NOTIFICATION

Sub: Inviting Expression of Interest-reg
Ref: Financial Management & Procurement (FMP)

Secondary Education Development Society of Kerala (SEDSK) is a registered society, which is implementing the centrally sponsored programme of RMSA to attain the goal of Universalization of Secondary Education in Kerala State for which funds are shared between Government of India and Government of Kerala in the ratio 75:25.

We are inviting Expression of Interest from CA firms for conducting internal audit of the society. Interested firms can send Expression of Interest to State Project Director, RMSA, Kerala within 15 days. The format of Expression of Interest and Term of Reference for appointment of Internal Auditor is attached.

Rashtriya Madhyamik Shiksha Abhiyan

State Project Director
Rashtriya Madhyamik Shiksha Abhiyan
Annexure-XVII

RASHTRIYA MADHYAMIK SHIKSHA ABHIYAN
TERMS OF REFERENCE FOR APPOINTMENT OF AN INTERNAL
AUDITOR FOR THE ACCOUNTS OF RMSA OF STATE/UT
FOR THE YEAR (FINANCIAL AUDIT)

BACKGROUND

The is a registered Society which is implementing the centrally sponsored Programme of RASHTRIYA MADHYAMIK SHIKSHA ABHIYAN (RMSA) to attain the goal of Universalization of Secondary Education in all the districts of State for which funds are shared between the Government of India and State Government in the ratio of ...........

OBJECTIVES

Internal Audit is a control that functions by examining and evaluating the adequacy and effectiveness of other controls throughout the organization. The objective of the current internal audit is to seek a professional opinion on the financial position of RMSA programme. The internal auditor should also ensure that funds received and expenditure incurred for the accounting period are in accordance with the laid down financial regulations, procurement procedures and other orders issued from time to time and that proper accounts are maintained at all levels.

SCOPE

Expenditure is incurred against various activities approved in the Annual Work Plan & Budget from funds released by the Government of India and the State Government covering the programme cost. A statement of expenditure based on actual amounts spent under various interventions is sent to Government of India. The internal auditor is required to exercise tests of accounting records, internal checks and control and other necessary internal audit of the accounts as per general principles. In conducting the Audit, specific attention should be given to the following:

(a) The internal audit activities should include payment audit as well as independent appraisals of the financial, operational and control activities of the programme.

(b) The responsibilities of the internal auditor 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 RMSA financial norms as laid down in the Manual for Financial Management and Procurement and State Government procedures.

(c) All funds have been used in accordance with the condition of the relevant financial norms and financial regulations with due attention to economy and efficiency, and only for the purpose for which the financing was provided.

GCPT. 200/9279/2013/TP.
(d) Generally accepted accounting principles are followed by all entities that are authorized to incur expenditure under RMSA.

(e) Goods, works and services financed have been procured in accordance with relevant provisions of the Procurement Procedure prescribed for the purpose. Proper documents, namely, purchase orders, tender documents, invoices, vouchers, receipts, pay bills, TA bills etc. are maintained and linked to the transactions and retained till the end of the Programme.

(f) All necessary supporting documents, records and accounts have been kept in respect of all programme expenditure including expenditure covered by Statement of Expenditure. Clear linkages should exist between the books of accounts and reports presented to the Government of India and the State Government.

(g) Expenditure incurred under RMSA is strictly in accordance with the financial norms prescribed in the RMSA framework and the Manual on Financial Management and Procurement or any other clarifications issued from time to time. The expenditure statements / financial statements included in the statement of expenditure of the relevant period represent a true and fair view or implementation and operations of the programme at the end of the financial year and of resources and expenditure for the year ended on that date.

(h) Expenditure is incurred with reference to the budget allocation approved by the PAB. In case the budget allocation is exceeded proper re-appropriation duly approved by the competent authority has been obtained.

(i) RMSA funds are used efficiently and economically to the purpose for which they are intended.

(j) Reconciliation of Bank Statements and accounts is regularly carried out on a monthly basis.

OUTPUTS THAT WILL BE REQUIRED OF THE INTERNAL AUDITOR

Immediately on completion of the internal audit, the auditor should submit his report indicating the result of his review of the accounts. All discrepancies noticed in the financial accounts, procurement, bank reconciliation etc. should be included in the report.

