child Development Scheme, Panchayati Raj Department, Education Department, AYUSH (other than salary), Tele-medicine and any other health or family welfare programs which are not part of NRHM
- Existing separate bank accounts of all NDCPs (other than SHS's/ DHS's NRHM Accounts) may please be closed after transferring the balance to the respective sub-accounts. A confirmation of the same may be submitted to the Ministry after completion of the process.
- Cheque signing mandate to be given to the bank having Group account and sub-accounts will be as per guidelines issued on 14-12-2006 and in line with delegation of powers issued by Ministry and/or State Govt.
- For DHS, similar Group bank account preferably with the same bank is required to be opened having sub-accounts linked to it.
- The number of bank accounts at Block level may be kept at minimum so as to discourage scattered maintenance of NRHM funds as this result in weak financial management and poor internal controls.

- For each Rogi Kalyan Samiti in the state, there should be a single bank account for receipt of RKS Grants and depositing user .charges and any other receipt by RKS.
- For all VHSNCs, a separate bank account shall have to be opened without fail. If no bank is available in a village, then bank account may be opened with banks in nearby places or alternate arrangements be made. Under any circumstances, retention of cash in individual custody should be discouraged.
- The number of bank accounts opened at State shall have to be kept at a minimum and should not exceed one main account with linked sub-accounts at SHS and DHS level.

3.4.2 Do Not's

- No funds would be kept in the form of a Fixed Deposit or any other investments of any nature other than the saving bank account. Moreover, savings accounts should be vanilla/simple savings bank accounts and not smart savings bank accounts.
- Accounts at all levels may preferably be kept in government approved banks. In case there are no approved banks in the region then accounts can be maintained with the post office.
- No funds other than GoI releases and State's contribution should be kept in NRHM bank Accounts. Separate Bank Account to be maintained for funds received from other sources.

3.4.3 Signatories to Bank Accounts

Under NRHM, a mandatory practice of Joint Signatories exists which should be in accordance with the NRHM Guidelines on finance, accounting and fund flow communicated vide Order No.107/FMG/2005-06 dated 14th December 2006

- A set of four designated signatories at State & three designated signatory at District Health Society, exist for operating the bank accounts under NRHM. Any two of those can jointly sign cheques/issue electronic instruction for e-banking to operate all bank accounts.
- For block & levels below, two signatories are authorized by the Governing/Executive body of the Society in line with the defined guidelines to jointly operate the bank accounts.

The following table provides the authorized signatories of bank accounts at each level:

Table 3.3: Authorized Signatories to bank accounts

Level	Signatories
SHS	• Mission Director (in whatever capacity she/he is in the SHS or her/his nominee) (Mandatory) • Director/Joint Director/ Dy. Director-Finance, where posted. • A member from the State PMSU (SPM/ SFM/ SAM) • In-charge of the Programme Division at the State level
DHS	• CMO/CDMO/CS/CMHO (in whatever capacity she/he may be in the DHS) (Mandatory) • Member from the District PMSU (preferably the District Accounts Manager/ District Programme Manager) • Programme Officer of the concerned programme (in case of programme funds for NDCPs etc, signature of the Programme officer is necessary)
BLOCK	• Block Medical Officer in-charge(Mandatory) • Block Accountant
CHC/PHC	• Medical Officer in- charge • CHC/PHC Accountant
RKS	• Member Secretary • Member of the Executive committee
SUB-CENTRE	• The ANM • The Sarpanch
VHSNC	• The Gram Pradhan/ Panchayat Secretary • The ASHA/AWW

3.5 E- BANKING ARRANGEMENTS

The NRHM funds reach up to the grass root levels passing through a series of levels. Regular banking process increases the time spent in movement of funds from centre to block and down under levels. To expedite the process efforts have been made to bring all accounts in banks where e-banking is possible. E- Banking includes e-transfer and MIS reporting on real time basis.

CHAPTER 4: DELEGATION OF FINANCIAL POWER

4.1 INTRODUCTION

In order to ensure smooth and efficient utilization of funds for the purpose(s) for which these are released, the GoI has prescribed a model delegation of Financial and Administrative Powers to State/UT Governments for the State Health Societies, District Health Societies, Rogi Kalyan Samities, Block Medical Offices/ CHCs / PHCs, Sub Health Centres and Village Health, Sanitation and Nutrition Committees.

The State/ District Societies are recommended to adopt a resolution indicating work allocation and powers among chief authorities and other office bearers of the Society in accordance with the above guidelines and issue a Government Order on the basis of guidelines provided by the ministry. The societies/ implementing units need to function according to the financial and administrative powers, which have been delegated by the Governing/ Executive body of the Society or through the Government Order of the State/ UT Government.

The Empowered Programme Committee (EPC) of NRHM was tasked to define the delegation of administrative and financial powers at the level of:

- State Health Society (SHS).
- District Health Society (DHS).
- Rogi Kalyan Samitis (RKS).
- Block Medical Office (BMO).
- Community Health Centre / Primary Health Centre (CHC/ PHC).
- Sub-Health Centre (SC).
- Village Health, Sanitation and Nutrition Committee (VHSNC).

EPC recommended that the States should be guided by five governing principles while formulating/ finalizing the proposals for delegation/ decentralization of administrative and financial authority/ powers at various levels. The committee also emphasizes that the recommended level of delegations suggested at various levels are only the minimum.

The committee laid down the following overarching governing principles based on which powers could be decentralized to various levels.

4.1.1 Governing Principle - 1

All the departments having a role in the implementation of the State PIP should be represented in the State Health Society as the approval of the State PIP by the Governing Body would be deemed to be the approval of the State Government. Therefore, if a state considers consultation or formal vetting of the State PIP on file by departments like planning, finance, PWD etc. necessary, this process should get completed before submission of the PIP to the Governing Body.

Similarly, the District Action Plan should be sent to the State headquarters after completing all required consultations and approvals, including the approval / endorsement of the Governing Body of the District Health Society.

2.1.2 Governing Principle - 2

Since a PIP is forwarded only after the approval of the State Health Society, the approval of the NPCC in the GOI on it may be deemed as Administrative Approval for that PIP. However, in case any activity was not included in the State PIP but was added to the PIP based on decisions arrived at in the meeting of the NPCC in the GOI, such activity should be taken up for implementation immediately. However, a note on the modifications in the State PIP agreed during the NPCC meeting should be included in the agenda of the next meeting of the State Health Society.

Similarly, administrative approval for the District Action Plan should be deemed to have been accorded after its endorsement by the State Health Society and implementation thereof should commence immediately. However, intimation of modifications in the DHAP, if any, should be included in the agenda of the next meeting of the DHS. Activity wise, pool wise sanction orders in accordance with the DHAP may be issued by the state.

2.1.3 Governing Principle - 3

The power to accord financial approvals/ sanctions should vest at the level where the funds have been devolved:

- For the funds to be spent at the State Health Society level for any activity included in the approved State PIP, the office bearers of the SHS should have full powers to sanction the expenditure in accordance with norms and no separate approvals of any State Government Department should be necessary.
- For the funds to be spent at the District Health Society level, for any approved activity, the office bearers of the District Society should have full powers to sanction the expenditure in accordance with norms and no approval of the SHS or State Government should be necessary.
- For the funds to be spent by BMOs, CHCs/PHCs, Sub-Centres, VHSNCs, etc. for approved activities, the functionaries concerned should be fully empowered to incur expenditure in accordance with the norms laid down in the approved plans. The functionaries concerned should refrain from seeking unnecessary administrative/ financial approvals of the higher authorities.

4.1.4 Governing Principle - 4

The change of allocation for activities under the approved plans should be governed by the following rules:

- Approving authority [the NPCC in the case of State PIP and the State Health Society in the case of DHAP] should identify the core activities in the approved plan and communicate the same to the State or the district concerned as the case may be. Any changes/reallocation may be undertaken only with the approval of MoHFW.

4.1.5 Governing Principle - 5

The delegated powers for the office-bearers and authorities of the State Health Society and District Health Society should be same across all programmes and the framework of delegation of these powers should also apply to the State's share contributed to the State

Health Society under NRHM. However, procurement procedures (including Civil Works) for any programme should be in accordance with specific agreements entered into with funding agencies or donors, as the case may be.

4.2 ISSUE OF SANCTION AT SHS/DHS (Process for Sanction & Release of Funds)

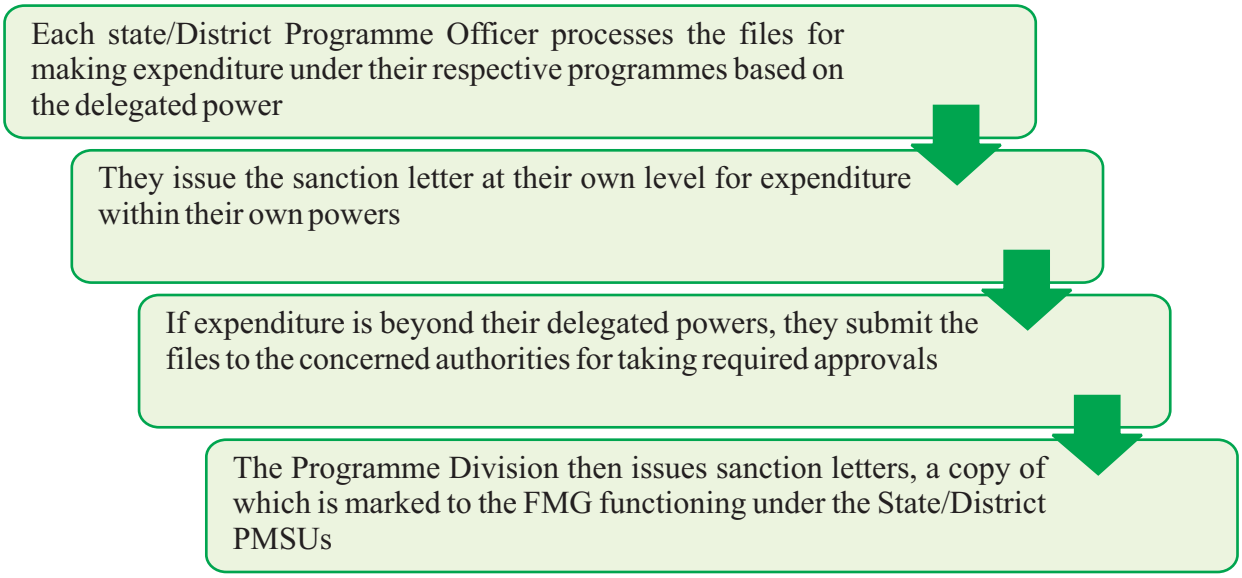
Each State/ District Programme Officer looking after individual National Disease Control Programmes and RCH, Immunization, Additionalities under NRHM, etc. will process the files for making expenditure under his respective programmes (as in the existing system) based on the delegated powers.

If the expenditure is within their own powers, they may issue the sanction letter at their own level. However, if the instant expenditure is beyond their delegated powers, they will submit the files to the concerned authorities for taking required approvals. After approval, the Programme Division would issue sanction letters, a copy of which will be marked to the FMG functioning under the State/ District PMSUs. Thus, the issue of sanction order would be the exclusive responsibility of the Programme Divisions.

The issue of sanction orders and cheque signing process will be de-linked. Cheque signing will be an in-house affair of the Secretariat of the Mission Director at the State/District level (i.e., the State/District PMSU). The signing of cheques/electronic transfer would be done under joint signatory/authority for all the components under NRHM. The mechanism of the release of funds, whether for RCH-II or NRHM Additionalities or NDCPs would, therefore, be the same.

The process for sanction & release of funds under SHS/DHS is explained below diagrammatically:

Exhibit 4.1: Process for Sanction & Release of funds



Detailed Delegation of Financial and Administrative power under NRHM is appended as *Annexure VI* to the manual.

CHAPTER 5: ACCOUNTING

5.1 INTRODUCTION

Accounting is the art of recording, classifying and summarizing in terms of money transactions and events of financial character. Accounting includes proper recording of transactions through vouchers in different books of accounts including cash books, journals, ledger etc. The data is processed and the books are closed by preparing summary statements like trial balance, income and expenditure, receipt & payment, balance sheet and other reports.

Under NRHM, various Accounting Policies and Guidelines have been framed which need to be followed at different levels including SHS, DHS and sub district level units.

5.2 ACCOUNTING CENTRES

Accounting Centres are offices where basic accounting in respect of financial transactions under NRHM is carried out. These accounting centres are responsible for maintaining the relevant books of accounts & other financial / statutory records, and account for all programme related financial transactions.

On the basis of incurring and recording transactions at various levels, the following are the accounting centers under NRHM:

Table 5.1 – Accounting Centres

Accounting Centre	Unit	Accounting	Reporting	Consolidation
STATE LEVEL	State Programme Management unit	✓	✓	✓
DISTRICT LEVEL	District Programme Management unit	✓	✓	✓
BLOCK LEVEL	Block Programme Management unit	✓	✓	✓
OTHER LEVEL	CHC/ PHC	✓	✓	×
	RKS	✓	✓	×

- **State Health Society (SHS):**

  Mission Directorate of the SHS (In accordance with Order No.107/FMG/2005-06 dated 14th December 2006)

- **District Health Society (DHS):**

  Mission Directorate of the DHS (i.e. the Secretariat of the CMO)

(If the accounting centres for various NDCPs are scattered with a meagre qualified finance and account support, then DHS should pool in qualified finance and accounts staff with the DPMU of DHS so that Mission Directorate of DHS could function as a One Accounting Centre for the DHS. This is in accordance with Order No.107/FMG/2005-06 dated 14th December 2006)

- **Block Programme Management Unit:**

  Block Programme Management Unit functions as the accounting centre for all the financial and accounting transactions for all the units (CHCs, PHCs, Sub-health Centres and VHSNCs etc.) under its jurisdiction.

- **CHC/PHC**

  Respective CHC/ PHC functions as the accounting centre in respect of financial & accounting transactions for the respective unit. However, it may not need to prepare financial statements on a quarterly / annual basis.

- **RKS of PHC/CHC/Rural Hospitals/Sub-district Hospitals:**

  Rogi Kalyan Samitis (RKS) or Hospital Management Societies (HMS) of PHC/CHC/ Rural Hospitals/Sub-district Hospitals would also act as accounting centres for all the funds which are received by the RKS/HMS.

5.3 VOUCHERS AND BOOKS OF ACCOUNTS

5.3.1 Vouchers

The basic documentary evidence for recording a financial transaction in the books of accounts of the society/ peripheral unit is called a voucher. Some of the key points to be remembered while making the vouchers are as follows:

- All vouchers should be scrutinized thoroughly before making payments
- All vouchers should be scrolled (serial numbered) and entered in cash/bank book/ledger with appropriate referencing
- All vouchers to be supported with appropriate documentary evidence and necessary approval from competent authority needs to be taken beforehand
- Appropriate accounting heads should be used considering the relevant budget heads, project components, expenditure categories etc.
- In case of payment vouchers, supporting documents in originals should be defaced/ stamped as ' PAID & CANCELLED' with details of cheque number and date

5.3.2 Books and Registers

A table showing the books of accounts & registers which need to be prepared at different levels under NRHM is indicated below:

Table 5.2: Books at various levels

Books of Accounts/ Other Records	State / District	Block	CHC/ PHC	RKS***	Sub Centres	VHSNC
Double Column Cash and Bank Book	✓	✓	✓	✓		
Columnar Petty Cash Book					✓	✓
Bank Register					✓	✓
Ledger	✓	✓	✓	✓	✓*	
Journal Register	✓	✓	✓	✓		
Cheque Issue Register	✓	✓	✓	✓		
Advance Register	✓	✓	✓	✓		
Salary Register	✓					
Fixed Asset Register	✓	✓	✓	✓	✓	
Fund Received Register	✓	✓	✓			
Disbursement Register	✓	✓	✓			
Bank Pass Book/ Bank Statement	✓	✓	✓	✓	✓	✓
Bank Reconciliation Statement	✓	✓	✓	✓	✓	✓
Minutes/ Proceedings Register	✓			✓		✓
JSY Register**			✓		✓	

* Not mandatory but units currently maintaining ledgers may continue maintaining it as a good practice

** In addition to units specifically mentioned above, JSY register also needs to be maintained wherever JSY disbursements are made

*** RKS includes district hospital, sub-district hospital, medical college and any other government hospital at district and lower levels.

Aspects of few important books of accounts are mentioned below:

- **Double column Cash Book with Cash & Bank columns:**

  This is the principal book for recording all receipts and payments. The Cash book is the principal record of all money transactions taking place every day. It should be maintained on the basis of double entry system as per format appended in *Annexure VII*. This book has Debit and Credit Side for recording receipts and payments. On each side there are two separate columns to note the cash and bank transactions. All the units from state level to lower levels, with the exception of sub centre and VHSNC, are required to maintain this book. The closing balance of each day gives the cash and bank balances of the day.

- **Columnar Petty Cash Book:**

  Sub centres and VHSNCs are required to maintain a petty cash book and a bank register. Petty cash book has a receipt column and multiple payment columns. The payment columns are activity specific. The total of these columns gives the total expenditure of the day. Deducting payments from receipts gives cash balance lying with the sub centre/ VHSNC. The format of petty cash book has been appended as *Annexure VIII* and *Annexure IX*.

- **Ledger:**

  The ledger is an important register in which all transactions recorded in the cash book/ bank book or journals are classified under different heads of accounts. Each ledger account provides a summary of all transactions under that account head. Format of ledger is given as *Annexure X*. Separate ledger accounts must be prepared for the following activities by the block:

  - Individual Pools to record grants received from supervisory units (For e.g. Grant for RCH Flexipool A/c).
  - To record activity wise advances given to subordinate units.
  - To record expenditure for each individual activity.
  - All other advances, in the name of the person / agency to which advance has been disbursed (For e.g. to employees, outside agencies, etc.).
  - Salary ledger heads to record payments to each employee.

- **Journal Register:**

  Journal is used to record all journal/ adjustment entries other than cash transactions. The format is appended as *Annexure XI*.

- **Advance Register:**

  - Advance register is maintained to record advances given to implementing units, staff and external parties/ suppliers, which aids periodical monitoring and follow up. Advances can be categorized into advances given to staff, contractors/suppliers/CHCs/PHCs, TA/DA advance etc.

- All advances sanctioned to an officer of State Health Society or to the District Programme Management Unit or to the In-charge Medical Officer of a CHC or PHC or to any other official of the above institutions and also to any non-government organization, shall be entered in the Advance Register immediately after the advance amount/ cheque is given. The format of the register is appended as *Annexure XII*.
- For the purpose of facilitating proper tracking of advances and their ageing, an Advance Tracking Register should be maintained, at all the levels, in the Format given as *Annexure XIII*.
- For advances outstanding for more than a year, a detailed record should be prepared indicating their purpose, amount of advances, date on which advance was given and party to whom advance was given. The format of the same is given as *Annexure XIV*.

- **Fixed Asset Register:**

  Fixed Asset register is maintained to record various quantitative and financial details relating to fixed assets and their location/ movement. Format is attached as *Annexure XV*. Also, each State/District Society should continue maintaining registers for the articles or item of permanent or of non-consumable nature indicating the details of such assets e.g. furniture, fixtures, equipments, machinery, instruments, vehicles, computer systems etc. purchased during the programme period. Such register is also called as Register of permanent (nature) articles or Dead Stock register.

- **Stock Registers:**

  Stock registers are maintained for assets of temporary nature/ consumables like stationary, printing material etc. Few of these registers are:

  - Register for drugs & medicines.
  - Register of consumable articles.

- **Bank Reconciliation Statement:**

  Bank Reconciliation Statement (BRS) is prepared to reconcile balance as per books (Bank Book) and the bank balance as per the bank statements (Pass Book) as on particular date. It explains the differences between the two and aids in accounting for/ follow up of the outstanding entries. Separate BRS should be made for separate bank accounts. The bank reconciliation statement should be made as per the format provided in *Annexure XVI.*

  *Other books of ac*counts/ registers which need to be maintained are:

  - Bank register: only by sub centre and VHSNC.
  - Register of Bank drafts/Cheques dispatched.
  - Register of Bank drafts and Cheques received.
  - Registers for Temporary advances as below.
  - TA/DA advance (Control Account).

- Salary Register
- Register for Machinery & Equipment's
- Register for Civil Works
- Register for Mobile Medical Units, ambulances etc.
- JSY Register
- Minutes of Meeting (For any important meetings held at the units, minutes register should be maintained at all respective units)
- Register of advances to NGOs and other Voluntary Agencies implementing NRHM.
- Dispatch Register

Any other book of accounts and registers, which may be considered necessary for the day-to-day work of the State/District Health Society, the same may be maintained.

5.3.3 Maintenance of Records:

The responsibility to maintain books of accounts lies with the following officials at the various levels:

- State Finance Manager/ State Accounts Manager at State Level
- District Accounts Manager at District Level
- Block Accountant at Block Level
- Accountants at CHC/ PHC Level
- ANM at the Sub-Centre Level
- ASHA/ AWW at VHSNC level

These books of accounts together with supporting documents and project management reports should be maintained for at least three years after the completion of audit of the entire programme expenditure, i.e., at least three years after the completion of RCH-II Programme, RNTCP, IDSP, National Rural Health Mission etc.

5.3.4 Movement of Records

At SHS, DHS, Block, CHC/PHC and RKS level, no movement of accounting records is required. Record for all transactions taking place at these units shall be kept at these institutions only.

However, Sub Centres and VHSNCs are required to send their vouchers to their supervisory units along with the UCs.

5.3.5 Computerization of book keeping

It is desirable that maintenance of accounts at the State/UT Health Societies as well as at District Health Societies is computerized so that the account statements can be prepared accurately and promptly with least efforts and time. Accounts at State & District level should be maintained under Tally software (ERP 9.0 customized version) as recommended by MoHFW, GoI.

Even if the accounts are maintained in computerized form, at least a manual Cash Book should be maintained as well on daily basis duly signed by any authorised person.

5.4 KEY ACCOUNTING POLICIES AND DISCLOSURES

In order to ensure uniformity and consistency in the method of accounting for program funds and financial reporting, the certain accounting policies have been framed under NRHM. The periodic financial reporting and the annual financial statements will be guided by these accounting policies and principles. In some cases there are some deviations from the accounting standards prescribed by the Institute of Chartered Accountants of India, e.g. Depreciation Policy.

5.4.1 Basis of Accounting

Accounting shall be done on cash basis i.e. a transaction shall be accounted for at the time of receipt or payment only. All transactions are to be recorded as rounded off to the nearest rupee.

5.4.2 Period of Accounting

It is the period with reference to which accounting books of any entity are prepared & balanced and the financial statements are prepared. Under NRHM, units are supposed to follow the financial year of the Government of India i.e. 1st April to 31st March.

5.4.3 Method of Accounting

The books of accounts shall be maintained on double entry book keeping principles i.e. there should be a corresponding Debit/ Credit for each and every transaction.

5.4.4 Notes to Accounts and Disclosures

- The basis of preparation of Financial Reports and significant accounting policies related to material items shall be disclosed.
- Any changes from earlier policy may be disclosed along with the impact of such a change on financial indicators.
- The notes should provide additional information, which is not readily discernible from the Financial Reports but is necessary for a fair presentation of the entity's financial performance and position.
- Notes to the Financial Reports should be presented in a systematic manner. Each item in the statements should be cross-referenced to any related information in the notes.

5.5 TREATMENT OF CERTAIN ITEMS

5.5.1 Recognition of Income

Grant in aids

- o Amount of grant received by SHS/ DHS will be taken into Income/ Revenue of a particular year to the extent of expenditure incurred only against the particular grant.
- o Grants- in-Aids shall be taken into account on actual receipt basis (Cash Basis).

- The funds sanctioned and transferred by Government of India, State Health Society (SHS) & District Health Societies (DHS) during the year but not actually received by the SHS, DHS and Block CHC/PHC may be entered on the income side of the income and expenditure account under the heading "Grants- in-Aids" and taken in the balance sheet on the assets side under the heading "Funds in Transit" below Current Assets (Cash and Bank Balance). On actual receipt of the money, it should be shown under debit side of Cash Book under the head "Funds in Transit" instead of Grant in Aid.
- The Grants-in-Aids received by SHS, DHS and Block CHC/PHC shall be taken on receipt side of the Receipt & Payment A/C and on income side in the Income & Expenditure A/C.
- The Grants-in-Aid (GIA) is reflected in the Income & Expenditure accounts as income to the extent of fund utilization against it.
- The Grant-in-Aid to the extent of remain unutilized at the end of the financial year is shown as liability in the Balance Sheet.

5.5.2 Recognition of Expenditure

- **Releases to Public Health Institutions:**

  The releases made to the DHS/Sub-District Hospitals/CHC/PHC/Medical Officers etc. shall not be treated as expenditure unless they are reported as expenditure (either SoE/ UC, whichever is applicable) by these institutions/bodies.

- **Advance to NGOs, Corporations etc.:**

  The release made to the Central or State Corporations, NGOs etc. will be treated as advance till the time they are reported back as expenditure by these organizations duly backed by supporting documents and invariably audited UCs. If the releases are on output based parameters which has already been delivered by the organization, then they can be treated as expenditure provided it is supported by the necessary documents and certifications by competent authority certifying the completion of the outputs.

- **Advances for Civil Works:**

  The funds released against the works are considered as `Deposit' under Capital Work in progress. Funds deposited with Public Works Department (PWD)/Contractor is treated as advance at the time of release. On receipt of a certificate of stage of completion and running bill from PWD or Contractor, it is booked as expense to the extent it is certified by the PWD as per the terms of the agreement. To summarize; the deposit or advance will be cleared (i.e. booked as expenditure) on the basis of progressive report of work completion to the extent certified by the PWD. In case the implementing agency is other than PWD clearance can be given through audited UCs at appropriate senior level.

- **Commodity Grants:**

  Commodity grants received from the Govt. of India relating to the programmes under NRHM are not reflected in the financial statements of the Society. However, they

should be appearing in the Notes on Accounts and Disclosure of the Audit Report.

- **Releases to VHSNCs:**

  The releases of Rs 10,000/ per annum given to Village Health, Sanitation and Nutrition Committees (VHSNCs) as untied funds shall not be deemed to be as expenditure on their release. Expenditure shall not be booked unless actual expenditure is reported back through SoE/ UC (as applicable) along with necessary supporting documents by each VHSNC to the block concerned.

5.5.3 Treatment of Fixed Assets

- **Cost of Fixed Assets:**

  Fixed assets are stated at cost of acquisition & subsequent improvements thereto including taxes, duties, freight & other incidental expenses relating to acquisition.

- **Capitalization of Assets:**
  - o Only those articles will be treated as assets of the society which are procured, used and installed in the Office of the Society and will be capitalized in the balance sheet of the society. Formal tracking as per the requirements of the Asset Register for the entire life of such assets will be done by the SHS and DHS.
  - o All other assets (such as Buildings, Mobile Medical Units, Ambulances, Equipment for Hospitals etc.) which are purchased by the society and subsequently handed over to the Office of Health & Family Welfare/Family Welfare Stores/CMOs/PHCs/CHCs, etc. will not be capitalized in the books of the SHS or DHS. Expenditure on procurement and acquisition of such assets will be shown in the Income & Expenditure Statement on the Expenditure side. Such assets will be shown as transferred to such entities (Office of Health & Family Welfare/Family Welfare Stores/CMOs/PHCs/CHCs, etc.) in the Asset Register and no further tracking about the life of the asset will be required. However, a certificate from the receiving entity will be required to be kept in the asset register with contra- entry in the 'Location/Under custody' column of the Asset Register.
  - o Note: While reporting, the utilization certificate should include the expenditure as per Income & Expenditure Account as well as the amount of such Capitalized Assets. (It has often been noted that State overlook or miss out to reflect the capitalized assets in the UCs)

- **Depreciation Policy:**
  - o No depreciation shall be charged on fixed assets in the project financial statements.
  - o Fixed assets are disposed off/ condemned as per the provisions under General Financial Rules (GFR) of State/UT Governments or GOI.

5.5.4 Treatment of Interest Earned

- Society shall furnish a statement of interest earned on six-monthly basis as per the format appended as *Annexure XVII*. The interest earned at State Level and District

Level shall be shown separately. Even the interest earned under various programmes (for which separate banks accounts are mandated) shall be shown separately at the State level and District Level.

- Interest earned at SHS and DHS will be treated as receipt and should be shown separately as the income in the Income and Expenditure Statement of SHS and DHS in the Audit Report of the SHS and DHS.
- Interest earned shall be treated as Grants-in-aids and shall be utilized for the same purpose for which the State PIP or District PIP is approved and shall also be subject to the same programme norms/guidelines as the Grants-in-aids for the programme.
- Note: Interest earned shall be included as additional funds available with the SHS and DHS level. This additional amount made available due to interest earning shall be factored in (included in total fund available) while approving the State Programme Implementation Plan for the next year.

5.6 HEADS OF ACCOUNTS

All expenditure incurred shall be booked under the standard account heads maintained in respect of various items of expenditure relating various components.

Ledger account heads should be in line with the heads provided in the Financial Monitoring Reports (FMR).

5.7 KEY ACCOUNTING ENTRIES

Some of the key accounting entries are given below:

5.7.1 Receipt of Grant in aid from Centre/State/ District:

The following entry is to be passed at the time of receipt of funds:

Bank A/c Dr
To Grant – in – Aid

Bank account gets debited with the grant in aid received.

For unspent grants returned;

Grant – in – Aid Dr
To Bank A/c

Reverse entry is posted when unspent grants are returned back.

5.7.2 Incurring of Expenditure

The following entry is to be passed at the time of recognition of expenditure:

Expenditure Head A/c Dr
To Bank/Cash A/c

Expenditure account gets debited by the amount spent on it.

5.7.3 Advance

The following entry is to be passed at the time of disbursing the money as an advance:

Advance A/c (Name of the advance) Dr
To Bank A/c

When advance is given it gets debited by the same amount.

Booking of Expenditure against advances;

Expenditure Head A/c Dr
To Advance (Name of the advance)

By passing this entry advance is booked as expenditure to the extent utilized.

5.7.4 Disbursement to implementing units

For recording disbursement to implementing units

Implementing units – Advance A/c Dr
To Bank A/c

Funds are transferred as advance to the units to whom they have been given.

For recognition of expenditure on receipt of SoE/ UC from implementing units

Expenditure Head A/c Dr
To Implementing unit- Advance A/c

By passing this entry advance to implementing unit is booked as expenditure to the extent utilized.

5.7.5 Purchase of Fixed Assets

For recording purchase of assets out of internally generated funds;

Fixed Asset Dr
To Bank A/c

By passing this entry fixed asset is raised in the books and the bank account gets reduced.

5.7.6 Utilization of Grant-in-Aid

For Recognition of Income to the Extent of Expenditure Incurred;

Grant – In – Aid for Dr
To Income A/c

The Grants-in-Aid are booked as income only after and to the extent of expenditure. The unspent balance would remain in Grant-in-Aid account.

5.7.7 Sanctioned but not received Grant-in-Aid

Following entry is to be passed in case the funds are sanctioned but not actually received;

Funds in Transit A/c Dr
To Grant – in – Aid

Sanctioned funds are added to Grant-in-Aid by passing this entry. The Funds in transit a/c

is closed when funds are actually received by passing the following entry:

On actual receipt of funds;

Bank A/c Dr

To Funds in Transit A/c

The bank account increases and the funds in transit accounts get reduced by the amount received.

5.7.8 Closure entries

Some of the key accounting entries which are to be passed to close the ledgers and prepare the final accounts viz income & expenditure, receipt & payment and balance sheet

For transferring of interest to Income & Expenditure Account;

Interest Earned on Bank A/c Dr

To Income & Expenditure A/c

The interest earned on funds lying in the bank account is transferred to the income and expenditure account.

For transferring of Income to Income & Expenditure Account;

Income Head A/c Dr

To Income & Expenditure A/c

Grant-in-Aid recognized as income and any other income is transferred to Income & Expenditure account.

For transferring of Expenditure to Income & Expenditure Account;

Income & Expenditure A/c Dr

To Expenditure Head A/c

All expenditure accounts booked under whichever head are also transferred to Income & Expenditure a/c.

For consolidating the Cash & Bank Balance of implementing units;

Cash / Bank A/c Dr

To Advance to implementing units for (Name of Activity for which fund was disbursed)

This entry sums up the cash and bank balances of all sub units within the controlling unit and would show a consolidated position of funds lying at different sub units.

(Note: This entry should be reversed immediately in the next accounting year)

For Transferring the Excess of Income over Expenditure to Reserves and Surplus at the end of the period;

Income & Expenditure A/c Dr

To Reserves and Surplus A/c

Excess incomes like interest earned etc. can inflate the income side of the income &

expenditure account. This should be transferred to the Reserve & Surplus Account which would be visible in Balance Sheet as available funds available with the accounting unit.

5.8 ACCOUNT CLOSING PROCEDURES

Closure of the accounting books is an important and necessary function for maintaining the integrity of accounting data. Before the accounting books are closed for the period, a thorough review of all financial information should be done. Some of the key steps for closure of books of accounts include ensuring that:

- No expenditure for the period is pending to be booked
- No pending entries are left to be passed in the Books of Accounts
- All closing period/ consolidation entries have been passed in books of accounts (as illustrated in the previous section on "Key Accounting Entries")
- All individual Bank and Advance accounts have been reconciled
- All material balances of advances given to staff and other parties have been duly confirmed

After closure of books of accounts, financial statements including Trial Balance, Income & Expenditure, Receipts & Payments and Balance Sheet can be prepared.

5.8.1 Trial Balance

Trial Balance is a summary statement of all the ledger balances. As per the concept of Double Entry System the total of Debit side of Trial Balance should be equal to the total of Credit side of the same.

5.8.2 Statement of Receipt & Payment

Statement of Receipt & Payment as the name suggests is the statement summarizing the receipt of funds and its usage. All the cash and bank receipts come on the credit side and all the expenditures incurred come on the debit side. Balance shows the availability of funds in hand. Its format is given as *Annexure XVIII.*

5.8.3 Statement of Income & Expenditure

Statement of income & expenditure gives an understanding of the performance of the society during the financial year. It records all the revenue expenditure and income items of the current accounting period. Its format is given as *Annexure XIX.*

5.8.4 Balance Sheet

Balance sheet is the sum total of the position of accounting unit on a given date. It provides an overview of the assets, liabilities and capital of the society including the funds available with the accounting unit as grant-in-aids, advances etc., its liabilities towards external parties and internal units and its assets both fixed and current. Its format is given as *Annexure XX.*

A table depicting the preparation of statement of accounts by different accounting units along with their timelines is given below:

Table 5.3: Accounts preparation by different units

Accounting Centre/ Financial Statements	Trial Balance	Income & Expenditure	Receipts and Payments	Balance Sheet
SHS	✓	✓	✓	✓
Timeline	Monthly	Quarterly		
DHS	✓	✓	✓	✓
Timeline	Monthly	Quarterly		
Block	✓	✓	✓	✓
Timeline	Monthly	Only if mandated by the states (at the frequency as prescribed by the state)		
RKS	✓	✓	✓	✓
Timeline		As per the mandate of the Samiti		
CHC/PHC	✓	×	×	×

CHAPTER 6: INTERNAL CONTROLS

6.1 INTRODUCTION

NRHM is a large & complex programme with multiple implementing units and decentralized framework. An effective internal control environment is essential to ensure proper fund utilization and financial reporting under the programme at various levels. "Internal Controls" refer to the methods and procedures adopted by an entity to assist in efficient conduct of its business/ operations. The internal controls which ensure validity & accuracy of the accounting records and financial statements and help to prevent fraud and errors are also referred to as "Accounting Controls".

Relevant internal control measures under key accounting/ financial processes have been discussed in the following sections.

6.2 CASH TRANSACTIONS

Cash transactions are generally not encouraged under the programme and attempt should be made to minimize the number of cash transactions. If necessary, they should be made only for petty expenses and when/where banking facilities are not available at all.

