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सत्यमेव जयते

आज़ादी का
अमृत महोत्सव

D.O No. R-16012/1/2020 - FD

Dated 6th July, 2022

Dear Ma'am / Sir,

The AuditOnline application was launched on 15th April 2020 with the aim of facilitating online audits of accounts of all the Panchayati Raj Institutions (PRIs)including Traditional Local Bodies (TLBs) thereby not only enhancing accountability and transparency but also strengthening the credibility of the PRIs/TLBs and ensuring their sound financial management system.The application has been adopted across the States and are being made use of extensively to carry out audits of Central Finance Commission Grants mandated activities (i.e. both 14th Finance Commission & XV Commission)undertaken byPRIs/TLBs. As on date for the audit period 2019-20; 1,33,765 Audit Plans were created, and 1,13,929 Audit Reports were generated at the GP level for 14th FC. Similarly, for the audit period 2020-21, 1,95,063 Audit Plans have been created and 1,45,626 Audit Reports have been generated across the three tiers of Panchayats, for both 14th FC and XV FC.

Further, going one step forward to facilitate requisite actionsto be taken by the auditees (PRIs/TLBs) on the Audit Reports/Outcomes; Action Taken Report (ATR) Module has been conceptualized, developed, and incorporated into AuditOnline which would cater to the subsequent processesfor undertaking requisite actions by PRIs/TLBsfor compliances/rectifications etc. in response to the Audit Reports (Observations etc) and consequent generation of ATRs. In this regard, a Standard Operating Procedure (SOP) has been developed in consultation with few of the State DLFAs and is placed along with this letter (Annexure - I).

I would, therefore, request you to direct the concerned officer/officials to ensure the procedure under ATR Module is scrupulously followed by all PRIs/TLBs across Tiers. In case of any queries related to the ATR Module, Shri. Adesh Gupta (ac.gupta@gov.in), Senior Technical Director, NIC (Panchayat Informatics Division), Shri. SubodhGurjar(subodh.gurjar@gov.in) and Shri. ViragTyagi(viragtyagi.epri@gmail.com) may be contacted.

With warm regards,

Yours Sincerely,

(A.P. Nagar)

To

Principal Secretaries/Secretaries of State Panchayati Raj Departments, (All 28 XV FC States)

Copy to:

(i) Principal Secretaries/Secretaries of State FinanceDepartments,(All the 28 XV FC States)

Director, Local Fund Audits, State Finance Departments (All the 28 XV FC States)

Standard Operating Procedure - ATR Functionality

ATR commences when the Generated Audit Report is sent to the Auditee for their response on the Observations recorded by the Auditor, hence this SOP is documented from that task only which is the "verification of Audit Report Response/s"

Task: Verify the Audit Report Response

The Screens below shows the Auditor view when he/she has received the response/s on the Generated report shared with the Auditee.

Figure-1

Figure-1 shows all the observations received from the Auditee end, which includes the response/s made by the Auditee against each one of the recorded observations.

Figure-2

Figure-2 shows the expanded version of the observation(s) wherein the Auditor gets to see the responses made by the Auditee against each one of the recorded observations.

Now, the auditor is provided with a functionality "Action" (drop-down menu) to assign a particular status from one of the below mentioned to the observation/s response received. (Figure-3)

