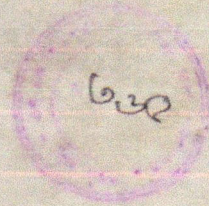


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MILITARY ACCOUNTS DEPARTMENT

OFFICE MANUAL PART VIII

MANUAL OF INSTRUCTIONS AND PROCEDURE FOR THE M.E.S. AUDIT SECTIONS OF CONTROLLERS' OFFICES.

Issued by authority of the Military Accountant General of Bangladesh.

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1982

PREFACE

This Manual contains instructions and procedure for the conduct and disposal of work dealt with in "Engineering" Section of a Controller's Office. The instructions in the manual are supplementary to those contained in the standard "codes" and "Regulations" of the Government of Bangladesh and are meant to serve as a general guide to the officers and establishment employed in dealing with M. E. S. work; they are not intended to cover self evident exceptions, or matters of detail with which an individual with some experience of the working of the Department may be expected to be conversant.

Controller of Accounts may, if necessary vary them in matters of detail to suit local conditions, but any proposed change which involves a substantial and permanent departure from the instructions in this Manual should be referred to the Military Accountant General for approval.

2. All alterations or additions to the Manual will be notified periodically by the Military Accountant General by means of correction slips. The Controller of Accounts will bring to the notice of the M. A. G. cases in which important orders and instructions issued hereafter have not been incorporated in this Manual within six months of their issue.

3. This is a provisional issue. Any errors and omissions should be reported immediately in writing to the Military Accountant General, Dacca.

DACCA:

FAZLUL HAQUE,

The 3rd September, 1981. Military Accountant General.

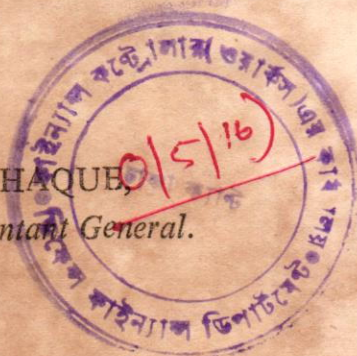


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Engineering Section

MANUAL OF INSTRUCTIONS AND PROCEDURE FOR THE MILITARY ENGINEERING SERVICE AUDIT SECTIONS OF CONTROLLERS OF ACCOUNTS OFFICES.

Chapter I—GENERAL ARRANGEMENTS

The M. E. S. Audit Section deals with the audit of works expenditure which comes under the purview of central audit except expenditure under Head—8 M. E. S. Sub-Head 'E' Establishment, Detailed Heads 1—3 which is auditable by O. P. S. in respect of Military Officers Unit Sections in respect of other ranks, Pay M. & T. Sections of Controllers offices in respect of all others. Audit of expenditure, relating to Detailed Head 4—8 of Sub-head 'E' is also conducted in the M. E. S. Audit Section.

2. The main items of work dealt with in the M. E. S. Audit Section are as follows :—

- (i) Scrutiny of Administrative approvals to works and Technical sanctions.
- (ii) Scrutiny of contract agreements, amendments thereto and lease agreements.
- (iii) Before preaudit of suppliers bills, bills for local purchases and general charges claims under Workmen's Compensation Act, 1923 etc. by the GE/MEOs after preliminary check by the UA, it should be scrutinized/approved by the 'E' Section of CMA office.
- (iv) Post audit of bills paid by the G.E./M. E.Os./Cs.M.E.S./E.-in-C., after preliminary check by the U. A. under paras. 541 and 585, M. E. S. Regulations.
- (v) Check of the original cash books of M. E. S. disbursing officers holding cash assignments and the copies of cash books in the case of M.E.S. Imprest Holders, e.g., Cs. M.E.S., E-in-C.
- (vi) Dealing with adjustments of sub-audit offices Accounts.
- (vii) Scrutiny of Demolition statements and sale Accounts.
- (viii) Preparation and submission of Annual Review of M. E. S. expenditure.
- (ix) Placing cash assignments and imprest at the disposal of M. E. S. authorities.
- (x) Check of various accounts, etc., received from (or through) the M. E. S., U. As. Viz.,
 - (a) Monthly Punching Media.
 - (b) Monthly expenditure returns.
 - (c) Non-P. V. E. S. items statements, check and consolidation thereof for submission to the D. F. A. (Works) for approval of rates.
- (xi) Scrutiny of re-appropriation statements of buildings.
- (xii) Preparation and submission of various reports and returns due from the sections in connection with the accounting and audit of M. E. S. expenditure.