6.2.1 Maintenance and Custody of Cash Book

"Double Column Cash Book" should be maintained for SHS, DHS and Block, while at Sub Centre and VHSNC, a "Columnar petty cash book" should be maintained as per the formats prescribed. Key internal controls relevant to maintenance of Cash book are given below:

- Cash book should be updated on a daily basis in case of SHS, DHS, Block, CHC/PHC and RKS and at least on a weekly basis in case of Sub-Centre/ VHSNC.
- At SHS/ DHS, it should be put up for checking & authentication to one of the cheque signing officer as decided by the chairperson of the Executive Committee of a State/District Health Society.
- Cash book should be closed daily and if no transactions have taken place in a day/s, the entry "No Transaction" has to be noted in the cash book on that day/s in red ink and balances are to be carried over to next day.
- Access to petty cash book should be restricted to one person only. Cash book should be authenticated by the drawing/ disbursing officer or any responsible officer authorized for the purpose.
- All payments which are received in the SHS or in a DHS and at Block CHC/PHC, either in cash or through cheques/bank drafts/money orders/ bankers cheque etc. should be first entered in the prescribed register and then entries in the cash book should be made, on the same day. Likewise all payments/ disbursements should be entered in the cash book on the day of the payment itself.

- Each entry of receipt and expenditure should be descriptive but brief in nature. Each voucher should be assigned a serial number and Ledger Folio number, which should be noted against each entry in the cash book.
- Over writing should be avoided and corrections, if any, should be attested by the authorized officer under his dated initials.
- While making payments through cheque, its number should invariably be noted in the cash book for cross checking. Voucher serial number should also be entered in the cash book alongside the expenditure.
- All pages in the cash book should be pre-numbered in order to avoid tampering.

6.2.2 Withdrawal of cash from bank/ Receipts

- Cash should be withdrawn by an authorized person (Cashier) only. Signature of the person presenting the cheque and receiving the cash should be attested on the back side of the cheque by one of the authorized signatories.
- Signatures with date should be obtained in the cheque issue Register from the cashier/accountant for each cheque, which is endorsed in his favour or handed over to him for obtaining cash payment from the bank.
- Receipts should be issued, for the cash/ bank drafts/ banker cheque and money orders on its receipt and its entry should be made in the prescribed register, which should be signed either by one of the fund operator or by an authorized officer.
- All Cash/ Cheques/ Demand Drafts etc. received should be deposited into bank as far as possible on the same day itself, otherwise on the next working day positively.
- Cash Receipt voucher should be prepared and accounted for by the accountant on the same day and the cash account should be updated for receipt/ withdrawal of cash on the same day.
- A Fidelity insurance policy at the state level may be taken for the entire state covering the handling of cash.

6.2.3 Cash Payments

- Generally, cash payments should be discouraged, however payment by cash may be made, subject to directives/ limits prescribed by the State.
- Cash payments should be made only after preparing the payment voucher and signature must be taken on the voucher from the payee.
- Only original supporting/ bills should be accepted for cash payments.
- Revenue stamp should be put on all cash vouchers for payments above Rs 5000/-.
- All cash payments/ disbursements should be entered in the cash book on the day of the payment/ disbursement.
- All vouchers/ bills/ invoices related to cash payments should be scrolled (serial numbered) and entered in cash book with appropriate referencing.

- Vouchers/ payment documents should be cancelled after reimbursement to prevent duplication of payment.

6.2.4 Daily Cash Balance

- The limit of maximum cash balance to be retained at each unit should be decided as per State Finance Rules.
- Heavy Cash balances should not be maintained at any unit.
- Cash should be withdrawn from bank account only as per the actual/ average requirement by each unit based on the usage in the previous months.

6.2.5 Verification of cash

- Physical cash should be counted and tallied with the cash balance as per the cash book on a daily basis.
- Cash chest/ box should be kept at the facility under proper lock & key, preferably under insurance cover.
- The contents of the cash chest/cash box should be verified by the SFM/SAM at State level, by DAM at District Level, Block Accountant at Block level and Programme Officer at Health Society level at least once in a month at the close of the month or on the first day (immediately after opening of Office) of the next month and the amount should be compared with the cash book balance shown in the Cash Book.
- Concurrent Auditor should also verify physical cash during their visit (preferably immediately on his arrival).
- The result of verification should be recorded in the cash book each time as under: "Certified that Cash Balance checked and found correct". In case the cash balance is found to be less or in excess then the balance shown in the cash book, the fact should be recorded in the cash book and a formal report should also be submitted to the next higher authority for further necessary action
- Cash should also be periodically (at least once a quarter) counted on a surprise basis by someone other than the custodian of the fund. The physical cash should be counted and recorded in denominations and compared with the cash balance shown in Cash Book.
- A cash balance certificate shall be prepared and kept ready for audit at the end of each year.

6.3 BANK TRANSACTIONS

6.3.1 Bank Payment

- The Society funds should be drawn through cheques and/ or bank drafts. All payments to the extent possible should be made by account payee cheques/ e-transfer.
- Entry in the books of accounts should be made immediately upon transfer of funds/ issue of cheque.
- Any payment above prescribed limits for Block, CHC/PHC and RKS, sub centre & VHSNC should necessarily be made through crossed Account payee cheques only.

- Acknowledgement of receipt of cheques issued should be obtained from the payee.
- The limits for approval of expenses/ payments should be as per the delegation of power at respective implementing units.
- The supporting documents (such as bills, vouchers, etc.) should be stamped as 'PAID & CANCELLED' to avoid duplicate payment against the same document. The reference of cheque vide which payment is done should be recorded on the invoice.

6.3.2 Preparation of cheque

- All the cheques shall be entered in the cheque issue register before they are submitted for signatures, indicating its number, amount, name of the person or party, purpose and date of issue, etc.
- All cheques should be signed by the two authorized signatories.
- Signatories should ensure following aspects before signing the cheques:
  - The amount of cheque is within their delegated power.
  - Proper voucher has been prepared & authorized by the concerned accountant.
  - Funds in the concerned bank are sufficient to honour the cheque.
- Cheque books (new/ used/ currently under use) and their counter foils should be kept in the personal custody of one of the officers who is authorized signatory on the cheques.
- The issue of bearer cheques should be avoided as far as possible except for drawing cash from bank for day-to-day official transactions.
- As far as possible, the person responsible for preparing cheques should not be a cheque signatory himself.
- The practice of signing of blank cheques in advance by any signatory should be strictly prohibited.
- Dividing of one payment into smaller denominations so as to avoid delegation limit should not be allowed.
- Details of cheques in hand at the end of each month should also be maintained.

6.3.3 Cheque Issue Register

- Cheque issue register should be maintained properly and updated immediately on issue of every cheque.
- RTGS/ ECS instructions should be appropriately authorized, recorded, filed and may be noted in it.
- Signatures should be obtained from cashier/ accountant on the cheque issue register in respect of each cheque handed over to him for cash withdrawal from the bank.

6.3.4 Maintenance and custody of bank book/ bank statement

- A "Double Column Bank Book" should be maintained for SHS, DHS and Block as per suggested format and for Sub-Centre & VHSNC, a bank register should be maintained to record receipt and payment of funds through cheque.

- Over writing in bank book should be avoided and corrections, if any, should be attested by the authorized officer under his dated initials.
- All vouchers/ bills/ invoices to be scrolled (serial numbered) and entered in bank book with appropriate referencing.
- All Cash/Cheques/Demand Drafts etc. received should be deposited into bank as far as possible on the same day itself, otherwise on the next working day.
- Bank account should be posted from the daily totals of cheques issued and challans/ remittances (deposited) made into the Bank.
- Bank pass book/ bank statement should be updated regularly (at least once a month).
- Interest income should be clearly identified and reported in the SoE/ UC on timely basis.

6.3.5 Bank Accounts

- As far as possible, bank account should be opened and operated under joint signatures.
- Generally, bank account should be maintained in any of the scheduled bank/ Grameen bank, however, account can also be maintained in post office in areas where bank availability is a problem.
- Idle bank accounts should be closed urgently after appropriate approval.
- Personal bank accounts should not be allowed for making any official transactions.
- Funds related to non-NRHM programme should be avoided to be deposited into the bank account maintained for NRHM funds.

6.4 BANK RECONCILIATION STATEMENT

- Bank Reconciliation Statement (BRS) should be prepared on monthly basis by reconciling the cash/ bank book and Bank Pass Book/ Bank Statement by 10th day of the following month.
- Separate BRS should be prepared for each bank account. A copy of BRS should be sent to the supervisory units.
- Bank Pass Book will be sent to the bank on monthly basis for making up-to-date entries of credits and debits.
- Reconciliation items should be grouped under the following heads;
  - o Cheques deposited but not credited
  - o Cheque issued but not presented
  - o Excess/ short amount debited/ credited by bank
  - o Bank interest not accounted for
  - o Bank charges not accounted for
  - o Bounced cheques, etc.
- BRS should be reviewed and signed by the supervisor. Proper explanation by the

person in-charge should be recorded in case of any unreconciled/ old entries.

- Sequence of cheque numbers & cheque details should be compared with the details recorded in the cash/bank book.
- Attention should be given to long standing unpresented cheques, stop payment notices. Any stale cheques appearing the BRS should be reversed.

6.5 EXPENDITURE CONTROLS

6.5.1 Voucher/Supporting Documents

- Voucher should be prepared for each financial transaction.
- Each voucher should be properly filled, serially numbered and signed by the authorized person. It should be supported with a supporting duly authorized from the appropriate authority.
- Before authenticating a cheque for any payment/ disbursement, the cheque drawing officer should ensure that there is a proper and formal statement of claim (Bill) or invoice through which payments have been demanded by the concerned person or party or firm.
- The purchases made or services received are according to the approved plan and the claimant is entitled to get it. A competent sanction to incur expenditure should be attached with the claim.
- The particulars of the claim i.e. rates, calculations, net payable amount etc. should be examined/checked by the Accountant or by an authorized accounts person

6.5.2 Post Payment Controls

- Paid invoice and supporting documents must be defaced with the seal of "Paid & Cancelled". In case of advance adjustments, it should be marked "Passed for Adjustments".
- The reference of cheque vide which the payment made is to be recorded on invoice.
- All the paid vouchers must be serially numbered and maintained in box file.

6.5.3 Sanctions / approvals

- Necessary approval from competent authority should be taken before hand for expenditure made.
- Expenditure made should be within the approved budget limits.
- All approvals/expenditure made should be under the jurisdiction of the sanctioning authority in line with delegation of powers as prescribed by the State.

6.6 PURCHASE/PROCUREMENT TRANSACTIONS

6.6.1 Requisition & Purchase Order

- All procurements should be made as per the approved guidelines for procurement issued by the State Government.

- The purchases made or services received should be according to the approved plan.
- Before making any purchase, existing stock position must be assessed.
- All purchase requisitions should be reviewed by a senior official to ensure reasonableness and appropriate delivery address.
- All purchase orders should be prepared on the basis of approved purchase requisitions.
- Purchase orders should have all the relevant information pertaining to purchase and the information should be classified in an orderly manner.

6.6.2 Receipt of item and Recording

- Goods receiving officers should certify the quality and quantity of the goods received on the receiving document (invoice/ challan) are as per the specifications mentioned in the purchase order.
- Any discrepancy in the quality specifications as per the order document should be duly authorized by the concerned person.
- It should be ensured that evidence to deliver goods and services at the agreed time and place of delivery has been obtained.
- Entry should be made in appropriate stock/ store register and certification on this account should be made on the bill/ invoice by an authorized officer.

6.6.3 Approval/Authorization

- Payments should be made in accordance with the terms and conditions of the Purchase Order/ contract.
- Evidence of delivery of goods/ services at the agreed time and place should be obtained before making payment.
- All procurements of goods/ articles should be made as per the State Government Procurement Rules which includes the limit for invitation of tenders, limit for quotations, formation of procurement committee, etc.
- Procurement against verbal order, if any, should be regularized through preparation of written purchase order and it should be approved by competent authority.

6.7 INVENTORY/STOCK

- Proper written policies and procedures to control and monitor inventories should be in place.
- Store should be managed by an authorized store keeper and store records should be kept under his custody only.
- Appropriate stock records should be maintained for receipt and issue of material.
- Stock record should be maintained as per the prescribed format to reflect stock-wise quantities and locations by individual items.
- All stock movements should be supported by formal pre-numbered documentation and be appropriately authorized.

- Stock records should be updated immediately on issue/ receipt of any item.
- Bin Card system should be adopted at least in respect of stores at District & above.
- Items / material should be arranged/ stacked properly in the store to facilitate follow of FIFO (First In, First Out) method of issue of store items.
- Access to the store should be limited to authorized personnel only.
- Periodical stock verification should be conducted by the store keeper along with an independent officer appointed by head of office, any discrepancies should be appropriately recorded and reported to the higher authorities.
- Obsolete, damaged, and slow-moving items should be identified on periodical basis (monthly/ quarterly basis) and reported to higher authorities.

6.8 FIXED ASSETS

6.8.1 General

- The prescribed procurement guidelines (to be specified by each state) for purchase of assets should be followed.
- Appropriate budgetary approval should be available for purchase of fixed assets.
- No depreciation should be charged on the fixed assets.

6.8.2 Fixed Asset Register

- Each State/ District Society shall maintain Stock Registers for the articles or item of permanent or of non-consumable nature indicating the details of such assets e.g. furniture, fixtures, equipments, machinery, instruments, vehicles, computer systems etc. purchased during the programme period. Such register is also called as Register of permanent (nature) articles or Dead Stock register.
- Fixed asset register should include the description of the asset, classification of the head for e.g. Furniture and Fixtures, equipment, etc., location of the asset, quantity/ numbers, original cost, date of purchase, details of assets sold/ discarded, distinctive number of the assets etc.
- Annual physical verification shall be carried out in the month of March every year.
- Only those articles will be treated as assets of the society which are procured, used and installed in the Office of the Society and will form part of the core asset of the society. Formal tracking as per the requirements of the Asset Register for the entire life of the asset will be done by the society.
- All other assets which are purchased by the society and subsequently handed over to the Office of Health & Family Welfare/Family Welfare Stores/CMOs/PHCs/CHCs, etc. will be shown as transferred to such entities in the Asset Register and no further tracking about the life of the asset will be required. However, a certificate from the receiving entity will be required to be kept in the asset register with contra- entry in the 'Location/Under custody' column of the Asset Register.

- All assets received in kind from the supervisory units should be included in the register, entry should be made in register for each individual item of fixed asset purchased/ sold/ discarded.
- Permanent Identification Numbers should be mentioned on each item of fixed assets to permit easy identification. The same should also be reflected in the Fixed Assets Register.
- All fixed asset movements between units should be appropriately approved and recorded in the FAR along with the new location of the fixed asset.

6.8.3 Physical Verification of Fixed Assets

- Annual physical verification of fixed assets should be conducted.
- Verification should involve comparing the physical balance with book balance, identification of assets to be scrapped/ written-off & missing assets.
- Any major discrepancies in physical verification should be appropriately recorded in the fixed asset register and reported to the higher authorities.

6.8.4 Disposal of Fixed Assets

- Specific procedures and policies prescribed for transfers and disposals of fixed assets should be followed strictly.
- Disposal of fixed assets should be made by the appropriate committee competent to do so.
- If any asset is disposed off/ discarded/ demolished or destroyed, the net surplus/ deficiency (if material) should be disclosed separately.
- The assets given to hospitals, NGOs etc. are booked as expenditure in the State Register. Any consequent sale of such assets should be recorded by the disposing units in memorandum accounts.

6.9 CONTROL OVER ADVANCES

6.9.1 Monitoring, Control and Settlement of Advances

- Advance should be given only for activities which are admissible under the programme.
- All advances should be duly approved by the competent authority and should be preferably settled within a maximum period of 90 days.
- Before sanctioning further advance, it must be ensured that all earlier advances to the same person/ party and for the same purpose have been settled/ adjusted. No advances should be made to a person/party if an advance is already pending for settlement for the same purpose, unless appropriately approved and reasons documented.
- Cases where huge un-adjusted advances have been lying for long should be brought to the notice of higher authorities (BCMO, DAM, CMHO etc.).
- Independent monitoring should also be carried out by the supervisory units in respect of the advances lying at the lower units based on the periodical MIS obtained.

- State should get a confirmation of advances from each implementing agency or external third party at the end of each year.

6.9.2 Advance Register

- For the purpose of facilitating proper tracking of advances and their settlement, an Advance Tracking Register should be maintained, at all the levels from where the advances are given.
- All advances sanctioned to an officer of SHS or to the District Programme Management Unit or to the In-charge Medical Officer of a CHC or PHC or to any other official of the above institutions and also to any non-government organization, shall be entered in the Advance Register immediately after the advance amount/ cheque is given to the advancee.

6.10 OTHER ADMINISTRATIVE CONTROLS

6.10.1 Document Custody

- All important documents, rules and regulations should be placed in a dedicated area under custody of an authorized official at the unit.
- Suitable responsibility should be assigned for keeping the rules and regulations file up to date.

6.10.2 IT Backup

- All critical data files should be periodically backed up and stored in a secure off site location.
- A tested backup and recovery procedure to protect daily work files should be put in place.
- There should be appropriate security on the access of all the sensitive/ important data and information.

6.10.3 Password Controls

- There should be a comprehensive internal policy on password protection.
- All the sensitive information should be protected by appropriate passwords.
- Passwords should be frequently changed to avoid unauthorized access.

6.10.4 Attendance/ Leave Records

- The attendance and leave records should be duly maintained at all units as per policy and updated regularly.
- Leave applications should be scrolled (serial numbered) & properly filed, these should be verified by supervisor/ head of office periodically including leave records, etc.
- There should be a system of recording attendance and making payment of salary/ honorarium, in accordance to such records.

CHAPTER 7: FINANCIAL REPORTING AND MONITORING

7.1 INTRODUCTION

NRHM is a complex programme with multiple sub-programmes under its umbrella and multi layered supervisory/ implementing units. Due to decentralization, large quantum of funds flow to sub-district level units and amount of expenditure undertaken at these levels is fairly substantial. This requires appropriate measures and systems to ensure proper reporting and monitoring at various levels.

7.2 FINANCIAL REPORTING

All the units need to report their performance periodically on various financial parameters, to their supervisory units. Key financial reports prepared under NRHM include:

- Financial Monitoring Report (FMR)
- Utilization Certificate (UC) (Provisional & Final Audited)
- Statement of Expenditure (SoE)
- Statement of Fund Position (SFP)
- Statement of Interest Earned (to be shown in SFP also)
- Statement of Advances

Besides these, there are few reports which are specific to reporting units (as explained in the subsequent sections).

7.2.1 Financial Monitoring Report (FMR):

FMR is one of the primary financial reports which provide component-wise utilization against the budget allocated. It is also supposed to include physical progress against the target determined. It provides detail of expenditure under each component/sub-components under following broad heads:

• Part A: RCH Flexible Pool	• Part B: Mission Flexible Pool
• Part C: Immunization	• Part D: NIDDCP
• Part E: IDSP	• Part F: NVBDCP
• Part G: NLEP	• Part H: NBCP
• Part I : RNTCP	

It is prepared on the basis of books of accounts being maintained. Only actual expenditures made should be reported (advances should not be reported as expenditure). It should be ensured that expenses are properly classified. Physical progress against targets determined under key schemes should also be mentioned. It provides information both for the specific period ('Monthly/ Quarterly') and cumulative 'Year to date'. It has to be signed by Head of the unit & counter signed by Finance Head of the unit. The format for the report

at District and State level is same and is appended as *Annexure XXI.*

7.2.2 Utilization Certificate (UC) (Provisional & Final Audited)

UC is a form to be submitted by spending unit certifying the amount actually spent against the grant disbursed to it. It provides sanction-wise details of grant received, purpose of the grant, amount spent and unspent balance.

In respect of the grants-in-aid received from the Government of India, the State Health Society (SHS) should furnish "Utilization Certificate" (UC) in Form No. GFR 19A duly signed by the Mission Director/Project Director/State Programme Officer of various NDCPs and the Statutory Auditor to Ministry of Health & Family Welfare, GoI along with the audited annual financial statements. UCs should be submitted sanction wise. UCs pertaining to various programmes should not be clubbed in any case and should be furnished separately.

All grants-in-aids sanctioned and released by the Government of India to SHS in a particular financial year shall be indicated by the Society in its Utilization Certificate of that financial year, irrespective of the fact that the amount is received by the Society in the subsequent financial year. While sending Utilization Certificates (UCs), the expenditure shown in UCs should include the expenditure as per Income & Expenditure Account plus the amount of Capitalized Assets.

It should be signed by head of the unit and counter signed by the Chartered Accountant (in case of audited UCs). Total amount shown as utilized under a given programme in the UCs during a given financial year programmes should match with the total amount shown as spent as per the audit report for that programme for the same financial year.

UCs not signed/ certified by the Auditor would be treated as Provisional UCs and it should be superscripted as "PROVISIONAL". It should be as per the expenditure certified in the Audit Report. Provisional UCs should invariably be signed by Mission Director of the State.

It is to be submitted by all the units including SHS, DHS, Block, CHC/ PHC, SC & VHSNC and its format is appended as *Annexure XXII.*

7.2.3 Statement of Fund Position (SFP)

SFP provides details of the opening and closing balances of cash and bank along with funds received & expenditure incurred for the particular period under various pools.

It should be prepared on the basis of books of accounts like Cash Book, Bank Book, Advance Register etc. It should be submitted monthly along with the MIS report.

SFP should be reconciled with the FMR. It has to be signed by Head of the unit & counter signed by Finance Head of the unit.

When seeking the SFP from the lower level reporting units the state FMG may also ensure that the SFP is accompanied by BRS. However, only the SFP need be sent by State FMG to the Ministry. Bank interest and state's share should be reflected in the SFP.

Both SHS and DHS need to prepare the Statement of Fund Position. The format for the

same is given appended as *Annexure XXIII.*

7.2.4 Statement of Expenditure (SoE)

SoE provides expenditure incurred against the funds received under various components of the programme. This form of financial report is used to report expenditure mainly at sub-district level (Blocks, RKS, CHC/PHC, SC & VHSNC). It should be prepared based on books of accounts.

SoE has to be signed by Medical Officer or drawing/ disbursing officer in charge at the facility and Finance/ Accounts incharge. Advances should not be reported as expenditure in the SoE, only actual amount spent should be included.

In case, in a particular month there is no expense at the CHC/ PHC, a nil SoE report is still required to be submitted. In case funds are also received under NDCPs at the unit, the unit is supposed to submit a consolidated SoE (including information on NDCPs).

The format of this report is same for all units however the activities might differ. The format for the same is appended as *Annexure XXIV.*

7.2.5 Statement of Interest

Statement of Interest earned provides the details in respect of the amount of bank interest earned by a unit under its various bank accounts. It should include the interest earned on all the bank account of all DHS/ SHS. The interest earned at State & District level should be shown separately.

The interest earned on different bank accounts (for various programmes) should also be shown separately. It should be reconciled with bank statements and should be signed by Head of the unit & counter signed by Finance Head of the unit.

SHS, DHS and Blocks need to prepare this report. The format is same at all levels and is at *Annexure XVII.*

7.2.6 Reporting Requirements at Various Levels

A State Level

Table 7.1: Reports at state level

	Report	Basis and Checks for sending the Report	Date on which to be sent	Responsibility	Assisted by	To whom
1	**Financial Monitoring Report (FMR)**	• Should be prepared from the books of accounts • Only actual expenditures to be reported • Proper classification of expenditure to be ensured • Should also be uploaded in the HMIS Portal	**Quarterly** (Within a month of end of the quarter)	**Mission Director/ State Programme Officers**	**State Finance Manager (SFM)/ State Accounts Manager (SAM)/ Accounts Officers (AO)**	**FMG, GOI**
1	**Statement of Fund Position (SFP)**	• To be submitted along with FMR • Should be duly reconciled with FMR and books of accounts	**Monthly**			

	Report	Basis and Checks for sending the Report	Date on which to be sent	Responsibility	Assisted by	To whom
3	**Utilization Certificate**	• Should be prepared sanction wise • Should be as per Form 19A • Final UC should be as per the expenditures certified in Audit Report.	**Annual** By 31st July along with the Audited statements			
4	**Statement of Interest earned by DHS & SHS.**	• Should include the interest earned on all the bank account of all DHS/ SHS. • Interest earned at State & District level should be shown separately. • Interest earned on different bank accounts (for various programmes) should be shown separately. • To be reconciled with bank statements	**Annual**			
5	**Statement confirming State's Contribution**	• Should provide details of instruments indicating the fund transfer to SHS	**Quarterly** (Within a month from end of the quarter)			
6	**Statement of Advances (Untied funds/ RKS/ VHSNCs/ Sub-centre)**	• Should provide details of instruments indicating the fund transfer to SHS	**Quarterly**			
7	**Audited Statement of Accounts and Audit reports of SHS**	• As per the Audit Format provided	**Annual** By 31st July of the following year	**Mission Director/ State Programme Officers**		

Note: *In addition to the above,*

- *Uploading of FMR on HMIS by States on a quarterly basis is compulsory*
- *Bank Reconciliation Statement should also be submitted on a Quarterly basis along with FMR*
- *Executive Summary of concurrent audit report should also be submitted on a Quarterly basis*

B District Level

Table 7.2: Reports at District Level

	Report	Basis and Checks for sending the Report	Date on which to be sent	Responsibility	Assisted by	To whom
1	**Financial Monitoring Report (FMR)**	• Should be prepared from the books of accounts • Only actual expenditures to be reported • Proper classification of expenditure to be ensured	**Monthly** By 10th of the following month	**CMO/ CDMO/ CMHO/ CS**	**District Accounts Manager/ Accounts Officer/ Accountant**	**Mission Director/ Programme Officers/ State Finance or Accounts Manager**
2	**Statement of Fund Position (SFP)**	• To be submitted along with FMR • Should be duly reconciled with FMR and books of accounts	**Monthly.** By 10th of the following month			
3	**Statement of Interest earned by District Health Society.**	• Should include the interest earned on all the bank account of DHS • The interest earned on different bank accounts should be shown separately	**Annual**			
4	**Utilization Certificate**	• Should be prepared sanction wise • Should be as per Form 19A	**Annual** By 30th April of the following year			
5	**Statement of Advances**	• As per the format provided in the MIS • Should be reconciled with books of account	**Quarterly**	**CMO/ CDMO/CHMO/CS**	**District Programme Manager/ AO/ Accountant**	**Mission Director/ Program Officer/ State Programme Manager**

Note: *In addition to above,*

- *Uploading of FMR on HMIS by Districts on monthly basis is compulsory*
- *Number/ Frequency of meetings taking place should also be reported on periodical basis*
- *Major financial decisions taken during these meetings should also be reported*
- *Bank Reconciliation Statement should also be submitted on a Monthly basis*

C Block Level

Table 7.3: Reports at Block Level

	Report	Basis and Checks for sending the Report	Date on which to be sent	Responsibility	Assisted by	To whom
1	**Statement of Expenditure (SoE)**	• Should be based on books of accounts • Advances should not be reported as expenditure • Statement of fund position (SFP) should be sent along with SoE In case any funds are received under NDCPs, SoE reporting for the same also needs to be done by the Block	**Monthly** (By 30th of the month)	**MO/ BMHO**	**Block Accountant / Block Programme Manager**	**District Health Society**
2	**Reporting of Interest Fund**	• Should include the interest earned on all the bank accounts	**Half-yearly** (At the end of every six months) i.e. 30th Sept./31st March	**MO/ BMHO**	**Block Accountant/ Block Programme Manager**	**District Health Society**
3	**Utilization Certificate**	• The blocks should decide on the deadline for receiving the UCs from the CHCs, PHCs & Sub-Centres under their jurisdiction and send consolidated UCs to the DHS. • UCs also need to be submitted for any funds received under NDCPs	**Annual** (30th April of the following year)			
4	**Statement of Advances**	• As per the format provided in the MIS • Should be reconciled with books of accounts	**Quarterly**	**MO/ BMHO**	**Block Accountant/ Block Programme Manager**	**District Health Society**

Note: *In addition to the above,*

- *Number/ Frequency of meetings taking place should also be reported on periodical basis*
- *Major financial decisions taken during these meetings should also be reported*
- *Bank Reconciliation Statement should also be submitted on a Monthly basis*

D. CHC/PHC Level

Table 7.4: Reports at CHC/PHC Level

	Report	Basis and Checks for sending the Report	Date on which to be sent	Responsibility	Assisted by	To whom
1	**Statement of Expenditure**	• Units in line should decide the cycle for FMR reporting • By the 26th of the month, monthly SoEs from the sub-centres & VHSNCs should be received / collected • If in a particular month there is no expense at the CHC/ PHC, a nil SoE report should be submitted to the block • In case any funds are received under NDCPs, SoE reporting for the same also needs to be done by the CHC/PHC	**Monthly** (28th of the Month)	**Medical Officer in charge**	**CHC /PHC Accountant**	**Block/ Supervisory unit**
2	**Utilization Certificate**	• To submit the yearly UC duly signed by the medical officer in-charge of the CHC / PHC. • UC also needs to be submitted for any funds received under NDCPs.	**Annual** (30th April of the following year)			
3	**Statement of Advances**	• As per the format provided in the MIS • Should be reconciled with books of accounts	**Quarterly**			

Note: *In addition to the above,*

- *Number/ Frequency of meetings taking place should also be reported on periodical basis*
- *Major financial decisions taken during these meetings should also be reported*
- *Bank Reconciliation Statement should also be submitted on a Monthly basis*

E. RKS Level

Table 7.5: Reports at RKS Level

	Report	Basis and Checks for sending the Report	Date on which to be sent	Responsibility	Assisted by	To whom
1	**Statement of Expenditure (SoE)**	• Units in line should decide the cycle for SoE reporting. • To ensure that by 28th of the current month the monthly SoE is submitted to the supervisory unit. • If in a particular month, there is no expense at the RKS, a nil SoE report should be submitted to the supervisory unit.	**Monthly** (28th of the Month)	Superintendent / Medical Officer	**RKS Accountant**	**Supervisory Unit**
2	**Utilization Certificate**	• UC to be submitted along with the annual audit report to the CMHO at DHS and Mission Director at SHS	**Annual** (31st May of the following year)			
3	**Statement of Advances (if any)**	• As per the format provided in the MIS • Should be reconciled with books of accounts	**Annual** (30th April of the following year)			

Note: *In addition to the above,*

- *Number/ Frequency of meetings taking place should also be reported on periodical basis*
- *Major financial decisions taken during these meetings should also be reported*

F. Sub-centre Level

Table 7.6: Reports at Sub-Centre level

	Report	Basis and Checks for sending the Report	Date on which to be sent	Responsibility	Assisted by	To whom
1	**Statement of Expenditure (SoE)**	• Units in line should decide the cycle for SoE reporting. • To ensure that by the 25th of the month the monthly SoE are collected from the VHSNCs, if applicable • If in a particular month, there is no expense at the Sub-centre, a nil SoE report should be submitted to the supervisory unit. • SoE reporting for funds received under NDCP should also be done.	**Monthly** (26th of the Month)	**Supervisory Medical In Charge**	**ANM**	**Supervisory Unit**
2	**Utilization Certificate**	• UC should be annually duly signed by the ANM of the sub-centre along with the vouchers • ANM should review the UC prepared by the ASHA of the VHSNCs for correctness and counter sign the same before submitting / forwarding it to the block / supervisory unit • Utilization Certificate also needs to be submitted for any funds received under NDCPs	**Annual** (30th April of the following year)			
3	**Statement of Advances (if any)**	• As per the format provided in the MIS • Should be reconciled with books of accounts	**Quarterly**	**Supervisory Medical In Charge**	**ANM**	**Supervisory Unit**

Note: *In addition to the above,*

- *Number/ Frequency of meetings taking place should also be reported on periodical basis*
- *Major financial decisions taken during these meetings should also be reported*
- *Bank Reconciliation Statement should also be submitted on a Monthly basis*

G. VHSNC Level

Table 7.7: Reports at VHSNC Level

	Report	Basis and Checks for sending the Report	Date on which to be sent	Responsibility	Assisted by	To whom
1	**Statement of Expenditure**	• Units in line should decide the cycle for SoE reporting • The ANM should review the SoE along with books of the VHSNC to ensure correct reporting. • If in a particular month there is no expense form the VHSNC, a nil SoE report should be submitted to the supervisory unit. • SoE reporting for funds received under NDCP should also be made.	**Monthly** (25th of the Month)	**Supervisory ANM**	**ASHA**	**Supervisory Unit**
2	**Utilization Certificate**	• To submit the UC annually duly signed by the ANM of the sub-centre along with the vouchers. • ANM should review the UC prepared by the ASHA of the VHSNCs for correctness and counter sign the same before submitting / forwarding it to the block / supervisory unit • Utilization Certificate also needs to be submitted for any funds received under NDCPs.	**Annual** (30th April of the following year)			
3	**Statement of Advances (if any)**	• As per the format provided in the MIS • Should be reconciled with books of accounts	**Quarterly**	**Supervisory ANM**	**ASHA**	**Supervisory Unit**

Note: *In addition to the above,*

- *Number/ Frequency of meetings taking place should also be reported on periodical basis*
- *Major financial decisions taken during these meetings should also be reported*
- *Bank Reconciliation Statement should also be submitted on a Monthly basis*

7.2.7 MIS Reporting

FMG has recently developed MIS formats for the states to report the status on some key financial management aspects such as audit, staff position, fund position etc. Certain Financial Management indicators have been developed for ensuring proper financial management, timely reporting of funds utilisation, monitoring the performance of various SHS and taking timely corrective actions under NRHM.

These also include information on implementation of initiatives taken/ directives given from GoI from time to time such as concurrent Audit, Tally, deployment of FM staff, training requirements, state share contribution, etc.

States are required to submit the requisite information in the prescribed formats (circulated in August 2010) to the FMG on monthly as well as quarterly basis.

A. Monthly MIS Reports

Key parameters for monthly MIS reports and the details which need to be submitted are given below:

Table 7.8: Parameters of Reporting

Parameter	Details to be provided
Concurrent Audit	• No. of districts covered by the Concurrent Auditor in the month
Information on Financial Management/ Workshops Planned by the state	• Financial Review Meeting held in the month with topics • Trainings/ Workshops conducted by the state in the month with topics • Further training requirements identified
Vacancy Position of Finance & Accounts Staff	• Sanctioned posts of F&A at State and District level • Positions filled and names of respective personnel • Vacant positions and reasons for vacancy • Action taken & tentative date for filling up the vacancy(s)
Statement of Fund position	• Statement giving details of the opening balance of cash and bank at the beginning of the month, funds received during the month, expenditure incurred and closing balance, amount of state share contribution and bank interest earned

Detailed format is appended as Annexure XXV.

B. Quarterly MIS Reports

Key parameters and details to be provided quarterly are more extensive then the monthly reports. The details of these reports are in the table given below

Table 7.9: Parameters of quarterly report

Parameter	Details to be provided
Statutory Audit	• Date of State's reply to the DO letter on audit observation with reference no. (for the latest statutory audit submitted)
Concurrent Audit	• No. and names of districts where appointment of concurrent auditor is in process • No. and names of districts that are providing monthly concurrent audit reports to the state • Status of summary report to be provided by the state to the GoI
Tally ERP 9	• Status of procurement of Tally and training at state, district and block level • Status of implementation of Tally ERP 9 • Is the FMR/ SoE being prepared through Tally
RCH I- Unspent Balance	• Status of any RCH I unspent balance with State/ UT • Tentative date of refund, if any balance available
15% State Contribution	• Amount contributed by State (into SHS main account) • Date of Credit in Bank Account with copy of Bank Statement confirming the credit
E- Banking	• Status of fund transfer through e-transfer • Name of the bank through which funds are transferred • MIS Generated
Quarterly FMR Analysis	• Status of State's reply to FMR analysis of the last quarter
Status of Advances & Facilities	• Status of advances released and adjusted against expenditure as per the Proforma

The format of this report is given in Annexure XXVI.

7.2.8 Other Reporting

FMG has recently developed formats for the states to ensure regular reporting of NDCPs and Routine Immunization. Following are the various formats developed by FMG:

- Quarterly Status of Allocation, Releases, Expenditure & Unspent Balance in Cash (As per *Annexure XXVII*)
- Quarterly Status of Allocation, Releases, Expenditure & Unspent Balance in Kind (As per *Annexure XXVIII*)
- Proforma for sending Expenditure Status Report (As per *Annexure XXIX*)
- Physical & Financial Status for Strengthening of Routine Immunization (As per *Annexure XXX*)

7.3 MONITORING

In addition to the Financial Reporting requirements, certain ancillary monitoring activities need to be performed under NRHM at each supervisory level and by various stakeholders. Some of the financial monitoring activities which are carried out under NRHM include:

- Monitoring timely submission of financial reports
- Monitoring timely submission of MIS
- Field visits by various Supervisory units to the units under their jurisdiction

- Periodical Financial Analysis
- Monitoring concurrent audit activities
- Periodical meetings at supervisory level
- Common/ Joint Review Missions/ Mid-term review
- External Reviews

The overall joint responsibility for financial monitoring is vested with the GoI and the State level. At the GoI level, the responsibility of monitoring is primarily in terms of tracking the utilization of funds vis-à-vis the planned budget for the programme level. However, this is possible only if financial monitoring systems at the state level are strengthened and each state monitors the financial activities in the districts under its purview, on a regular basis and report the performance to the GoI on a timely basis.

