MANUAL FOR DDO's
PRIMARY CARE HEALTH FACILITIES

Health Department
Government of Khyber Pakhtunkhwa

Preamble

The Government of Khyber Pakhtunkhwa is committed to strengthening public financial management and improving service delivery in the health sector through evidence-based reforms. In pursuit of this vision, the Facility-Level Budget and Expenditure Management Policy 2024 was approved by the Provincial Cabinet. This landmark policy represents a transformative shift in public financial management by devolving financial decision-making and execution powers to primary and secondary healthcare facilities, thereby enhancing both service delivery and local accountability.

The reform has been piloted in Peshawar district, where facility-level budgets were successfully prepared and approved, setting a strong foundation for its province-wide rollout. Building on this success, it gives me great pleasure to present the Manual for Drawing and Disbursing Officers (DDOs) of the Health Department, Government of Khyber Pakhtunkhwa. This Manual has been developed to equip facility managers with the necessary knowledge, procedures and tools to effectively discharge their new responsibilities as DDOs.

I would like to extend my appreciation to the Health Sector Reforms Unit (HSRU) and the Financial Management Cell (FMC) of the Health Department, whose efforts were instrumental in developing this Manual. I also acknowledge the valuable technical assistance provided by the Evidence for Health Program, which contributed to the quality and comprehensiveness of this document.

Through this reform, facility managers entrusted with DDO responsibilities occupy a central role in ensuring that public resources are managed with transparency, efficiency and fiscal discipline. They are empowered to allocate and utilize resources more effectively in line with the specific needs of their communities, thereby strengthening health outcomes across the province.

This Manual provides clear, practical and user-friendly guidance on the financial powers, procedures and responsibilities of DDOs. It will enable facility managers to perform their duties with confidence, accountability and integrity. I am confident that this resource will not only strengthen financial management practices at the facility level but will also embed a culture of transparency, fiscal discipline and service delivery excellence across our healthcare system.

Secretary Health
Government of Khyber Pakhtunkhwa

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List of Abbreviations

AGP	Auditor General of Pakistan
AG	Accountant General
BHUs	Basic Health Unit
BoK	Bank of Khyber
BPS	Basic Pay Scale
BSP	Budget Strategy Paper
CNIC	Computerized National Identity Card
CoA	Chart of Accounts
DAC	Departmental Accounts Committee
DAO	District Accounts Office
DDO	Drawing and Disbursing Officers
DG	Director General
DHO	District Health Officer
DHQ	District Head Quarter
FBR	Federal Board of Revenue
FMIU	Financial Management Information Unit
HR	Human Resource
HRMIS	Human Resource Management Information System
IBCC	Integrated Budget Call Circular
IFMIS	Integrated Financial Management Information System
KPPPRA	Khyber Pakhtunkhwa Public Procurement Regulatory Authority
KPRA	Khyber Pakhtunkhwa Revenue Authority
EPHS	Essential Package of Health Services
MIS	Management Information System
MTBF	Medium-Term Budgetary Framework
PAC	Public Accounts Committee
PAO	Principal Accounting Officer
PCMCs	Primary Care Management Committees
PFM	Public Financial Management
RHCs	Rural Health Centers
SOPs	Standard Operating Procedures

Part 1 - Introduction

The Facility-Level Budget and Expenditure Management Policy 2024 for the Health Department Government of Khyber Pakhtunkhwa was formally approved by the Provincial Cabinet in 2024. The policy marks a transformative shift in public financial management by devolving financial decision-making and execution powers to primary and secondary healthcare facilities, thereby enhancing service delivery and local accountability.

As per the Policy, Medical Officers in-charge of RHCs will be notified as DDO's of their respective health facility. In other primary health care facilities such as BHUs, the financial powers will continue to be exercised by the DHO concerned until further decentralization and Primary Care Management Committees (PCMCs) remain responsible for managing funds specifically allocated to them.

With this structural and procedural groundwork in place, the essential phase is to equip facility-level managers with the skills and knowledge needed to carry out their responsibilities as DDO effectively. For this purpose, the Manual has been developed as a practical guide to support the smooth implementation of the Policy across the province.

1.1 Purpose of Manual

This manual has been developed to serve as a comprehensive, practical and user-friendly guide for facility-level DDOs working in primary and secondary healthcare facilities across Khyber Pakhtunkhwa. It aims to ensure that these officers are equipped with the required knowledge, tools and systems to manage financial resources effectively and in accordance with the Facility-Level Budget and Expenditure Management Policy 2024, public financial management regulations and prevailing rules. The Manual Aims to:

- **Provide Clear Guidance on the Public Financial Management (PFM) Cycle:** Including planning, budgeting, funds utilization, accounting, reporting and audit conduction.
- **Clarify Roles and Responsibilities:** Define the scope of financial powers devolved to facility-level DDOs under the approved policy.
- **Standardized Financial Procedures:** Promote consistency and compliance in voucher preparation, procurement, payroll management and expenditure tracking.
- **Enhance Operational Efficiency:** Enable DDOs to manage day-to-day financial operations seamlessly using SAP, Human Resource Management System (HRMS) and record management.
- **Ensure Accountability and Transparency:** Facilitate internal controls, audit readiness and public disclosure practices at the facility level.
- **Support Continuous Learning and Adaptation:** Encourage DDOs to stay updated with evolving policies, rules and system updates.
- **Serve as a Reference Resource:** Offer templates, forms and checklists that DDOs can consult in real-time for various financial tasks.

By combining regulatory knowledge with practical application, this manual is intended to provide basic guidance, strengthen local ownership, enhance confidence and promote basis for excellence

in financial management practices at the frontline of healthcare service delivery. However, the prevailing laws, rules and regulations will have the supremacy over this manual.

1.2 Target Audience

This manual is specifically designed for the DDOs serving at primary care health facilities within the Health Department of Khyber Pakhtunkhwa. The primary audience includes facility managers at Basic Health Units (BHUs) and Rural Health Centers (RHCs). These officers are at the frontline of managing public funds and enabling the effective delivery of essential health services at the community level.

This manual is intended to strengthen the capacity of the facility managers to perform their financial management duties in compliance with applicable rules and in alignment with the department's broader objectives for improved service delivery.

1.3 Objectives of the Manual

The manual is designed to build the technical capacity and operational understanding of facility managers at BHUs, RHCs and any other primary health care facility in Health Department of Khyber Pakhtunkhwa. The specific objectives of the manual are as follows:

Align with the PFM Cycle – Support DDOs in planning, budgeting, execution, monitoring and reporting.

Enhance Financial Knowledge – Familiarize managers with key rules, regulations and the Facility-Level Budget Policy 2025.

Strengthen Budgeting & Fund Management – Develop skills in budget preparation, expenditure control and record-keeping.

Promote Compliance & Accountability – Ensure internal controls, audit readiness and transparent reporting.

Improve Use of Financial Systems – Train managers in SAP/IFMIS and budget monitoring tools.

Introduce Performance-Based Budgeting – Link spending to health outcomes and KPIs for service delivery monitoring.

Foster Confidence & Problem-Solving – Build capacity to address financial challenges and coordinate with DAOs.

1.4 Legal and Administrative Framework

The budgeting process in Khyber Pakhtunkhwa is governed by a robust legal and administrative framework designed to ensure transparency, accountability, fiscal discipline and effective service delivery. This framework is rooted in constitutional mandate, statutory laws and procedural rules that define the roles, responsibilities and mechanisms for managing public finances at all levels of government, including facility-level service delivery units.

1.4.1 Constitutional Provisions

At the provincial level, the Constitution of the Islamic Republic of Pakistan provides the foundation for public financial management, with key provisions including Article 120, The Provincial Government shall, in respect of every financial year, lay before the Provincial Assembly statement of the estimated receipts and expenditure of the Provincial Government. Articles 121–125, which govern budget presentation, Authentication of schedule of authorized expenditure and Supplementary and excess grant; and Article 126, outlines the process to authorize expenditure from Provincial Consolidated fund when assembly stands dissolved.

1.4.2 Facility-Level Budget and Expenditure Management Policy 2025

The Government of Khyber Pakhtunkhwa has institutionalized Facility-Level Budgeting through the Facility-Level Budget and Expenditure Management Policy 2025. This policy devolves fiscal responsibilities to frontline service delivery units, such as Rural health Centers and Basic healthcare Units, enabling them to prepare and execute budgets that reflect actual field-level requirements, local development plans and performance targets. As a result, the budgeting process becomes more responsive, efficient and accountable.