1. Include in Draft LAR
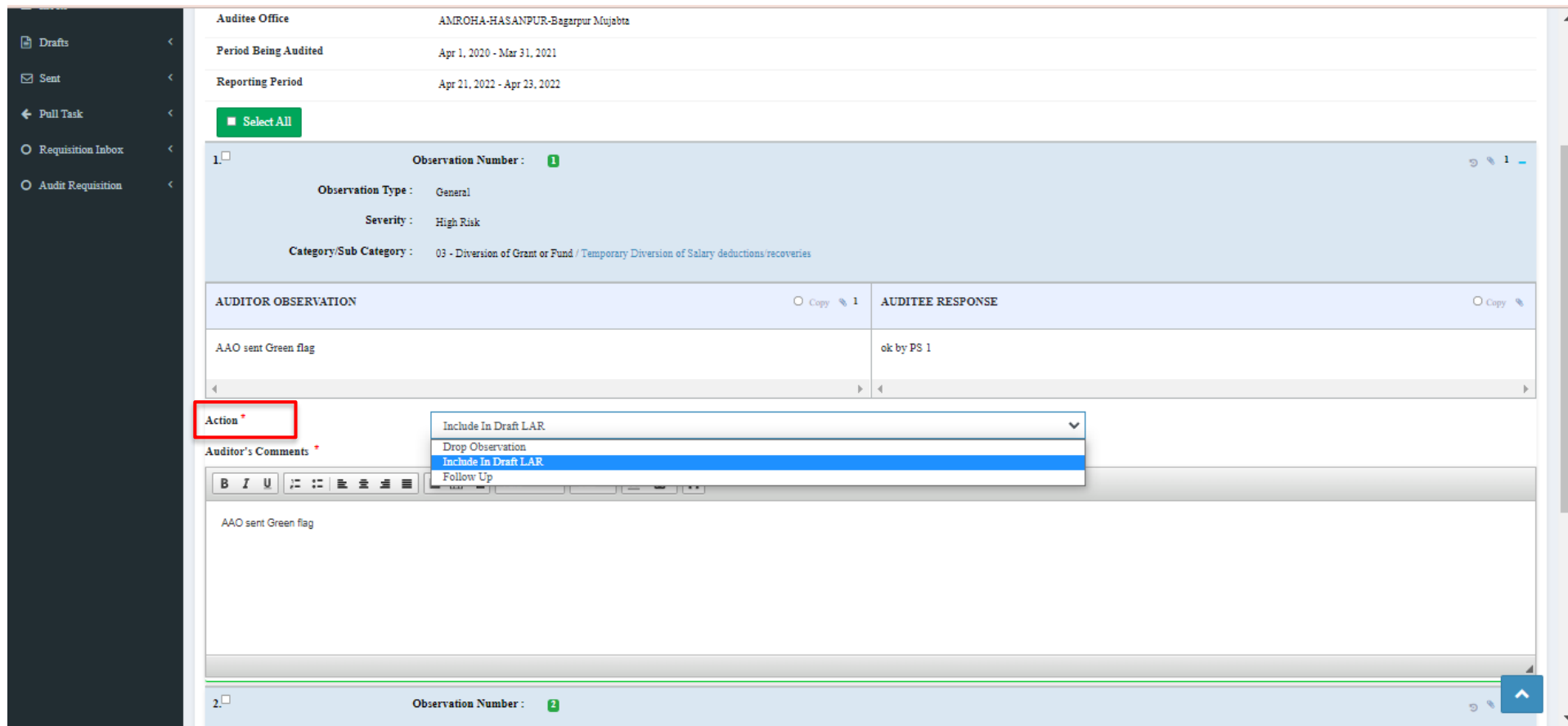2. Drop Observation
3. Follow Up

Figure-3

Step1: **Auditor needs to choose any one option from the dropdown based on their choice in relevance to the response received against any observation from the auditee.**

The Auditor also has the privilege to comment/put remark upon the observation's response received and this can be done in "Auditor's Comments" space where he/she may include his/her viewpoint on the shared response/s.

Step2: After the Action is taken for any observation the Auditor is required to put his/her comments/remarks in "Auditor's Comments" section (Figure-4) for the same.