States need to put concerted effort in order to monitor the various financial management activities in each of their districts and the sub-district levels. For this, a focused Monitoring and Evaluation (M&E) team should be made responsible, headed by the Mission Director and supported by the SFM and other finance personnel. Responsibilities should be divided amongst these team members with regard to various monitoring activities.

A monthly meeting of the M&E team should be conducted to brief the Mission Director on status of submission of reports by various districts, financial performance of districts and audit affairs. Also, areas of concerns should be discussed with the Mission Director which should be further escalated to the GoI level.

7.3.1 Financial Reporting

Since most of the financial reports submitted by states to the center are a consolidation of information from the districts which is further a consolidation of information from the sub- district level units, timely submission of reports by these units to states is critical for timely reporting by states to MoHFW. Hence, a mechanism needs to be instituted to ensure that the subordinate units send the accurate and timely reports to the supervisory level. For this, timelines need to be devised and adhered to for each report for each level.

Rigorous follow up should be taken up by the supervisory units to ensure timely submission by subordinate units. In case of any delay, the head of office/ accounts manager of the subordinate units should inform the reason to the supervisory level.

7.3.2 MIS

The monthly MIS is to be submitted by 10th of the following month and quarterly MIS is to be submitted by 10th of the following quarter. These MIS should be sent to GoI (MoHFW) under the signature of the State Mission Director. In case of any delays in their submission, state Mission Director should be answerable to the GoI (MoHFW).

7.3.3 Field Visits

Officials of the supervisory units need to make periodic visits to their subordinate units to ensure that:

- Efficient and sound financial management system is in place
- Financial guidelines & policies are adhered to at units under their jurisdiction
- Assist them in any difficulty being faced in implementation/ carrying out desired financial management compliances
- Proper books of accounts are being maintained

Key aspects (relating to financial management) to be covered during field visit

Following are the key aspects which should be looked into detail during field visits by the supervisors:

Finance Staffing — Any vacancies in the finance staff, clear roles /responsibilities under taken by them, adequate understanding of Accounting/ Reporting requirements, any specific capability issues/ training needs, etc.

Accounting and Fund Flow — Funds are received on timely basis & as per approved budget, adequate understanding of book keeping/accounting requirements, books of accounts are well maintained & up-to-date, appropriate accounting software has been implemented etc. E-banking/ electronic transfer has been adopted.

Internal Controls — Overall environment of control & accountability exist, adequate compliance with internal controls procedures relating to cash, expenditure payments, safeguarding of fixed assets etc. Monitoring of unspent balances of programmes already closed, settlement of advances etc.

Financial Reports — Adequate basis is used for preparation of financial reports, correct formats are used, timeliness for submission of these reports are adhered to, etc.

Audit — Timely appointment of auditors, fee/ coverage/ scope of work is as per guidelines, timely conduct & submission of reports with adequate quality, effective follow up & actions taken on issues identified.

A sample checklist for the field visits as provided in the NRHM Financial guidelines is appended as *Annexure XXXI*. Also, the field visit checklist to be used by block accountants for supervising units under them is appended as *Annexure XXXII*.

Following field visits are suggested at various levels:

Table 7.10: Field Visits at Various Levels

Supervisory Unit	Subordinate unit	Frequency	Responsibility
GoI	State	Quarterly/As & when required	Team of finance Consultants from FMG
State	District	Monthly	State Accounts Manager, sometimes accompanied by State Finance Manager
District	Blocks	Monthly	District Accounts Manager
Blocks	CHC/ PHC/SC/ VHSNC	Fortnightly	Block Accountant

In order to facilitate & make field visits more effective:

- Annual / periodical schedule of field visits should be prepared and followed
- A team of finance personnel should be decided for the visits & responsibility assigned
- Process of follow up on observations made during the field visits should be established & enforced
- In addition to this, the supervisory units should maintain a record of the field visits made and document the minutes in a specific format. This will help in ensuring that the field visit was conducted and will also reflect on the quality of the visit made.

7.3.4 Concurrent Audit

Though the summary of the concurrent audit observations will be sent through the quarterly executive summary and the situation of audit in terms of auditor appointment and coverage will be sent through the MIS, this will reflect only the as-is situation. The states need to be proactive in monitoring the initiatives being taken to appoint auditors, ensure adequate coverage under audit and timely submission of the audit report.

For this, each of the states should constitute the SAC (State Audit Committee) and DAC (District Audit Committee) at the earliest and these committees should ensure that the appointment of concurrent auditor is done within the prescribed timelines and as per the appointment and selection procedure.

In addition to this, the Audit Committee should analyze the district reports to monitor the follow up made on previous observations and bring to the attention of Mission Director, any repetitive audit observations. State Mission Director should take view of the key observations in the reports and share the significant findings and proposed action with the GoI as part of the Executive summary on a timely basis. In the event that no such Action taken Report or feedback on significant findings is received in time by the Ministry, the entire responsibility for ensuring compliance on the Concurrent Auditor's Report shall vest with the Mission Director concerned.

7.3.5 Periodical financial analysis by GoI and states

The state and GoI level finance officials are supposed to carry out certain financial analysis to understand the utilization levels and progress of programme implementation. Following kinds of analysis can be carried out by them:

- Budget Vs. Expenditure analysis
- Physical Vs. Financial performance
- Analysis on performance of certain important schemes
- Low/ High performing districts

The results of the analysis should be shared with the respective districts in case of discrepancies and also should be reported to the Mission Director.

7.3.6 Periodical meetings at supervisory level

Periodical meetings need to be held at the supervisory units including SHS, DHS and

Blocks for the district accounts managers, block accountants and CHC/PHC accountants respectively.

These meetings need to be held to intimate the finance personnel of any new guidelines, to review their performance and give feedback to improve performance and to address any queries related to financial management activities.

7.3.7 Common/ Joint Review Missions/ Mid-term review

In addition to the internal visits/ meetings, various reviews of performance under NRHM including Common Review Missions, Joint Review Missions, Mid-term reviews have also been envisaged under NRHM framework. These are conducted jointly by various stakeholders like donors, FMG consultants, and technical division consultants etc. to review various aspects under NRHM (including financial management) on year to year basis.

7.3.8 External Reviews

External reviews can also conducted by appointing external agencies hired either by donors/ MoHFW to review specific aspects under NRHM.

CHAPTER 8: AUDIT

8.1 INTRODUCTION

'Audit' is an independent examination of the financial information of the entity. The process of audit includes vouching, ticking, ledger scrutiny, balance confirmations, verification of financial statements, etc.

The key objectives of audit are:

- To assess and provide an opinion on whether the Financial Statements present a "True and Fair" view of
  - o the financial position (Balance Sheet) at the end of the period; and
  - o the financial performance (Income and Expenditure account) during the period
- To test whether requisite internal controls are in place, commensurate to the size and volume of operations of the entity

This chapter discusses the types of audits under NRHM and relevant provisions in respect of appointment of auditors, scope of audit, its frequency, coverage, audit report and relevant compliance requirements.

8.2 TYPES OF AUDITS UNDER NRHM

Primarily two types of audits are conducted under NRHM:

- Statutory audit ; and
- Concurrent audit

Besides these audits, CAG Audit is also conducted at various levels in respect of Health Department.

8.3 STATUTORY AUDIT

The primary objective of 'Statutory Audit' is "to ensure that the financial statements i.e. the Balance Sheet, Income & Expenditure Account and Receipt & Payment Account, give a true & fair view and are free from any material misstatements". In context of NRHM, Statutory Audit also aims at ensuring that the respective program expenditures are eligible for financing under the relevant grant/ credit agreements (under programs supported by development partners) and that the funds have been utilized for the purpose for which they were provided.

Statutory audit of State and District Health Societies is supposed to be carried out by Chartered Accountant firms appointed by the SHS. Detailed Request for Proposal (RFP) has been issued by GoI which provides details on the following aspects:

- Objective, Scope of Work and Coverage of Audit
- Format of the Audit Report including formats of financial statements and contents of

the report

- Reporting Timelines
- Selection & Appointment process of Auditor

8.3.1 Scope of work & Coverage of Audit

Scope of work is governed by the objective and terms of reference as provided in the RFP. Briefly, the auditor needs to perform the following activities as per the scope of work:

- An assessment of adequacy of the project financial systems, including financial controls
- Assure whether goods and services financed have been procured in accordance with the relevant procurement guidelines issued by the GoI.
- Assure that all necessary supporting documents, records and accounts have been kept in respect of the project.
- For externally funded programmes, satisfy that all expenditure, including procurement of goods and services have been carried out as per the procurement manual of the individual programmes and guidelines issued by the Programme Divisions of GoI and have all the necessary supporting documentation.
- Assure funds have been spent in accordance with the condition laid down by the Department of Health & Family Welfare, GoI from time to time.
- Ensure expenditures if any, ineligible for financing by the development partners are disclosed adequately in the financial statements.

In terms of coverage, following needs to be assured:

- Audit should cover 100% District Health Societies (DHSs) each being a legally registered society and at least 40% of the Block Level CHC/PHC (other than those covered in the previous year) should be covered.
- The sample should be selected in a manner that Block level PHC/CHC in each district is included in the sample coverage and the blocks which have been covered for the audit in the previous year can be left out for the current year.

8.3.2 Selection Process of the Auditor

- Open advertisement in leading newspapers at National & State level for inviting proposals from CAG empanelled Chartered Accountant firms for statutory audit of State and District Health Societies should be issued first. A copy of the advertisement shall also be e-mailed to the Institute of Chartered Accountants of India (ICAI) for webhosting on ICAI website at Secretary@ icai.org and a copy of the advertisement should be sent to FMG in MoHFW.
- The advertisement should clearly mention the last date and time for collection of RFP. Last date for submission of Technical and Financial bids should also be clearly mentioned. The last date for submission of technical and financial bid shall not be less than 3 weeks and no more than 5 weeks from the date of publication of the EOI.

- Technical Bid opening date also has to be mentioned in the advertisement.
- A pre-bid conference should be held (date to be indicated in the advertisement) wherein clarifications that the potential bidders may have shall be clarified.
- The Executive Committee of the SHS will form a Standing Committee on Audit with suitable representation from programme and finance wings under the chairpersonship of Mission Director. In the absence of Mission Director, the chairperson shall be decided by the Executive Committee of the SHS. This Standing Committee will also act as the Selection Committee for the selection of auditors. The Standing Committee on Audit will subsequently monitor the audit process and the follow up on audit paras and Action Taken Reports on those audit paras.
- Interested firms should submit the proposal in two parts:
  - o Technical Proposal
  - o Financial Proposal
- Details on the content and formats of the technical and financial proposal are given in the RFP.
- A two stage evaluation should be carried out. Technical evaluation should be carried out first w.r.t to the eligibility criteria mentioned in the RFP. Firms securing upto 65% marks in the technical evaluation will be eligible for financial evaluation. The selection should be done using Quality cum Cost Based Selection (QCBS) process. 70% weightage should be given to the Technical evaluation and 30% weightage to the financial bid.
- The CA firms securing less than cut off marks 65 % in technical evaluation will be communicated that they have not qualified in the technical bid and their financial bid will be returned unopened after the completion of the selection process.
- The firms qualifying in technical bid will be notified by registered post that they have been shortlisted in the technical bid and their financial bid opening date shall also be communicated to them in the same notification.
- Financial Bid opening date should not be later than 2 weeks after the completion of technical evaluations process.
- The selection process of auditor shall be subject to review by Financial Management Group, MOHFW, GOI/ Office of Chief Controller of Accounts, MOHFW, GOI / Audit parties of the AG or any authorized person of the Ministry of Health and Family Welfare, Government of India.

8.3.3 Award of Contract

On completion of selection process, the firm selected shall be awarded the contract of audit of SHS & DHS by issuing the Letter of Award (LOA). The firm should execute a Contract with the State Health Society (SHS) within 2 weeks of the award of the issuance of LOA. The firm shall enter in to an agreement with the SHS as per Form C-1 given in the RFP.

8.3.4 Content of Audit Report

Following financial statements and documents need to be included in the Audit report:

- Audit Opinion (As per the format prescribed in guidelines)
- Consolidated audit report and individual reports on all programmes
- Percentage of coverage of districts and blocks by auditor mentioned in report
- Completed checklist attached
  - o Audit Checklist
  - o Management letter checklist (As per the format prescribed in guidelines)
- Following completed Financial Statements in the latest approved format
  - o Audited Balance Sheet
  - o Income and Expenditure
  - o Receipts & Payment
- Statement of Reimbursable Expenses
- Following other relevant schedules/ documents in the latest approved formats
  - o Unspent grants of individual programmes
  - o Capital Fund
  - o Current Liabilities
  - o Fixed Assets
  - o Loans and Advances (age wise analysis)
  - o Cash and Bank Balances
  - o Program wise Statement of Expenditure
  - o Bank Reconciliation Statement
  - o Scheme wise Certified Utilization Certificates
  - o Audited FMRs
- Reconciliation between expenditure as per FMR and audit report
- Notes to Accounts attached
- Accounting Policies attached
- Comment on compliance with previous year's audit observations
- Representation by Management
- Management Letter

The audit report needs to be submitted along with the final Utilization Certificates signed by the State and Auditor both, to GoI with their comments.

All necessary formats are appended as *Annexure XXXIII*. Details on the content of the Audit Report and important considerations while making the Audit report are given in the RFP.

8.3.5 Key Timelines

Key timelines for various steps of the audit cycle are given as below:

Table 8.1: Timelines for Audit Cycle

Key Steps in the audit cycle	Timeline
Circulation of ToRs/ RFP	By 31st January
Last date to accept bids	By 28th / 29th February
Date for opening technical bids	By 7th March
Date for intimating the selected firm	By 15th March
Last date of appointing the Statutory auditor	By 31st March
Completion and Finalization of DHS accounts	By 30th April
Completion of DHS audit	By 31st May
Consolidation of DHS and SHS accounts	By 15th June
Completion of SHS audit	By 30th June
Submission of Audit Report to MoHFW	By 31st July

8.3.6 Responsibilities of Auditors, SHS and DHS finance personnel w.r.t audit process

Responsibilities of the Auditor

- Prepare a Detailed Plan of Audit in consultation with the State officials and provide the same to the Mission Director to be observed by the Auditor and State for timely completion of Audit (Appended as *Annexure XXXIV*)
- Compare the financial management reports sent to GoI with the annual accounts
- Get the accounts ready for the SHS
- Issue separate Audit Report for each District and state level for each programme separately
- Complete the audit within 90 days as the terms of contract signed
- Ensure that all funds sent by MoHFW to state and from state to districts etc. are properly reconciled
- Quantify the expenditure/ funds against any specific issue
- Submit a confirmation from SFM about handing over all the working papers, before release of audit fee to him

Responsibilities of the State Finance Personnel

- Hold an entry conference with the main auditor and audit teams to brief them about NRHM, its various interventions which need to be audited and the requirements of an audit report.

- Monitor the audit progress by incorporating information on the form to record progress of the audit (Appended as *Annexure XXXV*). A copy of the report should be forwarded to the Joint Secretary in MoHFW, GoI on a fortnightly basis.
- Collection of all working papers, hard/soft copies from the auditors as well as all the Audit reports of Districts and the State for all the programmes. SFM/ SAM may issue a confirmation to the auditors of receipt of all draft audit observations and working papers at completion of the audit
- Ensure the books of accounts are complete before the start of the audit
- Give access to any information relevant for the purpose of conducting audit i.e. financial statements, vouchers etc.
- Coordinate with units under its jurisdiction for field visits and ensure completion of books of accounts before the audit
- The MD shall hold an exit conference with the statutory auditors as outlined in the Audit Mapping instructions communicated vide JS (NRHM)'s letter dated 4 June, 2010 and statutory auditors may bring to the MD and state Director Finance's notice major issues observed during the audit, so as to enable follow up action to be taken consequent to the audit.
- The exit conference record note of discussion may be sent to Director Finance, NRHM in the Ministry for information.

Responsibilities of the District Finance Personnel

- In order to ensure that the teams as proposed in the proposal have visited the districts, a "Certificate of Audit Teams visited" (Appended as *Annexure XXXVI*) should be filled in by the audit team and duly certified by the facility in charge regarding personnel deputed.
- Ensure the books of accounts are complete before the start of the audit
- To give access to any information relevant for the purpose of conducting audit i.e. financial statements, vouchers etc.
- Coordinate with units under District's jurisdiction for field visits and ensure completion of books of accounts before the audit

8.4 CONCURRENT AUDIT

Concurrent audit is a systematic examination of financial transactions on a regular basis to ensure accuracy, authenticity, compliance with procedures and guidelines. The emphasis under concurrent audit is not on test checking but on substantial checking of transactions. It is an ongoing appraisal of the financial health of an entity to determine whether the financial management arrangements (including internal control mechanisms) are effectively working and identify areas of improvement to enhance efficiency.

Independent Chartered Accountant firms are needed to be appointed at State & District Level to undertake periodical audits and report on vital parameters which would depict the true picture of financial and accounting health of the program.

8.4.1 Objective

The key objectives of the concurrent Audit include:

- To ensure voucher/ evidence based payments to improve transparency
- To ensure accuracy and timeliness in maintenance of books of accounts
- To ensure timeliness and accuracy of periodical financial statements
- To improve accuracy and timeliness of financial reporting especially at sub-district levels
- To ensure compliance with laid down systems, procedures and policies
- To regularly track, follow up and settle advances on a priority basis
- To assess & improve overall internal control systems

8.4.2 Scope of Audit

The responsibilities of the concurrent auditors should include reporting on the adequacy of internal controls, the accuracy and propriety of transactions, the extent to which assets are accounted for and safeguarded, and the level of compliance with financial norms and procedures of the operational guidelines.

The concurrent audit should be carried out both at State as well as District level.

The scope of work of "State Concurrent Auditor" is as follows:

- Audit of the SHS accounts and expenditure incurred by SHS
- Verification of Quarterly FMRs with Books of Accounts
- Audit of Advances at the SHS level
- Audit of the Provisional Utilization Certificates sent to GoI
- Monitoring timely submission of the District concurrent audit reports
- Detailed analysis and compilation of the District concurrent audit reports
- Vetting of the State Action Taken Reports and providing observations thereon
- Follow-up & monitoring over the ATRs prepared by districts on the observations made in the audit
- Preparation of Quarterly Executive summary to be sent to GoI in the prescribed format
- Any other evaluation work, as desired by the State Audit Committee

The scope of work of "District Concurrent Auditor" is as follows:

- Review of the DHS Accounts and expenditure incurred by the DHS
- Audit of Financial Statements of DHS
- Certification of the Statement of Expenditure
- Review and analysis of the Age wise and Party wise Advances Report
- Comparison between financial and physical performance and analysis

- Visits to sample blocks (in a way to cover all blocks in a year) and peripheral units
- Filling in the checklist provided
- Vetting of the district ATRs and providing observations thereon
- Any other evaluation work, as desired by the District Audit Committee

8.4.3 Frequency

- Concurrent Audit will be carried out on a "monthly basis".

8.4.4 Coverage

- The State Concurrent Auditor should ensure coverage of all the districts and the District Concurrent Auditor should ensure that all the blocks are covered over the entire year.
- For districts containing upto 12 blocks, it needs to be ensured that atleast one block is covered every month. For districts consisting of more than 12 blocks, it needs to be ensured that every block is covered atleast once during the year.
- The audit plan should include a visit to atleast 50% PHCs/ CHCs, 3 sub-centres and 3 VHSNCs located within the block selected for visit. The states may decide to increase the scope for the same.
- The audit has to include accounts maintained under RKS and NDCPs (wherever applicable)

8.4.5 Audit Committee

An audit committee should be constituted at the state as well as district level[1] to facilitate and monitor the appointments and overall audit process at state and district level.

State Audit Committee (SAC)

Members

SAC should consist of the following:

Person	Designation in Committee
Director (Finance) – State/ Mission Director (where Director Finance or equivalent is not appointed)	Member-secretary
Divisional commissioner	Member
State Finance Manager	Member
Regional Director- DHS	Member
State Programme Manager	Member
Representative from NDCP (atleast one)	Member

[1] States may take appropriate steps to notify/ constitute the State/ District Audit Committees.

The SAC should function under overall guidance of Principal Secretary (Health) at the State level. The SAC should meet atleast 4 times in a year. Also, a copy of minutes of the meetings of the SAC related to the appointment of auditors shall be sent to Principal Secretary –Health at the state level for concurrence purpose.

Functions of the SAC

- Selection and appointment of the State concurrent auditors
- Issue of advertisement for appointment of District concurrent auditors
- Final concurrence for the appointment of District concurrent auditor
- Monitoring timely audits at the state and district level and timely submission of audit reports
- Discuss the key audit findings with state concurrent auditor and state finance manager and suggest appropriate actions
- Monitor whether adequate follow up action is being taken by the state finance personnel on the audit observations
- Authorize the payment of remuneration to the auditor (only after approving the Action Taken Report on the issues highlighted during the course of the audit)
- Carrying out an assessment of the audits in case the auditors are being considered to be reappointed and the renewal of the auditors' contracts, in case of reappointment.

District Level

Members

The members of the district audit committee should be the following:

Person	Designation in Committee
Chief Medical Officer	Member-Secretary
District Magistrate	Member
District Accounts Manager	Member
Representative from NDCP (atleast one)	Member

The DAC should function under the guidance of Director (Finance) (or Mission Director, where Director (Finance) is not available) at the state level. The DAC should meet at least 6 times in a year.

Functions of the DAC

- Selection and appointment of District concurrent auditors (in concurrence with the State Audit Committee)

- Monitoring timely audits at the district level and timely submission of audit reports
- Discussing the key audit findings with district concurrent auditor and district accounts manager and suggest appropriate actions
- Monitoring whether adequate follow up action is being taken by the district accounts manager on the audit observations
- Monitor whether ATR has been prepared by the DAM/ CMO and given to the auditor and whether the same has been vetted and sent by the auditor within the requisite time limit
- Carrying out an assessment of the audits in case the auditors are being considered to be reappointed with intimation to SAC
- Renewal of the auditors' contracts with intimation to SAC

8.4.6 Appointment & Selection of Auditors

State Level Auditors

- Appointment and selection of the state level concurrent auditors will be done by the respective State Audit Committee through Open Tender System. The tender document should be advertised through a central advertisement at the state level. EoI format as prescribed in the guidelines along with the Terms of Reference should be provided to all firms in order to receive their Technical Bids.
- Interested firms should submit their bids in two parts- Technical and Financial bids. Both the bids should be submitted in two separate sealed envelopes, which should be opened in meeting of the audit committee.
- The audit committee would first open the technical bids and evaluate them on the basis of the criteria as prescribed in the guidelines. The audit committee should arrive at a base minimum figure/ threshold and CA firms scoring above the base minimum figure should be deemed to have technically qualified to undertake the job
- Financial bids of only technically qualified firms should be opened by the committee and audit should be awarded to the lowest bidder.
- If the lowest financial bidder does not agree to undertake the audit work within the prescribed audit fee or the audit committee deems it unfit for any reason (reasons to be recorded in writing), the job may be awarded to the next lowest financial bidder if the firm agrees to undertake the job. However, the work may only be awarded to a technically qualified bidder (the firms which are above the base minimum figure of the technical evaluation).
- Once selection is finalised by SAC, the same may be intimated to Principal Secretary Health for his concurrence.
- Timelines:

Following may be the timelines for the appointment process:

Activity	Timeline
Floating of the RFP	31st December
Receipt of bids	31st January
Evaluation of bids	End of February
Issue of award letter	31st March

District level Auditors

- The tender document for the appointment of District Level Auditors will be floated through a central advertisement at the state level. EoI format as prescribed in the guidelines along with the Terms of Reference should be provided to all firms in order to receive their Technical Bids.
- Interested firms should be asked to submit their bids directly to the concerned district in two parts- Technical and Financial bids. Both the bids should be submitted in two separate sealed envelopes, which should be opened in meeting of the district audit committee.
- The district audit committee would first open the technical bids and evaluate them on the basis of the criteria as prescribed in the guidelines. The audit committee should arrive at a base minimum figure/ threshold and CA firms scoring above the base minimum figure/ threshold should be deemed to have technically qualified to undertake the job.
- Financial bids of only technically qualified firms should be opened by the committee and audit should be awarded to the lowest bidder.
- If the lowest financial bidder does not agree to undertake the audit work within the prescribed audit fee or the audit committee deems it unfit for any reason (reasons to be recorded in writing), the job may be awarded to the next lowest financial bidder if the firm agrees to undertake the job. However, the work may only be awarded to a technically qualified bidder (the firms which are above the base minimum figure of the technical evaluation)
- The final appointment will be done only after obtaining the concurrence of State Audit Committee and Director (Finance)/ Mission Director in the prescribed format.
- In case the meeting of SAC gets delayed due to some reason, post-concurrence shall be obtained in the next immediate meeting.
- Director (Finance) as member-secretary of SAC may coordinate to ensure that excessive delays are avoided and consolidated intimations are received from all the districts.

Following may be the timelines for the appointment process:

Activity	Timeline
Floating of the centralized RFP by the state	15th December
Receipt of bids by the districts	15th January
Evaluation of bids by districts	15th February
Forwarding recommendations by the districts to states	End of February
Approval by the state to the districts	15th March
Issue of award letter	31st March

8.4.7 Remuneration

- The fee structure for the concurrent auditor should be decided keeping in mind overall scope and coverage of audit. The state may provide an 'indicative range" for audit fees, however actual fees for state as well as district level audits should be decided through competitive bidding process.
- The respective audit committees can take a view on the rationalization of fees before approving the same and can also make suitable modifications to limits for the audit fee taking into account factors such as, inflation.
- In case the appointment does not happen within the first quarter the fees should be appropriately reduced as per the decided scope and coverage.
- The decision on remuneration should be judicious and balanced.

8.4.8 Term of appointment of the Auditor

State Level

- At the state level, the concurrent auditor appointed once can be retained/ reappointed for a maximum of two financial years i.e. current year and next year.
- However, the contract awarded should be for one year at a time and should be renewed next year on the basis of review of auditor's performance.

District Level

- At the district level, the concurrent auditor appointed once can be retained/ reappointed for a maximum total term of two financial years i.e. current year and next year.
- However, the contract awarded should be for one year at a time and should be renewed next year on the basis of auditor's performance review.
- There is no bar on the auditor from applying for the audit of a different district in the same state for the next year, provided it does not exceed the limit of 30% of the districts in the state, or 8 districts, whichever is lower.

8.4.9 Contents of Audit Report

Concurrent Audit Report of a "State Health Society" should contain the following financial statements and documents:

- Duly filled in Checklist provided in the guidelines
- Financial statements as prescribed
  - o Audited Trial Balance
  - o Audited Receipts & Payments A/c
  - o Income & Expenditure A/c
  - o Balance Sheet
  - o Audited SoE
  - o Bank Reconciliation Statement
  - o List of outstanding advances
- Observations and Recommendations of Auditor – particularly covering the following aspects:
  - o Deficiencies noticed in internal control
  - o Suggestions to improve the internal control
  - o Extent of non-compliance with Guidelines issued by GOI
- Action Taken by State Health Society on the previous audit observations, along with his observations on the same

Concurrent Audit Report of a "District Health Society" should contain the following financial statements and documents:

- Duly filled in Checklist provided in the guidelines
- Financial statements as prescribed
  - o Audited Trial Balance
  - o Audited Receipts & Payments A/c
  - o Audited Income & Expenditure A/c
  - o Balance Sheet
  - o Audited Statement of Expenditure
  - o Bank Reconciliation Statement
  - o List of advances
- Observations and Recommendations of the auditor (including observations on blocks visited)
- Action Taken by District Health Society on the previous audit observations, along with his observations on the same

Notes:

1. Soft copy of the district audit report needs to be submitted to Director (finance) at the state level.

2. The Director (Finance) at the Centre may call for the concurrent audit report of any district/ state.

3. The reports at both the state and district level will include consolidated report of RCH, Additionalities under NRHM, Immunization and NDCPs. In addition, it should also include instances of misappropriation/ unauthorised diversion of funds as noticed during the audit.

8.4.10 Quarterly Executive Summary

- The state is required to send a Quarterly Executive Summary to the Centre by compiling the observations from the State as well as District Concurrent Audits (Format attached as *Annexure XXXVII*).
- The executive summary should provide information on aspects like quality of FMRs, maintenance of books of accounts, advances, compliance with audit observations etc.
- It shall be signed by both the concurrent auditor and the Mission Director at state level and sent to the Mission Director, MOHFW

8.4.11 Key Timelines

The key timelines which need to be adhered to are summarized below:

Activity	Timeline
Appointment of the SHS and DHS Concurrent Auditors	Before 31st March of the current year
Carrying out concurrent audit	Monthly
Submission of Audit Report by Auditor to DHS/SHS	10th of the next month
Submission of soft copy of district audit report to the Director (Finance) at state level	10th of the next month
Submission of District Concurrent audit reports to the SHS	15th of the next month
Submission of soft copy of the consolidated executive summary & Action Taken Report to the Mission Director, MOHFW	Quarterly- by 20th of the first month of the next quarter
Submission of the executive summary report by the SHS to Centre	Quarterly – by 25th of the first month of the next quarter

8.4.12 Monitoring and evaluation

- An Action Taken Report submitted by District Accounts Manager (and in case the DAM's post is vacant, the CMO) should be vetted by the district concurrent auditor and sent along with his observations to the Director (Finance) of the state within 30 days of completion of audit. SAM/ SFM should compile the ATRs of the state and districts and submit it to the Director (Finance) and Mission Director of the State at the end of every quarter.
- These reports will indicate the actions to be taken emerging from the latest audit reports including responsibility of implementation and timelines as well as provide the current

status on action taken on the past observations.

- The Quarterly Consolidated ATRs of all the districts consolidated by the Director (Finance) of the state (as member-secretary) also need to be placed before the Mission Director & Principal Secretary (Health).
- Soft copy of the consolidated ATR shall be mailed to the Mission Director, MOHFW along with the soft copy of the quarterly executive summary.
- The auditor's fees shall be released only after ATR has been received by Director (Finance) of the state.

Indicative format of ATR is as follows:

S. No.	Observation	Action to be taken	Responsibility to Implement	Timeline agreed	Current Status

- In order to ensure follow up of observations at the Block level, discussion on the audit observation and the way forward should be carried out during the monthly meeting convened by the CMO held at the district in the presence of District Accounts Manager.
- In order to effectively handle the audit observations, they should be classified as 'material' and 'non-material' based on their impact. Observations related to system deficiency should also be separately noted for system improvements.

8.4.13 Responsibilities of SHS/DHS

- **Submission & Compilation of Monthly Audit Reports**

  Overall responsibility of monitoring the progress, timely submission and compilation of monthly audits should be of Director (Finance) of state who may be supported by the State Finance Manager and State Accounts Manager. In states where separate Director (Finance) has not been appointed the responsibility should be assigned to the State Finance Manager.

- **Compliance of Audit Observations**

  District Accounts Manager (along with Chief Medical Officer at District level) and State Finance/ Accounts Manager are responsible for compliance of audit observations made in the audit report within the time limit prescribed.

- **Timely Closure of Books of Accounts**

  SHS and DHS finance personnel need to ensure timely closure of books of accounts. Draft trial balance, income and expenditure a/c and balance sheet should be prepared and kept ready. This will facilitate in commencing audit quickly.

- **Production of relevant documents for Audit**

  The State Health Society and its district programme units, along with CHCs/ PHCs and

other RCH Programme implementing agencies shall be under obligation to provide the following:

- o Books of Accounts
- o Prescribed Registers
- o Files regarding purchases of all types of goods/ items
- o Files of Construction works
- o Any other document requested by auditor in support/ reference of the above

The responsibility for the same shall lie with District Accounts Manager at the District Level and Director (Finance) & Mission Director at the State Level.

The documents shall be handed over to the auditors and receipt should be obtained of any such record which shall be returned to the in- charge of the audit party once the records are given back.

- **Facilitation of the Audit**

  The following arrangements need to be made for the auditors:

  - o To provide proper space for sitting during conduct of Audit
  - o To provide requisite explanations & documents on the queries raised by the auditor during audit
  - o To provide auditors with ATRs on previous audit observations without any delay
  - o To arrange payments to the Auditor at the agreed times

- **Provide Relevant Guidelines issued by GoI to Auditors**

  All relevant guidelines issued by GoI should be provided to the auditors before the audit work starts.

8.4.14 Few Important points – things to remember

- Audit Reports should be submitted on a monthly basis. Sometimes, states/ districts tend to submit audit reports together for few months (e.g. submission of 3 reports at the end of the quarter even if monthly audit is being carried out). This practice should be strongly discouraged.
- In case of districts/ blocks visited during the audit, the audit report should contain a separate checklist for each unit covered and respective observations should also be included.
- The audit report should also cover qualitative issues emerging from the audit other than the financial statements.
- Checklists should be thoroughly filled and each as aspect should be adequately elaborated. Observations reported on accounting and internal control issues should be properly detailed and substantiated
- Financial statement of NDCPs should be included in the consolidated audit report and audited

- The District Audit Committee shall meet atleast 6 times in a year (i.e. once every 2 months) and the State Audit Committee shall meet atleast 4 times in a year (i.e. once every 3 months) for follow up on the observations made by the auditor.
- Compliance status on the observations made in the previous audits should be properly reported and an Action Taken Report should be sent to the audit committee by the DAM (or CMO at the state level, where DAM's post is vacant)
- Soft copy of the consolidated executive summary & ATR (district and state) should be mailed by the Director (Finance) at the state level to Mission Director in the Ministry of Health & Family Welfare on quarterly basis.

8.5 CAG AUDIT

In addition to the above audits under NRHM, the C&AG of India also, through State AGs may carry out a supplementary audit. The accounts of each State Health Society along with its District Societies shall also be subject to audit by the Comptroller and Auditor General of India as per the "CAG (Duties, Powers & Service Conditions Act 1971)". The Act also provide for a special audit/ performance audit of SHS/DHS societies by the team of auditors of the CAG which can be undertaken as and when found necessary.

CAG Audit is primarily an efficiency-cum-propriety audit which is carried out to check the proprietary of the transactions and ensure value of money or a performance audit which looks into the economy, efficiency and effectiveness of scheme implementation.

This audit will be at the discretion of the C&AG and its AG Offices and will not be a pre-requisite for submitting the Utilisation Certificates to the MoHFW, GOI.

8.5.1 Making Books available for Audits

All the State Health Societies and their District programme management units, along with CHCs/PHCs and other RCH Programme implementing agencies shall be under legal obligation to provide all facilities including production of books of accounts, prescribed registers, files regarding purchases of all types of goods/items, files of construction works etc. to the CAG Auditors. These shall be handed over to the In-charge of audit party of any agency and obtain receipt of such record on plain paper which shall be returned back to the In-charge of audit party when such records are given back.

5.5.2 Compliance of Audit Observations

All the State Health Societies and their District programme management units, along with CHCs/PHCs and other Programme implementing agencies shall also be responsible to make compliance of audit observations, made in any inspection/audit report within the time limit prescribed by the controlling authority.

It will be the responsibility of the Executive Director/Project Director/State Finance Manager of the SHS/DHS to send an Action Taken Note on the audit observations of all types of audits to the FMG, MoHFW, GOI within 6 months of the completion of a particular audit.

CHAPTER 9: FINANCIAL MATTERS RELATING TO CERTAIN KEY SCHEMES

9.1 INTRODUCTION

This chapter focuses on the financial procedures/ requirements under some key schemes/ areas under NRHM. It gives an overview of the scheme's objective & key features, financial assistance/ amount of grant, eligibility requirements, process of disbursement and related financial accounting/ reporting requirements.