1.4.3 Public Financial Management (PFM) Act, 2022

The Public Financial Management Act, 2022 is the principal legal framework for planning, executing and monitoring budgets in Khyber Pakhtunkhwa, requiring DDOs to ensure transparency, accountability and efficiency. It mandates adherence to budget limits, compliance with KPPPRA Rules, internal controls, proper record-keeping, timely reporting and audit cooperation, thereby strengthening financial governance in the health sector.

1.4.4 Administrative Rules and Supporting Policies

In addition to the constitution and PFM Act, the budgeting process is governed by several administrative rules and policies, including:

- **Delegation of Financial Powers Rules, 2018:** Define the spending authority of DDOs.
- **General Financial Rules, Treasury Rules and Budget Manual:** Outline procedures for classification of expenditures, processing of payments and record keeping.
- The **KPPPRA Act 2012** and the associated **KPPPRA Rules** govern the procurement of goods, works and services by all public sector entities in Khyber Pakhtunkhwa.
- **Chart of Accounts (CoA):** Standardizes budget classification and ensures compatibility with national and international accounting systems.

This integrated legal and administrative framework aligns strategic planning with operational execution, ensuring efficient resource allocation and effective utilization. With defined responsibilities for the Finance Department, Administrative Departments and DDOs, it makes facility-level budgeting a key instrument for improving service delivery, strengthening accountability and achieving development outcomes in Khyber Pakhtunkhwa.

1.5 Overview of PFM System

The PFM system in Khyber Pakhtunkhwa provides the legal, institutional and procedural framework through which public resources are planned, allocated, managed and accounted for. The objective of the system is to ensure fiscal discipline, strategic allocation of resources and efficient service delivery. PFM reforms in Khyber Pakhtunkhwa are guided by the PFM Act, 2022, which mandates performance orientation in budgeting, transparency in fund utilization and accountability through timely reporting and monitoring.

1.5.1 Key Components of the PFM System

Key components of the PFM System are:

1.5.1.1 Planning and Budget Formulation

- The budget cycle begins with strategic planning, where departments set goals aligned with provincial priorities.

- Budgets are developed using a Medium-Term Budgetary Framework (MTBF), integrating a three-year perspective and performance-based budgeting principles.
- Annual budget estimates are prepared using inputs from field offices and facilities.

1.5.1.2 Budget Approval and Allocation:

- The provincial budget is presented to and approved by the Khyber Pakhtunkhwa Assembly, followed by issuance of budget releases and funds allocation to respective departments and cost centers, including facility-level units.

1.5.1.3 Budget Execution and Financial Operations:

- Facility-level DDOs are responsible for executing budgets, managing expenditures and ensuring that funds are utilized in line with approved plans.
- Budget execution is supported by IFMIS, for real-time tracking of financial transactions, ensuring transparency and control.

1.5.1.4 Monitoring, Reporting and Accountability:

- Departments are required to submit monthly and quarterly expenditure reports and reconcile each month's account with Accountant General Office.
- Performance monitoring includes the use of dashboards and output-based reporting aligned with the budget.
- Internal audits, external audits and public disclosure of financial information reinforce accountability.

1.5.1.5 Performance-Based Budgeting and Service Delivery Linkages:

- Recent reforms emphasize linking budgets to outcomes through performance indicators and output tracking, especially in service delivery departments like health and education.
- Facility-level budgeting, under the Policy 2025, is a key step towards operationalizing this reform at the grassroots level.

1.6 DDO Power Under Delegation of Financial Power Rules

Under the Delegation of Financial Powers Rules of the Government of Khyber Pakhtunkhwa read with Section 3 of the General Financial Rules, the authority to act as a DDO is not automatically conferred upon any officer by virtue of their post or grade. Instead, such authority must be expressly delegated through a formal order issued by the competent authority, as defined in the rules. Khyber Pakhtunkhwa Delegation of Financial Power Rules 2018 comprise of three schedules

- Schedule I – Categorization of Officers from Category I to Category IV (Annex-I)
- Schedule II – Category wise delegated powers (Common to All), outlines conditions and ceilings for expenditures.
- Schedule III - Special Powers provides for specific powers that may be granted under defined circumstances.

1.6.1 Legal Basis for Delegation

The General Financial Rules Section 3 describe as *"Heads of departments have been authorized to declare any gazetted officer subordinate to them to be the 'head of an office' for the purpose of these and other financial rules of Government."*

1.6.2 Responsibility and Accountability

Once financial powers delegated, the concerned officer exercising DDO powers assumes full responsibility for compliance with the applicable financial rules, procurement regulations (including KPPPRA rules) and audit requirements. The DDO is also responsible for timely reconciliation of accounts, proper maintenance of records and submission of expenditure reports to the administrative departmental authorities.

1.7 Prerequisite for the Facility Manager to act as a DDO

In accordance with the Facility-Level Budget and Expenditure Management Policy 2025, the heads of RHCs are designated as DDOs for their respective facility budgets. For all other primary healthcare facilities budgeting and expenditure will be done on facility level while financial powers will continue to rest with the respective DHOs. Additionally, PCMCs will continue to manage the funds specifically allocated to them. Both DHOs and PCMCs shall exercise these financial powers in accordance with the Delegation of Financial Powers Rules, 2018 and the PCMC Guidelines approved by the Provincial Government.

As per the Delegation of Financial Powers Rules, only those officers to whom financial powers have been formally delegated are authorized to function as DDOs through notification. The extent of delegation is determined by administrative instructions and is aligned with the designation and Basic Pay Scale (BPS) of the officer.

At the RHC level, Medical Officers, normally appointed in BPS-17 or 18, fall under Category IV and III respectively. Under the Khyber Pakhtunkhwa Delegation of Financial Powers Rules 2018, a Category-IV officer has **Zero financial ceiling**, whereas a Category-III officer is authorized to incur expenditure up to **PKR 50,000** for the purchase of Drugs and Medicines or for expenditures classified under "Cost of Other Stores". To facilitate smooth operations and the effective exercise of delegated financial powers, the Health Department may ensure that at least BPS-18 officers are appointed as Facility Managers at RHCs.

Furthermore, For RHCs managed by Category-IV officers, a case may be processed for the delegation of special powers under the Third Schedule (Special Powers) of the Delegation of Financial Powers Rules, 2018. Such delegation would enable Facility Managers to perform essential financial functions, including the procurement of medicines and management of operational expenses from their allocated budgets. In the absence of this delegation, Facility Managers remain legally restricted from authorizing or executing financial transactions, which may lead to administrative delays and disrupt service delivery.

Therefore, to ensure the effective implementation of decentralized financial management and uninterrupted service delivery at the facility level, the Health Department in collaboration with the Finance Department, may process a summary for approval of the competent forum and issue necessary notifications delegating special DDO powers to the designated officers, clearly articulate the scope of authority, financial ceilings and responsibilities entrusted to the officers.

Part 2 - Roles and Responsibilities of DDOs

Who is a DDO? The Head of the Administrative Department or any other officer authorized by the head of Administrative Department under whose signature the salaries / wages of the employees, contingent and other claims are submitted for drawl of payments from the public account and disbursed to the employees, vendors, contractors etc is the DDO of that department. The DDO plays a pivotal role in the budgetary, expenditure and other financial matters at spending level, while DDO utilize funds allocated to his department. DDO shall ensure that all requirements of relevant Financial and Treasury Rules and other instructions and orders of the Finance Department are fully complied with:

2.1 Key Functions and Responsibilities

The functions and responsibilities of the DDO's are:

2.1.1 Preparation of Budget Estimates

The DDO's primary responsibility is the preparation of the annual budget estimates, revised estimates and receipt estimates. This involves assessing the facility's financial needs based on service delivery targets, past expenditure trends, operational requirements and expected activities during the upcoming financial year. Budget estimates are prepared on prescribed budget and costing forms in strict adherence to the ceilings issued by the Administrative Department. If the estimates exceed the prescribed ceilings, the proposals may be supported with the proper justification. The DDO ensures the accuracy of the figures proposed, avoiding lump-sum or block allocations except in justified cases approved by competent authorities.

2.1.2 Funds Management and Expenditure Control

Once the budget is approved by the Provincial Assembly and funds are released in accordance with the release policy by the Finance Department, the DDO is responsible for utilization of funds under designated cost centre not only in accordance with approved allocations and applicable financial rules, but he also have to see that the funds are expended in the public interest and for those objects only for which the money was provided.

2.1.3 Procurement and Payments

All expenditures must be made in compliance with the KPPPRA Rules, General Financial and Treasury Rules and departmental standing instructions. The DDO is expected to ensure value for money and transparency in all procurement processes.

