

DIRECTORATE OF LOCAL FUND AUDIT, ODISHA,
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No. 3164 /DLFA,
DLFA(PLAN)-XIV-Aud-79/2017

Date. 30-04-18

To

The Audit Officer, Local Fund Audit, Bhubaneswar and
All District Audit Officers, Local Fund Audit, Odisha.

Sub: Guidelines for implementation of Annual Audit Programme, 2018-19.

Madam/Sir,

I am directed to say that the following guidelines may be followed in execution of the Annual Audit Programme, 2018-19.

1. The Annual Audit Programme 2018-19 is to commence from 01.05.2018 and terminate on 31.03.2019.
2. The approved programme is to be thoroughly scrutinised at the District Office level and any inadvertent omission/ commission should be reported to the Directorate by 07.05.2018 so that necessary rectification, if needed, can be made.
3. Audit of the Urban Local Bodies should be so planned that audit work is not disrupted on account of the ensuing ULB elections.
4. The approved plan can be viewed by the auditors/audit superintendents by logging in using their User Id after approval of the programme on 01.05.2018. But the auditors/ Audit Superintendents who are under orders of transfer can not view their plan unless the online process of relieving, joining by DAO, allotment to party & self joining is duly completed. Hence, after online joining of Auditors/Audit Superintendents on transfer, DAOs should submit proposals to DLFA through ALFA module(Reshuffle of Members)to add them to audit parties, if necessary, for approval. After approval from DLFA, they can join a new party by clicking the self joining button.
5. Replacement of Dummy Auditor/Audit Superintendents: On availability of required auditors, in order to replace the Dummy Auditor/Audit Superintendents with Auditors/Audit Superintendents, the DAOs should click the 'Dummy User Replace' option from the dropdown list under 'Manage Party' link on the menu ribbon and click on the 'Submit' button.

6. The matter of production of records should be specifically discussed in the entry conference and the local authority should be requested to ensure timely production of records by assigning accountability to the different section heads of the institution. The audit party should physically verify in the entry conference that all cash books are maintained and duly signed by the competent authority up to the end of the Financial Year under audit. If up-dated cash books are not made available in the entry conference, audit may not be taken up. In case of non-production of relevant and essential records for audit, the matter is to be reported immediately to the District Audit Officer who will take up the matter with the local authority first, then with the District Collector and intimate the fact to the Directorate well in time so that necessary steps can be taken at this level. The auditor(s) concerned and the District Audit Officer will be held responsible for any wastage of man days on account of delayed reporting about non-production of records to this Directorate.
7. Effort should be made to cover audit of all the GPs planned in AAP 2018-19 . Wherever GPs are planned to be audited by One member party, audit of 1 year's account may be completed in 5 working days in GPs involving PDS transactions and in 4 working days in GPs without PDS transactions.
8. No extension of man days for completion of audit of institutions, for which less than 5 man days per year of account have been allotted, shall be allowed. However, in case of other institutions, in genuine cases only, District Audit Officers, after due verification, may allow extension up to 5 man days over and above the allotted man days at their level provided the extension proposals, in prescribed pro-forma, are submitted by the audit parties before consumption of 50% of allotted man days. Such cases of approval of extension by the D.A.O.s should be reported to this Directorate immediately. Extension proposals beyond 5 man days should be sent to the Directorate for necessary approval. If it is found that extensions are taken arbitrarily without due approval, the Auditor(s) and the D.A.O. concerned will be taken to task.
9. The audit of the Zilla Parishads are to be completed by 31st August, 2018 within the allotted man days by the Audit Personnel posted in the office(Programme section or surcharge section). The Audit Reports of ZPs should be reviewed by the D.A.O.s. DAO will submit the proposal through institution reshuffling basing upon the availability of the suitable time for the said purpose. During the time of audit of ZP, dual ID should be supplied to the concerned Audit Personnel for smooth discharge of both the Official duty and field audit on request from the DAOs concerned.

10. Change of Audit Status in ALFA, i.e., In Progress and Completion of audit should be done by the Auditor/Audit Party within the time allowed, i.e., within 15 days in case of GP audit and within 7 days in case of audit of other institutions. The restriction in ALFA will be strictly adhered to. The DAOs are to monitor the activities of the Audit Parties to ensure timely change of audit status and timely submission of weekly diaries. Grievances by Auditors requesting change of audit status of institutions beyond the allowed no. of days as mentioned above **should not be submitted in ALFA grievance module**. In case it is not possible by any Auditor/Audit Party to change audit status within the stipulated time of 7/15 days due to reasons not attributable to his negligence, the Auditor should intimate the same to the DAO, who is to bring it to the knowledge of the Director clearly mentioning the circumstances which led to non-change of audit status in time for consideration at DLFA.
11. The weekly diaries of auditors should be scrutinised regularly and audit work of each party should be monitored accordingly. Delayed submission of weekly diaries by auditors and non-monitoring of audit work of audit parties leading to wastage of man days will be viewed seriously.
12. DAO should be watchful regarding loss of man days due to audit personnel sitting idle and non-utilisation of his/her services in time through ALFA. Delay in Party posting or in Office may be avoided. It will be viewed seriously if any such lapses are noticed in any district.
13. Monthly staff meeting should be conducted positively every month and all the difficulties that arise in the field audit or ALFA problem on discharging their duty should be discussed. DAO may also intimate the problems to the Head Quarter which are not solved at the district level.
14. Progress review may be conducted sincerely in the institutions in due time and review report should be uploaded in ALFA within two days after completion of the review. Further, irregularities, if any, observed in field visit may be reported with suggestion to rectify the same.
15. All the audit parties are impressed upon to submit the DARs in ALFA immediately after completion of audit. The Reviewing Officer should finalise the DAR and submit it to the DAO within a week of submission by the Auditor. The DAO will transmit the DAR to the Local Authority of the concerned institutions within a week of submission by the Reviewing Officer for their comments. One month time is allowed to the Local Authority for their comments. In no case, the Audit.

Reports involving entry/exit conference should be kept pending beyond a period of 2 months after the date of completion of audit. For any deviation, the DAO will be answerable.

16. Transmission of approved Audit Reports to proper quarters:-

The DAOs are instructed to transmit the Audit Reports, immediately after approval and issue, to proper quarters **electronically** (by e-mail or e-Despatch) wherever possible. DAOs should personally review the Audit Report issue position once every month to ensure that all approved Audit Reports have actually been transmitted to the stakeholders.

17. Guidelines for Thematic Audit on the two selected themes will follow soon.

Yours faithfully,


Joint Director

Memo No. 3165...../DLFA,

Date.....30-04-18.....

Copy to all Officers, DLFA /ALFA Team / Programme Section, DLFA for information & necessary action.


Joint Director