One by one all the observation/s needs to be attempted as described above and once all observations are marked then the Auditor needs to click on "Save and Send" button provided at the bottom right corner of the page to proceed further on to the next task.
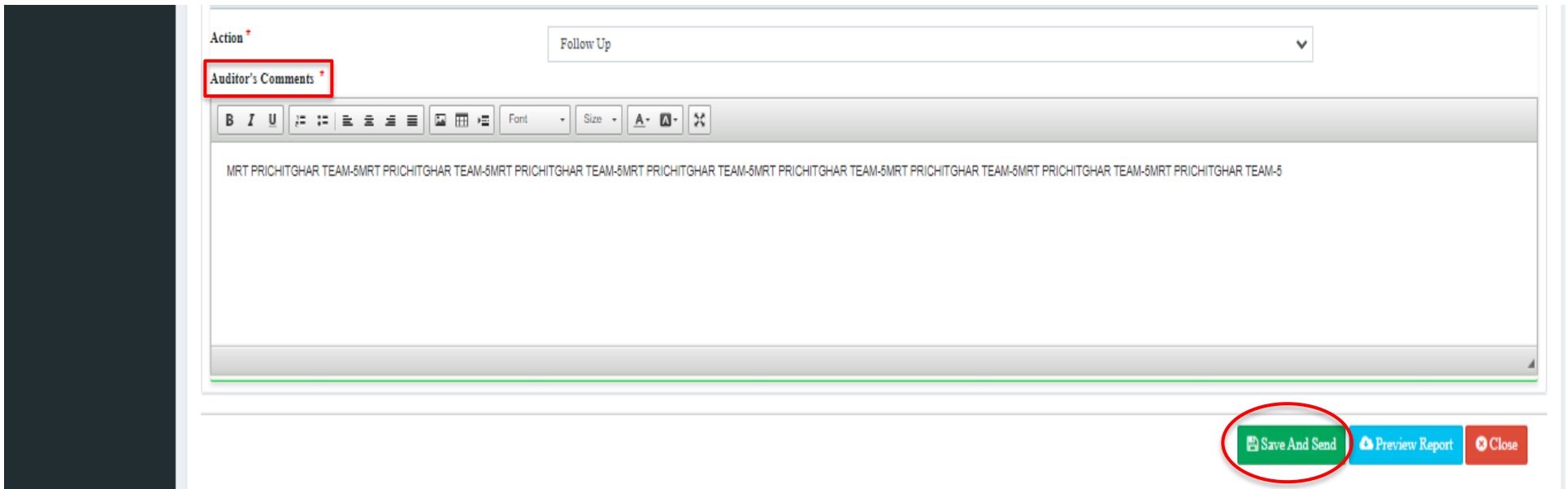
Figure-4

Featuring Trails and Upload attachment:

1. **Trails→** while acting on the received response, the auditors are given a provision to view the trails of the observations/correspondence exchanged for better understanding and accountability. (Figure-5)

Figure-5

2. **Upload attachment→** The Auditors are also given the functionality of uploading the attachment with remarks, using which they may upload single or multiple files to one or many observations as per their choice to value add/complement those observations. (Figure-6)

Figure-6

➔ **"SEND TASK" Screen following Verify the Audit Report Response by AAO Task**

The Screen (Figure-7) below is the one which immediately appears when the Auditor/s click on "Save and Send "button, once the Auditor/s have acted upon on the sent observation response/s received from the auditee as mentioned above.

The next Task Type after "Verify the Audit Report Response" task will be "Review the Audit Report Response" task as shown in the Figure below.

Figure-7

Step1: Now, the Auditor/s needs to choose the designation/person to whom the task is to be sent by entering in "TO" input field box and also if someone is required to send a copy for monitoring of the same task then that can be done by entering details in "CC" input field box.

Step2: Choose the date in "Date of Reply" input box to keep a record of the date by which the sender is expecting a reply or by which the other person(receiver) has flexibility to reply on the same.

Step3: After Step1 and Step2 are performed the user needs to use the "Send" button to send the task forward to another designation/user for reviewal.

Key Information:
1. *"To" (to users) input box is a mandatory field, and which needs to be entered but "CC", "Date of Reply" are the optional fields which might be left as blank.*

2. *If the user at any time chooses to use the "Back" button, then he/she will be sent to the previous screen on which he/she was earlier before.*
3. *If the user chooses the "Close" button, then also he/she will be sent to the main screen and the task will be saved in drafts box.*

Task: **"Review the Audit Report Response by DLFA" Screen**

The task coming from the user will appear in the "inbox" as shown below (Figure-8)

Figure-8

Step1: Now user will either click on the task under "Task Name" column or click on the icon under the "Action" column.
The Screen below is the one which opens when the Auditor/s is done with Step1, now on this screen the user will get to see all the observations coming from the sender in a segregated manner based on the status (Include, Drop, Follow-ups) assigned to it.

Step2: Now if needed, the user is provided with the privilege to amend the statuses assigned to any of the observation/s just like they were assigned to the observations in first place by the sender. (Figure-9)

Figure-9

a. Click on any of the head as shown in the image above.
b. Now expand the observation for which you would like to change the status under any head (Include in Draft Local Audit Report, Dropped, Follow ups).
c. Click on the dropdown menu as shown and choose any of the three listed status.

d. Now, repeat this process from Point 'a' to 'b' until all the required status are changed under the different heads (Include in Draft Local Audit Report, Dropped, Follow ups).

e. Once all the needed changes are done, click on "Save and send" button to save the changes.