2.1.4 Reconciliation of Accounts

Monthly reconciliation of accounts with the Accountant General's office is mandatory for the DDOs to maintain accuracy between departmental records and official accounts.

2.1.5 Record Maintenance and Audit Readiness

The DDO is accountable for record maintenance. All financial transactions, vouchers, bills, invoices, procurement documents, stock registers and other records required by prevailing rules and regulation must be properly maintained in a systematic and retrievable manner. The DDO must be prepared to respond to internal and external audit observations, clarify transactions and address any financial irregularities detected during reviews. In case of misappropriation, unauthorized expenditure, or violation of rules, the DDO is personally liable under the applicable service and financial conduct rules.

Part 3 - Planning & Budget Formulation

Building upon the legal and administrative framework outlined in the preceding chapter, including the constitutional basis, the PFM Act and the Facility-Level Budget and Expenditure Management Policy 2025, this section focuses on the operationalization of these legal provisions through structured planning and budget formulation processes at the facility level.

At the facility level, budget formulation is not merely a financial exercise, but a planning process rooted in real-time service delivery requirements as outlined in the Facility-Level Budget and Expenditure Management Guidelines, Form I-Annual Action Plan (Annex-III). It enables DDOs to assess past performance, identify funding gaps, articulate future resource needs and link with service delivery. This is particularly relevant in the context of Facility-Level Budgeting, where financial autonomy has been delegated to service delivery units to plan and manage their own budgets.

The success of planning and budget formulation at the facility level hinges on the capacity of DDOs to accurately project operational needs, rationalize spending priorities and prepare credible estimates within prescribed timelines. The next section elaborates on the key stages of the budget cycle, outlining the responsibilities of DDOs, administrative departments and the Finance Department in ensuring effective and participatory budget preparation.

3.1 Overview of the Budget Cycle

The budget cycle is the structured, year-round process through which the Government of Khyber Pakhtunkhwa plans, approves, executes and monitors the use of public resources. At the facility level, understanding this cycle is essential for DDOs, particularly those operating under delegated powers, to ensure timely and compliant budgeting and expenditure in line with government priorities and legal requirements.

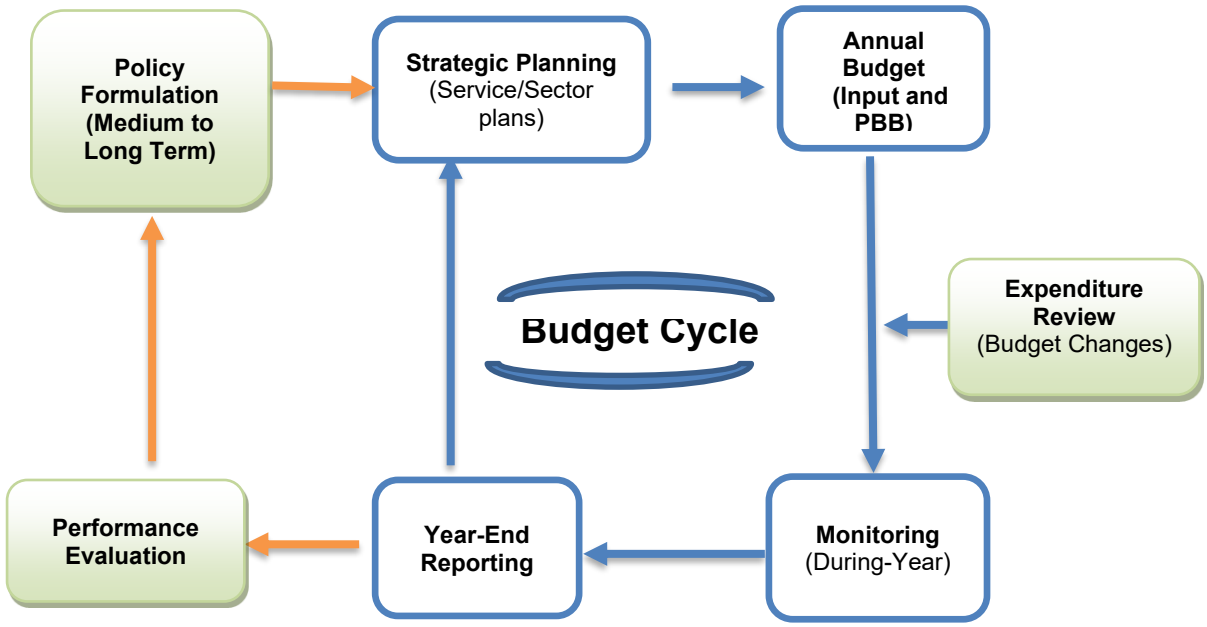

Figure 1: Budget Cycle

3.1.1 Key Stages of Budget Cycle:

The budget cycle typically comprises four interrelated stages: Budget formulation (Planning stage), Budget approval, Execution and Monitoring/reporting. Each stage involves coordinated

responsibilities of the Finance Department, the Administrative Department and the facility-level manager acting as DDOs.

a. Budget Formulation (Planning Stage)

This stage commences well before the start of the financial year and focuses on assessing resource needs and preparing budget estimates. Key activities performed in budget formulation stage are described in following figure:

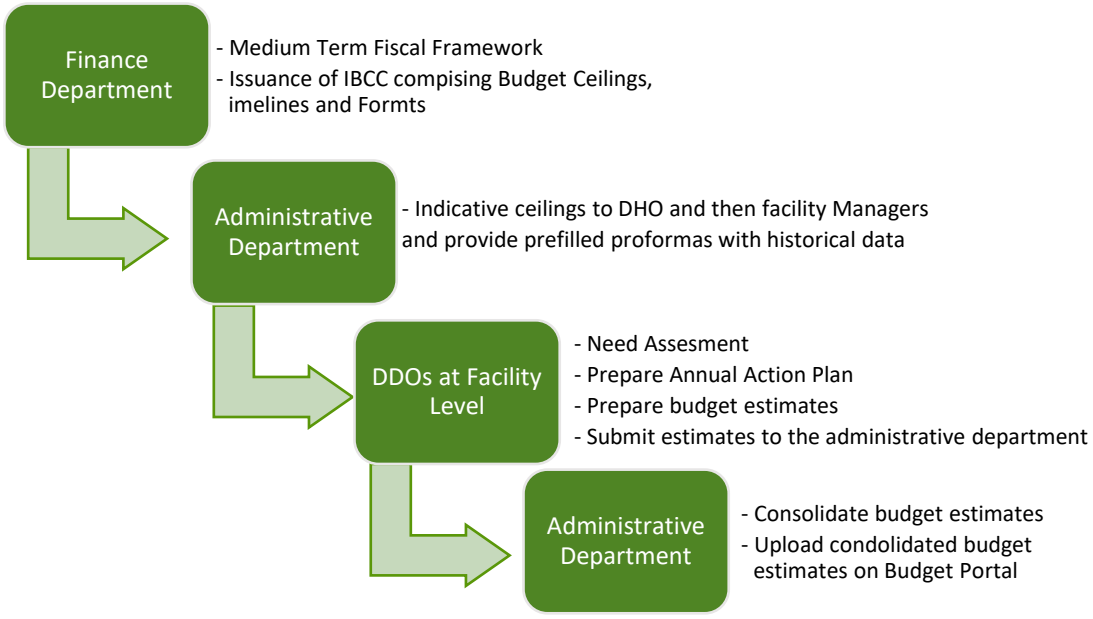

Figure 2: Key activities performed by departments in Budget Formulation Stage

b. Budget Approval (Legislative Stage)

This stage culminates in the legislative authorization of the provincial budget and issuance of financial sanctions. Key activities performed in budget approval stage are described in following figure:

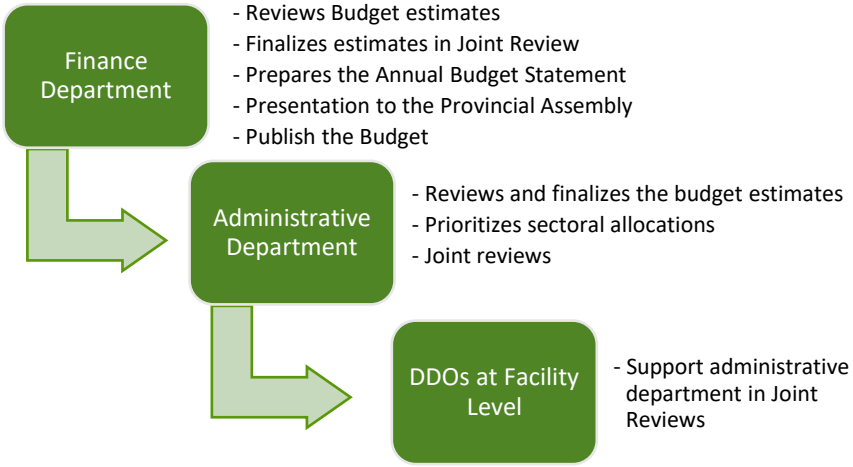

Figure 3: Key activities performed by departments in Budget Approval Stage

c. Budget Execution (Implementation Stage)

