Clarification to queries against RFP for Appointment of Chartered Accountant Firm for Statutory Audit of BRDS for 2011-12 RFP # BRDS/Statutory Auditor/0812

S. No.	Query	Response
1.	Evaluation Criteria - Qualification of staff Points assigned to qualification and experience of key staff is 70 Which is further broken up into (i) General Qualifications - (40 points) and (ii) Adequacy for the Project - (60 points) totalling to 100 points. Query: Kindly explain the apparent anomaly.	Marks on Key professional is 70. The detail evaluation criteria for key professional staff for the assignment is Number of Audit manager / Partner – 1, Marks on Audit Manger/ Partner is 30. Bifurcated as follows:- General Qualification – 12 marks Adequacy for the project – 18 marks Number of Team Member – 2, Marks on Team Member is 40. (20 marks on each member) Bifurcated marks on each team member as follows:- General Qualification – 8 marks Adequacy for the project – 12 marks
2.	BACKGROUND - Programmes being handled by BRDS • As per the 4th paragraph under the heading "Background" 3 key flagship programmes are mentioned, namely MGNREGS, IAY and SGSY. Query: 1. Is this an exhaustive list of programmes being handled by BRDS are there others as well? 2. 2. Kindly provide and exhaustive list of programmes being handled by BRDS.	SGSY is not done by BRDS. Recently SECC funds are being routed through BRDS Account.
3.	BACKGROUND - GFact & CPSMS • As per the 4th paragraph GFact accounting software (with some glitches) is being used for the 3 key flagship programmes • As per the 5th paragraph CPSMS is in its nascent stages. Query: 1. Kindly inform us about the software being used to maintain the accounts of BRDS as a whole 2. Or are the final accounts of BRDS prepared by consolidating the various Programme/Project accounts on a separate manual/computer system?	 Presently the assignment is concerned about state unit where the accounting is being done on Tally. All the accounting is being done on Tally.
4.	 OBJECTIVES OF THE STATUTORY AUDIT Under the heading, terms like "Project Financial Statement", "Project Fund", "Project legal agreements" have been used. Query: 1. Does the word "Project" mean BRDS as a whole or does it refer to a specific Project? 2. In case it refers to a specific Project, are separate reports required for each of the Projects handled by BRDS? 3. How many and what were the Projects in operation during the period under audit? 	 Currently for the year 2011-12, the audit refers to the audit of Bihar Rural Development Society. Single report will be required for Bihar Rural Development Society.

S. No.	Query	Response
5.	AUDIT STANDARDS ■ "Although the responsibility for preventing irregularity, fraud, or the use of credit/loan proceeds remains with the borrower" Query: 1. Who does the "borrower" refer to? 2. Is BRDS operating on borrowed funds? 3. If yes, who are the lenders?	The BRDS has applied for World Bank funding, for the year in audit does not have any funding.
6.	PROGRAMME FINANCIAL STATEMENTS (PFS) ● "Programme Financial Statements should include A. Project-wise/Consolidated R&P Account, I&E Account and Balance Sheet of the society. B. Project-wise Reconciliation of Claims" Query: 1. Kindly explain the meaning of the terms "Project", "Programme" and "society" and how they differ from each other? 2. Whose responsibility is it to prepare these "Projectwise/Consolidated" financial and other statements?	It's the responsibility of finance section of Bihar Rural Development Society to prepare financial statements
7.	PERIOD, TIMING AND SAMPLE COVERAGE OF STATUTORY AUDIT ■ "The audit will be carried out on for BRDS – Head office running from Rural development Department, Government OF Bihar" Query: 1. Is this the location from where the Audit will be conducted? 2. If not, please communicate the location(s) from where the Audit will be conducted.	 Development Department, Main Secretariat, Govt. of Bihar. Audit needs to be conducted at BRDS and office of the DDC Patna. The entire documents are kept at Bihar Rural Development Society and office of the DDC Patna.
8.	 KEY PERSONNEL "Total Expected Man-days 21" Query: Kindly elaborate on the basis of such estimate, namely 1. Locations to be visited in the course of the audit; 2. Total Funds handled by BRDS during the period under audit; 3. Total number of Programmes/Projects handled by BRDS during the period under audit; 4. Total number of end-use statements/utilisation certificates to be verified in the course of the audit; 5. Number of Bank Accounts operated by BRDS during the period under audit; 6. Total number of payment vouchers processed during the period under audit; and 7. Total number of journal vouchers processed during the period under audit. 	 Bihar Rural Development Society at Rural Development Department, Main Secretariat, Patna. BRDS and office of DDC Patna About Rs. 1,300 Crores NREGS, IAY & SECC Exact number cannot be ascertained Four About 1000 transactions

S. No.	Query	Response
9.	OVERALL READINESS FOR AUDIT Query: 1. Are books and records, including Bank Reconciliation Statements and Funds Reconciliation Statement ready for submission before audit? 2. Are the Project/Programme/Consolidated Financial Statements ready for submission before audit? 3. Is a Key Personnel duly detailed to furnish all the information and explanations that may be sought by the auditors? 4. Are all documents relating to the Procurement Process of Goods and Services systematically maintained?	 Will be ready before audit. Financial statement will be ready before Audit. A nodal officer will be placed for coordinating with the auditors. Yes.
10.	Fund Sent to District Level in MGNREGS, SGSY and IAY for the Financial Year 2011-12.	About 1,300 Crores sent to District
11.	Status of District Level Audit for FY 2011-12. & Modus of Compilation in State Project Office.	Funds transferred to Districts are being handled by DRDAs. Audit of DRDAs is in progress and is expected to be over by 30 th September 2012.
12.	What has been the expenditure for the FY 2011-12	About 1,300 Crores has been transferred to District.
13.	What is the project size? Who are the funding agencies?	Funds have been received from Ministry of Rural Development, Govt. Of India and Govt. of Bihar for NREGA and SECC
14.	When did the project start? What has been the year wise cumulative Expenditure on the project?	The Society was incorporated on 3 rd June 2010. As per audited report Expenditure for 2010-11 was 5,46,167.56.
15.	How has the estimate of 21 man days has arrived at.(page 4 point 11)	Based on previous year audit and estimated volume of transactions.
16.	Does the Audit cover the audit only of the project or the full society? If it is that of the society, then whether Section 12A registration has been obtained for the society under Income Tax Act 1961	 a) Currently for the year 2011-12, the audit refers to the audit of Bihar Rural Development Society. Single report will be required for Bihar Rural Development Society. b) Section 12A registration has not been obtained for the Society under Income Tax Act 1961.
17.	Where the books and records of the project are are kept? Will it necessitate travel outside Patna for the purposes of the audit?	Books and records of the project are kept at:- Bihar Rural Development Society and the office of the DDC, Patna in Patna. Travel outside Patna not envisaged.
18	Address for submission of proposal	Bihar Rural Development Society, Rural Development Department, Main Secretariat, Patna -800014
19	Request for Lowering of threshold value in following qualification criteria:- Minimum establishment period of Firm is 5 Years and Minimum Average Annual Turn-Over of Firm is Rs.50.00 Lacs.	No change.