Following schemes/ areas are explained in detail in this chapter:

- Rogi Kalyan Samiti
- Annual Maintenance Grant
- Untied Funds
- Janani Suraksha Yojana

9.1.1 Re-organization of Health Facilities –

Differential Financial Approach for RKS Grants, Untied Funds & AMG

In view of the differences within same levels of health facilities, the Ministry of Health & Family Welfare has recently developed revised guidelines for Maternal and Newborn Health (MNH) whereby it has proposed to identify health facilities by three levels, irrespective of the present nomenclature (Sub-Centre, PHC, CHC, etc.).

The revised levels of health facilities as per the MNH guidelines are appended as *Annexure XXXVIII*.

This categorization will also determine the fund flow in terms of RKS, AMG and Untied Funds to the respective units. In light of the need for different levels of funding, proportional to the levels of complexity and caseload handled in different government health facilities, it is proposed that the Untied Funds and RKS Grants meant for health facilities should be made flexible. Annual Maintenance Grants (AMG) may however be kept at the same level and for facilities functioning in Govt. buildings.

The suggested levels of Untied Funds and RKS Grants for various levels of health facilities conducting institutional deliveries are as under:

Table 9.1: Levels of Untied Funds & RKS Grants

Levels of Health Facility	Existing norms (Untied Funds + RKS Grants)	Proposed norms for grants per year	Conditionality
Level I	Sub-Centres:Untied Funds – Rs. 10,000 PHCs: Untied Funds – Rs. 25000 RKS Funds – Rs. 100,000 Total – Rs. 125,000	Sub-Centres: Untied Funds – Rs.30,000 PHCs : Untied Funds – Rs. 25000 RKS Funds – Rs.75,000 Total – Rs. 100,000 (Additional Rs. 25,000 RKS funds for PHCs conducting more than 20 deliveries per month)	More than 5 deliveries conducted per month, i.e. more than 60 deliveries per year with minimum 2 female health workers Higher slab for more than 20 deliveries per month.
Level II	PHCs: Untied Funds – Rs. 125,000 CHC/ SDH: Rs. 150,000	PHCs (Rs. 150,000): Untied Funds – Rs. 50,000 RKS Grants – Rs. 100,000 Total – Rs. 150,000 CHC/ SDH: Untied Funds – Rs. 50,000 RKS Grants – Rs. 125,000 Total – Rs. 175,000 (Additional RKS Funds of Rs. 75,000 per year for facilities conducting more than 100 deliveries per month)	More than 50 deliveries per month including complicated deliveries not requiring surgery, sterilization (male/ female), safe abortion, facility based newborn care, with minimum 2 doctors and 3 nurses
Level III	CHC/SDH: Rs. 150,000 District Hospitals: Rs. 500,000	CHC/SDH: Rs. 250,000 per year for hospitals with less than 100 beds District Hospitals: Rs. 500,000 per year to hospitals with more than 100 beds upto 200 beds Hospitals with more beds may get additional Rs. 100,000 for each 100 beds (i.e. a CHC of 30 beds and SDH of 100 beds will get Rs. 250,000, a 300 bedded hospital gets Rs. 600,000 and a 500 bedded facility gets Rs. 800,000)	Minimum 200 deliveries per month including caesarean sections and family welfare services, with fully functional operation theatre, blood bank/ blood storage units, sick newborn care units (SNCU) and malnutrition treatment centres (MTC), with minimum 5 specialists, 7 doctors and 9 nurses.

The Sub-Centres/ PHCs who are not designated as MCH Centres and do not conduct institutional deliveries shall receive Untied Funds and RKS Funds at the following scale:

- **Sub-Centre**
  - Untied Funds – Rs. 10,000
  - Annual Maintenance Grants – Rs. 10,000
- **Primary Health Centres**
  - Untied Funds – Rs. 25,000
  - Annual Maintenance Grants – Rs. 50,000
  - RKS Grants – Rs. 25,000

Even though the level of funding to various categories of facilities has been differentiated based on the norms suggested above, it is possible that the requirement and utilization of funds may be lower in some facilities whereas some facilities may need additional funds. Therefore, the District Health Society may be empowered to make a proper assessment of the workload of the institution and the level of utilization of Annual Maintenance Grants, Untied Funds and RKS Grants and make reallocation to the extent of 10-15% of the admissible amount, if required, to ensure better and proper utilization of funds. For example, if a facility does not require or is not in a position to utilize the allocated funds then DHS can curtail upto 15% of its allocation and provide the same amount to another facility that may require additional support.

9.2 ROGI KALYAN SAMITI (RKS)

9.2.1 Background & Objective

Rogi Kalyan Samiti (Patient Welfare Committee) / Hospital Management Society is a registered Society which acts as a group of trustees for the hospitals to manage the affairs of the hospital. It consists of members from local Panchayati Raj Institutions (PRIs), NGOs, local elected representatives and officials from Government sector who are responsible for proper functioning and management of the hospital/ Community Health Centre/ FRUs.

It is free to prescribe, generate and use the funds with it as per its best judgment for smooth functioning and maintaining the quality of services. It can utilize all Government assets at health facility and services to impose user charges and is free to determine the quantum of charges on the basis of local circumstances subject to State Government Overall Directives. It can raise funds additionally through donations, loans from financial institutions, grants from government as well as other donor agencies.

9.2.2 Provision of Grant

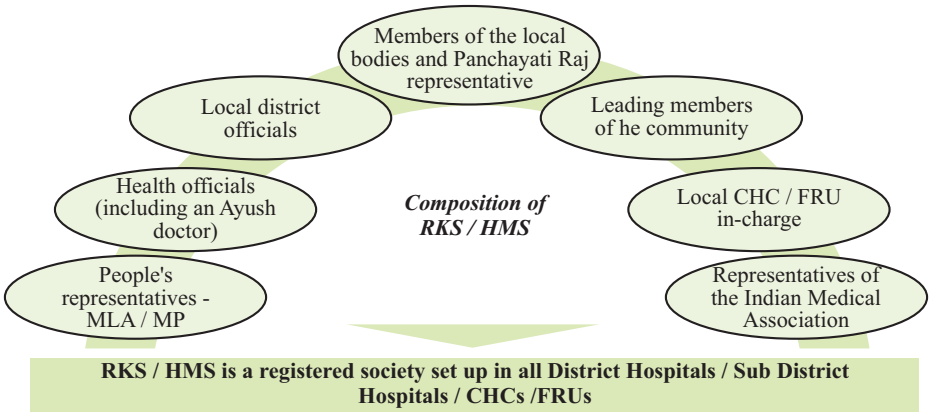
Each health facility (Sub-Centre/ PHC/ CHC/ SDH/ DH) is entitled to the grant as RKS Grant as per its level of activity, as defined under revised guidelines for Maternal and Newborn Health (MNH).

The levels of RKS Grant for various levels of health facilities conducting institutional deliveries are provided under Table 9.1 of the chapter.

9.2.3 Composition of Rogi Kalyan Samiti

The composition of RKS / HMS is depicted below:

Exhibit 9.1



RKS / HMS is a registered society set up in all District Hospitals / Sub District Hospitals / CHCs /FRUs

9.2.4 Resource Mobilization

The funds of the Society consist of the following components:

- Grant-in-aid from the State Government and/or State level society (societies) in the health sector and/or District Health Society
- Grants and donations from trade, industry and individuals
- Receipts from such user fees as may be introduced for the services rendered by the hospital
- Receipts from disposal of assets
- Donations from private donors
- Income from commercial activities
- Income from interest on investments and similar activities
- Sharing of fee from private players providing curative and diagnostic services in the institution on payment basis

9.2.5 Accounts and Audit

- The RKS/ HMS should function as separate accounting centres for all the funds which are received by them including funds from other sources such as grant and donations from private parties, industry and user charges received, if any.
- The Society needs to maintain regular accounts of all its monies and properties in respect of the affairs of the Society.
- The accounts of the Society need to be audited annually by a Chartered Accountant firm included in the panel of Chartered Accountants drawn by the designated authority of the State Government.
- The report of such audit needs to be communicated by the auditor to the Society, which shall submit a copy of the Audit Report along with its observation to the District Collector.
- Any expenditure incurred in connection with such audit is payable by the Society to the Auditors.
- The Chartered Accountant or any qualified person appointed by the Govt. of India/State Government has the right to demand the production of books, accounts, connected vouchers and other necessary documents and papers.
- RKSs should furnish a monthly Statement of Expenditure (SoE) to the controlling Block CHC/PHC or DHS. This should be taken as basis for reporting of the expenditure for the grants released to various RKS.
- All the funds should be kept in a separate bank account of each RKS and a utilization certificate has to be given to the grantee institution.
- Records/ Vouchers for the funds routed through NRHM should be retained only with the respective RKS/ HMS itself.

9.2.6 Bank Account

The account of the Society should be opened in a bank approved by the Governing Body. All funds should be paid into the Society's Bank account and should not be withdrawn

except by a cheque, bill note or other negotiable instruments signed by the Member-Secretary of the Society and a person from amongst the Executive Committee members.

9.2.7 Books of Accounts to be maintained

The books of accounts to be maintained by Rogi Kalyan Samiti are as follows:

- Double column cash and bank book
- Ledger book
- Stock register
- Advance Register
- Journal Register

9.2.8 Financial Statements

At the end of the year, the RKS is required to prepare the following accounting statements after closing its books of accounts:

- Trial Balance
- Receipts & Payments
- Income & Expenditure
- Balance Sheet

In addition, RKS is also supposed to maintain a register to record the minutes of all the RKS meetings held, particularly providing details on key decisions made. Minutes should also include the details of the officials attending the meeting and should be signed by the accountant and the official chairing the meeting.

9.2.9 Reporting Requirements

FMR / SoE Reporting

RKS accountant should ensure that by 28th of the current month the monthly SoE is submitted to the block accountant for onward submission to the supervisory unit in respect of RKS corpus grant. Even if in a particular month, there is no expense at the RKS, a nil SoE report should be submitted to the supervisory unit. In respect of reporting receipts, payments, income & expenditure for RKS as a whole, the accountant should report as per the mandate of the Samiti.

Utilization Certificates

The RKS is required to submit the UC along with the annual audit report to the District in charge at DHS and Mission Director at SHS.

Furnishing of Annual Report

The RKSs should furnish Annual Reports alongwith the Audited Statements and utilization certificate. The expenditure will be considered settled against the releases made to the RKS only on furnishing of such reports and UCs.

The SHS should also report to the Ministry in the quarterly MIS format introduced in August, 2010 on the number of RKSs in its jurisdiction and the expenditure incurred by RKSs during the quarter.

Accounting Handbook has also been issued by FMG which contain details on the key financial management requirements in respect of RKS.

9.3 ANNUAL MAINTENANCE GRANTS (AMG)

9.3.1 Objective

Annual Maintenance Grants is provided mainly for improvement and maintenance of physical infrastructure to facilitate strengthening of infrastructure and basic necessities. This is provided only for Government owned buildings and not on rented buildings.

9.3.2 Provision of Grant

As part of the National Rural Health Mission, an Annual Maintenance Grant (AMG) fund should be provided to various units is as follows:

Table 9.2: Grants to various units

Units	Amount (Rs.)
CHC	100,000/- per annum
PHC	50,000/- per annum
SUB-CENTRE	10,000/- per annum

9.3.3 Utilization of Annual Maintenance Grants (AMG)

Some considerations have to be made before utilizing AMG at each level. Following points should be considered while utilizing AMG funds:

CHC/PHC

- The funds should be kept in the RKS bank account, which will be operated as per RKS Guidelines in case of CHC/PHC.
- The Executive Committee and Governing Body of the RKS should approve the decision on activities for which the funds are to be spent and will have the mandate to undertake and supervise the work to be undertaken from Annual Maintenance Grant.
- AMG fund should be utilized for maintenance and upkeep of the PHC/CHC. Expenditure detail should also be displayed prominently in the PHC/CHC. All the expenditure incurred must be approved by the Executive Committee and Governing Body of the RKS.

SUB-CENTRE

- The funds should be kept in a bank account which will be operated jointly by the Health Worker and head of the Sub-Centre.
- Decision on activities for which the funds are to be spent should be approved by the Sub Centre and be administered by the Health Worker.
- AMG fund should be utilized for maintenance and upkeep of the Sub-Centre. Expenditure detail should also be displayed prominently in the Sub-Centre. All the expenditure incurred must be approved by the Sub-Centre and its detail should be given to the Gram Sabha.

9.3.2 Areas under which Annual Maintenance Grants can be utilized are as follows:

- Minor modifications / repairs to PHC/CHC building including OT & Labour Room, Neonatal Ward, curtains to ensure privacy, repair of taps, installation of bulbs

- Minor modifications/repairs to Sub-Centre for example curtains to ensure privacy, repair of taps, installation of bulbs, other minor repairs including repair of furniture & equipment, which can be done at the local level
- Every kind of repair and renovation of building including attached residences.
- Providing Boundary Wall / Fencing / Gate
- Septic Tanks / Toilets (construction, repairing, cleaning etc.)
- Water Storage Tanks (procuring, installing, construction, repairing, cleaning etc.
- Installing, replacement and repair of Water Supply Line
- Whitewash / Distemper and Paints
- Electric Installation works
- Arrangement for Bio-Medical Waste Management (bins, pits and disinfectants etc.)
- Improvement / repair of approach path to the institution
- Landscaping, beautification of campus of Health Institution
- For making payments of electricity, water bills
- For ad-hoc cleanliness of Sub-Centre especially after childbirth

9.3.3 Accounting/Reporting Requirements

- All expenditure to be incurred at the PHC, CHC and Hospital level will be decided by the RKS as per local need and not by higher office e.g. BMO, CMO Office
- Approval of RKS Executive committee and Governing Body will be required to incur & approve expenditure from the AMG available at the PHC, CHC and Hospital level
- All vouchers relating to AMG expenditure to be kept in PHC, CHC and Hospitals along with proceeding of Executive Committee and Governing Body Meetings of RKS
- Only actual funds spent as reported under SoE received from the respective units should be booked as expenditure
- It will be mandatory to present the detailed half yearly expenditure to the Governing body of RKS
- Utilization Certificate should be sent to Block Medical Officers and Chief Medical Officers on quarterly basis before 7th of the following month

9.4 UNTIED FUNDS

9.4.1 Objective

Untied Funds are mainly allocated for filling up the missing gaps and for completing the in-complete public utility assets. The objective of Untied Funds is to carry out the works of emergent nature which are normally not covered under the schemes decentralized at the district level.

9.4.2 Provision of Grant

Each health facility (Sub-Centre/ PHC/ CHC/ SDH/ DH) is entitled to the grant as Untied fund as per its level of activity, as defined under revised guidelines for Maternal and Newborn Health (MNH).

The levels of Untied Funds for various levels of health facilities conducting institutional deliveries are provided under Table 9.1 of the chapter.

9.4.3 Utilization of Untied Funds

Some considerations have to be made before utilizing Untied Funds at each level. Following points should be considered while utilizing Untied funds:

CHC/PHC

- The funds should be kept in the RKS bank account, which should be operated as per RKS Guidelines.
- The Executive Committee and Governing Body of the RKS should approve decision on activities for which the funds are to be spent.
- All expenditure to be incurred must be approved by the Executive Committee and Governing Body of the RKS. Expenditure detail should be displayed prominently in the PHC and CHC.

SUB-CENTRE

- The funds should be kept in joint bank account to be operated by the Health Worker and Head of the VHSNC.
- Decision on activities for which the funds are to be spent should be approved by the Village Health, Sanitation and Nutrition Committees (VHSNC) and be administered by the Health Worker.
- All the expenditure incurred must be approved by the VHSNC and its detail should be given to the Gram Sabha. Expenditure detail should be displayed prominently in the Sub-Centre.

VHSNC

- An untied fund of Rs.10,000/- has been approved under NRHM to be given to each VHSNC every year.
- These funds should be maintained in a separate bank account under the joint signatures of the Sarpanch of the village and the ANM.
- Bank Account maintenance is the responsibility of the Village Health, Sanitation and Nutrition Committees especially the ASHA/AWW.
- ASHA/AWW should maintain a register of funds received and expenditure incurred which should be available for public scrutiny and to be inspected from time to time. A register should be maintained which has the complete details of activities undertaken, expenditure incurred etc. for public scrutiny.
- The Block level Panchayat Samiti should review the functioning and progress of activities undertaken by the VHSNC. A database should be maintained on VHSNCs by the DPMUs.

Treatment of untied funds given to VHSNCs:

- The actual expenditure incurred out of these funds should be booked as expenditure and the balance outstanding should be monitored on a regular basis by the block/district authorities.
- States must possess information on the balance funds maintained in VHSNC related bank accounts and educate villages and ANMs and Gram Pradhans on their use.

- States are encouraged to consider calling for quarterly reports and undertaking IEC efforts to generate greater awareness about their utility.

Monitoring/ Reporting Requirements

- The state Mission Directors should review the utilization of funds by VHSNCs.
- In cases where utilization is poor and substantial balances already exist or the village population needs do not require these funds as their capacity to spend is exhausted, those VHSNCs may be considered for a one year freeze and not included in the PIP for that year.
- This should be clearly communicated to GOI and a review should be held in the following year to determine their utilization capacity and requirements again.
- Each VHSNC should prepare and send a Statement of Expenditure incurred during the month to their block. The format is appended as *Annexure XXXIX*
- The block in turn should consolidate it quarterly and submit to the district for onward submission to the Govt. of India.
- Utilization Certificates in a simplified format (appended as *Annexure XXXX*) should be furnished by ANM and Gram Pradhan annually.

VHSNC funds can be used for the following:

- As revolving fund from which households could draw in times of need to be returned in installments thereafter
- For any village level public health activity like cleanliness drive, sanitation drive, school health activities, ICDS, Anganwadi level activities, household surveys etc.
- For health care need of the very poor household
- Utilized in the areas of Nutrition, Education & Sanitation, Environmental Protection, Public Health Measures that involve and benefit more than one household
- Every village is free to contribute additional grant towards the VHSNC and additional incentive and financial assistance to be given to such villages
- To carry out cleanliness drives for health related activities, health awareness activities in schools and Anganwadi and household / health survey of families at village level.
- Printing and publicity of information for village health and sanitation activities, preparation of banners etc.
- For the treatment of very poor women or any orphaned child in unusual circumstances.
- To arrange transportation upto the hospitals of any child of below six months of age.
- To arrange transportation for carrying any patient in an emergent situation such as - Road Accidents, Snake bite, electric shock, burn, or any other such incident – falling into a well, falling from a tree etc.
- To arrange medicines, ORS and any other important items in case of any natural calamities (Flood, Drought, and earthquake) and also to hold any health camps etc.
- To announce a prize for any courageous act performed by any ASHA – Sahyogini, ANM, Anganwadi Worker, any member of Women Group, local self-help group worker etc. who goes beyond the call of duty during the year.
- To construct platforms for hand pumps, facilitating removal of water for plantations in the village.

- To arrange for providing help for prevention mosquito breeding.
- Making arrangements for removal of dirty water, maintenance of cleanliness etc. To introduce sanitation related measures and spread information on simple but effective hygiene measures such as hand washing.
- To arrange for tea etc. for the monthly meetings.
- To buy stationery etc. for the maintenance of records.
- To prepare an annual budget for getting approval.

9.4.4 Areas under which Untied Funds can be utilized are as follows:

- Ad-hoc payments for cleaning up PHC/CHC or Sub-Centre
- Transport of emergencies to appropriate referral centres & samples during epidemics.
- Purchase of consumables such as bandages, medicines during emergency/ epidemics/ outbreaks
- Purchase of bleaching powder and disinfectants for use in common areas
- Labor and supplies for environmental sanitation, such as larvicidal measures for stagnant water
- Payment of Electricity and Water Bills
- Provision of sitting arrangement and for examination of patients, expectant mothers and children during their visit to PHC/CHC or Sub-Centre
- Provision of safe drinking water to patients by installing Aqua-Guard/ Water Filters
- Provision of heating arrangement for patients during winter & cooling during summer
- Provision of sterilization of Equipment/Syringes through Kerosene oil/ Heater/Single Burner Gas Stove (LPG)
- Emergency Light, Torch, Cells, Bulbs, Soaps and other consumables
- Making/ displaying IEC material (Sign Boards etc.) on various NRHM Schemes like Janani Suraksha Yojna (JSY)/ Referral Transport/ Immunization Schedule/ Rashtriya Swasthya Bima Yojna (RSBY) and various National Health Programmes
- Organization of Stakeholders' meetings, RKS meetings and Monthly meetings
- Repair of Furniture

9.4.5 Areas under which Untied Funds cannot be utilized are as follows:

- Fund not to be used for any Full Time or Part Time employee salary, Honorarium, Incentive, Vehicle purchase, Equipments purchase, Giving any advertisements either in Print or Electronic media, Organizing Swasthya Mela in case of CHC/PHC
- In case of Sub-Centre, Fund shall not be used for any salaries, vehicle purchase or to meet the expenses of the Gram Panchayat
- Untied funds should be used only for the common good and not for individual needs, except in the case of referral and transport in emergency situations.

9.4.6 Accounting/Reporting Requirements

- All expenditure to be incurred at the PHC, CHC and Hospital level will be decided by the RKS as per local need and not by higher office e.g. BMO, CMO Office

- Approval of RKS Executive committee and Governing Body will be required to incur and approve expenditure from the Untied Funds available at the PHC, CHC and Hospital level
- All vouchers relating to Untied Funds expenditure to be kept in PHC, CHC and Hospitals along with proceeding of Executive Committee and Governing Body Meetings of RKS
- Only actual funds spent as reported under SoE received from the respective units should be booked as expenditure
- It will be mandatory to present the detailed half yearly expenditure to the Governing body of RKS
- Utilization Certificate should be sent to Block Medical Officers and Chief Medical Officers on quarterly basis before 7th of the following month.

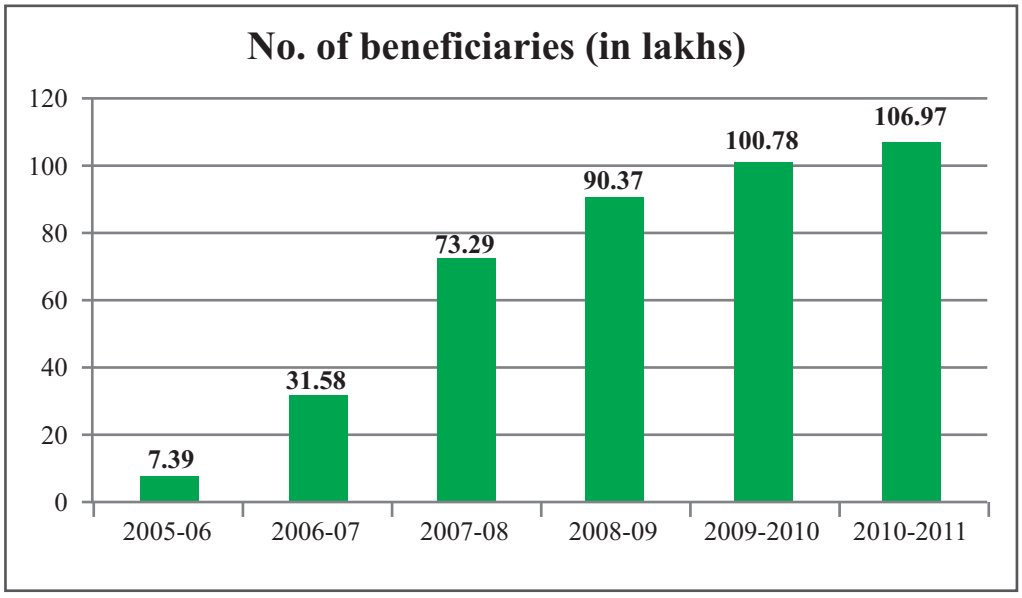
9.5 JANANI SURAKSHA YOJANA

9.5.1 Brief Background & Objective

Launched in April 2005, with the objectives of reduction in Maternal Mortality and Infant Mortality, Janani Suraksha Yojana promotes institutional delivery among pregnant women by providing cash assistance. The scheme is designed to incentivise women of low socio-economic status to give birth in a health facility. JSY is an entirely centrally sponsored scheme, which integrates cash assistance with delivery and post-delivery care.

The JSY has witnessed a remarkable success in terms of number of beneficiaries covered. The number of beneficiaries under JSY has increased substantially over a period of time which is depicted below:

Exhibit 9.2: Beneficiaries of JSY



9.5.2 Eligibility for Cash Assistance:

Under JSY States/ UTs have been classified into two categories based on the institutional delivery rate. The states having low institutional delivery rate would constitute 'Low Performing States' (LPS), which includes 10 states namely the eight EAG states (Uttar Pradesh, Uttarakhand, Madhya Pradesh, Chhattisgarh, Rajasthan, Bihar, Jharkhand and Orissa) and the states of Assam and Jammu & Kashmir. The remaining states would constitute 'High Performing States' (HPS). Under Janani Suraksha Yojana the following eligibility criteria is adopted to incentivize pregnant women who gives birth in a health facility:

Table 9.2: Grants to various units

Category of States	Eligibility Criteria
LPS States	**All pregnant women** delivering in Government health centres like Sub-centre, PHC/CHC/ FRU / general wards of District and state Hospitals or accredited private institutions
HPS States	**BPL pregnant women,** aged 19 years and above
LPS & HPS	**All SC and ST women** delivering in a government health centre like Sub-centre, PHC/CHC/ FRU / general ward of District and state Hospitals or accredited private institutions

9.5.3 Benefits under the scheme

The benefits under the scheme are linked to availing of antenatal checkups by the pregnant women and getting the delivery conducted in health centres/ hospitals. While the beneficiaries are encouraged to register themselves with the health workers at the sub centre/ Anganwadi/ Primary health centres for availing of at least three antenatal checkups, post-natal care and neo-natal care, the disbursement of enhanced benefits under the scheme is linked to institutional delivery. Cash assistance is provided to pregnant women, for enabling them to deliver in health institutions. The assistance is available as per the following rates:

Table 9.3: Assistance Rates under JSY

Category of States	RURAL AREA			URBAN AREA		
	Cash Assistance to Mother	Package for Accredited Worker		Cash Assistance to Mother	Package for Accredited Worker	
LPS	Rs. 1400	Rs.600	Rs.2000	Rs.1000	Rs.200	Rs.1200
HPS	Rs.700	Rs.200	Rs.900	Rs.600	Rs.200	Rs.800
NE States (except Assam)	Rs.700	Rs.600	Rs.1300	Rs.600	Rs.200	Rs.800
HPS (Notified Tribal Areas)	Rs.700	Rs.600	Rs.1300	-	-	-

9.5.4 Limitation of cash assistance for institutional delivery:

In LPS States: All births, delivered in a health centre – Government or Accredited Private health institutions.

In HPS States: Upto 2 live births.

9.5.5 Cash assistance for home delivery

BPL pregnant women, who are 19 years of age and above and prefer to deliver at home, are entitled to a cash assistance of Rs 500 per delivery up to two live births. The disbursement of such assistance should be carried out at the time of delivery or around 7 days before the delivery by an ANM/ASHA/any other link worker.

9.5.6 Incentives to ASHA/ Equivalent Health Worker

JSY is facilitated by ASHA/ an equivalent health worker in terms of assisting the beneficiaries of the scheme to avail the services provided under it. A health provider in the village/ the ASHA helps the pregnant women from registration to ANC checkups to delivery to post natal services.

ASHA or an equivalent worker gets an incentive for providing certain essential support services. Cash incentive should not to be less than Rs.200/- per delivery. ASHA package of Rs. 600/- in rural areas in Low Performing States/ rural areas of NE States/notified Tribal areas of HPS includes cash assistance of not less than Rs. 250/- for referral transport, cash incentive of Rs. 200/- to ASHA and transactional cost of Rs. 150/- for staying with the pregnant woman in the health centre for delivery to meet her cost of boarding and lodging etc.

Provision of Imprest

To ensure the cash assistance is provided to the beneficiary in the shortest possible time, the disbursing authority should arrange to provide imprest money of Rs. 5,000/- to every ANM/ health worker and authorize her to make payment subject to the conditions that the beneficiary concerned fulfills all eligibility conditions and the ANM has completed the laid down procedure.

Provision to meet administrative expenses

7% of the fund released to the state may be utilized towards administrative expenses for monitoring, IEC and office expenses for implementation of JSY. It would include:

- 4 % for the District Authorities
- 1 % for the State
- 2% for the Nodal Ministry at the GOI level

9.5.7 Payment Arrangements

To the expectant mother: All payments should be made in one installment including compensation amount for sterilization wherever applicable at the time of discharge from the hospital/health centre. It would be the responsibility of MOIC/ANM/ ASHA to ensure disbursal in time.

To ASHA: In two installments:

- First payment for the transactional cost at the health centre on reaching the institution along with the expectant mother.
- The second payment should be paid after she has made postnatal visit and the child has been immunized for BCG.

9.5.8 Maintaining JSY accounts

The Accountant at the facility level is supposed to play an important role in maintaining efficient and effective internal control environment in respect of JSY disbursements. Key responsibilities of the accountant are enumerated below:

- **Ensuring timely disbursements (at the time of discharge)**
  - o Daily collection of data of beneficiaries from the delivery register
  - o Timely preparation of cheques & getting them signed from the designated authority, etc.
  - o Cheque books are sufficiently available
- **Ensuring internal controls while making payments**
  - o Proper verification is carried out based on photo ID proof
  - o Signature/ thumb impressions are duly taken on the register
  - o JSY cards / ANC cards are properly filled up
- **Ensuring availability of sufficient funds**
  - o Raising demand for funds well in time and regularly
  - o In case JSY funds are falling short (due to any reason), taking requisite permissions to draw funds from RKS/ other permissible heads on temporary basis in order to meet JSY obligations in time
- **Ensuring adequate maintenance of JSY records**
  - o Providing beneficiary particulars along with date & time of delivery as well as discharge
  - o Updating payment records on timely basis
  - o Adequate records in respect of JSY referral transport payments to avoid duplicate payments
- **Ensuring timely reporting relating to JSY as prescribed**
  - o Ensuring adequate banking arrangements with the local banks for timely encashment of bearer cheques etc.

9.5.9 Monitoring and Reporting

Some of the key monitoring and reporting requirements suggested under the scheme are given below:

Monitoring & Evaluation

- A monthly Target of institutional delivery for the village has to be kept in view for achievement.
- The state should prepare a format of monthly work schedule to be filled by the ANM for allocating work schedule of the accredited worker in her village, containing the physical and financial aspect.
- State and district level health authorities should ensure strict monitoring and verification of JSY beneficiaries is done to check malpractices.
- Grievance redressal mechanism should be established at appropriate levels.

Reporting

- ANM/Health Worker should submit accounts of the previous month by the 7th of each month to the Medical Officer of the CHC/PHC.
- Block medical officer should consolidate the reports received from field and submit a report on expenditure/ disbursement to the district nodal officer for JSY by the 10th of the same month.
- District Nodal officer should consolidate and prepare a detailed physical & financial report of the District's progress by the 15th of the same month.
- The State Health Mission should mandatorily send six-monthly district-wise composite reports along with SOE/ UC/ ARs in the prescribed format to the Nodal Division by October and April of every year, which will be the basis of release of grants to the state.

CHAPTER 10: INVENTORY OF FINANCIAL MANAGEMENT GUIDELINES & INFORMATION

10.1 INTRODUCTION

FMG has developed various Guidelines/ Advisories relating to NRHM financial processes and activities over past few years. In addition, there are certain useful financial reports and other data / information relating to financial management. Most of these have been posted by FMG on the NRHM website (http://mohfw.nic.in/NRHM.htm) to ensure their easy accessibility.

A summary of information material available with NRHM is given below in the table:

- Manuals/ Handbooks
- Guidelines/ Advisories
- Reports
- Other Relevant Documents

10.2 MANUALS/ HANDBOOKS

TABLE 10.1: Details of manuals/Handbooks

Manual/ Handbooks	Description	Users
Operational Guidelines for Financial Management	• Provides guidance on the key aspects/ processes relating to various financial management activities across various levels under NRHM along with respective roles/ responsibilities, timelines, formats etc.	• Finance & Accounts personnel at all units
Model Accounting Handbooks	• Guide/ handbook for staff at sub-district level implementing units (Block, CHC/PHC, RKS, Sub Centre & VHSNC) provide unit-specific guidance & can serve as a quick reference document in respect of various finance and accounts activities that they are supposed to carry out • Provides unit specific requirements relating to fund flow /accounting/ record maintenance/ reporting along with specific formats, reporting timelines etc.	• Finance & Accounts personnel at sub-district level units
e training Modules	• These training modules provide detailed training material for providing finance & accounts related trainings to the finance personnel at state, district and block level relating to financial management guidelines, policies and processes. These training modules are available on each aspect of financial management such as budgeting, fund flow, reporting, etc. and also include detailed course module & reference material on each aspect.	• Finance & Accounts personnel at all levels

All these manuals/ handbooks are available on the NRHM Website for detailed reference.

10.3 GUIDELINES/ADVISORIES

TABLE 10.2: Details of guidelines/advisories

Guidelines/ Advisories	Description	Users
PIP Guidelines 2011-12 / Revised Operating Manual for NRHM State PIPs	• Guidelines on the structure of the state PIPs w.r.t. contents and formats for each chapter • Explains the technical aspects of the PIP formulation process • Helps in bringing uniformity in the SPIPs submitted by States/UTs	• Finance & Accounts Personnel at SHS and GoI
Guidelines on District Health Action Plans (DHAP)	• Elaborates on Resource Allocation and Financial Norms, Conducting situational analysis, Block Level Consultations, District Planning Workshop, Work plan and Unit/ Average Costs, Monitoring and Programme Management, Structure of DHAPs	• Finance & Accounts Personnel at SHS, DHS and Blocks
Concurrent Audit Guidelines	• Gives guidance on the appointment & selection process of the concurrent auditor and the modalities involved in the same • Provides the Term of Reference for the auditors, indication on monthly/quarterly fee payable to auditors, checklist for audit of SHS/DHS etc.	• Finance & Accounts Personnel at SHS and DHS
RFP for Appointment of Statutory Auditor for SHS & DHS	• Provides detailed guidelines on the appointment & selection process of the Statutory Auditors including formats of the RFP, technical & financial bids to be submitted by bidders, evaluation/selection criteria, requirements of audit report etc.	• Finance & Accounts Personnel at SHS and DHS
JSY Guidelines	• Provides information on the various aspects of the scheme including financial assistance/ amount of grant, eligibility requirements, process of disbursement and related financial accounting/ reporting requirements • Helps the staff at implementing units to understand the programme requirements w.r.t. JSY implementation	• Finance & Accounts personnel (especially at units where JSY disbursements are taking place)
ASHA Guidelines	• Highlights the role, responsibilities, profile, selection procedure, training modality and compensation package for ASHA	• Finance & Accounts personnel at all units
Guidelines of Untied Funds & AMG under NRHM	• Provides details on activities covered under Untied funds and Annual Maintenance Grants along with amount of grant available at various levels and compliance requirements under the scheme	• Finance & Accounts personnel at all units
Constitution of RKS	• Provides detailed understanding on the concept and structure/ constitution of Rogi Kalyan Samitis/ Hospital Management Society and lists out the functions/ activities under RKS, grants available, and accounting/ reporting compliance requirements	• Finance & Accounts personnel at all units
Other Advisories	• **Non diversion of funds** : Advisory stating that under NRHM guidelines, diversion of funds from one programme to another is not permitted without approval of MoHFW • **Maintenance of RKS accounts and utilization of VHSNC funds** : Guidelines on maintenance of books of accounts, audit and utilization certificates by RKS and instructions for utilization and maintenance of funds given for VHSNCs	• Finance & Accounts personnel at all units

All these guidelines are available on the NRHM Website for detailed reference. Advisories have been circulated to the States by FMG.