Once approved, the focus shifts to utilization of funds in line with approved allocations and applicable financial rules. Key activities performed in budget execution stage are described in following figure:

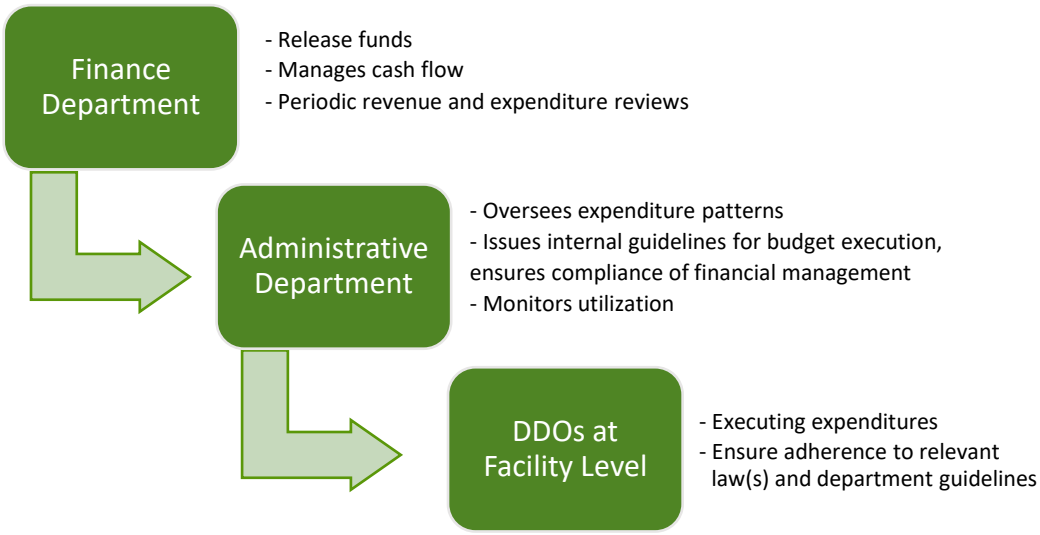

Figure 4: Key activities performed by departments in Budget Execution Stage

d. Budget Monitoring and Reporting (Oversight Stage)

This stage focuses on tracking, evaluating and reporting the performance of budget implementation. Key activities performed in budget oversight stage are described in following figure:

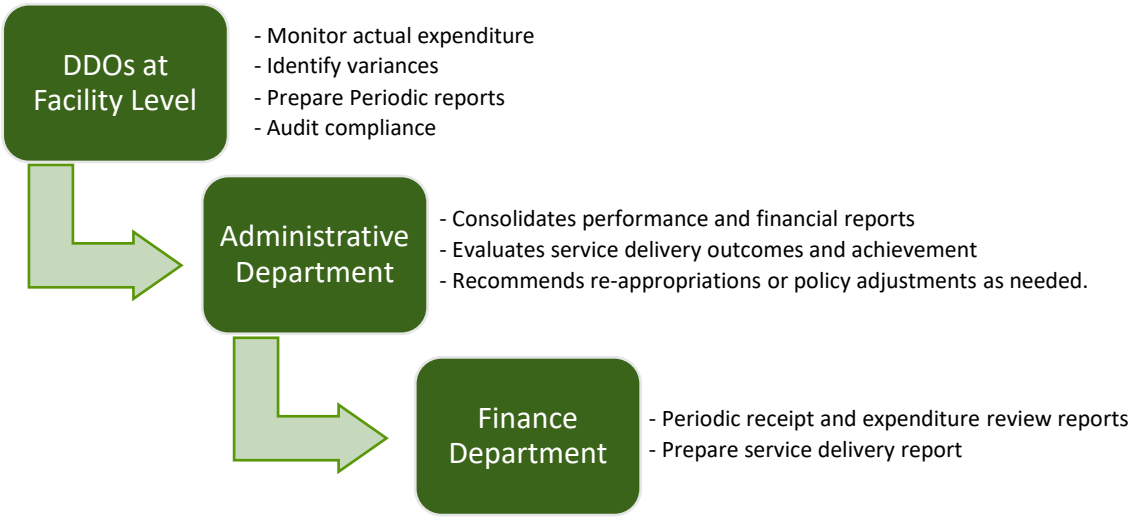

Figure 5: Key activities performed by departments in Budget Oversight Stage

3.2 Chart of Accounts (CoA) and Accounting Classifications

The CoA is the foundational accounting framework used to record financial transactions and maintain account balances. It enables consistent categorization of accounting data and ensures accurate recording, tracking and reporting of public funds. Understanding the CoA is essential for accurate budget formulation, as every proposed expenditure or receipt must be coded correctly according to this structure. The CoA consist of the following elements:

Detailed overview of the elements of CoA is elaborated in Annex-II.

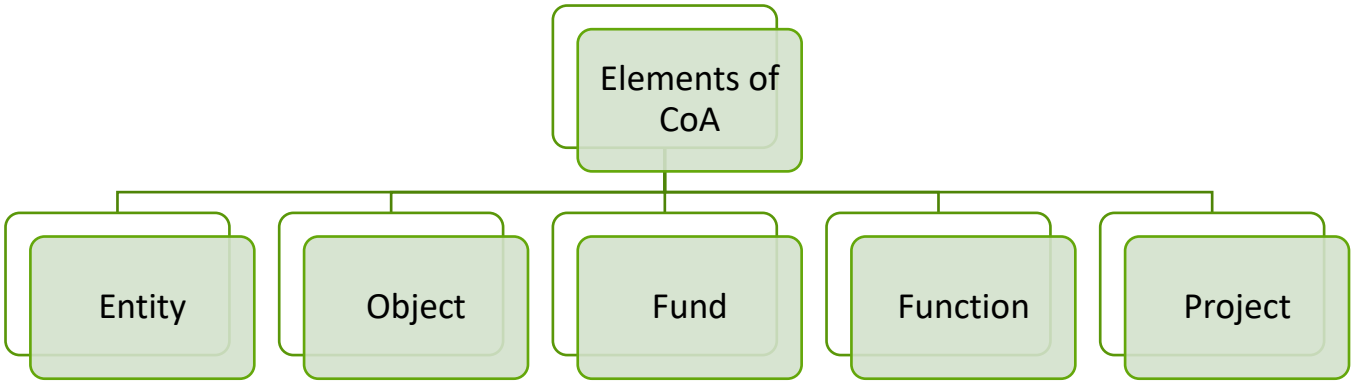

Figure 6: Elements of Chart of Account

3.3 Preparation of Estimates

It involves the systematic assessment of financial requirements for the upcoming financial year based on service delivery objectives, operational needs and past performance. At the facility level, DDOs are responsible for initiating this process by preparing detailed and realistic estimates in accordance with the instructions issued by the Finance Department and the respective Administrative Department.

3.3.1. Steps in the Preparation Process:

1. **Receipt of Integrated Budget Call Circular**: The process begins when the Finance Department issues the IBCC, which is then communicated to the facility level by the Administrative Department.
2. **Assessment of Needs**: The DDO conducts a needs assessment, considering factors such as patient load, staffing, equipment, infrastructure condition and utility bills.
3. **Review of Past Expenditure**: Past trends and utilization rates are reviewed to inform the new estimates and avoid under- or over-estimation.
4. **Preparation of Estimates**: Prepared estimates on prescribed formats issued in the IBCC with proper classification under object codes and functional heads in accordance with the CoA.
5. **Submission to Department**: The draft estimates are submitted to the Administrative Department through proper channels within the stipulated timelines.
6. **Departmental Consolidation and Review**: The department reviews and finalizes estimates for submission to the Finance Department for inclusion in the Annual Budget Statement.

3.3.2 Budget Estimates - Formats

The format for preparation of budget estimates is Budget Form II – Estimates of Current Expenditure Non-Salary available at Annex-IV. DDOs complete and submit the filled Budget Form II (along with all supporting documents) to the respective District office by the first week of January, allowing for consolidation and finalization before submission to the Finance Department.

3.3.2 Revised Estimates - Formats

As part of mid-year review and financial planning, DDOs are required to submit Revised Estimates (Annex - V) for the current fiscal year. These estimates help the Finance Department assess actual fund utilization, re-appropriate savings and ensure that allocations better match ground realities. Revised Estimates are submitted using Budget Form I, which provide updated actual expenditure and the balance required for the remaining period of the financial year.

