

CHAPTER II: AUDIT FRAMEWORK

2.1 Scope of Audit

Audit of Lower Subansiri District involved a review of the significant socio-economic development programmes implemented in the District during 2005-11. The audit encompassed an appraisal of Social Sector Programmes relating to health, education, water supply and sanitation. In the Economic Sector, infrastructure development was reviewed through an assessment of Projects and Schemes implemented for improvement of road connectivity in the district (PMGSY and other Road Sector Schemes). Provision for employment and houses to the poor and vulnerable sections of the society under various schemes were also reviewed. This Audit covered developmental initiatives and associated expenditure in the District, based on Funds received from Central or State Government. Audit also focused on the role and responsibilities of the District Administration in providing essential public services and the extent of community participation in Programme implementation and monitoring. The status of provision of basic civic amenities by the District Urban Development Authority was also looked into.

Audit was based on scrutiny of records, physical verification in the offices of the DC, DRDA, selected Blocks and Circle Officers/Addl. Dy. Commissioner and concerned Departments.

2.2 Audit Objectives

The objectives of Audit were as follows:

- ❖ Assessing the adequacy of the planning process for different programmes.
- ❖ Assessing the effectiveness of the developmental programmes in terms of achievements of targeted outputs and their impact.
- ❖ Assessing the effective and efficient execution of various developmental programme
- ❖ Assessing the effectiveness of the procedures for receipt, utilization and accounting of funds.
- ❖ Verification of reported expenditure on major development Programmes (Central and State) with reference to detailed Statements of Expenditure and original vouchers at the lower level in a hierarchical manner (State to District, District to Block and Block to GP).
- ❖ Assessing the effectiveness of the processes for monitoring, reporting and evaluation.

2.3 Audit Criteria

Audit findings were benchmarked against the criteria contained in the following sources and are quoted at relevant places in the performance audit report:

- ❖ District Plans and Annual Plans;
- ❖ Guidelines of the concerned Programmes/Schemes;
- ❖ Financial Rules and Regulations of the State Government; and
- ❖ Prescribed monitoring mechanisms.

2.4 Audit Methodology

District Audit was conducted in two spells spread over two years due to acute shortage of staff. In first spell audit was commenced with an Entry Conference on 14 May 2010, with the District Authorities, where the Audit objectives, Criteria, Scope and their inputs and perceptions relating to various developmental Programmes were discussed.

Preliminary audit findings were discussed with departmental functionaries at various levels during the course of audit and their views have been incorporated in the Report in appropriate places. Major audit findings noticed during the first spell of audit were also discussed in a conference held on 28 March 2011 with concerned District level officers and their views were obtained

Second spell of audit was commenced with another conference on 30 May 2011; where in the District Authorities were appraised of further course of audit. *An exit-conference after updating the district centric audit up to March 2011 was held on 19th October 2011. The department's comment/replies have been incorporated in the Report wherever found relevant.*

[19] programmes (four in Social Sector¹, 10 under Economic Sector² and five in General Sector³) were selected, keeping in view the socio-economic impact thereof. All three Blocks were selected for audit. Other records to be scrutinized are those of the DC, DRDA, Sarva Shiksha Abhiyan (SSA), District Health Mission, District Urban Development Authority and Circle Officers, being Member Secretaries dealing with PRI.

2.5 Acknowledgement

The office of the Accountant General, Arunachal Pradesh acknowledges the co-operation extended by the Deputy Commissioner, Lower Subansiri District and heads of the concerned departments in carrying out this performance audit.

¹ Health, Education, Water Supply and Nutrition

² Public Works, Rural Works, Irrigation, Employment Generation and Housing, MLALADS, Energy, Tourism, Fisheries and Horticulture

³ Pachayati Raj Institutions, Public Distribution System, Waste Management, Law & Order and E-Governance