

## CHECKLIST FOR PUBLIC SECTOR ENTITIES Fiduciary Risk Analyses & Project Preparedness

| Areas                                    | Questions  | Evaluation |
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| <b>Institutional and Legal Framework</b> | What is the legal corporate status of entity (i.e. a government department, a state corporation/company)? What is the organogram? How long has the department/agency existed? Who are the owners in case of a company? |            |
|  | Does the entity has full time Head and how often the head is changed/ transferred?   |            |
|  | Has the Head of the Entity is administratively and financially empowered to run the affairs?   |            |
|  | In case administrative and/or financial authority rests with an authority, other than the Head of the Entity, what is an average time of getting a case administrative & financially approved?                         |            |
|  | Has the powers/authority been delegated within the entity?   |            |
|  | Is the entity fully staffed and functional? If not how many positions are lying vacant and what is the plan for filling up the vacant positions?   |            |
|  | What is the percentage of full time employees, contractual staff, and staff posted on transfer/ deputation basis?  |            |
|  | How many wings/section exist in the entity? Are their roles, functions and duties distinctly defined and being followed?   |            |
| <b>Financial Management Arrangements</b> | From which exchequer of the government, the funds are made available to the entity i.e. current/revenue or development budget? Are the budgets duly reflected in the Annual Budget or Development Plan?                |            |
|  | How the Annual Budget is prepared within the entity? Who takes the   |            |

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|                          | lead/coordinate? How the cost estimates of activities are made?   |  |
|                          | What are the processes for Financial Management? Whether the entity follows AG Counter payment process or has dedicated account?  |  |
|                          | In case of dedicated separate account, what is the name of the Bank and how the Bank was selected?  |  |
|                          | Does the entity has dedicated Finance & Accounts Wing/Section? Who heads the wing/ section and what is the staff strength of the wing/section?                          |  |
|                          | Whether the Finance Wing/Section is consulted about the availability of the budget while according administrative and or financial approvals by the Head of the Entity? |  |
|                          | Who has been delegated the roles & responsibilities of Drawing & Disbursing Officer?  |  |
|                          | What is a standard time in making payment against an activity?  |  |
|                          | What is the accounting process which the entity follows? What kind of record is attached/ saved with the vouchers?  |  |
| <b>Internal Controls</b> | Does the entity has computerized their financial management system?   |  |
|                          | What is the frequency of the reconciliation of accounts? Name the entities with whom the reconciliation's are made?   |  |
|                          | Do multiple people review & approve payments and financial reports?   |  |
|                          | Does a Stock Register is made and regularly updated? Who is in control of the stock/assets of the entity?   |  |
|                          | Does the entity has prescribed any manual/standard operating procedures for carrying out procurements?  |  |
|                          | Is the procurement function exclusively delegated to the entity or the procurement activities are carried by some centralized entity/                                   |  |

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| <b>Procurement Management</b> | <p>department? If so, describe the basic structure of procurement organization, name of the procuring entity, its role, responsibilities and delegation available to it.</p>                              |  |
|                               | <p>Does the entity has enough capacity for the procurement management including having dedicated staff? Whether the procurement functions are segregated within the department?</p>                       |  |
|                               | <p>Does the entity prepares a procurement plan and it is typically followed?</p>  |  |
|                               | <p>Is there a notified permanent Procurement Board/Committee or similar set-up or is the Boards/Committees are formed on a case to case basis?</p>  |  |
|                               | <p>What is the normal procurement completion schedule for various types of goods, works, and consultant services contracts? What are the major causes for slippages and how such risks are mitigated?</p> |  |
|                               | <p>Are technical specifications for goods/works or Terms of Reference (TORs) prepared in-house or through consultants?</p>  |  |
|                               | <p>Are the bids' evaluations carried out in the allocated tender evaluation rooms by the committee or separately by each wing/section and then compiled?</p>  |  |
|                               | <p>What are the rules for prevention of conflict of interest in case of staff who deal with tenders as well as Firm/Consultants complaints who participate in the bidding?</p>                            |  |

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| <b>Project Preparedness</b> | Has the entity handled any donor assisted project in the past? When? What value? Give details.  |  |
|                             | Does the entity has enough technical capability including sufficiency of staff to handle the proposed project?  |  |
|                             | What is the status of audit reports of last three years? Are there any audit observation/para which is pending since more than last three years?                            |  |
|                             | Is there any officer/official working in the entity against which either any inquiry is going on or s/he is under investigation by NAB or any similar law enforcing agency? |  |