3.3.3 Estimates for Receipts - Formats

In addition to expenditure estimates, DDOs are responsible for submitting projected receipts estimates for their respective facilities, Directorates, or departments. These estimates are crucial for accurate revenue forecasting and resource mobilization by the Finance Department. Receipt estimates are submitted through Budget Form III (Annex- VI), which records actuals from prior years and proposed revenues for the coming fiscal year.

3.3.4 Planning/Costing Forms

The preparation of credible and needs-based budget estimates at the facility level requires a structured approach to planning and costing. DDOs are responsible for translating service delivery needs into realistic budget proposals. This is achieved using standardized planning and costing forms, which provide a systematic method for identifying activities, estimating costs and linking them to service delivery outcomes.

These forms serve as essential tools in the pre-budget phase, enabling DDOs to assess resource requirements based on historical trends, service delivery targets and future demand. The planning and costing templates vary slightly by sector but generally include the following components:

- **Activity Description**: Clear identification of the planned activity or intervention.
- **Unit Costing**: Estimation of the cost per unit (e.g., per patient, per classroom, per test).
- **Quantity Required**: Anticipated demand or quantity for the financial year.
- **Total Cost**: Calculated by multiplying unit cost with quantity.
- **Justification/Remarks**: Narrative explanation supporting the proposed allocation, including relevance to service delivery.
- **Object Code Classification**: Accurate coding as per the CoA, ensuring compatibility with budget forms.

These forms are used as background documentation for completing **Budget Form-II (Estimates of Expenditure - Non-Salary)** and support evidence-based decision-making during departmental and district budget reviews.

Key Cost Components and Costing Methodology

The health-specific costing forms include the following categories and methodologies:

Medicine, Equipment and Infrastructure Costing at Essential Package of Health Services (EPHS)

As part of budget preparation at the facility level, especially under the Facility-Level Budget and Expenditure Management Policy 2025, DDOs are required to estimate the medicine requirements and associated costs based on anticipated patient load and EPHS. A standardized need assessment form for Medicine Costing (Annex - VII), Equipment (Annex - VIII) and Infrastructure

requirement (Annex - IX) are used for conducting need assessment and costing for each health Facility.

Cost estimation of operational expenditure

For costing the operational expenditures various planning/costing forms are used, some sample costing forms along with filling instruction are provided for guidelines including, Cost estimation for POL (Annex - X), costing Electricity projection (Annex - XI) and costing Sui Gas (Annex - XII).

Part 4 - Execution and Reporting

Following the approval of budget estimates, DDOs are responsible for ensuring effective execution of the approved funds. The execution phase marks the translation of plans into actions, where procurement, payments, service delivery and reporting take place.

4.1 Fund Utilization and Expenditure Management

DDOs are accountable for ensuring that funds are utilized strictly for the purposes they were allocated, in accordance with the approved budget and the delegation of financial powers. Expenditure should be incurred economically, efficiently and effectively, while adhering to timelines, procurement rules and quality standards. Funds should also be managed to avoid both over- and under-spending by the end of the fiscal year.

4.2 Bill Preparation and Submission

Once goods or services have been delivered as per procurement contracts, DDOs are responsible for preparing payment bills/Vouchers using prescribed formats (Annex - XIV) and sanction of expenditure (Annex – XV). These bills include all supporting documentation to support the payment such as supply orders, invoices, GRNs (Goods Receipt Notes), inspection reports and approvals. The bills are submitted to the relevant accounts office for pre-audit and payment authorization.

While preparing payment vouchers, DDOs serve as withholding agents and is responsible for deduction of applicable taxes at source under prevailing law(s). This includes income tax, sales tax on services or goods and any other deductions notified by the Federal Board of Revenue (FBR), Khyber Pakhtunkhwa Revenue Authority (KPRA) or any other authority.

4.3 Bookkeeping

Proper and timely recording of receipts and expenditures is essential for real-time financial management and reporting. This includes ensuring each transaction is recorded under the correct, object code and functional classification.

Expenditures are recorded in the Cash Book (Annex - XVI), which serves as the primary record of all financial activities during the fiscal year. It serves as an official ledger for daily transactions and is crucial for audit compliance, reconciliation with AG office and expenditure reporting.

4.4 Procurement and Payment Authorization

The procurement activities in government offices are operated in compliance of the KPPPRA rules and relevant instructions issued by administrative and Finance departments. DDOs must ensure:

- Open and competitive procurement practices.
- Maintenance of proper documentation (tenders, quotations, comparative statements, evaluations).
- Clear delegation of authority for contract award. Payment authorization must only occur after full compliance of procurement process and physical verification of goods/services.

4.5 Monitoring of Budget Execution

DDOs should regularly track expenditure against approved allocations to ensure funds are being used as planned. Budget execution dashboards and departmental monitoring tools should be used to identify variances, avoid bottlenecks and flag delays. This also supports compliance with the commitment control system outlined in the PFM Act.

4.6 Reconciliation

Reconciliation (Annex - XVII) is a critical internal control process that ensures the accuracy and integrity of financial records by matching the department's Cash Book with the official statements of AG/DAO scrolls. This process helps identify discrepancies such as unrecorded transactions, errors, or delays in posting and ensures that reported balances reflect the actual available funds.

4.7 Re-appropriation, Supplementary Grants and Surrender of Funds

During the year, adjustments to allocations may be necessary, these can be achieved through following:

4.7.1 Re-appropriation allows movement of funds within the same grant (object code or functional head) with proper authorization.

4.7.2 Supplementary or Technical Supplementary Grants may be requested for unforeseen urgent needs, with approval from Finance Department and Provincial Assembly (as applicable).

4.7.3 Surrender of Funds Efficient use of allocated funds must be ensured by the DDOs throughout the financial year. In cases where it becomes evident that the allocated funds are unlikely to be fully utilized within remaining period of the financial year or when there is potential for savings, timely action should be initiated for surrender of funds. This will help optimize the use of public resources and ensure that funds are directed towards priority areas of government, thereby strengthening overall fiscal discipline and service delivery.

Part 5 - Payroll and HR Management

Effective payroll and human resource (HR) management is essential for ensuring timely and accurate compensation, compliance with government service rules and maintaining up-to-date employee records. At the facility level, DDOs play a pivotal role in verifying, processing and maintaining payroll and HR-related information in coordination with the relevant stakeholders.

5.1 Maintenance of Employee Records

DDOs ensure the proper maintenance of comprehensive employee records, which form the basis of accurate payroll and personnel management. This includes:

- Personal files (CNIC, service details, appointment orders etc)
- Attendance records and leave registers
- Transfer/posting notifications
- Pay fixation, promotions and increments
- Disciplinary proceedings and penalties (if any)
- Retirement notifications

All physical records must be aligned with entries in the Human Resource Management Information System (HRMIS) maintained by the Health Department.

5.2 Updation of Employee Records in IFMIS

The Financial Management Information Unit (FMIU) of the Finance Department has issued Standard Operating Procedures (SOPs) for the creation and management of position codes, as referenced in letter No. FMIU/FD/4-2/99/FRA/Vol-XIV dated 19th March 2018 (Annex - XVIII).

5.2.1 Creation of Position Codes for Regular Posts

In accordance with the SOPs, departments are required to submit Proforma-I for the creation of position codes for regular posts. The following documents must be submitted along with Proforma-I:

- position codes can be accessed from Finance Department (website (www.finance.gkp.pk/articles/info-desk/position-code),
- Budget copy of sanctioned posts and
- Sanction letters of all the posts created, upgraded or re-designated during the current Fiscal Year.

5.2.2 Change in Existing Position Codes

To request changes in existing position codes for regular posts, Proforma-II, along with Proforma-I with required document be submitted to Finance Department, following the guidelines below:

- "Correct Designation Column" should be according to Budget Book/Sanctioned Letter Nomenclature.
- BPS should be according to Demand for Grant; Own Pay scales and BPS of Personal up gradations should not be provided for position code correction.
- Position Codes strength should be according to sanctioned posts.

- Position codes once corrected will take effect only when refreshed by concerned District Accounts Office/AG Office.

5.2.3 Bifurcation of Existing Position Codes

When position codes are to be transferred from one cost centre/DDO code to another, cost centre/DDO, administrative department is required to fill out Proforma-III along with Proforma-I and required documents. This applies in cases such as:

- Division of a department or office into multiple administrative units, or
- Transfer of sanctioned posts from one office to another.