- (xiii) Maintenance of Registers detailed in Annexure 'A'.
- (xiv) Linking and watching clearance of outstanding items under head "Transfers between M. E. S. Officers".
- (xv) Scrutiny of monthly O. I. statements form 'A' and Half-yearly O. I. S. form 'B' the latter to be consolidated and submitted to D. F. As concerned.
- (xvi) Scrutiny of loss statements pertaining to M. E. S.
- (xvii) Scrutiny of contractors claims and M. E. S. defence in connection with arbitration awards and rendition of financial advice thereon before being submitted to the Arbitrator.
- (xviii) Control of Local Audit of M. E. S. formations.

3. The section comprises of a central group and a certain number of groups each of the latter dealing with the accounts of a Division allotted to it. The Central, Group is placed under the charge of the senior superintendent and deals with all important items of work e. g., scrutiny of contract agreements and amendments theerto, difficult cases requiring intelligent and careful drafting, cases regarding decisions on important question, cases of financial irregularities, references relating to M. E. S. procedure, disposal of Central Defence Audit objections, audit of sanctions, cases relating to Arbitration and the work relating to Annual Review of M. E. S. expenditure and all important reports and returns.

4. The system of filing and distribution of post will be found detailed in Appendix to Chapter IX., O. M. Part I and Chapter I, Office Manual, Part II.

5. The duties of the superintendents and gazetted officers and the extent and the manner of review to be applied by them, is laid down in appendix I to Office Manual, Part I and in the succeeding paragraphs of this manual.

Chapter II—SANCTIONS AND ORDERS

6. **Administrative Approvals.**—Work must be administratively approved technically sanctioned and funds allotted before they can be executed through departmental or contractual agency except under the unexpected circumstances contemplated in para 41, M. E. S. Regulations, as amended from time to time. All administrative approvals will be received and audited in 'E' Section. The M. A. G. is responsible for regular audit of Administrative Approvals accorded by the Government of Bangladesh but such sanctions will also be examined generally to see that they are *prima facie* free from any defect and have been received through the Financial Adviser (Defence).

7. In conducting the regular audit of administrative approvals accorded by the Administrative authorities lower than the Government of Bangladesh it will be seen:—

- (i) That the authority according the approval is competent to do so as per Para 25 to 36, and Table 'A' of MES Regulations as amended from time to time.
- (ii) That in the case of a work stated to be authorised, it is covered by the authority quoted. For definition of 'Authorised' and 'Special' works para. 21 M. E. S. Regulations and paras 25 to 36 and Table 'A' of MES. Regulations as amended from time to time.
- (iii) That the sanction has been communicated to the audit office direct by the sanctioning authority.
- (iv) That the charge is for a *bona fide* public object.
- (v) That the sanction is not accorded piecemeal with a view to bringing the amount within the powers of the sanctioning authority.
- (vi) That in the case of special works, the reasons for according administrative approval justify the execution of the work *vide* para. 21 (ii), M. E. S. Regulations.
- (vii) That special works have not been approved in cases where the introduction of a new practice or change of scale is involved. All such approvals will be challenged in audit as requiring the sanction of the Government of Bangladesh.
- (viii) That when a number of services in a station or area are necessitated by a change of plan or policy, all the services to which Government is thus committed have been considered as one project for the purpose of administrative approval.
- (ix) That the source of funds to meet the expenditure has been specified.
- (x) That the administrative approval is supported by a project estimate and that the amount sanctioned in the former does not exceed that of the latter.
- (xi) The project estimate will be checked to see :—
 - (a) That the authorised percentage for establishment charges and contingencies have been adopted; and

- (b) That, so far as can be broadly judged, the estimate covers all the possible commitments contingent upon the execution of the work sanctioned.

NOTE.—All letters conveying administrative approvals will be entered in a register of administrative approvals and will be filed in a sanction file, the pages of which will be serially numbered. Such letters will be endorsed "Scrutinized and accepted, noted in the register of administrative approvals at page....." over the signature of the section officer when they are finally accepted in audit.

8. Technical Sanction.—After a work or project has been administratively approved this is technically sanctioned by the Competent Engineer Authorities. Copies of technical sanctions, accompanied by costed schedules of works/ projects will be received in all cases by 'E' Section.

NOTE.—In accordance with Para 70 to 74 and Table 'B' M. E. S. Regulations the signing of a contract/requisition etc., automatically conveys technical sanction. In such cases separate technical sanction will not be necessary.