10.4 REPORTS

TABLE 10.3: Details of the Reports

Reports	Description	Reference
JRM / CRM Reports	• Joint Review Mission (JRMs)/ Common Review Mission (CRMs) are conducted to review the progress of RCH related activities and discuss the future activities planned for the same. These are conducted by various DPs and representatives from MoHFW • These reports highlight findings of the periodical JRMs/ CRMs Mission conducted.	• NRHM Website
Five years of NRHM 2005-10	• This report highlights the progress made by the mission over the last five years • Elaborates on the details regarding specific gains to the Health System, various initiatives undertaken, infrastructure development, etc.	• NRHM Website
Other reports	• Statutory Audit reports for the States • Reports of the CAG of India including Inspection Reports of State Accountants General (from 2011-12) • Expenditure reports such as quarterly FMR, etc. • Approved ROPs/ PIPs	• Some of these reports are available on NRHM Website, while others are available offline with the Ministry or State/ level finance units
Data Reporting Formats	• FMR formats • Quarterly and Monthly MIS Reporting Formats	• NRHM Website

10.5 OTHER RELEVANT DOCUMENTS

Table 10.4: Other Relevant Documents

Documents	Description
Mission Document	• An introduction guide useful to develop an understanding of NRHM. It explains the Vision & Mission of NRHM, highlights the Goals, Strategies and the Plan of action undertaken by NRHM • It also brings out the roles of State Governments, Panchayati Raj Institutions, NGOs and lists out the timelines for Major Components under NRHM and elaborates on various issues like funding arrangements, monitoring & evaluation, technical support, outcomes etc.
NRHM Framework for Implementation	• Provides the timelines of various activities, goals, strategies and outcomes of NRHM and highlights the broad framework for implementation, key strategies and the Plan of Action of the Mission along with Human Resource Support, Finances, Monitoring & Review arrangements
Organizational Setup NRHM	• Provides the Organizational Structure of NRHM Directorate

All these documents are available on the NRHM Website for detailed reference.

ANNEXURE I: Roles and Responsibilities of Key Finance Personnel

1. GoI LEVEL

a. Director (Finance-NRHM)

Director, NRHM (Finance) is responsible for overall financial management activities of all NRHM programs. Responsibilities of the Director, NRHM (Finance) are as follows;

- To bring about integration in the finances of all NRHM Programs
- To improve Financial Management Systems at the GoI, State and District levels
- Maintain a sound system for funds flow, monitoring utilization, accounting and audit
- Release funds under RCH and Mission Flexible Pool and clearance of release proposals
- Centrally transfer funds electronically to State Health Societies and maintain a centralized database for all releases and utilization under all components of NRHM
- Claim refund of eligible expenditure from Development Partners
- Make Statutory Audit Arrangements and submission of Audit Reports to Development Partners
- Provide financial Management Formats and update state-wise profiles.
- Conduct workshops for capacity building of finance and accounts personnel of States/UTs
- Obtain UCs for various programs under NRHM
- Generate MIS reports on the basis of FMRs received
- Monitor receipt of FMRs and Statement of Funds Position and their analysis
- Monitor Financial Performance Indicators
- Adjustment from plan to non-plan
- Monitor performance of banks accredited for e-banking and e-transfer of funds

b. Under Secretary (NRHM-Finance)

- Assisting in examining and coordinating the work of the Financial Consultants
- Coordinating examination and offering comments on State PIPs
- Preparing ROPs, scrutinizing release proposals and issuing sanctions for funds release
- Statutory, Concurrent and Performance Audit of NRHM
- VIP & RTI references, Parliament Questions, Examination of Demands of Grants, Annual Report and BE/RE matters
- Senior officers meetings, reimbursement claims, FMR reviews
- Processing important notes/correspondence, engagement of FMG staff, supervision and guidance of NRHM Finance Division Staff

c. Section Officer (NRHM –Finance)

- Examining release proposals for all programmes and pools under NRHM
- Coordinating various meetings and workshops organized by the FMG
- Making arrangements for various types of audits and their follow up
- Submission of cases pertaining to Parliamentary Committee, Parliament Questions, RTI/VIP references
- Providing financial data for official use and maintaining official records and leave records of all govt. officers and the consultants

d. Accounts Officer (NRHM-Finance)

- Examination of Utilization Certificates received form the States/UTs
- Reconciliation of the releases and expenditure figures of the Programme Divisions
- Settlement of Utilization Certificates with the PAO, MoHFW

e. Finance Controller

- Monitoring timely receipt of quarterly Financial Monitoring Reports/ annual reports from States/UTs
- Preparing SoEs and reimbursement claims to be submitted to the World Bank
- Filing of reimbursement claims with World Bank and other Development Partners
- Acting as a nodal officer for a cluster of States/ UTs and liaising with the allotted States and UTs for all types of assistance and feedback
- Devising meaningful MIS in electronic format as required by the Ministry from time to time
- Preparing parallel financial management status with e-Banking data and compare the same with the operational guidelines/reports submitted by the States/UTs
- Supervising the work of Finance Analyst and Finance Assistant for allocated states
- Monitoring timely receipt of utilization certificates
- Coordinating audit arrangements for States/UTs and monitoring the submission of audit reports
- Coordinating with National Disease Control Programmes and compiling the data on fund release, utilization etc.
- Reviewing of financial processes in the states and making suggestions for improvements
- Matching of physical progress with financial progress of the programme
- Providing training on finance and accounts (including tally) to the State and District Programme Management Unit staff in states
- Reconciliation of audited UCs for settlement with the Pay and Accounts Office of the Ministry

- Filing of audit reports with the World Bank and conducting follow up
- Monitoring of the concurrent audit process in the States and their Districts
- Tracking of action taken by States/UTs on audit observations & obtain compliance

f. Finance Analyst

- Compilation of fund utilization data of various components/ programmes of NRHM
- Analysis of data on funds utilization, audited utilization certificates, trend of expenditure, pattern of utilization among the intra-RCH and NRHM components
- Preparation of analytical reports and their circulation to divisions of the Ministry and states
- Coordination with National Disease Control Programmes for consolidation of their fund releases and fund utilization/expenditure
- Monitoring release of funds, receipts of funds, further releases to districts, timely submissions of Financial Monitoring Reports by the states, finance and accounts training of finance staff in states, timely submission of utilization certificates, audit reports and MIS by the states
- Provide technical assistance to states on finance and accounts matters

g. Finance Assistant

- Provide financial data to facilitate for release of funds to states
- Monitoring receipt of quarterly financial reports/annual reports from states
- Data entry of the quarterly financial monitoring reports and it management
- Monitoring timely submission of utilization certificates
- Facilitate Audit arrangements in States/UTs, monitoring of audit report submission
- Examination of FMRs, Audit Reports, Summary Reports with comments thereon
- Tracking of action taken by states/UTs on audit observations and submission of audit reports/ATs to Development Partners
- Preparation of FMR and reimbursement claims for submission to Development Partners
- Visits to states and districts for financial and accounting reviews and providing training to PMU Staff

2. STATE LEVEL

a. Director Finance/Joint Director

Joint Director/Director, NRHM Finance is responsible for overall financial management activities of all NRHM programmes in the state. His responsibilities are:

- To improve the financial management at the state level.
- Maintain a proper system of funds flow to the district and sub district level.
- Implementation of concurrent audit system in the state.

- Appointment of Statutory Auditors and submission of Statutory Audit Report to GOI on time.
- Integration of finances of all NRHM Programmes within the state.
- Regular monitoring of expenditure and submission of UCs.
- Compliance of financial reporting requirement of GOI.
- Implementation of web based accounting software and e-banking for strengthening the financial management system within the state.
- Capacity building of the financial management staff at the state, district and sub district level.
- Ensuring correct and timely feedback on financial management issues and regular submission of reports (FMRs, MIS, Statement of Fund Position, Statutory Audit Reports etc.) to the Ministry.
- Regular monitoring and ensuring field visits by FMG staff in the state districts, blocks etc. so as to ensure financial discipline and accountability, proper maintenance of financial records and timely corrective feedback.

b. State Finance Manager

- Aid, advise and assist to ensure proper flow of funds
- Ensure maintenance of accounts as per NRHM guidelines
- Assist in all disbursements required under the program and ensure timely submission of statements of expenditure
- Assist in monitoring the expenditure and assessing the requirements of funds; prepare budget estimates and proposals for release of funds
- Conduct budget analysis for health sector and formulate proposals for improving financial management systems
- Implement financial guidelines for management of funds in the states, districts and facility level and coordinate annual audits
- Oversee financial management in the districts and to ensure financial progress
- Assist in the implementation and operation of e-banking initiatives with regard to grant release and expenditure monitoring
- Ensuring timely issue and submission of Utilization Certificate for the utilized funds
- Ensure timely submission of FMR's, SFP's, Quarterly/Monthly MIS, Concurrent Audit Summary etc. to the FMG, MOHFW

c. State Accounts Manager

- Facilitate disbursement of funds to implementing agencies
- Prepare SoEs and make audit arrangements as per RFP guidelines
- Maintain the records of SHS accounts
- Assist Finance Manager in ensuring financial progress among implementing agencies

- Assist the State Department of Health/Family Welfare/State Health Society in the implementation and operation of e-banking initiative
- Ensuring timely issue and submission of Utilization Certificate to GoI for the utilized funds
- Ensure timely submission of FMR's, SFP's, Quarterly/Monthly MIS and Concurrent Audit Summary Reports to the FMG-NRHM
- Upload the finance data quarterly on the HMIS portal

3. DISTRICT LEVEL

a. District Accounts Manager

- Coordinate with District Programme Manager for planning and budgeting for program implementation
- Disbursement of funds to the implementing agencies
- Preparation and timely submission of monthly/quarterly/annual statement of expenditure (SoEs)
- Managing accounts of the DHS
- Ensuring adherence to laid down accounting standards and policies
- Adherence to system for periodic internal and external audits and established accounting systems
- Assist the blocks by visiting them and providing support when needed
- Monitor Timely submission of SoEs from the Blocks
- Assist the District Health Society in the implementation and operation of e-banking initiative
- Upload the finance data monthly on the HMIS portal

4. BLOCK LEVEL

a. Block Accountant

- Facilitate disbursement of funds to implementing agencies.
- Prepare SoEs and make audit arrangements as per RFP guidelines
- Maintain the records of Block accounts.
- Ensuring timely issue and submission of Utilization Certificate to District for the utilized funds.
- Ensure timely submission of FMR's, SFP's and Quarterly/Monthly MIS to the District Health Society.
- Provide training to the finance staff at the sub district level.
- To monitor the expenditure reported by the implementing units.
- Compliance of TDS provisions, wherever, applicable.

ANNEXURE II: Statement of Committed Unspent Balances

FORMAT FOR LIKELY COMMITTED UNSPENT BALANCES				
Code	Pools /Activities	Amount of committed balance wherein funds have been released within 31st March, 2012 but UC's not received. (Rs. in crore)	Amount of Committed unspent balance but funds not released within 31st March, 2012. (Rs. in crore)	Expected Timelines for Utilisation (preferably within the first two quarters of 2012 - 13)
A	**RCH FLEXIBLE POOL**			
A.1	MATERNAL HEALTH			
A.2	CHILD HEALTH			
A.3	FAMILY PLANNING SERVICES			
A.4	ARSH			
A.5	URBAN RCH			
A.6.	TRIBAL RCH			
A.7	PNDT ACTIVITIES			
A.8	INFRASTUCTURE & HUMAN RESOURCES			
A.8.1	Human Resources			
A.8.2	Minor Civil Works			
A.9	TRAINING			
A.10	PROGRAMME / NRHM MANAGEMENT COST			
A.11	VULNERABLE GROUPS			
B.	**NRHM ADDITIONALITIES**			
B.1	ASHA			
B.2	UNITED FUNDS			
B.3	ANNUAL MAINTENENCE GRANTS			
B.4	HOSPITAL STRENGTHENING			
B.5	NEW CONSTRUCTIONS/RE NOVATIONS			
B.6	CORPUS GRANTS TO HMS/RKS			
B.7	DISTRICT HEALTH ACTION PLAN			
B.8	PANCHAYATI RAJ			

ANNEXURE III: Budget Summary Under 19 Functional Heads

Details of Functional Heads and their Components			
S.No.	**Main Heads**	**Components**	**Budget Amount**
1	**Human Resources**	Contractual Remuneration for ANMs,Nurses,SNs, LHVs	
		Contractual Remuneration for LTs,MPWs	
		Contractual Remuneration of Specialists (Anaesthetists, Pediatricians, Ob/Gyn, Surgeons, Physicians, Dental Surgeons, Radiologist, Sonologist, Pathologist,Specialist for CHCs.)	
		Medical Officers at CHCs / PHCs	
		Contractual Remuneration of PHNs at CHC, PHC level	
		Additional Allowances/ Incentives to M.O.s of PHCs and CHCs	
		Payment to Others – Computer Assistants/ BCC Co- ordinator etc	
		Incentive/ Awards etc. to SN, ANMs etc.	
		Human Resources Development (Other than above)	
		Other Incentives Schemes (Pl.Specify)	
		Strengthening of SHS /SPMU (Including HR, Management Cost, Mobility Support, Field Visits)	
		Strengthening of DHS/DPMU (Including HR, Management Cost, Mobilty Support, Field Visits)	
		Strengthening of Block PMU (Including HR, Management Cost, Mobilty Support, Field Visits)	
		Strengthening (Others)	
		Other Programme Management Costs (Audit Fees, Concurrent Audit etc.)	
		Mobility Support,Field Visits to BMO/MO/Others	
		Payment to AYUSH M.O.s	
		Payment to AYUSH Other Staffs	
2	**Training**	Training under Maternal Health	
		Training under Child Health	
		Training under Family Planning Services	
		Strengthening Training Institutions	
		Development of training packages	
		IMEP Trainings	
		ARSH Training	

S.No.	Main Heads	Components	Budget Amount
		Programme Management Training	
		Training (Nursing)	
		Training (Other Health Personnel)	
		Training for Cold Chain Handlers/refrigerator mechanics	
		Training of M.O.s /Other Staffs on R.I.	
3	**Infrastructure**	Upgradation of CHCs, PHCs, Dist. Hospitals to IPHS)	
		Strengthening of District, Sub-divisional Hospitals, CHCs, PHCs	
		New Constructions/ Renovation and Setting up CHCs, PHCs, HSCs,	
		Construction (Others)	
		Minor civil works for operationalization of FRUs	
		Minor civil works for operationalization of 24 hour services at PHCs	
		Civil Work under RNTCP	
		Other Civil Works	
4	**Procurement**	Procurement of Drugs & Supplies	
		Procurement of Equipment	
		Procurement of Others	
5	**IEC/BCC**	Development of State BCC/IEC strategy	
		Implementation of BCC/IEC strategy	
		Health Mela	
		Creating awareness on declining sex ratio issue	
		Other activities	
6	**Untied funds**	Untied funds for VHSC ,SC CHC,PHC	
		Annual Maintenance Grants for CHCs, PHCs	
		Panchayati Raj Initiatives	
7	**ASHA**	ASHA Payments under NRHM Additionalities	
		Selection & Training of ASHA	
		Procurement of ASHA Drug Kit	
		Incentive to ASHAs under JSY	
		Incentive under Family Planning Services	
		Incentive under Child Health	
		Incentive to ASHA's for motivating families for Sanitary Toilets/Other Incentives	
		Awards to ASHA's/Link workers	

S.No.	Main Heads	Components	Budget Amount
		ASHA Incentive under Immunization	
		ASHA Incentive under NLEP	
		ASHA Incentive under NVBDCP	
		ASHA Incentive under NBCP	
		ASHA Incentive under RNTCP	
8	**RKS**	Corpus grants to RKS	
9	**JSY**	Home Deliveries	
		Institutional Deliveries	
10	**Sterilization**	Compensation for Male sterilization	
		Compensation for Female sterilization	
		NSV Camps	
		Female Sterilization Camps	
		IUD Camps	
		Social Marketing of contraceptives	
		POL for Family Planning	
		Repairs of Laparoscopes	
		Other Expenses	
11	**Referral Transport**	Referral Transport	
12	**JSSK**	Total requirement of JSSK	
13	**Other RCH Activities**	ARSH	
		Urban RCH	
14	**Vulnerable Group**	Tribal RCH	
		Vulnerable Groups	
15	**Other Mission activities**	Research Studies,	
		New Initiatives	
		Support to other programmes	
		District Health Action Plan	
		Mainstreaming of AYUSH	
		MMU	
		SHSRC	
		School Health Programme	
		Health Insurance	
		Planning , Implementation, Monitoring	
16	**PPP/NGO**	NGO activities, PPP under NRHM Additionalities	
		Other NDCPs (RNTCP, NPCB etc.)	

S.No.	Main Heads	Components	Budget Amount
17	**Operational Cost (NDCPs)**	Mobility, Review Meeting ,field visits, formats &reports, Communication etc. for NDCPs	
		Lab consumables, AMC etc. for NDCPs	
18	**Financial aid/grant to Institutions (NDCPs)**	Financial Support to Medical colleges	
		Financial Support to Referral Institutes	
		Financial Support to Sentinel sites	
19	**Other Components (please list)**		
		Grand Total	

ANNEXURE IV: Utilization Certificate for Reporting State's Contributi

FORM GFR 19-A

UTILIZATION CERTIFICATE FOR ----------PROGRAMME

For the Financial year----------

S.No.	Sanction No. and Date	Purpose	Amount in Rs.
	Total		

Certified that out of Rs._____ of grants-in-aid sanctioned during the year---------- in favour of State Health Society----------(name of the state) vide Ministry of Health & Family Welfare Sanction Order number given above and Rs.---------- on account of unspent grant of the previous year i.e.---------- and Rs.---------- as state contribution OR other contribution received during the year (to be specified), a total sum of Rs.---------- has been utilized for the programme/programmes mentioned below during the year----------:

1.

2.

3. and so on

and that the balance of Rs. ----------remaining unutilized at the end of the year will be carried forward to the next financial year----------

Further certified that I have satisfied myself that the conditions on which the grants-in-aid were sanctioned have been duly fulfilled and that I have exercised the following checks to see that the money was actually utilized for the purpose for which it was sanctioned.

Kinds of checks exercised: Examining of:

1. Vouchers
2. Cash Book
3. Ledgers
4. Monthly & quarterly statements of expenditure
5. Fund position report
6. Audit Report.

Signature----------
(Auditor's name and stamp)

Signature----------
(Mission Director)

ANNEXURE V: Certificate Confirming State's Contribution

The following certificate should be furnished to the FMG, GOI within 15 days of the end of a financial year (i.e. by 15th April 200…) by the Mission Director of State Health Society

	Instrument Number (Cheque Number/Draft No/Transaction ID Detail (for e-transfer)	Date of Instrument & Date of Transfer of Funds in to SHS Main Bank Account	Amount of Fund transfer
1			
2			
3			
	TOTAL		

"Certified that Rs._____ has been credited in the Main Bank Account of State Health Society (SHS) towards the 15% State's share for NRHM for the financial year 20…- 20…

Note: Copy of Bank Statement /Pass Book should be attached with the certificate.

Certified by

Mission Director,
State/UT Health Society

ANNEXURE VI: Delegation of Administrative and Financial Powers at the State Level

1. State Health Society

Financial Powers of the Governing Body, Executive Committees, Programme Committees, and other office bearers of the State Health Society:

The Committee recommends that the delegated administrative and financial powers of the office bearers and staff of the State Health Society may be as indicated in Table below :

Item	Authority	Extent of power
A-1: Approval of the State Programme Implementation Plan (State PIP) for Submission to GOI	Governing Body	Full powers
A-2: One time approval of the activities in the State PIP approved by GOI and approval of Program-wise, District-wise allocations	Executive Committee	Full powers
B-1: Financial sanctions for release of funds to District Health Societies	Vice-Chair, Executive Committee (Director- H/FW) or Convenor, Executive Committee (Mission Director)	Full powers
B-2 Approval of proposals for re-appropriation of the funds beyond 10% of the original allocation at the District level (ref. Governing Principle-4),*	Vice-Chair, Executive Committee (Director-H/FW) or Convenor, Executive Committee (Mission Director)	Full powers
	Member Secretaries/ Jt. Secretaries, Programme Committees (State Programme Officers)	As per reallocation powers provided under existing programme guidelines
C: Specific expenditure proposals		
C-1: Approval of procurement of goods, medicines, medical equipment, etc. approved in the State PIP C-2: Approval of procurement of services (including hiring of auditors) for specific tasks including outsourcing of support services for the Directorate. Note-1: *As far as possible, procurement should be done using the rate contracts of the DGS&D or State Government / any other rate contract adopted by the State Health Society to the extent possible* *Note-2: For items which are not available under rate contract mechanism, the*	Chairperson, Executive Committee (Principal Secy/ Secy)	Full Powers for C-1 and C-2
	Vice Chair, Ex. Comm. (Director Health/FW) or Convener, Executive Committee (Mission Director)	More than Rs.5 lakhs and upto Rs.50 lakh per case for C-1 and more than Rs.1 lakh and upto Rs. 10 lakh
	Member Secretaries /Jt. Secys. Programme Committees (State Programme Officers)	Upto Rs. 5 lakh per case for C-1 and Rs.1 lakh per case for C-2

Item	Authority	Extent of power
respective approving authorities should approve the expenditure on the recommendations of a duly appointed procurement committee.		
C-3: Financial sanctions for major/ new civil works Note-1: Estimates should be prepared on the basis (a) an approved type design and, (b) State schedule of rates (SORs). Note-2: Options other than executing works through Public Works Departments [PWD can be exercised. However, the selected agency must follow the open tendering process for selecting contractors. Note-3: Works can be bundled at the State level [for a group of districts or all districts] or delegated to District Health Societies. Note-4: As far as possible, contracts should be awarded on a turnkey basis (design, execution and handing over) with 'no cost over-run' and 'penalty' (for time over run) clauses. Note-5: Maintenance should be delegated to facility level management society along with suitable guidelines.]	Chairperson, Executive Committee (Principal Secretary/ Secretary)	Full Powers subject to notes 1 to 4.
	Vice Chair, Ex. Comm.(Dir, HFW) or Convenor, Executive Committee (Mission Director)	Up to Rs. 2 crore per site.
C-4: Minor Civil Works at the State Level: repairs and renovations (including civil & electrical works) Note-1: Any civil work related to already existing structure and amounting upto Rs. 20 lakhs per institution/structure should be considered as Minor Civil Works. Note-2: Minor civil works should generally be delegated to the concerned hospital management society (Rogi Kalyan Samiti).	Chairperson, Executive Committee (Principal Secretary/ Secretary)	Full Powers
	Vice Chair, Executive Committee (Director- Health/ FW) or Convenor, Executive Committee (Mission Director)	More than Rs.1 lakh and upto Rs. 10 lakhs per site.
	Member Secretaries/ Jt. Secretaries, Programme Committees (State Programme Officers)	Upto Rs. 1 (one) Lakh per site
C-5: Hiring of contractual staff against approved posts in the State PIP, including sanction of compensation package, eligibility, ToR etc. Note: The posts under the State Health Society can be filled up through hiring from the open market or through appointment of regular officers on deputation basis [ref: MoHFW DO no. 37018/6/2003-EAG (part IV) dated 20th June, 2005].	Executive Committee	Full Powers

Item	Authority	Extent of power
C-6: Approval/sanction of payment of monthly remuneration/ honorarium / wages for approved contractual staff Note: All contracts will be subject to review and renewal on an annual basis and will require approval of the Executive Committee.	Convenor, Executive Committee (Mission Director	Full powers to the extent of the budget in the approved State PIP.
	Member Secretaries/Jt. Secretaries, Programme Committees (State Programme Officers)	Full powers for the contractual staff specifically working under their programme.
C-7: Sanction of TA/DA and other Full Powers admissible allowances Note-1: TA/DA should be regulated in accordance with the bye-laws of the State Health Society which can be defined on the lines of the norms. Note-2: The Society funds can be used for payment of TA/DA only for the personnel who are drawing salaries from the State Health Society, unless otherwise provided in the specific programme included under the NRHM.	Vice Chair, Executive Committee (Director-Health/ FW) or Convenor, Executive Committee (Mission Director)	Full Powers
	Member Secretaries / Jt. Secretaries, Programme Committees (State Programme Officers)/ State Programme Manager (State PMSU)	Full powers in respect of contractual staff working under him/her
C-8: Approval for hiring of Vehicles/Taxis for supervisory visits by state level programme officers or office bearers/officials of state health society. Note-1: Provision for hiring is only available where vehicles are not available from the State Government or from the project/programme. Note-2: Hiring charges have to be met from the 6% management costs along with salaries, TA/DA and office expenses. Note-3: The state PIP should indicate the overall distribution of provisions for vehicle hiring at state, district and sub district levels. Note-4: The State Health Society should create a panel of accredited taxi operators through open tendering for hiring vehicles.	Chairperson, Executive Committee (Principal Secretary/ Secretary)	Full Powers subject to approved budget
	Vice Chair, Executive Body (Director Health/ FW) or Convenor, Executive Committee (Mission Director)	Full powers, subject to approved budget and the condition that payments for any vehicle costing more than Rs. 1,000/- per day shall require the approval of Chairperson, Executive Committee.
C-9: Expenditure on office expenses such as stationary, computer accessories, office equipment, office furniture, broadband internet connection, etc.	Chairperson, Executive Committee (Pr. Secretary-HFW)	Full Powers subject to the approved budget.
	Vice Chair, Executive Body (Director Health/FW) or Convenor, Executive Committee (Mission Director)	Upto Rs.50,000/- per case.
	Member Secretaries/Jt. Secretaries, Programme Committees (State Programme Officers)	Up to Rs 10,000/- per case.

Item	Authority	Extent of power
	State Programme Manager of the State PMSU	Upto Rs.1,000/- per case.
C-10: Expenditure on approved workshops, meetings etc. (excluding training), including associated expenses incurred as per programme guidelines	Chairperson, Executive Committee (Pr. Secretary-HFW)	Full Powers
	Vice Chair, Ex. Comm. (Director Health/FW services) or Convenor, Executive Committee (Mission Director)	Up to Rs. 2 lakhs per case.
	Member Secretaries/Jt. Secretaries, Programme Committees (State Programme Officers)	Up to Rs 50,000 per case.
C-11: Expenditure on approved Training activities: including payment of TA/DA as per approved norms and purchase of training material and other associated expenses.	Chairperson, Executive Committee (Pr. Secretary/ Secretary)	Full Powers
	Vice Chair, Ex. Comm. (Director Health/FW services) or Convenor, Executive Committee (Mission Director)	Upto Rs.5 lakhs per case.
	Member Secretaries/Jt. Secretaries, Programme Committees (State Programme Officers)	Up to Rs 1 lakh per case.
C-12: Miscellaneous expenses not specifically covered above. Note: No assets shall be acquired under this head. Any proposal for acquiring assets should be specifically provided for in the State PIP under the provisions laid down in para C-9 or other relevant provisions above (as the case may be), and approval sought for the same.	Chairperson, Executive Committee (Principal Secretary/ Secretary	Full powers
	Vice Chair, Executive Committee (Director Health/FW services) or Convenor, Executive Committee (Mission Director)	Upto Rs. 1 lakh per Case
	Member Secretaries/Jt. Secretaries, Programme Committees (State Programme Officers)	Upto Rs. 10,000/- per case

Footnote-1: The Governing Body of the State Society should adopt a resolution indicating work allocation among (a) Vice-Chair, Executive Committee (Director-H/FW), (b)Convenor, Executive Committee (Mission Director), Member Secretaries/ Jt. Secretaries, Programme Committees (State Programme Officers) and the other the office bearers of the Society.

Footnote-2: For cheque signing/electronic e-banking authorization for funds transfers, the procedures detailed in "National Rural Health Mission: Guidelines on Financial, Accounting, Auditing, Fund Flow & Banking Arrangement" as approved by the Empowered Programme Committee (EPC) of NRHM, as per the notification No.107/FMG/2005-06 dated 14th December, 2006 of Government of India, shall apply. All funds flow and other associated processes will also be as per the same notification.

Footnote-3: Management cost [items C-6, C-7, C-8, C-9 and C-12] cannot exceed 6% of total expenditure in a year.

2. District Health Society:

Financial Powers of the Governing Body, Executive Committees, Programme Committees, and other office bearers of the District Health Society

Note: The officers/officials intended to be empowered are shown in (brackets). If the designations of these officers/officials in concerned societies are different, the State Governments may use the relevant designations in the table below to empower the intended officers/officials.

Important: Chief Medical Officer or equivalent as per the designation used in the state [CDMO/CHMO/Civil Surgeon etc.] should be declared as the 'Mission Director - cum-Chief Executive Officer (CEO)' of the District Health Society as per the generic guidelines on creation of SHS and DHS (Institutional framework for NRHM).

The Committee recommends that the delegated administrative and financial powers of the office bearers and staff of the District Health Society may be as indicated in Table below.

Item	Authority	Extent of power
A: Approval of District Action Plan (DAP)	Governing Body	Full powers
B-1: Approval for release of Untied Funds and Annual Maintenance Grants to RKS, CHC, PHC, Sub-Centre and VHSC etc.	Mission Director cum- CEO (CMO)	Full powers subject to allocations in the approved DAP
B-2: Approval for release of funds (other than Untied Funds) to implementing agencies, for example, to Hospitals/ hospital societies, Block Medical Officers/CHC/PHC/Sub Centre/ VHSC/ NGOs and other implementing agencies and imprest money to Medical Officers, ANM and ASHA etc.	Mission Director cum- CEO (CMO)	Full powers subject to allocations in the approved DAP.
	Member-Secretary of the concerned Programme Committee (District Programme Officers) for their concerned programmes	Up to Rs.20,000 per case subject to allocations in the approved DAP.
C: Specific expenditure proposals		
C-1: Major/New Civil works which have been delegated to the District Health Society Note-1: Estimates should be prepared on the basis of (a) an approved type design and , (b) State schedule of rates (SORs). Note-2: Options other than executing works through Public Works Departments [PWD] can be considered, provided selection of executing agency is done through a competitive tendering/bidding process which allows the PWD to participate in the tendering / bidding process. Note-3: Major civil works should not be delegated below district level.	Chairperson, Governing Body / Executive Committee (District Collector/DDC)	Full powers subject to allocations in the approved DAP.
	Mission Director cum- CEO (CMO)	Upto Rs.1 crore per site, subject to allocations in the approved DAP.

Item	Authority	Extent of power
Note-4: As far as possible, contracts should be awarded on a turnkey basis (design, execution and handing over) with 'no cost over-run' and 'penalty' (for time over run) clauses. Note-5: Maintenance should be delegated to facility level management society.		
C-2: Approval for minor civil works; repairs and renovations (including civil and electrical works) Note-1: Any civil work related to already existing structure and amounting upto Rs.20.00 Lakhs per institution/structure should be considered as Minor Civil Work. Note-2: Minor civil works should generally be delegated to the concerned hospital management society (Rogi Kalyan Samiti) along with suitable guidelines.	Mission Director– cum-CEO (CMO)	Full powers subject to approved budget under DAP.
	Member Secretary of Programme Committee (i.e. District Programme officers of various programmes)	Up to Rs.1 lakh per case
C-3: Approval for procurement of medical equipment, furniture and other items for the facilities selected for upgradation to FRU/IPHS level and/or 24/7 PHC level	Executive Committee	Full powers subject to approved DAP and following approved procurement guidelines.
C-4: Approval for procurement of other goods, medicines and medical supplies C-5: Approval for procurement of services (including hiring of auditors) for specific tasks including outsourcing of support services. Note-1: To the extent possible, procurement should be done using the rate contracts of the DGS&D or State Government / any other rate contract adopted by the State Health Society. Note-2: For items which are not available under rate contract mechanism, the respective approving authorities should approve the expenditure on the recommendations of a duly appointed procurement committee, as per the procurement rules/guidelines prescribed by the State Health Society.	Mission Director– cum-CEO (CMO)	Upto Rs. 20 lakh per case subject to approved DAP and following approved procurement guidelines for C-3. Upto Rs. 5 lakh per case subject to approved DAP and following approved procurement guidelines for C-4. Upto Rs. 1 lakh per case subject to approved DAP and following approved procurement guidelines for C-5.
	Member Secretary of Programme Committee (i.e. District Programme officers of various programmes)	Up to Rs. 15,000/- per case subject to approved DAP

Item	Authority	Extent of power
C-6: Hiring of contractual staff against approved posts in the DAP, including sanction of compensation package. Note: The posts under the District Health Society can be filled up through hiring from the open market or through appointment of regular officers /staff on deputation basis [ref: MoHFW DO no. 37018/6/2003-EAG (part IV) dated 20th June, 2005].	Executive Committee	Full powers, subject to the norms / guidelines prescribed by the State Health
C-7: Sanction/approval for payment of monthly remuneration for contractual Staff and payment of their TA/DA	Mission Director cum- CEO (CMO)	Full powers subject to norms adopted by the Society.
Note-1: All contracts will be subject to review and renewal on an annual basis and will require approval of the Executive Committee. Accordingly, proposals for review and renewal, where applicable, should be submitted at least one month before the expiry of existing contracts. Note-2: TA/DA should be regulated in accordance with the bye-laws of the District Health Society and the State Health Society has to provide generic norms and guidelines which the District Health Societies can adopt through a resolution. The generic norms and guidelines may be adopted on the lines of norms. Note-3: The Society funds can be used for payment of TA/DA only for the personnel who are drawing salaries from the District Health Society, unless otherwise provided under specific programme included under NRHM.	Member Secretary of Programme Committee (i.e. District Programme officers of various programmes)	Full powers for the staff working specifically under their programme
C-8: Approval for hiring of vehicles/taxis for supervisory visits in the district	CEO and Mission Director (CMO	Full powers subject to approved budget
Note-1: Provision for hiring is only available where vehicles are not already available from the state government or from the project/programme. Note-2: Hiring charges have to be met from the 6% management costs along with salaries, TA/DA and office expenses Note-3: The DAP should indicate the distribution of provisions for vehicle hiring at district and sub-district level. Note-4: District Health Society should create a panel of accredited taxi operators through open tendering for hiring taxis. The block medical officers and other sub-	Member Secretary of Programme Committee (i.e. District Programme officers of various programmes) and Block Medical Officers and other sub-district level functionaries.	Full powers subject to approved budget for the programme/ block / hospital under the DAP and the condition that payment for vehicles hired outside the Rate Contract referred to in Note-4 shall require approval of the CEO and Mission Director (CMO)

Item	Authority	Extent of power
district level programme managers should be authorized to hire vehicles from this panel. Approval of the Executive Committee should be obtained before operating the Rate Contracts concluded through tendering.		
C-9: Expenditures on Workshops, Meetings etc. (excluding training) at District level	Chair-person, Executive Committee	Full powers, subject to approved budget.
	Mission Director cum- CEO (CMO)	Up to Rs.25,000 per case
	Member Secretary of Programme Committee (i.e. District Programme officers of various programmes)	Up to Rs 5,000/- per case
C-10: Expenditure on Training at District level (including TA/DA as per norms, AV equipment and logistics etc.)	Chair-person, Executive Committee	Full powers subject to approved budget
	Mission Director cum- CEO (CMO)	Up to Rs. 1 lakh per case
	Up to Rs. 1 lakh per case	Up to Rs 20,000/- per case
C-11: Expenditure on offices expenses such as stationary, computer accessories, maintenance of office equipment (AMC), broadband internet connection and other miscellaneous items not covered above.	Chairperson, Executive Committee	Full powers, subject to budget in the approved DAP
	Mission Director cum- CEO (CMO)	Upto Rs.50,000/- per case, subject to approved budget
	Member Secretary of Programme Committee (i.e. District Programme officers of various programmes)	Up to Rs 25,000/- per case, subject to approved budget
	DPM of DPMSU	Upto Rs.5,000/- per month subject to approved budget

Footnote-1: All the above-mentioned financial and administrative powers shall be limited by the norms provided under the approved District Action Plan.

Footnote-2: For cheque signing/electronic e-banking authorization for funds transfers, the procedures detailed in 'National Rural Health Mission: Guidelines on Financial, Accounting, Auditing, Fund Flow & Banking Arrangements' shall apply. All funds flow and other associated processes will also be as per the same notification.

Footnote-3: Management cost [items C-6/C-7, C-8, and C-11] cannot exceed 6% of total expenditure in a year

3. Rogi Kalyan Samiti:

Financial Powers of the Governing Body, Executive Committees and other office bearers of the Hospital Management Societies (Rogi Kalyan Samities or equivalent):

Note: The officers/officials intended to be empowered are shown in (brackets). If the designations of these officers/officials in concerned societies are different, the State Governments may use the relevant designations in the tables below to empower the intended officers/officials.

The Committee recommends that the delegated administrative and financial powers of the office bearers staff of the Hospital Management Societies [Rogi Kalyan Samitis or equivalent] may be as indicated in Table below.