Part 6 - Procurement and Inventory Control

6.1 Procurement Rules and Procedures

All procurement activities at the facility level must be conducted in accordance with the Khyber Pakhtunkhwa Public Procurement Regulatory Authority (KPPPRA) Act, 2012 and the KPPPRA Rules 2014, along with any financial instructions issued by the Provincial Government. Drawing on these rules, DDOs are responsible for ensuring full compliance with the core principles of transparency, competition, fairness and value for money. The updated KPPPRA rules have streamlined thresholds and simplified procedures for small-scale procurement at decentralized levels. For example, petty purchases below Rs. 100,000 under section 10(a) of the KPPPRA rules, while procurements between Rs. 100,000 and Rs. 500,000 require quotations from at least three suppliers under section 10(b) of the KPPPRA rules. The procurements above Rs. 500,000 must follow open competitive bidding (section 9).

For procurement activities carried out by Primary Care Management Committees (PCMCs), the same rules and principles apply. PCMCs are required to follow the KPPPRA Rules, 2014, along with any financial instructions issued by the Provincial Government. In addition, while managing procurement from regular budgets, PCMCs must also comply with the provisions of the PCMC Guidelines to ensure accountability and consistency.

6.2 Preparation of Procurement Plan

DDOs are responsible for preparing annual procurement plans, Budget Form VII of IBCC (Annex XIII) based on the facility needs duly aligned with the service delivery targets and budget allocations. The procurement plan should categorize items (medicines, consumables, services, equipment etc.) and specify estimated costs, procurement mode and timelines.

6.3 Quotation, Tendering and Evaluation

Depending on the procurement threshold, DDOs must follow one of the approved methods:

- **Direct Purchase:** For purchases under Rs. 100,000.
- **Request for Quotation:** Procurements between Rs. 100,000–500,000; must obtain three written quotations.
- **Open Competitive Bidding:** For procurements above Rs. 500,000; must be advertised and evaluated using criteria set in bidding documents. DDOs must form a Procurement Committee for evaluation, ensure proper documentation (bidding documents, comparative statements, approval notes) and record all steps for audit trail.

6.4 Stock Entry, Verification and Record Maintenance

All procured items must be entered into the relevant stock registers upon receipt, supported by a Goods Receipt Note (Annex-XIX) and inspection report. DDOs are responsible for conducting regular physical verification of inventory and reconciling stock records. This ensures inventory control and supports accountability in service delivery.

Part 7 - Audit and Compliance

The audit function is a vital component of the financial accountability and transparency. It ensures that public funds are used for intended purposes, in accordance with the law(s) to achieve value for money.

7.1 Audit System

7.1.1 Pre Audit

The pre-audit system is a financial control mechanism applied by the Accountant General Khyber Pakhtunkhwa to ensure that government expenditures are properly authorized, within the approved budget and in strict compliance with financial rules and regulations before any payment is released. This process acts as a safeguard to protect public funds, maintain fiscal discipline and ensure transparency in government financial transactions. The key steps of Pre Audit system are described in following figure:

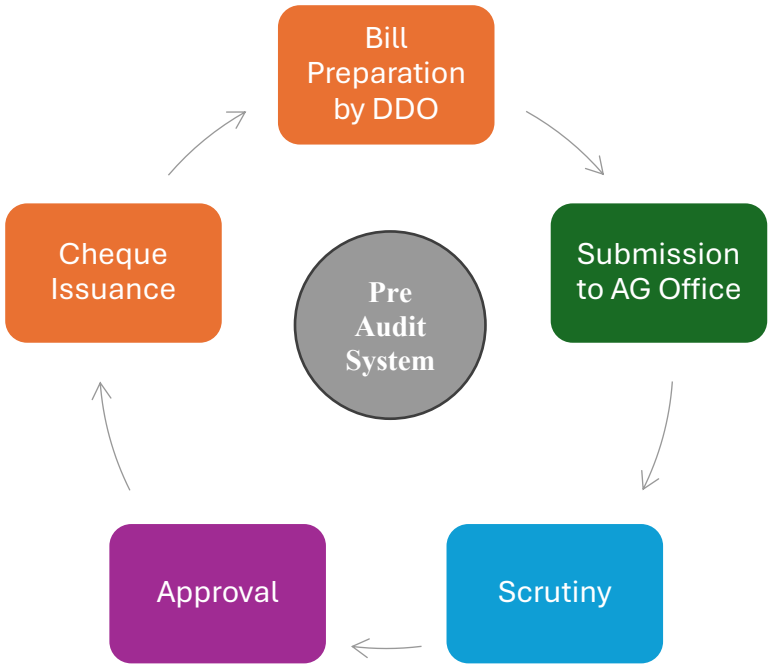

Figure 7: Pre Audit System of Khyber Pakhtunkhwa

7.1.1.1 Key Steps in the Pre-Audit Process

- **Bill Preparation by DDOs**

  DDOs of provincial line departments prepare expenditure bills (e.g., TA/DA, contingent expenditures, supplier payments, pensions etc), supported with sanction orders, budget allocation details and required documentation.

- **Submission to AG-KP**

  Bills are submitted to the AG Office by DDOs. On submission of bill a unique token no is issued by AG office for tracking.

- **Pre-Audit Scrutiny**

  The process involves verifying budget availability under the respective head of account, confirming competent sanction or approval from the administrative or Finance

Departments (where required) and ensuring compliance with the provincial law(s) and departmental notifications. Vouchers, invoices and supporting documents are scrutinized. In case of irregularities, the AG office returns the bill to the DDO with audit objections, after which the DDO rectifies the discrepancies and resubmits the bill to AG office.

- **Approval of Bill**

  Once cleared after examination, the bill is approved for Payment by the competent authority of the AG office as per assigned financial limits.

- **Issuance of Payment**

  The AG office issues payment in the name of specific payee's account (such as government employees, contractors, or pensioners) through cheque, while the expenditure is recorded under the relevant budget head. Consolidated figures are then reflected in the Monthly Civil Accounts, which are submitted to the Finance Department and the respective administrative department for monthly reconciliation.

7.1.2 Audit

Audit is conducted by the Auditor General of Pakistan (AGP) under Article 169 of the Constitution of Pakistan and the Auditor-General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001. It covers audit of the financial statements, budget execution and compliance with legal frameworks that includes but not limited to **Financial Audit** and **Performance Audit**.

7.1.2.1 Audit Process

Stage 1: Preparation for Audit

Before an audit, DDOs must ensure:

- **Availability of complete documentation**, including:
  - Budget books, bills/vouchers, payment approvals
  - Bank reconciliation statements
  - Procurement files, purchase orders and KPPPRA-compliant bid records
  - Stock registers and asset inventory
- **Updated expenditure records** in manual registers

Stage 2: Audit Execution

- The audit team issues a **Notice of Audit**.
- DDO prepares and submits the **Audit Support File**.
- Auditors visit the office or facility for examination of records.
- **Physical verification** may be conducted for procurement or infrastructure.

Stage 3: Draft Audit Paras

- Audit observations are recorded in the **Draft Audit Report**.

- DDO is required to submit a **written response** within a specified timeframe (usually 15–30 days).
- Reply must include:
    - Factual clarification
    - Legal rule or policy justification (e.g., KPPPRA Rule, Delegation of Powers)
    - Supporting documents (e.g., comparative statements, sanction orders)

Stage 4: DAC Proceedings

- Convened by the administrative department.
- DDO must:
    - Present original records
    - Propose corrective actions (e.g., recovery, adjustment, disciplinary action)
- DAC may recommend:
    - Settlement of paras
    - Departmental inquiry
    - Referral to PAC

Stage 5: PAC Review

- PAC holds hearings and may summon PAO/DDOs and heads of departments.
- Final decisions are documented in PAC reports laid before the Provincial Assembly.

