



**Pakistan Institute  
of Public Finance Accountants**

# **Model Solutions**

**Expenditure and Receipts/Income  
of all the Local Governments  
including District  
Education/Health Authorities and  
Union Councils (Updated)  
(Application)**

**LFA**

**Summer Exam-2024**

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## Summer Exam-2024

### **Expenditure and Receipts/Income of all the Local Governments including District Education/Health Authorities and Union Councils (Updated) (Application)**

**Q.1.** Ref: Rule-10 Functions of Chief Executive Officer- District Health Authorities ( Conduct of Business)  
**a** Rules-2016.

shall:

- (a) exercise its powers as executive head of the Authority;
- (b) provide efficient primary and secondary healthcare services;
- (a) implement standards and policies fixed by the Government;
- (b) manage the human resource including doctors, para-medical, supporting staff and staff of the Authority;
- (c) ensure health outcomes and enrollment in the district;
- (d) ensure high quality healthcare services;
- (e) implement the health projects initiated or launch by the Government;
- ) identify externally verifiable indicators for getting high performance from healthcare workers and reward them;
- ) manage existing primary and secondary healthcare facilities;
- ) establish new healthcare facilities;
- ) rationalize existing healthcare facilities and healthcare workers;
- ) monitor, implement and execute the development projects of the Authority as per the budget;
- ) ensure achievement of targets against performance indicators by the Authority;
- ) implement reform program of the Government;
- ) manage the affairs of the Authority; and
- ) perform any other task assigned to him by the Authority.

**Q.2.** Ref: Rule- 48-49 PPRA Code

**a** 48. Redressal of grievances by the procuring agency.-

(1) The procuring agency shall constitute a committee comprising of odd number of persons, with proper powers and authorizations, to address the complaints of bidders that may occur prior to the entry into force of the procurement contract.

(2) Any bidder feeling aggrieved by any act of the procuring agency after the submission of his bid may lodge a written complaint concerning his grievances not later than fifteen days after the announcement of the bid evaluation report under rule 35.

(3) The committee shall investigate and decide upon the complaint within fifteen days of the receipt of the complaint.

(4) Mere fact of lodging of a complaint shall not warrant suspension of the procurement process.

(5) Any bidder not satisfied with the decision of the committee of the procuring agency may lodge an appeal in the relevant court of jurisdiction.

#### **49. Arbitration.-**

(1) After coming into force of the procurement contracts, disputes between the parties to the contract shall be settled by arbitration.

(2) The procuring agencies shall provide for a method of arbitration in the procurement contract, not inconsistent with the laws of Pakistan.

### **Q.3. Responsibilities of Budget & Accounts Officer**

#### **Rule No.12 PLG (Accounts Rules)-2017**

**Responsibilities of head of finance office.-** The head of finance shall be responsible for:

- (a) maintaining intra-departmental accounts of the local government;
- (b) monitoring of receipts and expenditure against the budget as approved by the House and to:
  - (i) maintain and examine budget control register for each head of expenditure and record necessary entries in the register;
  - (ii) ensure that the expenditure is charged to relevant object code and remains within allocation;
  - (iii) prepare monthly and annual statements of receipts and expenditure and reconcile the statements with the accounts of the accounts officer;
  - (iv) ensure that the claim of expenditure is not initiated until equivalent cash resource is available;
  - (v) maintain general cash book of receipt and expenditure;
- (c) acting as a focal person for annual audit, preparation of annotations and implementation of the directions of Public Accounts Committee, special departmental accounts committees and departmental accounts committees;
- (d) ensuring reconciliation of monthly and annual accounts with the accounts officer;
- (e) maintaining the record of audit and inspection reports, audit reports and minutes of the departmental accounts committee and special departmental accounts committee; and
- (f) performing the duties as co-signatory with the accounts officer and Chief Officer.

### **Responsibilities of Drawing & Disbursing Officer**

#### **Rule-15 PLG (Accounts Rules)-2017**

**15. Responsibilities of the drawing and disbursing officer.-** The drawing and disbursing officer shall:

- (a) prepare estimates of the expenditure for each head of expenditure;
- (b) assessment of expenditure on periodical and annual basis;
- (c) withdraw and disburse monies from the local fund and public account under the rules;
- (d) maintain cash book and promptly record necessary entries in the cashbook as soon as the monies are withdrawn, disbursed or credited to the local fund or public account of the local government;
- (e) prepare monthly and annual statements of expenditure and reconcile the figures with the accounts of the accounts officer and the bank concerned, remove any discrepancy pointed out in reconciliation with the account officer and the bank, and bring the matter of any discrepancy to the notice of the Chief Officer indicating the amount involved and the employee from whom the amount shall be recovered;
- (f) submit the monthly and annual expenditure accounts to the head of finance office for record;
- (g) prepare statement of payments in arrears at the beginning of each financial year, by carrying forward and including the same in the register of liabilities of the following financial year;

No doubt, both the officers are related with the Financial Management of the District Health Authority, therefore their dual role in safeguarding the financial interests of the authority is imperative

### **Q.4. METHODS OF PROCUREMENT**

#### **20. Principal method of procurement.-**

Save as otherwise provided hereinafter, the procuring agencies shall use open competitive bidding as the principal method of procurement for the procurement of goods, services and works.