Item	Authority	Extent of power
A-1 : Approval of expenditure plan for the untied grants and annual maintenance grants received under NRHM A-2: Approval of expenditure plan for user fee collections and other receipts	Executive Committee	Full powers
B-1: Approval for procurement of goods including minor equipment, medicine, dressing material, injection, vaccine, etc. B-2: Approval for procurement of services (excluding auditor appointment, which would be done by the DHS) for specific tasks including outsourcing of support services. B-3: Approval for repairs and maintenance including minor civil works B-4: Approval for expenditure on all other activities envisaged under RKS mechanism and funded through the untied grant mechanism and/or maintenance grants	Chairperson, Executive Committee (Hospital Superintendent / MO-in-Charge)	Full Powers if expenditure is as per the plan approved by the Executive Committee. Otherwise, full powers upto the following monetary ceilings without prior approval of the Executive Committee: • Rs 1 lakh- District Hospital • Rs 50,000 – Sub-Divisional Hospital / CHC / Block PHC / Rural / Referral Hospital • Rs 35,000 – PHC Further expenditure shall require endorsement / approval of the above amounts by the Executive Committee. After endorsement, the ceilings indicated above shall stand recouped. Note: In case the Executive Committee (RKS) does not

Item	Authority	Extent of power
		endorse the purposes for which funds have been used by the Chairperson (Exe. Comm), RKS, the matter may be placed before the Executive Committee of the District Health Society.
C-1: Payment of salaries for contractual medical, paramedical and non-medical Staff and their TA/DA Note: TA/DA entitlements may be as per the norms adopted by the District Health Society.	Member Secretary, Executive Committee (Sr. Medical Officer nominated by the Superintendent / MO in-charge)	Full Powers, subject to approved budget and norms
C-2: Approval for payments of benefits under Janani Suraksha Yojana Note: As per JSY Guidelines, RKS is required to keep a separate Bank Account for JSY funds.	Member Secretary, Executive Committee (Sr. Medical Officer nominated by the Superintendent / MO in-charge)	Full Powers. Accounts for the funds disbursed should be included in the agenda of the Executive Committee meetings.

Footnote-1: All Untied Grants should be paid into the Society's account with the appointed bank and should not be withdrawn except by a cheque, bill note or other negotiable instrument signed by the Member-Secretary of the Society and such one more person from amongst the Executive Committee members as may be decided by the Governing Body.

Footnote-2: The joint signatories of the RKS bank account should be (1) Medical Superintendent/MO-in-Charge, and (2) any other Medical Officer nominated by the MS/MO-in Charge.

4. Administrative Approval & Financial Sanction for Sub-District Level Units:

Block Medical Officers and Medical Officers in charge of CHC/PHC	The BMO/MO-in-Charge of the CHC/PHC should have full powers in relation to funds received for approved activities as per approved norms. No approvals from a higher authority should be required or sought by the BMO/MO-in-Charge of the CHC/PHC for the approved activities funds for which have already been devolved to them
Sub-Health Centre	Full powers with Sarpanch and ANM provided the items of expenditure are covered under broad guidelines concerning untied fund/annual maintenance grant/JSY, etc.
Village Health & Sanitation Committee (VHSC)	The funds under Untied Grant should be spent after the approval of majority members of the Committee provided the expenditure is made for the activities approved by State Government.

ANNEXURE VII: Format of Double Column Cash / Bank Book

Receipts						Payments					
Dr.											Cr.
Date	Particulars (including party name, activity head, etc.)	V. S. No.	L. F. No.	Amount (Rs.)		Date	Particulars (including party name, activity head, etc.)	V. S. No.	L. F. No.	Amount (Rs.)	
				Cash	Bank					Cash	Bank
V.S.No. - Voucher Serial Number											
L.F.No. - Ledger Folio Number											

ANNEXURE VIII: Format of Petty Cash Book for Sub Center

					Payments *					
Date	S. No.	Particulars (Including party name, activity head, etc.)	Receipts (A)	Total Expend-iture (B)	Cleaning of Sub Centre	Minor modifica-tions and repair	Transport of emergen-cies	Payment/ Reward to ASHA	Other Expense	Daily Balance (C= A-B)
Monthly Total										

S No. - Serial Number
Note: Cash book should be serially page numbered and authenticated by the supervisor
** Illustrative expense heads have been mentioned here, however, additional heads can be added as per requirement*

ANNEXURE IX: Format of Petty Cash Book for VHNSC

					Payments *					
Date	S. No.	Particulars (Including party name, activity head, etc.)	Receipts (A)	Total Expend-iture (B)	Village level public health activity (cleanliness drive etc)	Revolving fund for house-holds	Nutrition	Education & Sanitation	Other Expense	Daily Balance (A-B)
Monthly Total										

S No. - Serial Number
Note: Cash book should be serially page numbered and authenticated by the supervisor
** Illustrative expense heads have been mentioned here, however, additional heads can be added as per requirement.*

ANNEXURE X: Format of Ledger

Name of the Ledger Account (Name of the Expense / Activity and Name of the Pool)

Date	Particular	V.S. No	C. B. S. No.	Amount (Dr.)	Amount (Cr.)	Balance (Dr. / Cr.)

V. S. No. – Voucher Serial Number
C. B. S. No. – Cash Book Serial Number

ANNEXURE XI: Format of Journal Register

Date	Particular	Ledger Folio No.	Debit (Rs.)	Credit (Rs.)
Total				

ANNEXURE XII: Format of Advance Register

Date	Particulars (Activity for which advance given)	Given to (Name of the party / unit)	Cheque No.	Date as per the Cheque	Amount	Adjustment Details		Balance Advance
						Date	Amount Adjusted	

ANNEXURE XIII: Format of Ageing of Advances

Name of the Unit	Activity Name	Outstanding Age		No. of Advances	Amount Outstanding (Rs.)
Unit 1	RCH	Less than 6 months			
		Between six months to one year			
		More than one year**			
	Total				Rs……
	NRHM	–DO–			
	—	—			
Unit 2					

ANNEXURE XIV: Details of Advances Outstanding for more than a Year

S. No.	Date	Amount of Advance given (Rs.)	Name of the Party	Purpose of the advance

ANNEXURE XV: Format of Fixed Asset Register

				Asset Quantity (Nos)				Asset Cost (Rs)			
Date	V. S. No.	Particulars	Location	Beginning of the Year	Addition	Deletion/ Transfer	End of the Year	Beginning of the Year	Addition	Deletion/ Transfer	End of the Year

ANNEXURE XVI: Format of Bank Reconciliation Statement

Amount in Rupees

Bank Reconciliation Statement for the month of _____

Name of the Unit:

Balance as per Cash Book (as on date .....)

Add: (i) Cheques issued but not encashed

(ii) Credit entries made in the bank pass book but not shown in the cash book

Total

Less: (i) Amount sent to Bank but not credited in the Saving Bank Account of the unit

(ii) Bank charges debited in the bank account but not accounted for in the cash book

Total

Balance as per Pass Book

Prepared by :

Examined by :

Date : _____

ANNEXURE XVII: Format of Statement of Interest Earned

STATEMENT OF INTEREST EARNED

(Format for Half Yearly Reporting of Interest Fund)

Name of the State / UT:

Statement for the Interest Earned for the period ended:

		District			State H/Q			
Sl. No.	**Activity**	**O/B**	**Interest earned during the period**	**C/B**	**O/B**	**Interest earned during the period**	**C/B**	**Total Accumulated Interest of District and State (HQ) (i.e. total of closing balance of District and state)**
		1	**2**	**3**	**4**	**5**	**6**	**Col. (4+8)**
1	NRHM (Including Part A, Part B & Part C of PIP)							
2	IDD							
3	IDSP							
4	NVBDCP							
5	NLEP							
6	NBCP							
7	RNTCP							
Prepared and Checked by:								
State Accounts Manager and/or								
State Finance Manager						Signature of the Mission Director		

ANNEXURE XVIII: Format of Receipt and Payment Account

STATE HEALTH SOCIETY

Receipts & Payments Account for the Year Ended 31-03-20

RECEIPT — **Amount in Rupees**

Opening Balance					Grant-in-aid received during the year (including cheque received or to be received from GOI)	Other Grants	State Contri-bution	Misc. Receipts (includes refund of EMD/SD)	Amount of Advances refunded/ adjusted against exp. during the year	Interest	Grand Total
Sl. No.	Name of the district	Cash	Bank	Sub Total							
1	2	3	4	5	6	7	8	9	10	11	12
State Level:											
District Level:											
1	District A										
2	District B										
3	District C										
4	District D										
	Grand Total										

PAYMENTS

Sl. No.	Name of the district	Funds utilized/expenses during the year (other than fixed assets) as shown in the Income & Expenditure a/c	Purchase of fixed assets	Advances given during the year	Refund of EMD/SD	Grant Refunded to GOI :	Closing Balance			
							Cash	Bank	Cheques/Draft in Hand	Total
1	2	3	4	5	6	7	8	9	10	11
State Level:										
District Level:										
1	District A									
2	District B									
3	District C									
4	District D									
	Grand Total									

ANNEXURE XIX: Format of Income and Expenditure Account

STATE HEALTH SOCIETY							
Income & Expenditure For The Year Ending 31-03-20XX							*Amount in Rupees*
Previous Yr. At 31-03-XX	**Expenditure**	**Sch. Ref.**	**Current Yr. At 31-03-XX**	**Previous Yr. At 31-03-XX**	**Income**	**Sch. Ref.**	**Current Yr. At 31-03-XX**
	RCH-I	I-A	Figure C of Sch.		Grant Received		
	RCH Flexipool	I-B	Figure C of Sch.				
	NRHM Additionalities	I-C	Figure C of Sch.		RCH-I	I-A	Figure C of Sch.
	RI Strengthening Project	I-D	Figure C of Sch.		RCH Flexipool	I-B	Figure C of Sch.
	Pulse Polio (PPI)	I-D	Figure C of Sch.		NRHM Additionalities	I-C	Figure C of Sch.
	EC SIP	I-E	Figure C of Sch.		RI Strengthening Project	I-D	Figure C of Sch.
	TB Programme	I-F	Figure C of Sch.		Pulse Polio (PPI)	I-D	Figure C of Sch.
	Malaria	I-G	Figure C of Sch.		EC SIP	I-E	Figure C of Sch.
	Iodine Deficiency	I-H	Figure C of Sch.		TB Programme	I-F	Figure C of Sch.
	Blindness Control	I-I	Figure C of Sch.		Malaria	I-G	Figure C of Sch.
	IDSP	I-J	Figure C of Sch.		Iodine Deficiency	I-H	Figure C of Sch.
	Leprosy	I-K	Figure C of Sch.		Blindness Control	I-I	Figure C of Sch.
	Others (Please specify)	I-L…	Figure C of Sch.		IDSP	I-J	Figure C of Sch.
					Leprosy	I-K	Figure C of Sch.
					Others (Please specify)	I-L…	Figure C of Sch.
					Interest Earned	VIII	Figure B of Sch.
	Income Over Expenditure (Surplus)				Expenditure Over Income (Deficit)		
0	Total		0	0	Total		0
Place :							
Date :							
Chartered Accountants		State Finance Officer			Mission Director		

ANNEXURE XX: Format of Balance Sheet

Previous Yr. At 31-03-XX	Liabilities		Sch. Ref.	Current Yr. At 31-03-XX	Previous Yr. At 31-03-XX	Assets	Sch. Ref.	Current Yr. At 31-03-XX
	Reserve & Surplus							
	Opening Balance (Surplus)	Figure A of Sch.	IX		Figure A of Sch.	Fixed Assets	II-A	Figure D of Sch.
	Add/Less :Surplus/Deficit for the year	Figure B of Sch.	IX	Total				
						Loan & Advances		
					Figure A of Sch.	Advances-RCH-I	IV-A	Figure E of Sch.
	Unspent Grant				Figure A of Sch.	Advances-RCH Flexipool		IV-BFigure E of Sch.
Figure A of Sch.	RCH-I	Figure E of Sch.	I-A		Figure A of Sch.	Advances-RI Strengthening		IV-BFigure E of Sch.
Figure A of Sch.	RCH Flexipool	Figure E of Sch.	I-B		Figure A of Sch.	Advances-PPI	IV-B	Figure E of Sch.
Figure A of Sch.	NRHM Additionalities	Figure E of Sch.	I-C		Figure A of Sch.	Advances-NRHM Additionalities	IV-C	Figure E of Sch.
Figure A of Sch.	RI Strengthening Project	Figure E of Sch.	I-D		Figure A of Sch.	Advances-EC SIP	IV-D	Figure E of Sch.
Figure A of Sch.	Pulse Polio (PPI)	Figure E of Sch.	I-D		Figure A of Sch.	Advances-TB Programme		IV-DFigure E of Sch.
Figure A of Sch.	EC SIP	Figure E of Sch.	I-E		Figure A of Sch.	Advances-Malaria	IV-D	Figure E of Sch.
Figure A of Sch.	TB Programme (As per CTB Division)	Figure E of Sch.	I-F		Figure A of Sch.	Advances-Iodine Deficiency		IV-DFigure E of Sch.
Figure A of Sch.	Malaria	Figure E of Sch.	I-G		Figure A of Sch.	Advances-Blindness	IV-E	Figure E of Sch.
Figure A of Sch.	Iodine Deficiency	Figure E of Sch.	I-H		Figure A of Sch.	Advances-IDSP	IV-E	Figure E of Sch.
Figure A of Sch.	Blindness Control	Figure E of Sch.	I-I		Figure A of Sch.	Advances-Leprosy	IV-E	Figure E of Sch.
Figure A of Sch.	IDSP	Figure E of Sch.	I-J		Figure A of Sch.	Advances-Staff	IV-F	Figure E of Sch.
Figure A of Sch.	Leprosy	Figure E of Sch.	I-K		Figure A of Sch.	Advances-Others (Please specify)	IV-G.	Figure E of Sch.

Previous Yr. At 31-03-XX	Liabilities		Sch. Ref.	Current Yr. At 31-03-XX	Previous Yr. At 31-03-XX	Assets	Sch. Ref.	Current Yr. At 31-03-XX
Figure A of Sch.	Others (Please specify)	Figure E of Sch.	I-L…	Total				
					Figure A of Sch.	OTHER CURRENT ASSETS	V	Figure D of Sch.
Figure A of Sch.	Fixed Assets Reserve Fund A/C		II	Figure D of Sch				
						Closing Balances		
Figure A of Sch.	Current Liabilities		III	Figure D of Sch.	Figure A of Sch.	Cash in Hand	VI	Figure C of Sch.
					Figure B of Sch.	Bank Balance	VI	Figure D of Sch.
						Cheques/Draft in Hand	VII	Figure A of Sch.
0	Total			0	0	Total		0
Place :								
Date :								
Chartered Accountants		State Finance Officer				Mission Director		

ANNEXURE XXI : Format of Financial Management Report to be submitted by the States/UT Health/RCH Societies to Centre on Quarterly basis

National Rural Health Mission (including NDCPs)

("Name of the State/UT") State Health Society _____

Financial Report for the Quarter Ended_____ of the Financial Year _____

NOTES: (1) The total budget and in Col. 1 and Exp planned as per AWP in Col 2 may be indicated as approved by GOI. (2) In case there are overlapping activities (i.e., expenditure may be comprising one or more component (s), it can be shown under the item where the major chunk of it has taken place. (3) Budget and expenditure under Others & Misc. expenditure may be specified in case the amounts are material (say, exceeding 3% of the total budget of the State Society. (4) Under Operationalization of Facilities (FRUs, 24x7 PHCs etc), only dissemination, monitoring and quality may be booked under A.1.1, while procurement of equipments, drugs, civil work and personnel cost may be booked under the relevant functional head as shown in FMR below. (5) Reasons for major variations need to be enclosed with this FMR. (6) Col. for 'Actual Expenditure for the Quarter' should tally with Fund Position Statement)

S. No.	STRATEGY/ ACTIVITIES	Reporting Quarter							Year to Quarter (Cumulative)						
		Physical Progress				Expenditure			Physical Progress				Expenditure		
		Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance	Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
A	**RCH - TECHNICAL STRATEGIES & ACTIVITIES (RCH Flexible Pool)**		**0**	**0**	**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
A.1	**MATERNAL HEALTH**				**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
A.1.1	Operationalise facilities (only dissemination, monitoring, and quality)				0	0.00	0.00	0				0	0.00	0.00	0
A.1.1.1	Operationalise FRUs				0			0				0	0.00		0
A.1.1.2	Operationalise 24x7 PHCs				0			0				0	0.00		0
A.1.1.3	MTP services at health facilities				0			0				0	0.00		0
A.1.1.4	RTI/STI services at health facilities			0			0				0	0.00		0	
A.1.1.5	Operationalise Sub-centres				0			0				0	0.00		0
A.1.2	Referral Transport				0			0				0	0.00		0
A.1.3	Integrated outreach RCH services				0	0.00	0.00	0				0	0.00	0.00	0
A.1.3.1	RCH Outreach Camps				0			0				0	0.00		0
A.1.3.2	Monthly Village Health and Nutrition Days				0			0				0	0.00		0
A.1.4	Janani Suraksha Yojana / JSY				0	0.00	0.00	0				0	0.00	0.00	0
A.1.4.1	Home Deliveries				0			0				0	0.00		0
A.1.4.2	Institutional Deliveries				0			0				0	0.00		0
A.1.4.a.	-Rural				0			0				0	0.00		0

S. No.	STRATEGY/ ACTIVITIES	Reporting Quarter							Year to Quarter (Cumulative)						
		Physical Progress				Expenditure			Physical Progress				Expenditure		
		Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance	Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
A.1.4.b.	-Urban				0			0				0	0.00		0
A.1.4.c	Caesarean Section				0			0				0	0.00		0
A1.4.3	Administrative Expenses				0			0				0	0.00		0
A.1.4.4	Incentive to ASHAs				0			0				0	0.00		0
A.1.5	Maternal Death Review/Audit				0			0				0	0.00		0
A.1.6	Other Activities				0			0				0	0.00		0
A1.7	JSSK (for Pregnant Women)				0	0	0	0				0	0		0
A1.7.1	Drugs & Consumables (other than reflected in Procurement)				0			0				0			0
A1.7.2	Diagnostics				0			0				0			0
A1.7.3	Blood Transfusion				0			0				0			0
A.1.7.4	Diet				0			0				0			0
A.1.7.5	Free Referral Transport (Other than A1.2)				0			0				0			0
A.2	**CHILD HEALTH**				**0**	**0**	**0**	**0**				**0**	**0.00**	**0.00**	**0**
A.2.1	IMNCI				0			0				0	0.00		0
A.2.2	Facility Based Newborn Care/FBNC				0			0				0	0.00		0
A.2.3	Home Based Newborn Care/HBNC				0			0				0	0.00		0
A.2.4	Infant and Young Child Feeding/IYCF				0			0				0	0.00		0
A.2.5	Care of Sick Children and Severe Malnutrition				0			0				0	0.00		0
A.2.6	Management of Diarrhoea, ARI and Micronutrient Malnutrition				0			0				0	0.00		0
A.2.7	Other strategies/activities				0			0				0	0.00		0
A.2.8	Infant Death Audit				0			0				0	0.00		0
A.2.9	Incentive to ASHA under Child Health				0			0				0	0.00		0
A.2.10	JSSK (for Sick neonates up to 30 days)				0	0.00	0.00	0				0	0.00		0
A.2.10.1	Drugs & Consumables (other than reflected in Procurement)														
A.2.10.2	Diagnostics				0			0				0			0
A.2.10.3	Free Referral Transport (Other than A1.2 and A1.7.5)				0			0				0			0
A.3	**FAMILY PLANNING**				**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
A.3.1	Terminal/Limiting Methods				0	0.00	0.00	0				0	0.00	0.00	0
A.3.1.1	Dissemination of manuals on sterilisation standards & quality assurance of sterilisation services				0			0				0	0.00		0
A.3.1.2	Implementation of FDS services for sterilisations				0			0				0	0.00		0
A.3.1.3	Female Sterilisation camps				0			0				0	0.00		0
A.3.1.4	NSV camps				0			0				0	0.00		0
A.3.1.5	Compensation for female sterilisation				0			0				0	0.00		0

S. No.	STRATEGY/ ACTIVITIES	Reporting Quarter							Year to Quarter (Cumulative)						
		Physical Progress				Expenditure			Physical Progress				Expenditure		
		Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance	Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
A.3.1.6	Compensation for male sterilisation				0			0				0	0.00		0
A.3.1.7	Accreditation of private providers for sterilisation services				0			0				0	0.00		0
A.3.2	Spacing Methods				0	0.00	0.00	0				0	0.00	0.00	0
A.3.2.1	IUCD camps				0			0				0	0.00		0
A.3.2.2	IUCD services at health facilities				0			0				0	0.00		0
A.3.2.3	Accreditation of private providers for IUCD insertion services				0			0				0	0.00		0
A.3.2.4	Social Marketing of contraceptives				0			0				0	0.00		0
A.3.2.5	Contraceptive Update seminars				0			0				0	0.00		0
A.3.3	POL for Family Planning				0			0				0	0.00		0
A.3.4	Repairs of Laparoscopes				0			0				0	0.00		0
A.3.5	Other strategies/activities				0	0.00	0.00	0				0	0.00	0.00	0
A.3.5.1	Monitor progress, quality and utilisation of services				0			0				0			0
A.3.5.2	World Population Day Celebration				0			0				0			0
A.3.5.3	Performance reward				0			0				0			0
A.4	**ADOLESCENT REPRODUCTIVE AND SEXUAL HEALTH/SCHOOL HEALTH**				0	0.00	0.00	0				0	0.00	0.00	0
A.4.1	Adolescent services at health facilities.				0			0				0	0.00		0
A.4.2	School Health Programme				0			0				0	0.00		0
A.4.3	Other strategies/activities				0			0				0	0.00		0
A.5	**URBAN RCH**				**0**			**0**				**0**	**0.00**		**0**
A.6	**TRIBAL RCH**				**0**			**0**				**0**	**0.00**		**0**
A.7	**PNDT Activities**				**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
A.7.1	Support to PNDT Cell				0			0				0	0.00		0
A.7.2	Other Activities				0			0				0	0.00		0
A.8	**INFRASTRUCTURE (MINOR CIVIL WORKS) & HUMAN RESOURCES**				**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
A.8.1	Contractual Staff & Services (Excluding AYUSH)				0	0.00	0.00	0				0	0.00	0.00	0
A.8.1.1	ANMs,Supervisory Nurses, LHVs,				0			0				0	0.00		0
A.8.1.2	Laboratory Technicians,MPWs				0			0				0	0.00		0
A.8.1.3	Specialists (Anaesthetists, Paediatricians, Ob/Gyn, Surgeons, Physicians, Dental Surgeons, Radiologist, Sonologist, Pathologist, Specialist for CHC)				0			0				0	0.00		0
A.8.1.4	PHNs at CHC, PHC level				0			0				0	0.00		0

S. No.	STRATEGY/ ACTIVITIES	Reporting Quarter							Year to Quarter (Cumulative)						
		Physical Progress				Expenditure			Physical Progress				Expenditure		
		Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance	Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
A.8.1.5	Medical Officers at CHCs / PHCs				0			0				0	0.00		0
A.8.1.6	Additional Allowances/ Incentives to M.O.s of PHCs and CHCs				0			0				0	0.00		0
A.8.1.7	Family Planning Counsellors														
A.8.1.8	Others - Computer Assistants/ BCC Co-ordinator etc				0			0				0	0.00		0
A.8.1.9	Incentive/ Awards etc. to SN, ANMs etc.				0			0				0	0.00		0
A.8.1.10	Human Resources Development (Other than above)				0			0				0	0.00		0
A.8.1.11	Other Incentives Schemes (Pl.Specify)				0			0				0	0.00		0
A.8.2	Minor civil works				0	0.00	0.00	0				0	0.00	0.00	0
A.8.2.1	Minor civil works for operationalization of FRUs				0			0				0	0.00		0
A.8.2.2	Minor civil works for operationalization of 24 hour services at PHCs				0			0				0	0.00		0
A.9	**TRAINING**				0	0.00	0.00	0				0	0.00	0.00	0
A.9.1	Strengthening of Training Institutions				0			0				0	0.00		0
A.9.2	Development of training packages				0			0				0	0.00		0
A.9.3	Maternal Health Training				0	0.00	0.00	0				0	0.00	0.00	0
A.9.3.1	Skilled Birth Attendance /SBA				0			0				0	0.00		0
A.9.3.2	EmOC Training				0			0				0	0.00		0
A.9.3.3	Life saving Anaesthesia skills training				0			0				0	0.00		0
A.9.3.4	MTP training				0			0				0	0.00		0
A.9.3.5	RTI / STI Training				0			0				0	0.00		0
A.9.3.6	B-Emoc Training				0			0				0	0.00		0
A.9.3.7	Other MH Training (Training of TBAs as a community resource, any integrated training, etc.)				0			0				0	0.00		0
A.9.4	IMEP Training				0			0				0	0.00		0
A.9.5	Child Health Training				0	0.00	0.00	0				0	0.00	0.00	0
A.9.5.1	IMNCI				0			0				0	0.00		0
A.9.5.2	F-IMNCI				0			0				0	0.00		0
A.9.5.3	Home Based Newborn Care				0			0				0	0.00		0
A.9.5.4	Care of Sick Children and severe malnutrition				0			0				0	0.00		0
A.9.5.5	Other CH Training (pl. specify)				0			0				0	0.00		0
A.9.6	Family Planning Training				0	0.00	0.00	0				0	0.00	0.00	0
A.9.6.1	Laparoscopic Sterilisation Training				0			0				0	0.00		0
A.9.6.2	Minilap Training				0			0				0	0.00		0
A.9.6.3	NSV Training				0			0				0	0.00		0

S. No.	STRATEGY/ ACTIVITIES	Reporting Quarter							Year to Quarter (Cumulative)						
		Physical Progress				Expenditure			Physical Progress				Expenditure		
		Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance	Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
A.9.6.4	IUCD Insertion Training				0			0				0	0.00		0
A.9.6.5	Contraceptive Update/ISD Training				0			0				0	0.00		0
A.9.6.6	PPIUCD Training														
A.9.6.7	Other FP Training (pl. specify)				0			0				0	0.00		0
A.9.7	ARSH Training				0			0				0	0.00		0
A.9.8	Programme Management Training				0	0.00	0.00	0				0	0.00	0.00	0
A.9.8.1	SPMU Training				0			0				0	0.00		0
A.9.8.2	DPMU Training				0			0				0	0.00		0
A.9.9	Any Other training (pl. specify)				0			0				0	0.00		0
A.9.10	Training (Nursing)				0	0.00	0.00	0				0	0.00	0.00	0
A.9.10.1	Strengthening of Existing Training Institutions/Nursing School (HR)				0			0				0	0.00		0
A.9.10.2	New Training Institutions/ School (Other strengthening)				0			0				0	0.00		0
A.9.11	Training (Other Health Personnel's)				0	0.00	0.00	0				0	0.00	0.00	0
A.9.11.1	Promotional Trig of health workers females to lady health visitor etc.				0			0				0	0.00		0
A.9.11.2	Training of AMNs,Staff nurses, AWW, AWS				0			0				0	0.00		0
A.9.11.3	Other training and capacity building programmes				0			0				0	0.00		0
A.10	**PROGRAMME / NRHM MANAGEMENT COST**				**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
A.10.1	Strengthening of SHS /SPMU (Including HR, Management Cost, Mobility Support)				0			0				0	0.00		0
A.10.2	Strengthening of DHS/DPMU (Including HR, Management Cost, Mobility Support, Field Visits)				0			0				0	0.00		0
A.10.3	Strengthening of Block PMU (Including HR, Management Cost, Mobility Support, Field Visits)				0			0				0	0.00		0
A.10.4	Strengthening (Others)				0			0				0	0.00		0
A.10.5	Audit Fees				0			0				0	0.00		0
A.10.6	Concurrent Audit system				0			0				0	0.00		0
A.10.7	Mobility Support, Field Visits to BMO/MO/Others				0			0				0	0.00		0
A.11.	Vulnerable Groups				0			0				0	0.00		0
B	**TIME LINE ACTIVITIES - Additionalities under NRHM (Mission Flexible Pool)**				**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
B1	**ASHA**				**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
B 1.1	ASHA Cost:				0	0.00	0.00	0				0	0.00	0.00	0
B1.1.1	Selection & Training of ASHA				0			0				0	0.00		0

S. No.	STRATEGY/ ACTIVITIES	Reporting Quarter							Year to Quarter (Cumulative)						
		Physical Progress				Expenditure			Physical Progress				Expenditure		
		Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance	Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
B1.1.2	Procurement of ASHA Drug Kit				0			0				0	0.00		0
B1.1.3	Performance Incentive/Other Incentive to ASHAs (if any)				0			0				0	0.00		0
B1.1.4	Awards to ASHA's/Link workers				0			0				0	0.00		0
B1.1.5	ASHA Resource Centre/ASHA Mentoring Group				0			0				0	0.00		0
B2	**Untied Funds**				**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
B2.1	Untied Fund for CHCs				0			0				0	0.00		0
B2.2	Untied Fund for PHCs				0			0				0	0.00		0
B2.3	Untied Fund for Sub Centres				0			0				0	0.00		0
B2.4	Untied fund for VHSC				0			0				0	0.00		0
B.3	**Annual Maintenance Grants**				**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
B3.1	CHCs				0			0				0	0.00		0
B3.2	PHCs				0			0				0	0.00		0
B3.3	Sub Centres				0			0				0	0.00		0
B.4	**Hospital Strengthening**				**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
B.4.1	Up gradation of CHCs, PHCs, Dist. Hospitals to IPHS)				0	0.00	0.00	0				0	0.00	0.00	0
B4.1.1	District Hospitals				0			0				0	0.00		0
B4.1.2	CHCs				0			0				0	0.00		0
B4.1.3	PHCs				0			0				0	0.00		0
B4.1.4	Sub Centres				0			0				0	0.00		0
B4.1.5	Others				0			0				0	0.00		0
B 4.2	Strengthening of Districts, Sub Divisional Hospitals, CHCs, PHCs				0			0				0	0.00		0
B.4.3	Sub Centre Rent and Contingencies				0			0				0	0.00		0
B.4.4	Logistics management/ improvement				0			0				0	0.00		0
B5	**New Constructions/ Renovation and Setting up**			**0**	**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
B5.1	CHCs				0			0				0	0.00		0
B5.2	PHCs				0			0				0	0.00		0
B5.3	SHCs/Sub Centres				0			0				0	0.00		0
B5.4	Setting up Infrastructure wing for Civil works				0			0				0	0.00		0
B5.5	Govt. Dispensaries/ others renovations				0			0				0	0.00		0
B5.6	Construction of BHO, Facility improvement, civil work, Bem OC and CemOC centres				0			0				0	0.00		0
B.5.7	Major civil works for operationalization of FRUS				0			0				0	0.00		0
B.5.8	Major civil works for operationalization of 24 hour services at PHCs				0			0				0	0.00		0
B.5.9	Civil Works for Operationalising Infection				0			0				0	0.00		0

S. No.	STRATEGY/ ACTIVITIES	Reporting Quarter							Year to Quarter (Cumulative)						
		Physical Progress				Expenditure			Physical Progress				Expenditure		
		Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance	Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
	Management & Environment Plan at health facilities														
B.5.10	Infrastructure of Training Institutions —				0			0				0	0.00		0
B.5.10.1	Strengthening of Existing Training Institutions/Nursing School(Other than HR)-Infrastructure & Equipments for GNM Schools and ANMTC				0			0				0	0.00		0
B.5.10.2	New Training Institutions/ School (Other than HR				0			0				0	0.00		0
B.6	**Corpus Grants to HMS/RKS**			**0**	**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
B6.1	District Hospitals				0			0				0	0.00		0
B6.2	CHCs				0			0				0	0.00		0
B6.3	PHCs				0			0				0	0.00		0
B6.4	Other or if not bifurcated as above				0			0				0	0.00		0
B7	**District Action Plans (Including Block, Village)**				**0**			**0**				**0**	**0.00**		**0**
B8	**Panchayati Raj Initiative**			**0**	**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
B8.1	Constitution and Orientation of Community leader & of VHSC, SHC, PHC, CHC etc				0			0				0	0.00		0
B8.2	Orientation Workshops, Trainings and capacity building of PRI at State/Dist. Health Societies, CHC, PHC				0			0				0	0.00		0
B8.3	Others				0			0				0	0.00		0
B9	**Mainstreaming of AYUSH**			**0**	**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
B.9.1	Medical Officers at CHCs/ PHCs (Only AYUSH)				0			0				0	0.00		0
B.9.2	Other Staff Nurses and Supervisory Nurses (Only AYUSH)				0			0				0	0.00		0
B9.3	Other Activities (Excluding HR)				0			0				0	0.00		0
B10	**IEC-BCC NRHM**			**0**	**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
B.10	Strengthening of BCC/IEC Bureaus (state and district levels)				0			0				0	0.00		0
B.10.1	Development of State BCC/ IEC strategy				0			0				0	0.00		0
B.10.2	Implementation of BCC/IEC strategy				0			0				0	0.00		0
B.10.2.1	BCC/IEC activities for MH				0			0				0	0.00		0
B.10.2.2	BCC/IEC activities for CH				0			0				0	0.00		0
B.10.2.3	BCC/IEC activities for FP				0			0				0	0.00		0
B.10.2.4	BCC/IEC activities for ARSH				0			0				0	0.00		0
B.10.2.5	Other activities (please specify)				0			0				0	0.00		0
B.10.3	Health Mela				0			0				0	0.00		0
B.10.4	Creating awareness on				0			0				0	0.00		0

S. No.	STRATEGY/ ACTIVITIES	Reporting Quarter							Year to Quarter (Cumulative)						
		Physical Progress				Expenditure			Physical Progress				Expenditure		
		Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance	Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
	declining sex ratio issue														
B.10.5	Other activities				0			0				0	0.00		0
B11	**Mobile Medical Units (Including recurring expenditures)**				**0**			**0**				**0**	**0.00**		**0**
B12	**Referral Transport**				**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
B12.1	Ambulance/ EMRI				0			0				0	0.00		0
B12.2	Operating Cost (POL)				0			0				0	0.00		0
B.13	**PPP/ NGOs**				**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
B13.1	Non governmental providers of health care RMPs/TBAs				0			0				0			0
B13.2	Public Private Partnerships				0			0				0	0.00		0
B13.3	NGO Programme/ Grant in Aid to NGO				0			0				0	0.00		0
B14	**Innovations (if any)**				**0**			**0**				**0**	**0.00**		**0**
B15	**Planning, Implementation and Monitoring**				**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
B15.1	Community Monitoring (Visioning workshops at state, Dist, Block level)				0	0.00	0.00	0				0	0.00	0.00	0
B15.1.1	State level				0			0				0	0.00		0
B15.1.2	District level				0			0				0	0.00		0
B15.1.3	Block level				0			0				0	0.00		0
B15.1.4	Other				0			0				0	0.00		0
B15.2	Quality Assurance				0			0				0	0.00		0
B15.3	Monitoring and Evaluation				0	0.00	0.00	0				0	0.00	0.00	0
B15.3.1	Monitoring & Evaluation / HMIS /MCTS				0			0				0	0.00		0
B15.3.2	Computerization HMIS and e-governance, e-health				0	0.00		0				0	0.00		0
B15.3.3	Other M & E Activities				0			0				0	0.00		0
B.16	**PROCUREMENT**				**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
B16.1	Procurement of Equipment				0	0.00	0.00	0				0	0.00	0.00	0
B16.1.1	Procurement of equipment: MH				0			0				0	0.00		0
B16.1.2	Procurement of equipment: CH				0			0				0	0.00		0
B16.1.3	Procurement of equipment: FP				0			0				0	0.00		0
B16.1.4	Procurement of equipment: IMEP				0			0				0	0.00		0
B16.1.5	Procurement of Others				0			0				0	0.00		0
B.16.2	Procurement of Drugs and supplies				0	0.00	0.00	0				0	0.00	0%	0
B.16.2.1	Drugs & supplies for MH				0			0				0	0.00		0
B.16.2.2	Drugs & supplies for CH				0			0				0	0.00		0
B.16.2.3	Drugs & supplies for FP				0			0				0	0.00		0
B.16.2.4	Supplies for IMEP				0			0				0	0.00		0
B.16.2.5	General drugs & supplies for health facilities				0			0				0	0.00		0
B.17	**Regional drugs warehouses**				**0**			**0**				**0**	**0.00**		**0**