7.1.2.2 Internal Controls and Financial Discipline

To prevent audit objections and ensure smooth operations:

- Proper and timely maintenance of cash book and stock registers
- Maintain segregation of duties between procurement, approval and payment process
- Ensure timely reconciliation of expenditures with AG Office
- Avoid splitting of purchases to bypass financial limits
- Verify budget availability before committing any expenditure
- Maintain compliance with KPPPRA Rules for all procurements
- Perform periodic internal budget execution reviews
- Stock verification and asset tagging practices

Part 8 – Primary Care Management Committee (PCMCs)

In the preceding sections, the procedures for DDOs to manage regular facility budgets have been outlined. In addition to this role, it is equally important for facility manager to manage the funds placed under the administrative control of PCMCs. These funds are utilized for local procurement of limited quantity of life saving medicines (in consultation with DHO). Some of the key components of the PCMC guideline are elaborated below:

8.1. Eligible Expenditures

PCMCs may utilize funds to benefit patients through provision of the following facilities:

a. Repairs, renovation and rehabilitation of civil infrastructure.

b. Purchase of lights, chairs, water cooler, fans and any other non-biomedical equipment or anything for patient facilitation.

c. New construction not exceeding the total cost of Rs. 0.6 million.

d. Purchase of IT equipment such as desktop computers, printers, tablets, biometric machine etc.

e. Local purchase of emergency drugs (including sanitizers) and disposables (including PPEs).

f. Minor purchase of electric and water supplying appliances.

g. Purchase of wheelchair/patient stretcher.

h. Purchase of equipment/instruments (thermometer/thermal gun, BP apparatus, weighing scale (child and adult) anthropometric equipment, etc.

i. Operational and maintenance expenses for already available/donated ambulance (does not include purchase of vehicle).

j. Engage part-time/daily wage staff (MOs, LHVs and MTs are not included) for limited period to a maximum of one month.

k. To fill in facility-level gaps against service delivery package approved by the government.

l. Any directions by Health Department/DGHS/DHO in respect of improvements to service delivery.

8.2. Financial Powers of PCMCs

To manage funds effectively, the following financial arrangements apply:

a. Concerned Chairpersons and Secretaries of concerned PCMCs shall be responsible for ensuring opening of commercial bank accounts for PCMCs.

b. The bank account shall be opened in the name of the PCMC. The Chairman and Secretary shall operate the account jointly as co-signatories.

c. The PCMC shall maintain a single account which will hold all types of funds available at the disposal of the primary healthcare management committee.

d. The DDO for accounts of PCMC shall be Chairperson for PCMC. The PCMC Chairman/DDO will execute the budget only after approval of activities in PCMC meeting.

e. The bank account shall be opened in Bank of Khyber or a nearby branch of scheduled bank if former is not available. Only the Chairperson and Secretary of the concerned PCMC shall be able to access/operate the account.

f. After notification of the committee, the PCMC shall hold its first meeting in which the resolution for opening of a bank account shall be passed. The resolution shall include the address of the bank in addition to the names, addresses and Computerized National Identity Cards (CNICs) of the co- signatories. The resolution shall be recorded as per Form 3 of the guidelines.

g. Bank account statements shall be obtained and compiled monthly. Details of all deposits and withdrawals shall be recorded in the cashbook as per Form 9 provided in guidelines. A copy of these detailed records shall share with DHO on quarterly basis.

h. PCMCs will observe the highest standards of transparency, responsibility and honesty in fund utilizations.

i. The representative of Department of Health/DG health services (DGHS)/Deputy Commissioner/ Commissioner may hold sample audit or checks.

j. PCMCs shall maintain close relations with prominent individuals and locals to solicit donations and other financial contributions.

k. All payments shall be made through crossed cheques, over and above the following thresholds:

- RHCs 50,000 PKR
- BHUs 25,000 PKR

l. PCMCs will follow relevant Khyber Pakhtunkhwa Revenue Authority (KPPRA) Rules 2014/financial instructions issued by Provincial Government for all procurements. As per KPPRA Rules 2014:

- For procurements under PKR 50,000 in value, quotations or bidding will not be required.
- For procurements greater than PKR 50,000 and less than PKR 100,000 in value, at least three price quotations will have to be solicited, although bidding process need not be followed.
- For procurements greater than PKR 100,000 and less than PKR 2,500,000, the relevant advertisement will have to be uploaded onto the KPPRA website. All the procurements above 2,500,000 shall be made through competitive bidding process by publishing advertisements in at least two daily national newspapers (Urdu and English)

m. PCMC may use advance withdrawal of funds from account for day-to-day expenditures once in a month up to:

- RHCs 50,000 PKR
- BHUs 25,000 PKR

n. In exceptional circumstances, each PCMC may apply to District Health Steering Committee (who shall submit it to Secretary Health for final decision) for a need based Special Purpose Grant up to PKR 2 million in a given financial year. The Special Purpose Grant shall be governed by following conditions.

- The access conditions:
  - The health committee has the capacity to execute the project for which the grant is requested.
  - The project is feasible and has the potential to bring substantial improvement in healthcare service delivery/health outcomes of the community.
  - Service delivery improvement plan duly approved by the District Health Steering Committee.
  - Provisioning of mandatory audit by a third party.
- The performance conditions are:
  - The grant is to be utilized for clearly spelled objectives and item of expenditure.
  - Performance benchmarking through clearly defined Key Performance Indicators (KPIs) and targets against baseline.
  - Sufficient reporting both financial and physical as per the stipulated rules and regulations.
  - Robust monitoring and evaluation mechanism both internal and external through Independent Monitoring Unit (IMU).

8.3. Composition of PCMCs

The composition notified for the PCMCs in the guidelines is as under:

S.No	Designation	BHU	Designation	RHC
1	Medical Officer	Chairperson	In-charge health facility	Chairperson
2	Primary Health Care (PHC) Technician	Secretary	Next senior most medical officer of facility	Secretary
3	Secretary of concerned village council	Member	Secretary of concerned village council	Member

S.No	Designation	BHU	Designation	RHC
4	Two community members nominated by District Health Officer (DHO)	Member	Two community members nominated by Assistant Commissioner	Member

Table 1: Composition of the Primary Care Management Committees

- If the position of Medical Officer is vacant at a BHU, the Medical Officer of an adjacent facility will be nominated by the DHO as temporary chairperson of concerned PCMC for a period of no longer than three months. A Medical Officer can hold chairperson's role of two PCMCs but not more than for three months. In the meantime, the concerned DHO shall be required to post Medical Officer at the earliest.
- If the Medical Officer/facility in-charge position is vacant at RHC, the Secretary of PCMC shall assume the charge of chairperson and the next senior most medical officer will be nominated as secretary by DHO.
- The tenure of each private member shall be of two years. The tenure may be extended by another two years by respective nomination authority.
- If a member fails to attend three consecutive meetings in a year, his membership shall stand terminated. In that case, the process of filling the vacancy would start immediately.

8.4. Roles and responsibilities of PCMCs

The PCMCs have the mandate to perform the following functions in accordance with the PCMC guidelines:

- The PCMCs will identify the needs of the respective health facility.
- Based on the needs identified the PCMCs will develop annual plan, budget and carry out repair and maintenance work or any other task the committee may deem necessary for up-keep of the concerned health facility and for delivery of quality health care services.
- The work should be executed using local expertise only after approval from the PCMC.
- The funds transferred shall be spent judiciously setting excellent standards of integrity to uphold the trust of the government.
- The development works shall be designed and executed as per specifications approved by the PCMC or notified by DoH. In case technical support and guidance is required for a specific works, the PCMC shall request the concerned government department for such support in the form of a written request.
- The PCMCs will support the health facility to conduct outreach activities whenever required.
- The PCMCs can also hire temporary staff (excluding doctors, nurses, technicians) on work charge basis for few days but not exceeding a month.
- The committee can also receive donations to meet urgent needs.

- The PCMC will actively coordinate with the government, Civil Society Organizations, NGOs and other stakeholders at the local level.
- The PCMC may procure limited quantity of life saving medicines from local market after consultation with respective DHO.
- The committee will also ensure service delivery and to maintains the proper stocks of supplies as per requirement.

Part 9 – Miscellaneous

9.1 Ethics, Transparency & Accountability

The success of decentralized financial management at the facility level depends not only on adherence to technical rules but also on the ethical conduct, integrity and transparency demonstrated by DDOs. This section provides guidance on upholding ethical standards, engaging the public and establishing safeguards for redress and accountability.

9.1.1 Code of Conduct for DDOs

DDOs must uphold the highest standards of public service ethics as stewards of public funds. The following **Code of Conduct** shall apply:

- **Integrity and Impartiality:** Act with honesty and avoid any conflict of interest. Decisions on budgeting, procurement and payments must be based solely on merit and need.
- **Compliance with Rules:** Ensure full adherence to the KPPPRA Rules, Treasury Rules, departmental instructions and the Facility-Level Budget and Expenditure Management Policy 2025.
- **Avoidance of Corruption and Nepotism:** DDOs must not misuse authority for personal gain or favouritism in recruitment, procurement or vendor dealings.
- **Fair Dealing and Equal Access:** Provide fair opportunity to all vendors and contractors, ensuring open competition and preventing collusion or discrimination.
- **Confidentiality:** Maintain confidentiality of sensitive procurement and financial information, especially during evaluation and selection phases.
- **Record-Keeping and Documentation:** Maintain complete and accurate records of all financial transactions, procurement activities and correspondence for internal and external audit purposes.

