

GOVERNMENT OF KERALA

Abstract

Local Self Government—Constitution of Audit Monitoring Committees
at the District and State level for timely settlement of
Audit paras—Orders issued

LOCAL SELF GOVERNMENT (AC) DEPARTMENT

GO. (Rt.) No. 2121/2007/LSGD. Thiruvananthapuram, dated, 4th August 2007.

- Read:—1. D. O. Letter No. LBA (HQ)/2005-06/800 dated 21-12-2005 from the Principal Accountant General (Audit) Kerala, Thiruvananthapuram.
2. D. O. Letter LF. 10211/SPL. Cell. G1/06 dated 23-6-2006 from the Director Local Fund Audit Department.
3. D. O. Letter No. LBA (HQ)/I-15-3/06-07/182 dated 13-7-2006 from the Senior Deputy Accountant General (Audit).

ORDER

Presently Local Bodies are audited by the Accountant General, Kerala Director of Local Fund, Performance Audit Wing and the Finance Inspection Wing. Each Agency is independently conducting the audit regularly and Inspection Reports are issued to Local Self Govt. Institutions. However it has come to notice of Govt. that Local Self Govt. Institutions are not taking any interest in furnishing prompt replies to audit queries/objections and in taking remedial action for the objections included in the Audit Report. This has resulted in accumulation of audit reports and audit paras. The Accountant General in his letter read as 1st paper above has reported to Govt. that 879 inspection reports containing 12459 paras relating to the period 1998-99 are pending settlement at the end of November 2005 and requested Government to constitute Audit Monitoring Committees for proper clearance of objections/ Inspection Reports. If replies are furnished promptly many objections can be dropped and they will not find place in the final audit reports. Similarly, Local Self Govt. Institutions are not taking timely action against the persons responsible for the lapses pointed out in Audit. Hence the Accountant General, (Audit), Finance Department and the Local Fund Accounts Committee have suggested constitution of Audit Monitoring Committees at the District and State Level for timely settlement and clearance of audit paras.

In the circumstances Govt. have examined the matter in detail and are pleased to accept the following proposal for the constitution of Audit Monitoring Committees at District and State Level for different categories of local bodies and are pleased to order accordingly, subject to the condition that there will be no creation of new post or upgradation of existing posts for the above purpose.

DISTRICT LEVEL AUDIT MONITORING COMMITTEE

1. There shall be a District Level Audit Monitoring Committee each for settlement of Audit Paragraphs of all auditing agencies in respect of Grama Panchayats/Block Panchayats and Municipalities.
2. For Grama Panchayat, the Deputy Director of Panchayats, Assistant Director of Panchayats, Deputy Director of Local Fund Audit, Audit Officer from Office of the Accountant General (Audit) and the District Finance Officer in charge of the Finance Inspection shall be the Members of the Committee. For Block Panchayats, instead of the Deputy Director and Assistant Director of Panchayats the Assistant Development Commissioner (General) and Assistant Development Commissioner (PA) shall be the Members. For Municipalities, the Regional Joint Director of Urban Affairs would be the Member of the Committee in the place of DDP, ADP and ADCs.
3. The DDP/ADC (General) and RJDUA respectively shall be the Convenor of the Audit Monitoring Committee for Grama Panchayats, Block Panchayats and Municipalities and the Committee shall be convened once in three months at such places as decided by the DDP/ADC/RJDUA.
4. Details of number of Audit Reports, pending paras, pending details of Panchayats not submitting replies in respect of different audits, shall be prepared by the representative officer of various types or audit, and copy of the same shall be given to the DDP, ADC (General) and RJDUA sufficiently in advance.
5. The Audit Monitoring Committee can summon, the Secretaries and Implementing Officers of the local bodies concerned which are not responding to audit promptly in giving replies and taking remedial action and explanation can also be called for-for non-submission of replies and for not taking remedial action based on audit points.
6. In the Monitoring Committee Meeting the details of pending paras along with remedial action taken for settlement of audit paras shall be discussed and suitable decisions shall be arrived at.