GENERAL

The auditor should be given access to all legal documents, books of accounts, procurement documents, correspondence, and any other information associated with the programme and deemed necessary by the auditor.

REVIEW

A review committee consisting of SPD, head of the financial management group at the SPO and accounts officer of SPO will review the internal audit report submitted by the internal auditor and take further remedial measures on the discrepancies pointed out in internal audit
Annexure-XVIII

Expression of Interest for short listing Chartered Accountant Firms for the audit of the accounts of RMSA

<table>
<thead>
<tr>
<th>Status of Firm</th>
<th>Partnership</th>
<th>Sole Proprietorship</th>
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</thead>
<tbody>
<tr>
<td>1. (a)</td>
<td>Name of the firm (in Capital letters)</td>
<td></td>
</tr>
<tr>
<td>(b)</td>
<td>Address of the Head office (Please also give telephone no. and email address)</td>
<td></td>
</tr>
<tr>
<td>(c)</td>
<td>PAN No. of the firm</td>
<td></td>
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<tr>
<td>2.</td>
<td>ICAI Registration No. _______ Region Name _______ Region Code No. _______</td>
<td></td>
</tr>
<tr>
<td>3. (a)</td>
<td>Date of constitution of the firm:</td>
<td></td>
</tr>
<tr>
<td>(b)</td>
<td>Date since when the firm has a full time FCA</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Full-Time Partners / Sole Proprietor of the firm as on 1-1-20xx (Please fill up Annex A-1)</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Years of continuous association in the firm</th>
<th>Number of FCA</th>
<th>Number of ACA</th>
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<tbody>
<tr>
<td>(a)</td>
<td>Less than one year</td>
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<tr>
<td>(b)</td>
<td>1 year or more but less than 5 years</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(c)</td>
<td>5 years or more but less than 10 years</td>
<td></td>
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<td>(d)</td>
<td>10 years or more but less than 15 years</td>
<td></td>
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<tr>
<td>(e)</td>
<td>15 years or more</td>
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5. Number of Part Time Partners if any, as on 1-1-20xx (Please fill up Annex A-2)  
6. Number of Full Time Chartered Accountant Employees as on 01-01-20xx (Please fill up Annex A-3)  
7. Number of audit staff employed full-time with the firm  
   (a) Articles / Audit Clerks  
   (b) Other Audit Staff (with knowledge of book keeping and accountancy)  
   (c) Other Professional Staff (Please specify)  
8. Number of Branches (Please fill up Annex-B)  

124
9. Fees earned by the firm from April 2005 to March 2010 in respect of:

<table>
<thead>
<tr>
<th>PSU / Companies</th>
<th>Banks</th>
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<tbody>
<tr>
<td>Statutory / Branch Audit / 6 monthly Audit Review</td>
<td></td>
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<tr>
<td>Internal / Concurrent Audit</td>
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Total of (i) and (ii) above

10. Whether the firm is engaged in any internal / concurrent audit or any other services of any Govt. Companies / Corporations etc. If yes, details may be given Annex ‘C’.

Yes / No

11. Whether the firm is implementing quality control Policies and procedures designed to ensure that all audits are conducted in accordance with Standard on quality control (SQC 1) and Standard on Auditing (SA 220)

(If yes, a brief note on the procedure adopted is to be given)

Yes / No

12. Whether there are any court / arbitration / any other legal case against the firm (If yes, give a brief note of the case indicating its present status)

Yes / No

**Undertaking**

I/We the sole proprietor / following partners of M/s. _____________________, Chartered Accountant do hereby jointly and severely verify and declare-

(i) that the particulars given are complete and correct and that if any of the statements made or the information so furnished in the application from is later found not correct or false or there has been suppression of material information, the firm would not only stand disqualified from allotment but would be liable for disciplinary action under the Chartered Accountants Act, 1949 and the regulations framed thereunder;

(ii) that the firm, proprietor or partners has not been debarred or cautioned by ICAI during the last three years, (if debarred, give details);

(i) that individually we are not engaged in practice otherwise or in any other activity which would be deemed to be in practice under Section 2 (2) of the Chartered Accountants Act, 1949;

(ii) that the constitution of the firm as on 1st January of the relevant year shown in the Expression of Interest is same as that in the constitution certificate issued by the ICAI.

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Name of the Membership</th>
<th>PAN No</th>
<th>Dates of payment</th>
<th>Signature</th>
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