9. In conducting the audit of technical sanctions it will be seen:—

- (i) That the engineer authority according the sanction is competent to do so *vide* Table 'B' M. E. S. Regulations
- (ii) The technically sanctioned cost has not exceeded the project estimate supporting the Administrative approval.
- (iii) No abnormal feature is apparent.
- (iv) Arithmetical calculations are correct.
- (v) The scales of accommodation and services adopted do not differ from those laid down in Barrack synopsis, scales of Accommodation (War), Barrack and Hospital schedules, etc.
- (vi) The rates of costing in the costed schedules conform to the prevailing contract rates with due regard to the local conditions.
- (vii) In the case of works estimated to cost less than Tk. 5,000 costed schedules of works will not be sought for.
- (viii) The number of lights and fans does not exceed the authorised scale and that arithmetical calculations are correct.
- (ix) In case of Railway sidings that the apportionment of the total expenditure into Railway and 8—M. E. S. is in accordance with section 20, Chapter V, M. E. S. Regulations and the annual recurring expenditure debitable to 8—M. E. S. is in accordance with the authorised percentages.
- (x) That constructions and improvement of roads from Military estimates are in order.
- (xi) That for additions and alterations consequent on the re-appropriation of officers quarters and messes for other purposes and *vice versa*, the re-appropriations are for genuine Military requirements and that the re-appropriation does not necessitate the construction of new accommodation for the purpose for which the building was originally constructed.

NOTE.—The technical sanctions after being endorsed as having been checked will be linked with the corresponding Administrative Approval, noted in the column provided for the purpose in the Register of Administrative Approvals and filed in the sanctions file under the orders of the section officer.

10. Sanctions of miscellaneous nature will be audited *inter alia*, with special reference to the competence of the authority giving the sanctions the propriety of the sanction and its regularity *i. e.*, the sanction should conform to the rules and regulations bearing on the subject in each case.

Chapter III.—BUDGET

11. Budget is an estimate of the probable receipts and expenditure during a financial year, formulated in anticipation as accurately as possible with reference to the actual expenditure and receipts during the past years (generally three) and the policy of Government to be adopted in that particular year. M. E. S. Budget Estimates are based on the consolidated schedules of Demands prepared by the Engineer-in-Chief in accordance with the procedure outlined in Appendix 'B', M. E. S. Regulations.

12. In the annual budget, allotments of expenditure are made under each sub-minor and detailed heads which form the units of expenditure. The allotments specified in the Budget are known as funds placed at the disposal of Army and engineer authorities. With a view to keeping an account of such funds under various Budget heads, Registers of grants on B. A. F. W. 2244 are maintained. These registers of grants are opened for each financial year and posted from the annual Budget and further modifications thereto. It will be seen that the final issues agree with the Budget orders.

13. Appropriations and re-appropriations subsequent to the Budget Provisions made under the orders of the competent authority are posted into these registers. Rules for allotments and transfer of funds are given in Para. 45 to 64, M. E. S. Regulations. It will be seen that the orders contained therein have been closely followed.

14. In the audit of appropriations and re-appropriations, it will be seen :—

- (a) that the order has not the effect of increasing the amount of the appropriation without the sanction of the Competent Authority,
 - (b) that the amount appropriated is available under the head from which it is allotted,
 - (c) that the re-appropriation is authorised before the expiry of the year,
 - (d) that the order is issued by the Competent Authority.
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Chapter IV—CONTRACTS

15. **Acceptance of Contract Agreements.**—The rules for issue of tender notices, etc., acceptance of contract agreements by the M E. S. authorities are given in paras. 386 to 392, and 395 to 399, M E. S. Regulations and the power of acceptance thereof in Table 'B' *ibid*.

16. Although responsibility for the correctness of any contract in every respect lies with the officer by whom it is accepted, the Military Accounts Department are required to exercise an intelligent scrutiny of contracts entered into by authorities lower than the Government of Bangladesh and the E-in-C. This in fact is one of the important functions of their work as the contracts form the basis of payments.

NOTE.—As per Ministry of Defence letter No. AA(Army)/20/313/76-D-XII/740 dt. 10/12/77 and para 77, Table 'B' of MES Regulations the powers of sanctioning of contracts without financial consultations have been delegated to MES authorities.

The contracts accepted by the E-in-C will be scrutinized by the A. F. A. (Works) before transmission to the C. M. A. of the area to which the contract relates.

17. The particulars of all contracts received will be entered in a Register of contracts to be maintained in the proforma given in Appendix 'A'. Separate folios will be allotted to each Division. The contracts, on being accepted in audit finally, will be recorded in files which will be bound as early as possible. The contracts being original documents will always be kept under lock and key and will be made available only to those who are concerned with the audit and payments in respect thereof.