7. The decisions along with suggestions/recommendations and detailed report of pending para of the Committee shall be forwarded to the Director of Panchayats/Commissioner of Rural Development and Director of Urban Affairs.
8. The Director of Panchayats/Commissioner for Rural Development and Director of Urban Affairs shall constitute a separate cell in the Directorate and Commissionerate under the Supervision of a senior officer to deal with the work relating to Audit Reports of various agencies.
9. Wherever necessary, district level officers of various departments may be invited by the Committee to discuss Audit Reports pertaining to Various Departments.
10. The cell formed as above shall, take suitable action for settlement of Audit Paras based on the report from the District level Monitoring Committee and an action taken report shall be prepared once in a quarter. The report shall include the details of Pending Audit Reports and Paras, action suggested by the District Level Committee, action taken by the Director/Commissioner and the details of paras and reports settled and details of action taken against the defaulting Panchayats/Municipalities and further suggestions/recommendations for clearance of paras. The Action Taken Report shall be submitted to the convenor of the State Level Steering Committee once in four months by the Director of Panchayats/Commissioner of Rural Development/ Director of Urban Affairs.
11. District Planning Committee Chairman shall be the Chairman of the District level Audit Monitoring Committee.

STATE LEVEL AUDIT MONITORING COMMITTEE

1. There shall be a State Level Audit Monitoring Committee for settlement of Audit reports and Paras of various agencies.
2. The Principal Secretary (LSG), Director of Panchayats, Commissioner of Rural Development, Director of Urban Affairs, Director of Local Fund Audit, Senior Deputy Accountant General (LBA), State Performance Audit Officer, Additional Secretary (Finance Inspection Wing) and Deputy Secretary (A) (Local Self Govt.) shall be the members.
3. The Principal Secretary (LSG) shall be the Chairman and the State Performance Audit Officer shall be the Convenor of the Committee.

4. The Committee shall be convened once in four months based on the orders of the Chairman.
5. The Senior Deputy Accountant General (LB Audit), State Performance Audit Officer, Additional Secretary (Fin.) and Director of Local Fund Audit shall give a detailed report showing number of Audit Reports and Paras pending in respect of Zilla Panchyats and Corporations and the promptness in getting replies and the attitude of Local Self Government Institutions towards Audit.
6. The State Level Committee shall discuss on the ATR submitted by the Director of Panchayats, Commissioner of Rural Development and Director of Urban Affairs and the Report received from Sr. DAG, SPAO and DLFA in respect of Zilla Panchayats and Corporations and suitable decisions would be arrived at.
7. Wherever necessary, the Secretary and Implementing Officers of Zilla Panchayats and Corporations may be summoned by the State level Monitoring Committee for failure in submission of replies or for taking remedial action on audit points.

By order of the Governor,

T. K. JOSE,
Secretary to Government.

To

All Principal Secretaries/secretaries.
The Principal Accountant General (Audit), Kerala, Thiruvananthapuram.
The Accountant General (A&E), Kerala, Thiruvananthapuram.
The State Performance Audit Officer, Thiruvananthapuram.
The Director of Panchayat, Thiruvananthapuram.
The Director of Urban Affairs, Thiruvananthapuram.
The Commissioner for Rural Development, Thiruvananthapuram.
The Director of Local Fund Audit, Thiruvananthapuram.
The Secretary, Ombudsman for LSG Institutions.
The Secretary, Tribunal for LSG Institutions, Thiruvananthapuram.

The Secretaries of all District Panchyats.

The Secretaries of all Corporations.

The Secretaries of all Municipalities.

All Deputy Directors of Panchayats (All Districts)

The Chairman, District Planning Committee, Thiruvananthapuram.

Finance Department (vide ref. D.O No. 132771/Dev. 3/2004/Fin. dated 5-5-2005 & U.O Note No. 43842/Dev. 3/2006 Fin. dated 11-8-2006)

Copy to : The P. S. to Chief Minister.

The P. S. to Minister (LSGD).

The P. S. to all Ministers.

The P. S. to Speaker Legislative Assembly. (With C/L)

The P. S. to Deputy Speaker, Kerala Legislative Assembly. (With C/L)

The Additional Secretary to Chief Secretary

The P. A. to Principal Secretary (LSGD)

The P. A. to Secretary (LSGD)

All Sections in L.S.G.D.

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