

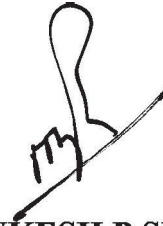
Gist of Recommendations

The Government should:

- *undertake a comprehensive baseline survey, to assess health services needs, plan effectively for creation of requisite physical and human infrastructure to meet the gap in health services within a reasonable time frame;*
- *migrate quickly to a bottom up oriented planning mechanism, involving the local populace, and also strengthen the monitoring framework, especially of community based organisations;*
- *actively and effectively encourage convergence of health related activities being undertaken by various departments of the Government from village to the State levels, and ensure community ownership through relevant and related activities/ interventions;*
- *strengthen SPMU suitably in terms of skilled manpower and infrastructure to improve its working to enable it to discharge its responsibility in matters of finance, accounting, civil works and procurement;*
- *ensure that all receipts and expenditures under NRHM are captured in accounts and reconciliation of inter-unit/fund receipts and transfers carried out at periodical intervals and position reviewed centrally by SPMU;*
- *secure that the number of Bank Accounts are reduced both at the State headquarters and in the field, in consultation with MoHFW, GoI, to ensure better control and monitoring of banking transactions, and also ensure that no transactions are allowed outside the authorised banking arrangement;*
- *take urgent action to tighten norms for selection of agencies and for award of works competitively to capable agencies;*

- *ensure adherence to quality and execution schedule, while assuring itself that payments are comparable with industry norms. The Government should guard against overcharging, leakages and excess expenditure;*
- *invoke penal clauses for delay in completion of works, to guard against delays and also to ensure that income due to the Government is not lost. The Government should also take steps to ensure that interest on funds advanced to executing agencies, accrue to its account;*
- *ensure proper staffing through regular and contractual recruitment to achieve IPHS norms;*
- *strengthen SHS procurement system through establishment of procurement and logistics wing, mitigate risks in procurement through periodical reviews and put in place adequate and effective controls;*
- *ensure procurement through open, transparent and competitive systems to maximise value for money. Procurement should be through rate contracts or quotations/tenders against clearly defined specifications, and should be need driven, underscored by the capacity for utilisation/consumption;*
- *ensure that issue/utilisation of procured items are recorded in the stock/issue register and carefully monitored;*
- *ensure prompt payment of cash incentives and strengthen transaction evidencing to incentivise institutional deliveries and to mitigate risk of fraud and irregularities;*
- *completely overhaul the delivery mechanisms to ensure target achievement in immunisation programmes;*
- *adopt a more proactive approach, focussing on surveillance to detect and contain diseases;*
- *put in place mechanisms to verify the work of NGOs;*

- *ensure that the SHM, Governing Body and Executive Committee of SHS regularly meet and undertake focused monitoring and are sensitive to error signals; and*
- *put in place a more comprehensive, accurate and reliable reporting system from grass-root level to GoI by meaningfully operationalising computer based MIS like HMIS and HIS.*



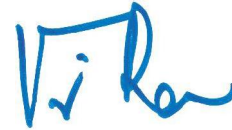
(MUKESH P SINGH)

Principal Accountant General (Civil Audit)
Uttar Pradesh

ALLAHABAD

The 09 JAN 2012

COUNTERSIGNED



(VINOD RAI)

Comptroller and Auditor General of India

NEW DELHI

The 12 JAN 2012