S. No.	STRATEGY/ ACTIVITIES	Reporting Quarter							Year to Quarter (Cumulative)						
		Physical Progress				Expenditure			Physical Progress				Expenditure		
		Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance	Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
B.18	**New Initiatives/ Strategic Interventions (As per State health policy)/ Innovation/ Projects (Telemedicine, Hepatitis, Mental Health, Nutrition Programme for Pregnant Women, Neonatal) NRHM Helpline) as per need (Block/ District Action Plans)**				**0**			**0**				**0**	**0.00**		**0**
B.19	**Health Insurance Scheme**				**0**			**0**				**0**	**0.00**		**0**
B.20	**Research, Studies, Analysis**				**0**			**0**				**0**	**0.00**		**0**
B.21	**State level health resources centre(SHSRC)**				**0**			**0**				**0**	**0.00**		**0**
B22	**Support Services**				**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
B22.1	Support Strengthening NPCB				0			0				0	0.00		0
B22.2	Support Strengthening Midwifery Services under medical services				0			0				0	0.00		0
B22.3	Support Strengthening NVBDCP				0			0				0	0.00		0
B22.4	Support Strengthening RNTCP				0			0				0	0.00		0
B22.5	Contingency support to Govt. dispensaries				0			0				0	0.00		0
B22.6	Other NDCP Support Programmes				0			0				0	0.00		0
B.23	**Other Expenditures (Power Backup, Convergence etc)**				**0**			**0**				**0**	**0.00**		**0**
C	**IMMUNISATION**				**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
C.1	**Routine Immunisation**				**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
A.33.1	Mobility support for supervision				0			0				0			0
A.33.2	Cold chain maintenance				0			0				0			0
A.33.3	Strengthening on slum and underserved areas				0			0				0			0
A.33.4	Mobilisation of children through ASHA/mobilizers				0			0				0			0
A.33.5	Alternate Vaccine Delivery				0			0				0			0
A.33.6	Support for Computer Assistant for RI reporting				0			0				0			0
A.33.7	Printing and dissemination of Immunisation Cards, tally sheets, monitoring forms etc.				0			0				0			0
A.33.8	Review Meetings				0			0				0			0
A.33.9	Trainings under Immunisation				0			0				0			0
A.33.9.1	District level orientation training for 2 days [ANMs, MPWs, LHV,Health Assistants, Nurse Mid wives, BEEs & Other Specialists (as per RCH Norms)]				0			0				0			0
A.33.9.2	Three day training of Medical Officers on RI				0			0				0			0

S. No.	STRATEGY/ ACTIVITIES	Reporting Quarter							Year to Quarter (Cumulative)						
		Physical Progress				Expenditure			Physical Progress				Expenditure		
		Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance	Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
A.33.9.3	One day refresher training of District RI Computer Assistants on RIMS/HMIS and Immunisation formats				0			0				0			0
A.33.9.4	One day cold chain handlers training for block level cold chain handlers by State and District Cold Chain Officers and DIO				0			0				0			0
A.33.9.5	One day training of block level data handlers				0			0				0			0
A.33.10	Microplanning				0			0				0			0
A.33.11	POL for Vaccine delivery				0			0				0			0
A.33.12	Consumables for Computer including provision for Internet access for RIMS				0			0				0			0
A.33.13	Injection Safety				0			0				0			0
A.33.13.1	Red/ Black Plastic bags etc				0			0				0			0
A.33.13.2	Bleach /Hypochlorite solution				0			0				0			0
A.33.13.3	Twin bucket				0			0				0			0
C.1.14	Any State specific needs (pls. specify)				0			0				0			0
C.2	**Pulse Polio operating costs**				**0**			**0**				**0**			**0**
D	**IDD**				**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
D.1	**Establishment of IDD Control Cell**				**0**			**0**				**0**	**0.00**		**0**
D.1.a	Technical Officer				0			0				0	0.00		0
D.1.b	Statistical Officer / Staffs				0			0				0	0.00		0
D.1.c	LDC Typist				0			0				0	0.00		0
D.2	**Establishment of IDD Monitoring Lab**				**0**			**0**				**0**	**0.00**		**0**
D.2.a	Lab Technician				0			0				0	0.00		0
D.2.b	Lab Assistant				0			0				0	0.00		0
D.3	**Health Education and Publicity**				**0**			**0**				**0**	**0.00**		**0**
D.4	**IDD Surveys/Re-surveys**				**0**			**0**				**0**	**0.00**		**0**
D.5	**Supply of Salt Testing Kit (form of kind grant)**				**0**			**0**				**0**	**0.00**		**0**
E	**IDSP**				**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
E.1	Operational Cost				0			0				0	0.00		0
E.1.1	Mobility Support				0			0				0	0.00		0
E.1.2	Lab Consumables				0			0				0	0.00		0
E.1.3	Review Meetings				0			0				0	0.00		0
E.1.4	Field Visits				0			0				0	0.00		0
E.1.5	Formats and Reports				0			0				0	0.00		0
E.2	**Human Resources**				**0**			**0**				**0**	**0.00**		**0**
E.2.1	Remuneration of Epidemiologists				0			0				0	0.00		0
E.2.2	Remuneration of				0			0				0	0.00		0

S. No.	STRATEGY/ ACTIVITIES	Reporting Quarter							Year to Quarter (Cumulative)						
		Physical Progress				Expenditure			Physical Progress				Expenditure		
		Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance	Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
	Microbiologists														
E.2.3	Remuneration of Entomologists				0			0				0	0.00		0
E.3	**Consultant-Finance**				**0**			**0**				**0**	**0.00**		**0**
E.3.1	Consultant-Training				0			0				0	0.00		0
E.3.2	Data Managers				0			0				0	0.00		0
E.3.3	Data Entry Operators				0			0				0	0.00		0
E.3.4	Others				0			0				0	0.00		NB6
E.4	**Procurements**				**0**			**0**				**0**	**0.00**		**0**
E.4.1	Procurement-Equipments				0			0				0	0.00		0
E.4.2	Procurement-Drugs & Supplies				0			0				0	0.00		0
E.5	**Innovations /PPP/NGOs**				**0**			**0**				**0**	**0.00**		**0**
E.6	**IEC-BCC Activities**				**0**			**0**				**0**	**0.00**		**0**
E.7	**Financial Aids to Medical Institutions**				**0**			**0**				**0**	**0.00**		**0**
E.8	**Training**				**0**			**0**				**0**	**0.00**		**0**
F	**NVBDCP**				**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
F.1	**DBS (Domestic Budgetary Support)**				**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
F.1.1	Malaria				0	0.00	0.00	0				0	0.00	0.00	0
F.1.1.a	MPW				0			0				0	0.00		0
F.1.1.b	ASHA Honorarium				0			0				0	0.00		0
F.1.1.c	Operational Cost				0			0				0	0.00		0
F.1.1.d	Monitoring, Evaluation & Supervision & Epidemic Preparedness including mobility				0			0				0	0.00		0
F.1.1.e	IEC/BCC				0			0				0	0.00		0
F.1.1.f	PPP / NGO activities				0			0				0	0.00		0
F.1.1.g	Training / Capacity Building				0			0				0	0.00		0
F.1.1.h	Any Other Activities (Pl. specify)				0			0				0	0.00		0
F.1.2	Dengue & Chikungunya				0	0.00	0.00	0				0	0.00	0.00	0
F.1.2.a	Strengthening surveillance (As per GOI approval)				0			0				0	0.00		0
F.1.2.a. (i)	Apex Referral Labs recurrent				0			0				0	0.00		0
F.1.2.a. (ii)	Sentinel surveillance Hospital recurrent				0			0				0	0.00		0
F.1.2.b	Test kits (Nos.) to be supplied by GoI (kindly indicate numbers of ELISA based NS1 kit and Mac ELISA Kits required separately)				0			0				0	0.00		0
F.1.2.c	Monitoring/Supervision and Rapid Response				0			0				0	0.00		0
F.1.2.d	Epidemic Preparedness				0			0				0	0.00		0
F.1.2.e	IEC/BCC/Social Mobilization				0			0				0	0.00		0
F.1.2.f.	Training/Workshop				0			0				0	0.00		0
F.1.3	Acute Encephalitis Syndrome				0	0	0	0				0	0.00	0	0

S. No.	STRATEGY/ ACTIVITIES	Reporting Quarter							Year to Quarter (Cumulative)						
		Physical Progress				Expenditure			Physical Progress				Expenditure		
		Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance	Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
	(AES)/ Japanese Encephalitis (JE)														
F.1.3.a	Strengthening of Sentinel Sites which will include diagnostics and management. Supply of kits by GoI				0			0				0	0.00		0
F.1.3.b	IEC/BCC specific to J.E. in endemic areas				0			0				0	0.00		0
F.1.3.c	Training specific for J.E. prevention and management				0			0				0	0.00		0
F.1.3.d	Monitoring and supervision				0			0				0	0.00		0
F.1.3.e	Procurement of insecticides (Technical Malathion)				0			0				0	0.00		0
F.1.4	Lymphatic Filariasis				0	0.00	0.00	0		0	0	0	0.00	0.00	0
F.1.4.a	State Task Force, State Technical Advisory Committee meeting, printing of forms/ registers, mobility support, district coordination meeting, sensitization of media etc., morbidity management, monitoring & supervision and mobility support for Rapid Response Team				0			0				0	0.00		0
F.1.4.b	Microfilaria survey				0			0				0	0.00		0
F.1.4.c	Post MDA assessment by medical colleges (Govt. & private)/ ICMR institutions.				0			0				0	0.00		0
F.1.4.d.	Training/sensitization of district level officers on ELF and drug distributors including peripheral health workers				0			0				0	0.00		0
F.1.4.e.	Specific IEC/BCC at state, district, PHC, sub-centre and village level including VHSC/ GKS for community mobilization efforts to realize the desired drug compliance of 85% during MDA				0			0				0	0.00		0
F.1.4.f	Honorarium to drug distributors including ASHA and supervisors involved in MDA				0			0				0	0.00		0
F.1.5	Kala-azar		0	0	0	0.00	0.00	0				0	0.00	0.00	0
F.1.5	Case Search				0			0				0	0.00		0
F.1.5.a	Spray Pumps				0			0				0	0.00		0
F.1.5.b	Operational Cost for spray including spray wages				0			0				0	0.00		0
F.1.5.c	Mobility /POL				0			0				0	0.00		0
F.1.5.d	Monitoring & Evaluation				0			0				0	0.00		0
F.1.5.e	Training for spraying				0			0				0	0.00		0
F.1.5.f	BCC/IEC				0			0				0	0.00		0
F.2	**Externally aided component (EAC)**				**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0**	**0**

S. No.	STRATEGY/ ACTIVITIES	Reporting Quarter							Year to Quarter (Cumulative)						
		Physical Progress				Expenditure			Physical Progress				Expenditure		
		Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance	Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
	World Bank Project				**0**	**0.00**	**0.00**	**0**				**0**	**0.00**	**0.00**	**0**
F.2.a	World Bank support for Malaria (Andhra Pradesh, Chhattisgarh, Jharkhand, Madhya Pradesh, Orissa, Gujarat, Karnataka & Maharashtra)				0			0				0	0.00		0
F.2.b.	Human Resource				0			0				0	0.00		0
F.2.c	Training /Capacity building				0			0				0	0.00		0
F.2.d	Mobility support for Monitoring Supervision & Evaluation & review meetings, Reporting format (for printing formats)				0			0				0	0.00		0
F.2.e	Human Resources (Kala-azar)				0			0				0	0.00		0
F.2.f.	Capacity Building (Kala-azar)				0			0				0	0.00		0
F.2.g.	Mobility (Kala-azar)				0			0				0	0.00		0
F.3	GFATM Project				0	0.00	0.00	0				0	0.00	0.00	0
F.3.a	Human Resource				0			0				0	0.00		0
F.3.b	Training Cost				0			0				0	0.00		0
F.3.c	Planning & Administration				0			0				0	0.00		0
F.3.d	Monitoring & Administration				0			0				0	0.00		0
F.3.e	I.E.C / B.C.C				0			0				0	0.00		0
F.3.f	Operational expenses for treatment of bed nets				0			0				0	0.00		0
F.4	**Any Other item (Please Specify)**				**0**			**0**				**0**	**0.00**		**0**
F.5	**Operational Costs (Mobility, Review Meeting, communication, formats & reports)**				**0**			**0**				**0**	**0.00**		**0**
F.6	**Cash grant for decentralized commodities**				**0**	**0.00**	**0.00**						**0.00**	**0.00**	**0**
F.6.a	Chloroquine phosphate tablets				0			0				0	0.00		0
F.6.b	Primaquine tablets 2.5 mg				0			0				0	0.00		0
F.6.c	Primaquine tablets 7.5 mg				0			0				0	0.00		0
F.6.d	Quinine sulphate tablets				0			0				0	0.00		0
F.6.e	Quinine Injections				0			0				0	0.00		0
F.6.f	DEC 100 mg tablets				0			0				0	0.00		0
F.6.g	Albendazole 400 mg tablets				0			0				0	0.00		0
F.6.h	Dengue NS1 antigen kit				0			0				0	0.00		0
F.6.i	Temephos, Bti (for polluted & non polluted water)				0			0				0	0.00		0
F.6.j	Pyrethrum extract 2%				0			0				0	0.00		0
F.6.k.	Any Other (Pl. specify)				0			0				0	0.00		0
G	**NLEP**					**0.00**	**0.00**						**0.00**	**0.00**	**0**
G.1	Contractual Services				0			0				0	0.00		0
G.2	Services through ASHA				0			0				0	0.00		0
G.3	Office Expenses & Consumables				0			0				0	0.00		0
G.4	Capacity Building (Training)				0			0				0	0.00		0

S. No.	STRATEGY/ ACTIVITIES	Reporting Quarter							Year to Quarter (Cumulative)						
		Physical Progress				Expenditure			Physical Progress				Expenditure		
		Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance	Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
G.5	BCC/IEC				0			0				0	0.00		0
G.6	POL/Vehicle Operation & Hiring				0			0				0	0.00		0
G.7	DPMR(MCR footwear, Aids and Appliances, Welfare to BPL patients for RCS, Support to Govt. Institutions for RCS				0			0				0	0.00		0
G.8	Material & Supplies				0			0				0	0.00		0
G.9	Urban Leprosy Control				0			0				0	0.00		0
G.10	NGO-SET Scheme				0			0				0	0.00		0
G.11	Supervision, Monitoring & Review				0			0				0	0.00		0
G.12	Specific-plan for High Endemic Districts				0			0				0	0.00		0
G.13	Others (maintenance of vertical unit, Training & TA/DA of vertical Staff)				0			0				0	0.00		0
H	**NPCB**					**0.00**	**0.00**						**0.00**	**0.00**	**0**
H1.	**Recurring Grant-in aid**					**0.00**	**0.00**						**0.00**	**0**	**0**
H.1.1.	For Free Cataract Operation and other Approved schemes as per financial norms				0			0				0	0.00		0
H.1.2.	Other Eye Diseases				0			0				0	0.00		0
H.1.3.	School Eye Screening Programme				0			0				0	0.00		0
H.1.4	Blindness Survey				0			0				0	0.00		0
H.1.4	Private Practitioners as per NGO norms				0			0				0	0.00		0
H.1.5.	Management of State Health Society and Distt. Health Society Remuneration (Salary/ review meeting, hiring vehicles and other Activities & Contingency)				0			0				0	0.00		0
H.1.6	Recurring GIA to Eye Donation Centres				0			0				0	0.00		0
H.1.7	Eye Ball Collection and Eye Bank				0			0				0	0.00		0
H.1.8	Eye Ball Collection				0			0				0	0.00		0
H.1.9	Training PMOA				0			0				0	0.00		0
H.1.10	IEC (Eye Donation Fortnight, World Sight Day & awareness programme in state & districts)				0			0				0	0.00		0
H.1.11	Procurement of Ophthalmic Equipment				0			0				0	0.00		0
H.1.12	Maintenance of Ophthalmic Equipments				0			0				0	0.00		0
H.1.13	Grant-in-aid for strengthening of 1 Distt. Hospitals.				0			0				0	0.00		0
H.1.14	Grant-in-aid for strengthening of 2 Sub Divisional. Hospitals				0			0				0	0.00		0

S. No.	STRATEGY/ ACTIVITIES	Reporting Quarter							Year to Quarter (Cumulative)						
		Physical Progress				Expenditure			Physical Progress				Expenditure		
		Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance	Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
H.2	**Non Recurring Grant-in-Aid**					**0.00**	**0.00**						**0.00**	**0.00**	**0**
H.2.1.	For RIO (new)				0			0				0	0.00		0
H.2.2.	For Medical College				0			0				0	0.00		0
H.2.3	For vision Centre				0			0				0	0.00		0
H.2.4	For Eye Bank				0			0				0	0.00		0
H.2.5	For Eye Donation Centre				0			0				0	0.00		0
H.2.6	For NGOs				0			0				0	0.00		0
H.2.7	For Eye Ward & Eye OTS				0			0				0	0.00		0
H.2.8	For Mobile Ophthalmic Units With Tele Network				0			0				0	0.00		0
H.3	**Contractual Man Power**					**0.00**	**0.00**					**0**	**0.00**	**0.00**	**0**
H.3.1	Ophthalmic Surgeon				0			0				0	0.00		0
H.3.2	Ophthalmic Assistant				0			0				0	0.00		0
H.3.3	Eye Donation Counsellors				0			0				0	0.00		0
I	**RNTCP**					**0.00**	**0.00**						**0.00**	**0.00**	**0**
I.1	**Civil works**				**0**			**0**				**0**	**0.00**		**0**
I.2	Laboratory materials				0			0				0	0.00		0
I.3.a	Honorarium/Counselling Charges				0			0				0	0.00		0
I.3.b	Incentive to DOTs Providers				0			0				0	0.00		0
I.4	IEC/ Publicity				0			0				0	0.00		0
I.5	Equipment maintenance				0			0				0	0.00		0
I.6	Training				0			0				0	0.00		0
I.7	Vehicle maintenance				0			0				0	0.00		0
I.8	Vehicle hiring				0			0				0	0.00		0
I.9	NGO/PPP support				0			0				0	0.00		0
I.10	Miscellaneous				0			0				0	0.00		0
I.11	Contractual services				0			0				0	0.00		0
I.12	Printing				0			0				0	0.00		0
I.13	Research and studies				0			0				0	0.00		0
I.14	Medical Colleges				0			0				0	0.00		0
I.15	Procurement –vehicles				0			0				0	0.00		0
I.16	Procurement – equipment				0			0				0	0.00		0
I.17	Tribal Action Plan				0			0				0	0.00		0
GT	**Grand Total (A+B+C+D+E+F+G+H+I)**				**0**	**0.00**	**0.00**	**0**		**0**	**0**	**0**	**0.00**	**0.00**	**0**

Note:

- The portion shown in Green in the 1st Column of FMR under RCH Flexible Pool and Immunisation are reimbursable activities.
- The ASHA Incentive paid under different programmes of NRHM also needs to be populated separately in the below format.
- The manner of deciding the procurements under JSSK may be ascertained by the State from the concerned programme division.

Statement showing ASHA Incentives

Code No. of the respective programme	STRATEGY/ ACTIVITIES	Reporting Quarter							Year to Quarter (Cumulative)						
		Physical Progress				Expenditure			Physical Progress				Expenditure		
		Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance	Unit of Measure	Target/Planned	Actual/Achievement	Variance%	Budget Allotted as per PIP	Actual Expenditure	Variance
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
A.1.4.4	Incentive to ASHAs under JSY				0	-	-	0				0	-	-	0
A.2.9	Incentive to ASHAs under Child Health				0	-	-	0				0	-	-	0
B1.1.3	Performance Incentive/Other Incentive to ASHAs (if any)				0	-	-	0				0	-	-	0
A.33.4	ASHA Incentive paid under Routine Immunisation				0	-	-	0				0	-	-	0
F.1.1.b	ASHA Honorarium under NVBDCP (DBS)				0	-	-	0				0	-	-	0
G.2	ASHA Incentive paid under NLEP				0	-	-	0				0	-	-	0
	Total		-	-		**0.00**	**0.00**		-	-	-		**0.00**	**0.00**	

Certified that the above amount of expenditure is duly reconciled with the amount recorded in the relevant ledger heads.

State Finance Manager/ State Accounts Manager **Director (NRHM-Finance)**

ANNEXURE XXII: Format of Utilization Certificate

Form No. GFR-19A

Name of the SHS _____
Reproductive & Child Health Programme Phase-II

Utilization Certificate for the year : _____

Dated :

Sanction Letter No. and date	Purpose	Amount
(Please give here details of Sanc. letters) 1. 2. 3.	(Selected activity under priority scheme of RCH-II	(Amount of sanctions)

Certified that out of Rs. ( ) of grants-in-aids sanctioned during the financial year ( ) in favour of the SHS _____ by he Department of Family Welfare, Govt. of India vide letter nos. (given above) and Rs. _____ on account of unspent balance of the previous year (s), a sum of Rs. _____ has been utilized for the purpose for which it as sanctioned and that the balance of Rs. _____ remained as unutilized at the end of the year, will be adjusted towards the grants-in-aid payable during the next year.

Further certified that I have satisfied myself that the conditions, on which the grants-in-aid was sanctioned have been duly fulfilled and the I have exercised the following checks to see that the money was actually utilized for the purpose for which it was sanctioned.

Checks exercised :

Examining of

1. Ledger
2. Monthly & Quarterly Statements of expenditure
3. Fund position reports
4. Annual audited account

Signature

Name of the Chartered Accountant
Stamp of Chartered Accountancy firm with date
(Verified from annual audited accounts & found correct)

Executive Director SHS (With Seal of Office)

Note : 1) Unspent balance/Unutilized amount of previous year plus released of fund during the year under audit are the "total funds available."

2) Closing balance of the year means "amount remained un-utilized or not spent."

ANNEXURE XXIII: Format of Statement of Fund Position

Statement of Fund Position													
Scheme	Opening Balance at the beginning of the month				Fund received during the month			*Actual Expenses Incurred during the month	Refund to GOI	Closing Balance at the end of the month (Rs. Lakh)			
	Bank Balance	Advances (including Releases to Direct & other agencies)	Cash Balance	Total	GOI	State Share	Bank Interest			Bank Balance	Advances (including Releases to Direct & other agencies)	Cash Balance	Total
RCH Flexible Pool (Part A of PIP													
Additionalties under NRHM (Part B of PIP)													
Immunization (Part C of PIP) :													
RI Strengthening Project (Including Cold Chain Maintenance)													
Pulse Polio Operating Costs													
Total Immunisation													
RCH-I (Provide separate detail for each activity)													
RNTCP													
NLEP													
IDSP													
NVBDCP													
NPCB													
NIDDCP													
Other, if any (pls specify)													
Total													
* Actual expenditure includes expenditure incurred by State Health society itself and District health societies.													
Source documents, which must be verified before showing figures under each category, are : Cash Book, Bank Book and Advance Register (Ledger).													
It is certified that :													
1. Opening and Closing figures of Bank Balance tally with the Bank Book of the Society (State may call for similar report from the districts).													
2. Opening and Closing figures of Advances tally with the Advance Register of the Society.													
3. Opening and Closing figures of Cash tally with the Cash Book of the Society.													
4. That expenditure shown in the quarter tally with the expenditure reported in the Financial Monitoring Report (FMR) for he quarter.													

ANNEXURE XXIV: Format of Statement of Expenditure

Linkage of Heads to FMR Format (Eg.)	S.No.	Activity	A	B	C=(A+B)	D	E	F=(D+E)	G=(C-F)
			Amount Received Till the Beginning of the Month	Amount Received During the Month	Total Amount Received Till date	Expenditure at the Beginning of the Month	Expenditure During the Month	Total Expenditure Till Date	Closing Balance
	A	RCH Flexipool							
	1	Salary to LT							
	2	Salary to PHN							
	3	Salary to Additional ANM RCH							
	4	Mobility at Block							
	5	Mobility at CHC							
	6	Mobility at PHC							
	7	Family Welfare							
A1.4	8	JSY Payments to Mothers							
	9	JSY Payments to ASHAS							
	10	JSY Admin Cost							
	11	Any Other (to be specified)							
	B	NRHM Additionalities							
	1	MO Allowance							
	2	Salary to Accountants							
	3	Salary to Ayush							
	4	Salary to BPM							
	5	Salary to DEO							
	6	Salary to GNM at CHC							
	7	Salary to GNM at PHC							
	8	OE for BPMU							

Linkage of Heads to FMR Format (Eg.)	S.No.	Activity	A	B	C=(A+B)	D	E	F=(D+E)	G=(C-F)
			Amount Received Till the Beginning of the Month	Amount Received During the Month	Total Amount Received Till date	Expenditure at the Beginning of the Month	Expenditure During the Month	Total Expenditure Till Date	Closing Balance
	9	OE for BPMU							
	10	Mobility for BPMU							
	11	Office Furniture for BPMU							
	12	ASHA Monthly Meeting							
	13	AMG at CHC							
	14	AMG at PHC							
B.2.4	15	United Funds for VHSC							
B.2.1	16	United Funds at CHC							
B.2.2	17	United Funds at PHC							
B.2.3	18	United Funds at Sub-Centers							
	19	Any Other (to be specified)							
	C	**R I Strengthening Projects (Immunization)**							
	1	Alternate Vaccine Distribution System							
	2	Pulse Polio Programme							
	3	Social Mobilization							
	4	Any Other (to be specified)							

ANNEXURE XXV: Monthly MIS Report for Financial Monitoring

(Information to be provided by State / UT to FMG by 10th of every month)			
State Information	Name of State/ UT	Number of Districts	Number of Blocks

Status of	Concurrent Audit		FMRs Meetings/ Workshops		Vacancy Position of Finance & Accounts Staff		Statement of Fund Position	
Concurrent Audit								
Year _____								
Number of Districts covered by Concurrent Auditor in the month/ SHS covered?								
Information on Financial Management Meetings / Workshops Planned by the State								
Financial review meeting held in the month with topics								
Trainings / Workshops conducted by the State in the month with topics								
Training requirement of the State may please be specified.								

Vacancy Position of Finance & Accounts Staff								
S.No.	Sanctio-ned Posts of F & A at State Level	Deputa-tion / Contract	Name of Staff in position/ Vacant	Vacant Since... (date)	Reason for vacant position	Action taken & tentative date for filling up the vacancy	Contact Number	E-mail address
State Level :								
District Level:								

Statement of Fund Position														
Scheme	Opening Balance at the beginning of the month				Fund received during the month			*Actual Expenses Incurred during the month	Refund to GOI	Closing Balance at the end of the month (Rs. Lakh)			
	Bank Balance	Advances (including Releases to Direct & other agencies)	Cash Balance	Total	GOI	State Share	Bank Interest			Bank Balance	Advances (including Releases to Direct & other agencies)	Cash Balance	Total
RCH Flexible Pool (Part A of PIP)													
Additionalities under NRHM (Part B of PIP)													
Immunization (Part C of PIP) :													
RI Strengthening Project (Including Cold Chain Maintenance)													
Pulse Polio Operating Costs													
Total Immunizations													
RCH– I (Provide separate detail for each activity)													
RNTCP													
NLEP													
IDSP													
NVBDCP													
NPCB													
NIDDCP													
Other, if any (pls specify)													
TOTAL													
* Actual expenditure includes expenditure incurred by State Health Society itself and District health societies.													
Source documents, which must be verified before showing figures under each category, are: Cash Book, Bank Book and Advance Register (Ledger).													
It is certified that :													
1. Opening and Closing figures of Bank Balance tally with the Bank Book of the Society (State may call for similar report from the districts),													
2. Opening and Closing figures of Advances tally with the Advance Register of the Society,													
3. Opening and Closing figures of Cash tally with the Cash Book of the Society.													
4. That expenditure shown in the quarter tally with the expenditure reported in the Financial Monitoring Report (FMR) for the quarter.													

ANNEXURE XXVI: Quarterly MIS Report for Financial Monitoring

(Information to be provided by State / UT to FMG by 10th of next month after every quarter ending)			
State Information	**Name of State/ UT**	**Number of Districts**	**Number of Blocks**
Particulars	**Mission Director**	**Director Finance/SFM**	**State Accounts Manager**
Name			
Office Phone Number			
Mobile Number			
Office Address			
E-mail ID			
Status of	Statutory Audit	Concurrent Audit	Tally ERP 9
	RCH 1 - Unspent Balance	15% State Contribution	E-Banking
	Quarterly FMR Analyses	Status of Advances & Facilities	
Statutory Audit			
Year _____			
Date of State's reply to the DO letter on audit observations with reference no.			
Concurrent Audit			
Year _____			
Number/names of Districts where appointment of concurrent auditor is in process			
Number / names of Districts that are providing monthly concurrent audit reports to the State			
Status of summary report to be provided by the State to the Ministry			

Tally ERP 9	Has Tally ERP9 been procured & Training is done	Has Tally ERP 9 been implemented	Has the SOE/ FMR been prepared through Tally
State Level			
District Level			
Block Level			
RCH I - Unspent Balance			
Does the State / UT have any unspent balance in RCH - I. If yes, kindly provide the tentative date of refund (proposed)			
15 % State Contribution	Amount contributed by State (Rs.)	Date of Credit in Bank Account	Remarks, if any
Year			
E- Banking	Are funds transferred through e-transfer?	Name of the Bank through which funds are transferred	MIS Generated?
State Level			
District Level			
Bock Level			
Quarterly FMR Analysis	State's Reply (Yes /No)	If Yes, pls provide ref no	If No, kindly provide tentative date of sending the same
Has the State sent a reply to FMR analysis of the last quarter?			
Status of Advances & Facilities	Proforma to be filled in		

Status of Advances in (Name of State)																				Status of Advances in (Name of State)																	
		Untied Funds : Sub Centre						Untied Funds – PHC/CHC						Annual Maintenance Grants						Rogi Kalyan Samitis						Village Health & Nutrition Sanitation Committee						Grand Total					
S.No.	Name of the District	Open Bal. 1st April, ...	Release	Refund	Total funds available	Expr. Upto 31st Mar.	Closing Balance	Open Bal. 1st Apri, ...	Release 2009-10	Refund 2009-10	Total funds available	Expr. Upto 31st Mar. 2010	Closing Balance 2009-10	Open Bal. 1st Apri, 09	Release 2009-10	Refund 2009-10	Total funds available	Expr. Upto 31st Mar. 2010	Closing Balance 2009-10	Open Bal. 1st Apri, 09	Release 2009-10	Refund 2009-10	Total funds available	Expr. Upto 31st Mar. 2010	Closing Balance 2009-10	Open Bal. 1st Apri, 09	Release 2009-10	Refund 2009-10	Total funds available	Expr. Upto 31st Mar. 2010	Closing Balance 2009-10	Open Bal. 1st Apri, 09	Release 2009-10	Refund 2009-10	Total funds available	Expr. Upto 31st Mar. 2010	Closing Balance 2009-10
1																																					
2																																					
3																																					
4																																					
5																																					
6																																					
7																																					
8																																					
9																																					
10																																					
	Total																																				

Statement of Age wise outstanding advances for the quarter ending ----------

Name of the State:

FMR Code NO.	Head of Accounts	Opening Advances Balance as on 01-04-..... as per audit report of 20.....	Funds released during the year 20.....		Total Advance available at State	Less Refund of RCH-I/ Others	Advance Adjusted (Expenditure booked) during the year		Age wise outstanding advances Balance i.e. (Closing advances) for the quarter ending --------					Remarks
			Funds Released during the Current Quarter	Cumulative Funds released for the year			Expenditure incurred during the quarter	Cumulative expenditure incurred during the year	Outstanding advances Less than 3 month	Outstanding advances more than 3 Less than 6 month	Outstanding advances more than 6 month Less than 12 month	Outstanding advances more than 12 month	Total Outstanding Advances	
A	RCH - TECHNICAL STRATEGIES & ACTIVITIES (RCH Flexible Pool)													
Advance for Recurring Expenditure (Committed Expenditure)														
A.1	MATERNAL HEALTH													
A.1.4	Janani Suraksha Yojana / JSY													
A.2	CHILD HEALTH													
A.3	FAMILY PLANNING													
A.4	ADOLESCENT REPRODUCTIVE AND SEXUAL HEALTH / ARSH													
A.5	URBAN RCH													
A.6	TRIBAL RCH													
A.7	VULNERABLE GROUPS													
A.11	TRAINING													
A.12	BCC / IEC													
A.10	INSTITUTIONAL STRENGTHENING													
Advance for Non-Recurring Expenditure (Committed Expenditure)														
A.8	INNOVATIONS/ PPP/ NGO													
A.9	INFRASTRUCTURE													
A.9.2	Major civil works (New constructions/extensions/ additions)													
A.9.3	Minor civil works													
A.13	PROCUREMENT													
A.13.1	Procurement of Equipment													
A.13.2	Procurement of Drugs and supplies													
Advance for Recurring Expenditure (Uncommitted Expenditure)														
1	Advances to Districts (Other than above)													
2	Advances to Staff													
3	Advances (Other than above) Pls specify													

FMR Code NO.	Head of Accounts	Opening Advances Balance as on 01-04-20... as per audit report of 20....-...	Funds released during the year 20....-.....		Total Advance available at State	Less Refund of RCH-I/ Others	Advance Adjusted (Expenditure booked) during the year		Age wise outstanding advances Balance i.e. (Closing advances) for the quarter ending ---------					Remarks
			Funds Released during the Current Quarter	Cumulative Funds released for the year			Expenditure incurred during the quarter	Cumulative expenditure incurred during the year	Outstanding advances Less than 3 month	Outstanding advances more than 3 Less than 6 month	Outstanding advances more than 6 month Less than 12 month	Outstanding advances more than 12 month	Total Outstanding Advances	
B	**TIME LINE ACTIVITIES - Additionalities under NRHM (Mission Flexible Pool)**													
Advance for Recurring Expenditure (Committed Expenditure)														
B1	ASHA													
B2	Untied Funds													
B2.1	Untied Fund for CHCs													
B2.2	Untied Fund for PHCs													
B2.3	Untied Fund for Sub Centers													
B2.4	Untied fund for VHSC													
B4	Annual Maintenance Grants													
B4.1	CHCs													
B4.2	PHCs													
B4.3	Sub Centers													
B9	Mainstream of Ayush													
B10	IEC-BCC NRHM													
B11	Mobile Medical Units													
B12	Referral Transport													
B14	Additional Contractual Staff (Selection, Training, Remuneration)													
B15	PPP/ NGOs													
B16	Training													
B16.3	Training and Capacity Building Under NRHM													
B6	Corpus Grants to HMS/RKS (As details annexed)													
	Advance for Non-Recurring Expenditure (Committed Expenditure)													
B3	Hospital Strengthening													
B3.1	Upgradation of CHCs, PHCs, Dist. Hospitals to IPHS)													
B3.1.1	District Hospitals													
B3.1.2	CHCs													
B3.1.3	PHCs													
B3.1.4	Sub Centers													
B3.1.5	Others													

FMR Code NO.	Head of Accounts	Opening Advances Balance as on 01-04-20... as per audit report of 20...-...	Funds released during the year 20...-...		Total Advance available at State	Less Refund of RCH-I/ Others	Advance Adjusted (Expenditure booked) during the year		Age wise outstanding advances Balance i.e. (Closing advances) for the quarter ending --------					Remarks
			Funds Released during the Current Quarter	Cumulative Funds released for the year			Expenditure incurred during the quarter	Cumulative expenditure incurred during the year	Outstanding advances Less than 3 month	Outstanding advances more than 3 Less than 6 month	Outstanding advances more than 6 month Less than 12 month	Outstanding advances more than 12 month	Total Outstanding Advances	
B5	New Constructions/ Renovation and Setting up													
B5.1	CHCs													
B5.2	PHCs													
B5.3	SHCs/Sub Centers													
B5.4	Setting up Infrastructure wing for Civil works													
B5.5	Govt. Dispensaries/ others renovations													
B5.6	Construction of BHO, Facility improvement, civil work, BemOC and CemOC centers													
B19	Procurements													
B19.1	Drugs													
B19.2	Equipments													
B19.3	Others													
	Advance for Recurring Expenditure (Uncommitted Expenditure)													
1	Advances to Districts (Other than above)													
2	Advances to Staff													
3	Advances (Other than above) Pls specify													
	Advance for Recurring/Non Recurring Expenditure (Uncommitted/Committed Expenditure) for other programmes													
C	IMMUNISATION													
D	IDD													
E	IDSP													
F	NVBDCP													
G	NLEP													
H	NBCP													
I	RNTCP													
	Total (A+B+C+D+E+F+G+H+I)													

Notes: Advances outstanding figure should match with the audit report of previous year and with the current year books of accounts of State, District Health Society and statement of funds position

Date : State Accounts Manager State Finance Manager Mission Director(NRHM)

ANNEXURE XXVII: Quarterly Status of Allocation, Releases, Expenditure & Unspent Balance in Cash

Government of India
Ministry of Health & Family Welfare

Name of the Programme Division :----------

Quarterly Status of Allocation ,Releases, Expenditure & Unspent Balance for Cash Grant for the Quarter ending ---------- (In Rs Lakhs)

S.No. S.No.	Name of the State	Allocation for the Year 1	Opening Balances (Quarter wise) 2	Cash Releases (Quarter Wise)			Expenditure for the reporting Quarter 6	Closing Balance/Unspent Balance 7 = {(2+5)-6}	Cumulative Expenditure up to the Quarter ending ----------	Remarks (If any)
				Sanction Order No. 3	Sanction Date 4	Amount 5				
A.	**High Focus States**									
1	Bihar							0		
2	Chattisgarh							0		
3	Himachal Pradesh							0		
4	Jammu & Kashmir							0		
5	Jharkhand							0		
6	Madhya Pradesh							0		
7	Orissa							0		
8	Rajasthan							0		
9	Uttar Pradesh							0		
10	Uttarakhand							0		
	Sub Total									
B.	**NE States**									
11	Arunachal Pradesh							0		
12	Assam							0		
13	Manipur							0		
14	Meghalaya							0		
15	Mizoram							0		
16	Nagaland							0		
17	Sikkim							0		
18	Tripura							0		
	Sub Total									

(In Rs Lakhs)

S.No. S.No.	Name of the State	Allocation for the Year 1	Opening Balances (Quarter wise) 2	Cash Releases (Quarter Wise)			Expenditure for the reporting Quarter 6	Closing Balance/Unspent Balance 7 = {(2+5)-6}	Cumulative Expenditure up to the Quarter ending ----------	Remarks (If any)
				Sanction Order No. 3	Sanction Date 4	Amount 5				
C.	**Non-High Focus States**									
19	Andhra Pradesh							0		
20	Goa							0		
21	Gujarat							0		
22	Haryana							0		
23	Karnataka							0		
24	Kerala							0		
25	Maharashtra							0		
26	Punjab							0		
27	Tamil Nadu							0		
28	West Bengal							0		
	Sub Total									
D.	**Small States/UTs**									
29	Andaman & Nicobar Islands							0		
30	Chandigarh							0		
31	Dadar & Nagar Haveli							0		
32	Daman and Diu							0		
33	Delhi							0		
34	Lakshadweep							0		
35	Puducherry							0		
	Sub Total									
	Total (A+B+C+D)							**0**		
E.	**Central components**									
	Sub Total									
	Grand Total(A+B+C+D+E)									

Certified that the above amount of expenditure is duly reconciled with the amount recorded in the relevant ledger heads.