Step3: After performing the Step2, now the User may proceed with the "Observation/s" under the 'Follow-Ups' head, these observation/s will be sent to the Auditee using "Update and Send" button for further follow up/response.
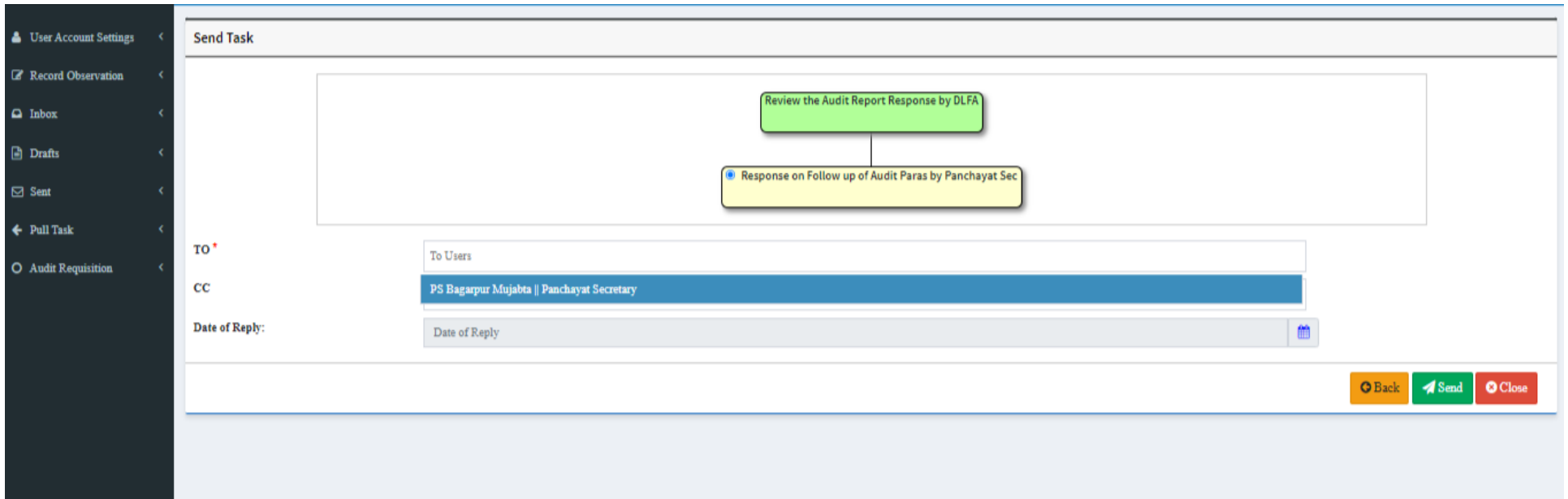

Figure-10

Step3a: Auditee will receive the observation sent using step3 and shall reply with the response to the sender user from where he/she has received the task.

Step4: Step3 and Step3a shall be repeated until the Auditing User decides to put that observation/s under any of the two observation type heads which are "Include in Draft Local Audit Report" or "Dropped".

Step5: Finally, when all the observation/s are mapped successfully under the above-mentioned observation type heads then the Auditing user may generate the reports for both the observation type heads (Include and Dropped) one by one separately.

Screen: "Review the Audit Report Response by DLFA" (Report Generation)

Step1: **To generate a report user must click/choose any of the observation type head (Include, Dropped and Follow Ups) and click on the relevant tab underneath as shown. (Figure-11)**

Figure-11

Step2: **User may now click on "Preview report" button or "View Report" button on the same page to download/preview the generated report and this can be done one by one for the observation type head (Include, Dropped and Follow Ups)**

Key Information:

1. User (Auditee) may generate the report at any time after he/she has received the task for reviewal from the concerned for the very first time, but it is suggested to generate the reports once all the observations are placed under "Include" and "dropped head" since logically if there is any observation pending in Follow Ups, it shall represent that the Audit process is still not complete.