



प्राचार्य  
एम बी राजकीय स्नातकोत्तर महाविद्यालय  
हल्द्वानी (नैनीताल) - २६३१३९  
दूरभाष: ०५९४६-२२२०१७

### **Internal and External Financial Audit System (2024-25)**

While internal audit is conducted by a committee selected from the teaching staff itself, the external audit is conducted periodically, every year by a government-appointed body. However, the precise mechanisms used to monitor the effective and efficient use of financial resources are as below:

1. Before the commencement of every financial year or academic year, the Heads of the departments' meeting is called upon by the principal to discuss the proposal on budget allocation.
2. The college budget includes recurring expenses such as salary, electricity, internet charges, maintenance cost, stationery, other consumable charges, etc., and non-recurring expenses like laboratory equipment purchases, furniture, and other development expenses, inclusive of purchases towards books, etc.
3. The expenses towards the above-mentioned items are monitored as well as maintained by the accounts department as per the budget allocated either by the government through annual disbursement through the Directorate of Higher Education, or where the students' fund (collected through admission fees) is mobilized for use.
4. Quotations- a minimum of three, are called for the purchases to be made within 2.5 lacs, while for those costing more than 2.5 lacs, tenders are invited. The purchase of the laboratory instruments is through GeM portal, while as regards the purchase of the chemicals, the list is provided to the Office staff, who is responsible for the procurement of the chemicals.
5. There is a purchase committee responsible for the final approval of the purchase made, after verifying the bills and vouchers. If any discrepancy is found, the same is brought to the notice of the principal. It is only after due verification and approval, that the payment is made to the vendor.
6. All vouchers are duly maintained by the select office staff in a way to facilitate external auditing as and when this is carried out.
7. The usual procedure for purchase or procurement follows as under:
  - i. Call for interest to purchase any given item is placed before the principal. On his or her approval, the request letter for quotations is despatched to three independent firms.
  - ii. The quotations once received are opened in front of the select purchase committee members, which is then followed by the drafting of a comparative statement. T
  - iii. The firm offering the least price is then approved for the final purchase, which again is placed to the firm through a letter forwarded by the principal.
  - iv. On receipt of the items, it undergoes an approval process by the purchase committee that looks for any discrepancy/ies, if any, and to its satisfaction, finally approves the payment to be made to the firm.

v. The purchases, if of durable and permanent nature, are duly accessed in the ledger folder or STOCK REGISTER.

#### **Process of the external audit**

The external Audit is conducted by the CAG through Auditor General (AG), Allahabad. AG, Allahabad, or the State government agencies or officials, mandated for conducting statutory audits covering all financial and accounting activities of the Institute. This includes scrutiny of the following-

- i. All receipts from fees, donations, grants, contributions, interest earned, and returns on investments;
- ii All payments to staff, vendors, contractors, students, and other service providers.

The observations/objections of AG are communicated through their report. AG's audit for the previous years has been completed and replies have been submitted to their satisfaction. It is pointed out that no serious objection/irregularity is outstanding. No Draft Para has ever been issued against the Institute by AG, and all Financial Statements up to March 2024 have been conducted.

**PI note:** In the academic session 2024-25, both financial as well as administrative/academic auditing was carried out by select members appointed by the State government. This auditing task has been carried out collectively for all the government colleges, and thus, individual report, is still awaited.

Certified that the statement reproduced above is correct to the best of my knowledge and belief.

  
(C S Negi)  
**IQAC COORDINATOR**  
**M.B. GOVT. P.G. COLLEGE**  
**HALDWANI (NAINITAL)**

  
(Dr. N S Bankoti)  
**Principal**  
**M.B. Govt. P.G. College**  
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