(Name & Designation of the Controlling Officer/ Nodal Officer)
Tel.No.
E-mail Id-
Date :-

ANNEXURE XXVIII: Quarterly Status of Allocation, Releases, Expenditure & Unspent Balance in Kind

Government of India
Ministry of Health & Family Welfare

Name of the Programme Division :----------

Status of Allocation ,Releases, Expenditure & Unspent Balance for Kind Grant for the Quarter ending ---------- (In Rs Lakhs)

S.No.	Name of the State	Allocation for the Year 1	Opening Balances (Quarter wise) 2	Kind Releases(Quarter Wise)			Expenditure for the reporting Quarter 6	Closing Balance/Unspent Balance 7 = {(2+5)-6}	Cumulative Expenditure up to the Quarter ending ----------	Remarks (If any)
				Sanction Order No. 3	Sanction Date 4	Amount 5				
A.	**High Focus States**									
1	Bihar							0		
2	Chattisgarh							0		
3	Himachal Pradesh							0		
4	Jammu & Kashmir							0		
5	Jharkhand							0		
6	Madhya Pradesh							0		
7	Orissa							0		
8	Rajasthan							0		
9	Uttar Pradesh							0		
10	Uttarakhand							0		
	Sub Total									
B.	**NE States**									
11	Arunachal Pradesh							0		
12	Assam							0		
13	Manipur							0		
14	Meghalaya							0		
15	Mizoram							0		
16	Nagaland							0		
17	Sikkim							0		
18	Tripura							0		
	Sub Total									

(In Rs Lakhs)

S.No.	Name of the State	Allocation for the Year 1	Opening Balances (Quarter wise) 2	Kind Releases(Quarter Wise)			Expenditure for the reporting Quarter 6	Closing Balance/Unspent Balance 7 = {(2+5)-6}	Cumulative Expenditure up to the Quarter ending ----------	Remarks (If any)
				Sanction Order No. 3	Sanction Date 4	Amount 5				
C.	**Non-High Focus States**									
19	Andhra Pradesh							0		
20	Goa							0		
21	Gujarat							0		
22	Haryana							0		
23	Karnataka							0		
24	Kerala							0		
25	Maharashtra							0		
26	Punjab							0		
27	Tamil Nadu							0		
28	West Bengal							0		
	Sub Total									
D.	**Small States/UTs**									
29	Andaman & Nicobar Islands							0		
30	Chandigarh							0		
31	Dadar & Nagar Haveli							0		
32	Daman and Diu							0		
33	Delhi							0		
34	Lakshadweep							0		
35	Puducherry							0		
	Sub Total									
	Total (A+B+C+D)							**0**		
E.	**Central components**									
	Sub Total									
	Grand Total(A+B+C+D+E)									

Certified that the above amount of expenditure is duly reconciled w ith the amount recorded in the relevant ledger heads

(Name & Designation of the Controlling Officer/ Nodal Officer)
Tel.No.
E-mail Id-
Date :-

ANNEXURE XXIX: Proforma for sending Expenditure Status Report

Government of India
Ministry of Health & Family Welfare

Proforma for sending Expenditure Status Report

Name of State/UT……

(In Lakhs)

Allocation for the year	Opening balance as on 31.03.20..../ 1st of the Reporting month	Funds received during current year (April till end of preceding month)	Expenditure incurred during the reporting period	Closing balance as on 1st of the reporting month	Remarks, if any
Routine Immunization					
Pulse Polio					

Note: the expenditure/ closing balance shown in the report should be in conformity with the figures being sent to FMG.

ANNEXURE XXX: Physical & Financial Status for Strengthening of Routine Immunization

Government of India
Ministry of Health & Family Welfare

Format for reporting the Physical and Financial Status for Strengthening of Routine Immunization

Name of State/UT.....

(In Rs Lakhs)

Service Delivery	Norms	Expenditure & Achievement						Remarks
		2009-10		2010-11		2011-12		
		Expenditure	Achievement	Expenditure	Achievement	Expenditure	Achievement	
Mobility support for supervision	@ Rs. 50,000 per District for district level officers (this includes POL and maintenance) per year		No of sessions Supervised		No of sessions Supervised		No of sessions Supervised	
Supervisory visits by state and district level officers for monitoring and supervision of RI	By state level officers @ Rs. 100,000/ year		No of districts visited for RI review		No of districts visited for RI review		No of districts visited for RI review	
Cold Chain maintenance	@ Rs. 500 per PHC/CHC per year District Rs. 10,000 per year		% Funds used		% Funds used		% Funds used	
Focus on slum & undeserved areas in urban areas	Hiring an ANM @ Rs. 300/ session for four sessions/ month/slum of 10000 population and Rs. 200/- per month as contingency per slum i.e. total expenses of Rs. 1400/- per month per slum of 10000 population		No of sessions with hired vaccinators		No of sessions with hired vaccinators		No of sessions with hired vaccinators	
Mobilization of children through ASHA/mobilizers	@ Rs. 150/ session (for all states/UTs)		No of sessions with ASHA		No of sessions with ASHA		No of sessions with ASHA	
Alternate Vaccine Delivery	Geographically hard to reach areas (e.g. Session site>30 kms from vaccine delivery point, river crossing etc.) @ Rs. 100 per RI session		No of sessions with AVD		No of sessions with AVD		No of sessions with AVD	
	NE States and Hilly terrains @ 100 per RI session							
	For RI session in other areas @ Rs. 50 per session							
Support for Computer Assistant for RI reporting (with annual increment of 10% w.e.f. 2010-11)	State @ Rs. 12,000 - 15,000 p.m.							
	Districts @ Rs. 8,000 - 10,000 p.m.		No of C.A. in position		No of C.A. in position		No of C.A. in position	
Printing and dissemination of immunization cards, tally sheets, monitoring forms, etc.	@ Rs. 5 per beneficiary							

Service Delivery	Norms	Expenditure & Achievement						Remarks
		2009-10		2010-11		2011-12		
		Expenditure	Achievement	Expenditure	Achievement	Expenditure	Achievement	
Review Meetings	Support for Quarterly State level Review Meetings of district officers @ Rs. 1,250/participant/day for 3 persons (CMO/DIO/Dist. Cold Chain Officer)		No of meetings held		No of meetings held		No of meetings held	
	Quarterly Review & feedback meeting exclusive for RI at district level with one Block MO, ICDS CDPO and other stakeholders @ Rs. 100/- per participant for meeting expenses (lunch, organizational expenses)							
Three day training of Medical Officers on RI using revised MO training module	As per revised norms for trainings under RCH		No of persons trained		No of persons trained		No of persons trained	
One day refresher training of District RI Computer Assistants on RIMS/HMIS and Immunization formats under NRHM	As per revised norms for trainings under RCH							
One day Cold Chain handlers training for block level cold chain handlers by state and District Cold Chain Officers and DIO for a batch of 15-20 trainees and three trainers	As per revised norms for trainings under RCH		No of persons trained		No of persons trained		No of persons trained	
One day Training of block level data handlers by DIO and District Cold Chain Officer to train about the reporting formats of Immunization and NRHM	As per revised norms for trainings under RCH		No of persons trained		No of persons trained		No of persons trained	
Microplanning								
To develop sub-centre and PHC microplans using bottom up planning with participation of ANM, ASHA, AWW	@ Rs. 100/- per sub-centre (meeting at block level, logistic)				No of Districts that have updated microplans this year		No of Districts that have updated microplans this year	
	For consolidation of microplan at PHC/CHC level @ 1,000/- block & at district level @ Rs. 2,000/- per district							

Service Delivery	Norms	Expenditure & Achievement						Remarks
		2009-10		2010-11		2011-12		
		Expenditure	Achievement	Expenditure	Achievement	Expenditure	Achievement	
POL for vaccine delivery from State to District and from district to PHC/CHCs	Rs. 100,000/ district/ year		% Funds used		% Funds used		% Funds used	
Consumables for computer including provision for internet access for RIMS	@ Rs. 400/ per month/ district							
Injection Safety			% Funds used		% Funds used		% Funds used	
Red/Black Plastic bags etc.	@ Rs. 2/ bag/ session							
Bleach/Hypochlorite solution	@ Rs. 500 per PHC/CHC per year							
Twin bucket	@ Rs. 400 per PHC/CHC per year							
Any State Specific Need with justification (Please provide a separate write-up on objective, strategy, expected output and outcomes, basis for cost estimates etc.)	10% of total amount of approved PIP		% Funds used		% Funds used		% Funds used	

ANNEXURE XXXI: Sample Checklist on Financial Management for Field Visits

Name of the State:

S. No.	Item	Remarks/ Response
1	**Finance Staffing:** • Has the finance staff received training on the RCH Finance Manual including revised FMR formats and when? • If yes, has the state finance team in turn provided training to the district finance staff ? • Is there a training calendar ? • Are finance staff from State Society visiting the districts to test check the internal controls and accounting transactions? If yes, how many districts have been covered and are there any serious issues. • What is the role of the finance staff in SHAP/PIP formulation/ planning process? • If vacancies in staff exist what are the reasons and what is the action plan for filling them? **At State Level:** • State Finance Manager: If vacant then vacant since when. • State Accounts Manager: If vacant then vacant since when. **At District level:** Number of Districts: …….. Number of District Accounts Manager in Position… • Problems being faced/ outstanding issues on staffing/ staff matters • Has State initiated the process of hiring of Block Level Accountants?	
2	**Accounting and Funds flow** • Status in respect of guidelines issued in December 2006 on financial, accounting, auditing, funds flow & banking arrangements at State & district level • Are the books being maintained as suggested in the Finance and Accounts Manual? • Is any computerized accounting system in use and if yes, what are the outputs?	

S. No.	Item	Remarks/ Response
	• Are there any delays in receiving funds from the centre to states and states to districts? Has the project or any component been out of funds in the last one year? • Whether the State is transferring the funds to Districts electronically or by physical transfer? • Whether the fund transfer by State to Districts is being done like RCH flexible pool or the State still resorting to activity wise fund transfer to the Districts? • What is the average annual frequency of fund transfer? • To what extent have financial powers been delegated at the state, district and block levels? • Are they aware of the new draft guidelines circulated by the centre for delegation of administrative /financial powers under NRHM? • Problems being faced/ outstanding issues on accounting or fund management or banking arrangements	
3	**Internal Control** • Cash book and Bank book written up to date (indicate date) • Cash balance reconciles with physical cash in hand. (Do cash count) • General Ledger is written up to date and has the relevant ledger heads (indicate date) • All vouchers are serially numbered and filed properly • Bank reconciliation's has been done as at the end of the previous month • Stock register for drugs, consumable and printed materials, if any, is up to date. • Whether Fixed Asset Register is up to date? • Are there advances outstanding for long? (greater than 6 months) • Is there a backlog in preparation of SOE, utilization certificate or audit report • Is there any pre-signed blank cheques or large cash withdrawals • Are Financial Management Indicators being compiled regularly? Copy of latest indicators may be requested • How are FM Indicators being used or followed up? • Has SPMU been carrying out field checks on basic financial	

S. No.	Item	Remarks/ Response
	controls (appendix 13 A of Manual) • Is there a system of reconciliation of advances? • Does the project follow the system of single signatory or joint signatories? Who are the signatories to the bank account (s)? • Problems being faced/ outstanding issues on internal controls	
4	**Financial Reports:** • Awareness of the revised FMR formats? • Are States familiar with the guidelines for preparation of Revised FMR? • Are the reporting heads in the FMR aligned with the AWP • Timeliness of Financial Reporting for: 1. Financial Monitoring Reports (FMR): Delayed by how many days. 2. Statement of Fund Position: Whether prepared or not? (Verify the figures from the books of accounts for any quarter as a cross-check measure). • Are monthly FMRs submitted by the districts to states on a regular basis? Has the state consolidated the monthly FMRs from the districts for the first quarter of the FY? If so, has it been sent to the Centre? (a copy of the last financial report sent may be requested) • Do the FMRs go to FMG and programme divisions • What are the checks being exercised while preparing FMRs? • Is physical progress being captured in time and consistently? • Assess whether clubbing the physical and financial in the FMR is likely to delay the FMRs. • Problems being faced/ outstanding issues on financial reporting	
5	**Audit:** **External:** • Is there a TOR for external auditors? • Has the auditor(s) been appointed for State and District Societies for the year 2006-07? • If yes/no, what tendering processes were followed /will follow to appoint the Auditors? • Are the bids evaluated for contracting auditors based on technical inputs or are they cost based?	

S. No.	Item	Remarks/ Response
	• What are the fee rates, the coverage and the time period for which auditors have been contracted? • Has a single audit firm been appointed or have districts been divided amongst firms? • Is there a concept of lead auditor to quality assure the audit? • Has SPMU received the model audit report sent by FMG? • Have the audit observations on the audit report for FY 2005-06 been shared by the FMG? • What is the practice for follow up on audit observations? • Did the auditor (for 2005-06) visit the districts or districts officials were called at the State along with the records? **Internal:** • Does the State have a system of internal audit? • Does State plan to have internal or concurrent audit on monthly or quarterly basis? • Are internal audit observations being received regularly and being acted upon?	

ANNEXURE XXXII: Checklist for Field Visit

(To be used by Block Accountants for Fortnightly Field Visits to Periphery units)

This checklist will be used by the block accountants for the field visits conducted by them to the reporting units like CHC/ PHCs, Sub Centers and VHSNCs.

In addition to the block accountant, Block Programme Manager (BPM) should also refer to the checklist while conducting field visits. Also, BPM should ensure that the financial expenditure reported by respective unit is as per the progress reported on the physical indicators.

Block:

Name of the Unit:

Date/ Period of visit:

S. No.	Item	Remarks/ Response
1.	**Finance Staffing:** • Which positions are vacant in the unit? • Previous efforts made to fill the vacancies • Did the staff receive training on the relevant RCH/ NRHM guidelines and updated formats? • Are there any specific training / capacity building needs?	
2	**Funds flow** • Are there any delays / shortage of funds at units? • Are there effective banking arrangements in place? Such as, ▪ Whether cheque books are issued on timely basis? ▪ Whether cheques are issued on a timely basis? • Whether salaries of staff are credited/ paid on a timely basis • Are there any old unspent balances? (obtain ageing and identify reasons)	
3.	**Accounting & Book Keeping** • Are adequate books being maintained as suggested in the Finance and Accounts Manual/ guidelines? • Are the books updated regularly?	
4.	**Internal / Accounting Controls** • Is the Cash book and Bank book written up to date (indicate date)? • Does the cash balance reconcile with physical cash in hand. (Do cash count)? • Is the General Ledger written up to date and has the relevant ledger	

S. No.	Item	Remarks/ Response
	heads (indicate date)? • Are all vouchers serially numbered and filed properly? • Is the stock register for drugs, consumable and printed materials, if any, up to date? • Is the Fixed Asset Register up to date? • Is there any pre-signed blank cheques or large cash withdrawals? • Does the unit follow the system of single signatory or joint signatories? Who are the signatories to the bank account (s)? • Are updated bank statements/ passbook available? Does the unit prepare monthly bank reconciliation Statement? • Problems being faced/ outstanding issues on internal controls	
5.	**Financial Reports** • Is the unit staff aware of the revised/ updated FMR/ SoE format? • Are the monthly SoEs/ FMRs collected timely from the periphery units? • Are monthly SoEs/FMRs submitted by the units on a regular basis? • Is physical progress being captured in time and consistently? • Is there a backlog in preparation of SOE, utilization certificate or audit report? • Problems being faced/ outstanding issues on financial reporting • Comparison of Actual with the Planned/ Budgeted expenditure	
6.	**JSY Disbursements** • Whether adequate JSY funds are available? • Are there any backlogs of payments? • Whether separate register has been maintained with proper details? • Review sample JSY disbursements (5to10 days – considering the volume) & ensure: ▪ Payments are made on timely basis (within 48 hrs, at the time of discharge) ▪ Proof of identity is duly verified ▪ Payment is made by cheque	
7.	**Rogi Kalyan Samiti** • Discuss frequency of Governing Body/Executive committee meetings • Ensure proper records of minutes are maintained • Ensure separate BoAs are being maintained for RKS and timely audit is conducted	

Note: *Only the questions applicable to the unit should be responded to. Filled by:*
Date:

ANNEXURE XXXIII: Financial Statements and Documents for Audit Report

AUDIT CHECKLIST

S. No.	PARTICULARS	Yes	No	Remarks
1.	Whether Audit Opinion is in the prescribed format giving the World Bank Credit No.			
2.	Whether the Annual Financial Statements (AFS) are in the Prescribed format for Balance Sheet, Income & Expenditure Account and Receipt & Payment Account			
3.	Whether the Financial Statements includes the Bank Reconciliation Statement as on last day of the year.			
4.	Whether Financial Monitoring Report for the last quarter has been certified by the auditors and forms part of Annual Financial Statements			
5.	Confirm that no advances to Districts/ Blocks/ PHCs/ CHCs and any other Agency are shown as expenditure			
6.	Are there advances outstanding for long? (greater than 6 months)			
7.	Whether the Utilisation Certificate for all the Sanctions/ Activity has been attached.			
8.	Are the Utilisation Certificates are signed by the Mission Director or any other authorised person and by the Auditor			
9.	Whether auditor has certified that the amount of utilisation in the Utilisation Certificate is tallied with the Income & expenditure Account of the relevant period.			
10.	Confirm that the Consolidated Annual Financial Statements includes all the district's annual statements based on the books maintained by them and have been duly audited by the same auditor or any other auditor.			
11.	Whether Management Letter has been prepared by the Auditors?			
12.	Whether Management has offered its comments on the observations of the Auditor in the Management Letter.			
13.	Whether the Annual Financial Statements are consolidated on the basis of audited districts accounts and not on the basis of expenditures reported by the districts.			
14.	Have you ensured that the Annual Financial Statements have been consolidated for all the Programmes i.e. RCH, NRHM, Immunisation, IEC, Training and all National Disease Control Programmes.			
15.	Whether Accounting Policies and Notes on Accounts have been appended to the AFS			
16.	Are you sure that none of expense of any activity has been merged with that of any other activity.			
17.	Are you sure that all the expenses have been properly reflected as per the Heads of Accounts as shown in the FMR for each programme.			
18.	Whether the accounts finalisation instructions issued by each Programme Division has been followed or not.			

Financial report on Eligible Expenditures based on Acceptable Audited Financial Statements from the States & MOHFW

S. No.	PARTICULARS	Expenditure as per Audit Report	Expenditure as per FMR
A	**RCH Flexible Pool**		
	COMPONENT		
1	**MATERNAL HEALTH**		
	(i) Activity - Referral Transport :		
	Sub Total		
2	**URBAN RCH**		
	State		
	Districts		
	Sub Total		
3	**TRIBAL RCH**		
	State		
	Districts		
	Sub Total		
4	**INFRASTRUCTURE & HUMAN RESOURCES**		
	(i) Activity - Contractual Staff & Services		
	State		
	Districts		
	Sub Total		
	(ii) Activity - Minor civil works		
	State		
	Districts		
	Sub Total		
5	**TRAINING**		
	State		
	Districts		
	Sub Total		
6	**PROGRAMME MANAGEMENT**		
	State		
	Districts		
	Sub Total		
7	Operating Cost on Routine Immunization & Cold Chain Maintenance		
	Sub Total		
	Eligible NRHM Additional ties Reporting Heads		
	Operating Costs on Training		
	Contractual Staff Salaries		

Signatures

For State Health Society

Signatures

Auditors

FINANCIAL MANAGEMENT LETTER

(Format to be incorporated as part of the Audit Report)

Name of the State:

S. No.	Item	Remarks/ Response
1	**Accounting and Funds flow** a. Are District Units legally registered entities under the Societies Registration Act? b. Status in respect of guidelines issued in December 2006 on financial, accounting, auditing, funds flow & banking arrangements at State & district level. c. Are the books being maintained as suggested in the Finance and Accounts Manual? (please list the books of accounts maintained at the State and District level) d. In the General Ledger, are the ledger accounts (at a minimum) as per the activity heads in the Financial Reporting Formats? If not how are financial reports complied? e. Is there a clear understanding on the on the nature of expenditure to be charged under each account head?] f. What is the basis of recording expenditure at State and District level i.e. is it based on actual expenditure reported by Districts/ sub district units or are transfers recorded as expenditures? g. In case transfers are recorded as expenditures, is there a system of monitoring the expenditures reported against the transfers and eliminating inter unit transfers, while submitting consolidated Financial Report of the State to MOHFW? h. Is any computerized accounting system in use and if yes, what are the outputs? i. Are there any delays in receiving funds from the centre to states and states to districts? Has the project or any component been out of funds in the last one year? j. Are funds transferred by State Health Society to District Societies or directly to Bank accounts in the same of CHMO or DMO? k. Whether the State is transferring the funds to Districts electronically or by physical transfer? l. Whether the fund transfer by State to Districts is being done like RCH flexible pool or does the State carry out activity wise fund transfer to the Districts. m. What is the average frequency of fund transfer in a year? n. To what extent have financial powers been delegated at the state,	

S. No.	Item	Remarks/ Response
	district and block levels? o. Are they aware of the new draft guidelines circulated by the centre for delegation of administrative /financial powers under NRHM? p. Problems being faced/ outstanding issues on accounting or fund management or banking arrangements	
2	**Internal Control** a. Are Financial Management Indicators being compiled regularly? Copy of latest indicators may be requested b. How are FM Indicators being used or followed up? c. Has SPMU been carrying out field checks on basic financial controls (appendix 13 A of Manual) d. Is there a system of recording, monitoring and settlement of advances at all levels i.e. State, District and sub districts? e. Is there an ageing of the advance and are there old un-settled advances with staff and others? f. Are further advances provided without settlement of old advances? g. What steps are being taken to settle old advances, if any? h. Does the project follow the system of single signatory or joint signatories? Who are the signatories to the bank account (s)? i. How many Bank accounts are being maintained and are Bank reconciliations carried out on a monthly basis? j. Problems being faced/ outstanding issues on internal controls. k. Report any procurement which has not been carried out as per the procurement manual of the individual programmes such as; RCH-II, RNTCP, IDSP etc.	
3	**Financial Reports:** a. Are States familiar with the guidelines for preparation of Revised FMR b. Are the reporting heads in the FMR aligned with the AWP and with the ledger accounts in the General Ledger (to check both at the State and District units) c. Are monthly FMRs submitted by the districts to states on a regular basis? Has the state consolidated the monthly FMRs from the districts for the first quarter of the FY? If so, has it been sent to the Centre and when? (a copy of the last financial report sent may be requested) d. Statement of Fund Position: Whether prepared or not? (Verify the figures from the books of accounts for any quarter as a cross-check measure). e. Do the FMRs go to FMG and programme divisions	

S. No.	Item	Remarks/ Response
	f. What are the checks being exercised while preparing FMRs? g. Is physical progress being captured in time and consistently? h. Problems being faced/ outstanding issues on financial reporting	
4	**Audit:** **External:** a. Is there a TOR for external auditors and is it as per the TOR provided in the FM Manual/ RFP? b. Has the auditor(s) been appointed for State and District Societies for the year 2006-07? c. If yes/no, what was the process of selection of auditors? For 2006-07 were they from the shortlist circulated by FMG? d. Was a tendering processes were followed /will follow to appoint the Auditors? e. Are the bids evaluated for contracting auditors based on technical inputs or are they cost based? f. What are the fee rates, the coverage and the time period for which auditors have been contracted? g. Has a single audit firm been appointed or have districts been divided amongst firms? h. Is there a concept of lead auditor to quality assure the audit? i. Has SPMU received the model audit report sent by FMG? j. Have the audit observations on the audit report for previous FY been shared by the FMG? k. What is the practice for follow up on audit observations? l. Did the auditor visit the districts or districts officials were called at the State along with the records? **Internal:** m. Does the State have a system of internal/ concurrent audit? n. Does State plan to have internal or concurrent audit on monthly or quarterly basis? o. Are internal audit observations being received regularly and being acted upon? p. Please elaborate on effectiveness and implementation of Concurrent Audit existed in the i) State ii) Districts	

ANNEXURE XXXIV: Format of Audit Plan

S. No.	PARTICULARS	Start Date	Completion Date	Remarks
1	Visit to State H.Q.			
2	Visit to all the districts (Covering audit of all programmes and blocks selected):			
	District-1			
	District-2			
	District-3			
	District-4			
3	Consolidation of All programmes of each district			
4	Issuing of Audit Observations for Districts			
5	Issue of final audited statements of districts			
5	Audit of State H.Q.:			
	RCH			
	Mission			
	Immunization			
	NDCPs:			
	RNTCP			
	IDSP			
	NLEP			
	NIDDCP			
	NCPB			
	NVBDCP			
6	Consolidation at State Level			
6	Handing over of all state & district repots working papers			
7	Discussion of Audit Report! Findings			
8	Issue of Audit Report			

ANNEXURE XXXV: Form to Record Progress of the Audit

Progress of Audit fo the Year [ ]

1. State Name :
2. Total No. of Districts :
3. Audit Firm :
4. Main Contact Person of the Statutory Audit Firm :
5. Contact Nos. :
6. State Finance Manager / State Accounts manager :
   (Name & Contact Nos.)
7. Audit Plan : State whether Audit Plan (Format Submitted by the State or Not ?
   (See Format of Audit Plan)_
8. Status of completion of audit :

Sl. No.	Facility to be audited	Date of Start & Completion as per Plan	Actual Date of Start and Completion	Remarks (as reg. status of Consolidation and/ NDCPs Audit etc.)
1				
2				
3				
4				

Dated : **State Finance Manager**

Notes :
1. This chart is to be prepared on weekly basis and to be submitted to the Mission Director.
2. A copy of this report is to be submitted to Govt. of India every fortnight after the start of audit.
   Telefax : 011-2306-2121 / Mail : fmg.mohfw@gmail.com

ANNEXURE XXXVI: Certification of Audit Team Visit

Certification of audit Team Visit
(To be obtained from each unit audited issued by M.O. Incharge)

1. State :
2. District :
3. Name of Facility Visited :
4. Date of Visit :
5. Details of Team :

Sl. No.	Name of the Person in the Team	Qualification and Designation	No. of Man Days, Spent

Place :

Date :

Medical Officer Incharge

ANNEXURE XXXVII: Executive Summary

(To be submitted to FMG, MoHFW, GoI by the State Programme Management Support Unit, State Health Society)

Name of the State _____

For the Quarter (due dates: 31st July/31st Oct/31st January/30th April)/Year

NOTE: Based on the three monthly reports, this report has to be submitted along with the Quarterly Financial Monitoring Report

Part-A: State level issues:

Books of Accounts

1. Whether books of accounts of SHS are computerized? If yes, whether any ERP system has been implemented?
2. Whether registers related to budget receipt and control, advances, staff payments, stock, investments etc. are being maintained properly?
3. Whether the Quarterly FMRs and Statement of Fund Position are based on books of accounts. and prepared in the prescribed format?
4. Whether the Quarterly FMRs and Statement of Fund Position are audited by the concurrent auditor?

Disbursement & utilization of funds

5. Provide a list of advances and total amount involved which are outstanding for more than a year. Mention the follow up action taken for the same.
6. Whether the Provisional Utilization Certificates sent to GOI have been audited by the concurrent auditor?
7. Whether there is any significant delay in disbursing the funds to Districts, after their receipt from GOI?
8. Whether the posts of State Finance Manager and State Accounts Manager are filled up? If vacant, since when?

Monitoring & evaluation

9. Whether the state audit committee has been meeting at regular intervals? (Indicate the number of meetings held during the period)
10. Whether audit observations of the concurrent auditor have been complied with?
11. Whether Action Taken Report on observations has been submitted regularly?
12. Whether the SHS has sent the Action Taken Report (ATR) on the last concurrent audit report of the DHS to the GOI?

Others

13. Whether unification of financial and accounting processes as per GOI Notification No. 107/FMG/2005-06 dated 14.12.2006 has been completed?
14. Whether delegation of Administrative and Financial powers have taken place as per GOI guidelines (circulated vide D.O. No.118/RCH-Fin/2006-07 dated 1st May, 2007).

Part-B: District level issues:

Coverage

15. Name of the Districts where monthly concurrent audit has not taken place. (specify the reason)

16. Number of districts where all the blocks have not been covered at least once in the course of audit. (indicate the numbers in each district)
17. Number of blocks (district wise) where the peripheral units have not been visited
18. Number of Rogi Kalyan Samities (district-wise) where last annual audit has not been done.

Books of Accounts

19. Name of the Districts where books of accounts are not computerized. Provide a district wise breakup of health facilities for the same.
20. Name of the Districts where Cash Books are not being maintained/closed on a daily basis. Provide a district wise breakup of health facilities for the same.
21. Name of the Districts where bank reconciliation is not being done on a monthly basis. Provide a district wise breakup of health facilities for the same.

Reporting

22. Name of the Districts which have not submitted the Statement of Fund Position in the last three months.
23. Name of districts that have not submitted their concurrent audit reports on time. Also mention the extent of delay.
24. Name of the Districts which have not submitted FMRs/SOEs in the last three months.
25. Name of the Districts where the SOEs/FMRs are not being submitted in prescribed format.
26. Whether the SOE/ FMR submitted by the districts includes the SOE from all the Blocks/ CHC/PHC etc. on regular basis and on the basis of the Books of Accounts only? Report the exceptions to the same.
27. Provide a list of advances and total amount involved District-wise which are outstanding for more than a year. Mention the follow up action taken for the same.

Audit Committee

28. Number of districts where audit committee has not been constituted/ is not meeting at regular intervals (Indicate names)

Others

29. Number of Districts where unification of finance and accounting processes has not taken place as per GO1 guidelines.
30. Number of districts where posts of District Accounts Manager has been vacant for more than 3 months.
31. Number of Districts where Delegation of Administrative and Financial powers have not taken place as per GOI guidelines (circulated vide D.O. No.118/RCH-Fin2006-07 dated 1st May, 2007).

Part-C: Pending issues:

Whether the issues raised in the last Quarterly Executive Summary have been addressed? List down the details of major pending issues.

(S/d.)
CONCURRENT AUDITOR,
STATE HEALTH SOCIETY

(S/d.)
DIRECTOR (FINANCE & ACCOUNTS)/
MISSION DIRECTOR)
State Health Society

ANNEXURE XXXVIII: Revised Levels of Health Facilities

The revised levels of health facilities as per the MNH guidelines are as follows:

- Level I – Sub-Centres and PHCs providing basic SBA level delivery care
- Level II – Health facilities (PHC/ CHC) providing institutional deliveries including management of complicated deliveries not requiring surgery along with other RCH services like MTP, sterilization, sick newborn care etc.
- Level III – Hospitals (CHC/ SDH/ DH) providing Critical Emergency Obstetric and Newborn Care (CEmONC) and family welfare services with fully functional operation theatre. Blood bank/ blood storage units, sick newborn care units (SNCU) and malnutrition treatment centres (MTC)

It may be noted that facilities designated as level I, II or III, will continue to provide other health services that they were providing as the regular nomenclature (Sub-Centre/ PHC/ CHC). Also, facilities not designated as level I, II or III will also continue to provide the other services (services other than designated MCH services). Thus in effect, designation as level I, II or III is merely grading a facility on MCH services, not affecting its other "package" of services.

After detailed exercises with States, it was found the following proportion of health facilities would constitute these new levels:

- Level I: around 10% of the Sub-Centres, 80% of the PHCs and 2-3% of the CHCs
- Level II: around 20% of the PHCs and 60% of the CHCs
- Level III: around 35-40% of the CHCs and all district/ sub-district level hospitals.

In light of the above, it makes economic sense in concentrating resources and funds in the designated Level II and III facilities, to account higher level of volume and complexity of services.

ANNEXURE XXXIX: Expenditure Statement for VHSNC

Expenditure Statement

Name of village: Name of PHC:

Month & Year:

Date of receipt of untied fund of Rs. 10,000/-

Amount available at the end of last month: ……..……..

Sl. No.	Date	Amount of Expenditure (Rs.)	Details of expenditure

Closing Balance of previous month Rs…….

Expenditure during the month Rs……..

Closing month at the end of current month Rs……..

Dated…… **Signature of ANM**

ANNEXURE XXXX: Format of Utilization Certificate for VHSNC

Form No. GFR – 19 A

Name of village: Name of PHC:

Month & Year:

Utilization Certificate for the Year: _____ Dated:

Sanction Letter No. and Date	Purpose	Amount
(Please give here details of Sanction Letters)	(As per details in SOE annexed)	(Amount of Sanctions)
1.		
2.		
3.		

Certified that out of Rs. _____ of grants – in – aids sanctioned during the Financial Year _____ in favour of the ……VHSNC under Block..... by the District Health Society_____ vide letter nos. (given above) and Rs. _____ on account of unspent balance of the previous year(s), a sum of Rs. _____ has been utilized for the purpose for which it was sanctioned and that the balance of Rs. _____ remained as unutilized at the end of the year will be adjusted towards the grants – in – aid payable during the next financial year.

Further certified that I have satisfied myself that the conditions, on which the grants – in – aid was sanctioned, have been duly fulfilled and that I have exercised the following checks to see that the money was actually utilized for the purpose for which it was sanctioned.

Signature of the ANM Signature of the Gram Pradhan