#### **21. Open competitive bidding.-**

\*Subject to the provisions of rules 22 to 37 the procuring agencies shall engage in open competitive bidding if the cost of the object to be procured is more than the prescribed financial limit which is applicable under sub-clause (i) of clause (b) of rule 42

#### **22. Submission of bids.-**

- (1) The bids shall be submitted in a sealed package or packages in such manner that the contents are fully enclosed and cannot be known until duly opened.

(2) A procuring agency shall specify the manner and method of submission and receipt of bids in an unambiguous and clear manner in the bidding documents.

**23. Bidding documents.-**

(1) Procuring agencies shall formulate precise and unambiguous bidding documents that shall be made available to the bidders immediately after the publication of the invitation to bid.

(2) For competitive bidding, whether open or limited, the bidding documents shall include the following, namely:-

(a) invitation to bid;

(b) instructions to bidders;

(c) form of bid;

(d) form of contract;

(e) general or special conditions of contract;

(f) specifications and drawings or performance criteria (where applicable);

(g) list of goods or bill of quantities (where applicable);

(h) delivery time or completion schedule;

(i) qualification criteria (where applicable);

(j) bid evaluation criteria;

(k) format of all securities required (where applicable);

(l) details of standards (if any) that are to be used in assessing the quality of goods, works or services specified; and

(m) any other detail not inconsistent with these rules that the procuring agency may deem necessary.

(3) Any information, that becomes necessary for bidding or for bid evaluation, after the invitation to bid or issue of the bidding documents to the prospective bidders, shall be provided in a timely manner and on equal opportunity basis. Where notification of such change, addition, modification or deletion becomes essential, such notification shall be made in a manner similar to the original advertisement.

(4) Procuring agencies shall use standard bidding documents as and when notified by regulation by the Authority:

Provided that bidding documents already in use of procuring agencies may be retained in their respective usage to the extent they are not inconsistent with these rules, and till such time that the standard bidding documents are specified by regulations.

(5) The procuring agency shall provide a set of bidding documents to any supplier or contractor, on request and subject to payment of price, if any. Explanation.- For the purpose of this sub-rule price means the cost of printing and providing the documents only.

**30. Evaluation of bids.-**

(1) All bids shall be evaluated in accordance with the evaluation criteria and other terms and conditions set forth in the prescribed bidding documents. Save as provided for in sub-clause (iv) of clause (c) of rule 36 no evaluation criteria shall be used for evaluation of bids that had not been specified in the bidding documents.

(2) For the purposes of comparison of bids quoted in different currencies, the price shall be converted into a single currency specified in the bidding documents. The rate of exchange shall be the selling rate, prevailing on the date of opening of bids specified in the bidding documents, as notified by the State Bank of Pakistan on that day.

(3) A bid once opened in accordance with the prescribed procedure shall be subject to only those rules, regulations and policies that are in force at the time of issue of notice for invitation of bids.

**ACCEPTANCE OF BIDS AND AWARD OF PROCUREMENT CONTRACTS**

**38. Acceptance of bids.-**

The bidder with the lowest evaluated bid, if not in conflict with any other law, rules, regulations or policy of the Federal Government, shall be awarded the procurement contract, within the original or extended period of bid validity.

**Q.5. Rule: 4- 5 PLG Taxation Rules 2016**

4. Publication of taxation proposals.- (1) After the approval under rule 3, the Mayor or the Chairman shall issue a public notice for each taxation proposal.
- (2) The public notice, issued under sub-rule (1), shall be published at least in two national newspapers one in Urdu and one in English.
- (3) A public notice, issued under sub-rule (1), shall specify:
- (4) Along with the public notice issued under sub-rule (1), the Mayor or the Chairman shall publish taxation programme specifying therein:
- (a) the date, which shall not be less than fifteen days from the publication of the proposals for objections from the inhabitants or affectees; and
  - (b) the date(s) fixed for the hearing of objections received under clause (a), if any, by the Mayor or the Chairman or a committee constituted for this purpose.

**Q.6. Minutes of the Budget Meeting of Executive committee of District Council, Sargodha.**

The meeting of Budget Committee of the District Council Sargodha was held on 15.06.2023 at 12.30 pm

1.The meeting commenced with recitation of some verses from Quran.

2.Following officers attended the meeting

- (i) Mr. X Chairman District Council
- (ii) Mr. A Chief officer
- (iii) Mr. Y Executive Engineer
- (iv) Mr. Z Director Finance
- (v) Mr. B Secretary

3. The Committee unanimously approved the Development budget proposals of Rs. 750.0 million for execution of various development projects during the financial year ,2023-24.

4.The committee also approved the Non-development budget of Rs. 450/- million for the year 2023-24.

The meeting ended with the exchange of vote of thanks between the Chair and participants.

- Sd-

Chief Officer  
District council, Sargodha

**Q.7.** We are thankful to the audit for pointing out the discrepancy in our accounts record. Chairman Municipal Corporation has been pleased to constitute an Inquiry Committee, comprising of Director Finance and Budget officer to examine the accounts records thoroughly and find out the main cause of discrepancy either error or misappropriation.  
The result of inquiry will be shared with the audit for taking further action in the matter.

- Sd-

Chief Officer

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