Violation of this code may result in disciplinary action under the Efficiency and Discipline Rules applicable to civil servants.

9.1.2 Protection and Redressal Mechanism

To promote accountability and address wrongdoing:

- **Complaint Mechanism:**

  Citizens, staff, or suppliers may lodge complaints regarding financial mismanagement, unfair procurement, or non-transparency with DHO, DG Health, KPPPRA through its online complaint system, or Ombudsman
- **Whistleblower Protection:**

  Any person reporting genuine concerns will be protected under the KP Whistleblower Protection and Vigilance Commission Act, 2016. DDOs must ensure no retaliation against whistleblowers or complainants.
- **Grievance Redress for Suppliers:**

  Bidders have the right to lodge a complaint under Rule 47 of KPPPRA Rules, 2014 if they believe the procurement process was unfair. The grievance redressal committee at the departmental or facility level must handle such cases within the given timelines.

9.3 Common Financial Irregularities and How to Avoid Them

- Below are common issues may be observed during audits or departmental reviews:

Irregularity	Description	How to Avoid
Unverified Procurement	Payments made without 3 quotations or deviation from procurement rules.	Always follow KPPPRA Rules (including recent amendments). Maintain quotation, comparative statements and approval records.
Delayed Reconciliation	Facility accounts not reconciled monthly with bank statements.	Ensure monthly bank reconciliation is conducted and signed by both DDO and bank representative or AG office.
Ineligible Expenditures	Spending on non-permissible items (e.g., personal expenses, entertainment).	Adhere strictly to expenditure heads approved in the budget.
Split Procurement	Breaking a large procurement into smaller ones to avoid quotation/tendering thresholds.	Follow Rule 24A of amended KPPPRA Rules – splitting is strictly prohibited.
Improper Documentation	Missing bills, lack of receiving reports or unsigned vouchers.	Maintain complete documentation with voucher, invoice, inspection report and receipt.
Cash Withdrawals without Purpose	Withdrawals from bank account without immediate payment purpose.	Make payments via cross cheque/direct transfer. Avoid excessive cash withdrawals.

Table 2: Examples of Common Financial Irregularities

9.4 Best Practices in Budget Preparation and Execution

- **Data-Driven Budgeting:** Use previous years trends, footfall, disease burden and stock consumption records for realistic budgeting.
- **Use of Costing Templates:** Adopt approved formats for estimating costs of POL, medicines, electricity, etc., ensuring accuracy and justification.
- **Early Procurement Planning:** Submit procurement plans according to the deadlines of IBCC to avoid delays and ensure timely service delivery.
- **Periodic Performance Review Meetings:** Conduct internal reviews quarterly to assess expenditure trends, identify bottlenecks and re-allocate as needed.

Annexures

Annex-I Extract of Pakhtunkhwa Delegation of Financial Power Rules

Under these rules, the powers assigned to the Administrative Department are exercised by the Secretary Health Department, who is also the Principal Accounting Officer, whereas at the district level the categories of officers under these rules can be defined as follows:

S. No	Designation	Officer category
1.	Medical Superintendent of Provincial Secondary Healthcare Hospitals, Women and Children's Hospitals and Specialised Hospitals	Category I Officer
2.	District Health Officer	Category II Officer
3.	Head of Rural Health Centre	Category II Officer (if in BPS 19) Or Category III Officer (if in BPS 18) Or Category IV officer (if in BPS 17)

Powers to sanction expenditures against budget provisions are given in the table below:

S #	Nature of power	Administrative department	Officersin Category I	Officersin Category II	Officersin Category III	Officersin Category-IV
(i)	Project pre-investment analysis	Full powers	Full powers	--	--	--
	Specific condition(s): 1. Include feasibility studies, research, surveys and exploratory operations.					
(ii)	Operating expenses					
(a)	Fuel and power	Full powers	--	--	--	--
	Specific condition(s): 1. Include high-speed diesel oil – operational and non-operational; furnace oil – operational andnon-operational; electric traction. 2. Subject to specified departmental admissibility and prescribed conditions.					
(b)	Fees	Full powers	Full powers	Up to PKR 100,000 each case	Up to PKR. 50,000 each case	Up to PKR 20,000 each case
	Specific condition(s): 1. Include bank fees; legal fees; licence fees; membership fees.					
(c)	Communication	Full powers	Full powers	Full powers	Full powers	Full powers
	Specific condition(s): 1. Include postage and telegraph; telephone and trunk calls; telex, tele-printer and fax;electronic communication; courier and pilot service; photography charges. 2. Subject to observance of prescribed ceilings, where applicable.					
(d)	Utilities	Full powers	Full powers	Full powers	Full powers	Full powers
	Specific condition(s): 1. Include gas; water; electricity; hot and cold weather charges; POL for generator. 2. Subject to observance of prescribed ceilings, where applicable.					
(e)	Occupancy costs	Full powers	Full powers	Up to PKR 100,000 at a time	Up to PKR 50,000 at a time	--

S #	Nature of power	Administrative department	Officersin Category I	Officersin Category II	Officersin Category III	Officersin Category-IV
	Specific condition(s): 1. Include charges; rent for office building; rent other than for building; royalties; rates and taxes; rent of machinery and equipment; insurance; security; rent of hall for council meetings; sewerage/waste charges. 2. Rent of office building is subject to the explicit conditions that: a. the accommodation is according to the scale prescribed by the government; b. either the rent does not exceed the rent assessed by the Excise and Taxation Department for the purpose of Urban Immovable Property Tax or the rent to be paid is made the basis of property tax; c. assessment made by the Communication & Works Department; and d. no objection certificate from the Communication & Works Department for non-availability of office accommodation. 3. Rent of land is subject to the rent reasonability certificate given by an officer of the Revenue Department exercising the powers of the Collector under the KP Land Revenue (Amendment) Act, 2014.					
(f)	Operating leases	Full powers	--	--	--	--
	Specific condition(s): 1. Include machinery and equipment; buildings; motor vehicles; computers; medical machineryand technical equipment. 2. Subject to specified departmental admissibility and prescribed conditions.					
(g)	Motor vehicles	Full powers	Full powers	--	--	--
	Specific condition(s): 1. Include insurance; registration.					
(h)	Consultancy and contractual work	Full powers	--	--	--	--
	Specific condition(s): 1. Include computer; management; government departments. 2. Subject to specified departmental admissibility and prescribed conditions.					
(i)	Travel and transportation	Full powers	Full powers	Full powers	Up to PKR 40,000 at a time	Up to PKR 20,000 at a time
	Specific condition(s): 1. Include training – domestic/international; travelling allowance; transportation of goods; POL charges, aeroplanes, helicopters, staff cars, motorcycles; conveyance charges; CNG charges; tour expenditure state conveyance and motor cars; railway concession voucher. 2. Subject to admissibility under the rules and observance of prescribed ceilings, where applicable.					
(j)	General – printing and publication	Full powers	Full powers	Full powers	Full powers	Full powers
	Specific condition(s): 1. Include stationery; printing and publication; conferences/ seminars/ workshops/ symposia; newspapers, periodicals and books; advertising and publicity; contribution and subscription; essay writing and copyrights; exhibitions, fairs and other national celebrations. 2. Printing and publication at private press to be certified by government press. 3. Subject to admissibility under the rules and observance of prescribed ceilings, where applicable.					
(k)	General – cost of other stores	Full powers	Full powers	Full powers	Up to Rs. 50,000	--
	Specific condition(s): 1. Includes hire of vehicles; uniforms and protective clothing; purchase of drugs and medicines;expenditure on confiscated goods; cost of other stores; ordnance store; free textbooks. 2. Subject to admissibility under the rules and observance of prescribed conditions.					
(l)	General – secret service	Full powers	--	--	--	--

S #	Nature of power	Administrative department	Officersin Category I	Officersin Category II	Officersin Category III	Officersin Category-IV
	Specific condition(s): 1. Include secret service expenditure. 2. Subject to admissibility under the rules and observance of prescribed ceilings, where applicable.					
(m)	General – Other services	Full powers	Full powers	--	--	--
	Specific condition(s): 1. Include payments to government department for services rendered; law charges; payments to others for services rendered; service charges; special cost incurred in performance of government functionaries. 2. Subject to admissibility under the rules and observance of prescribed conditions.					
(iii)	Write-offs of publicmoney / loss of assets	Up to PKR 100,000	--	--	--	--
	Specific condition(s): 1. Includes loss of public money; inventories obsolescence / slow-moving charge; impairment of property, plant and equipment; write-off of inventories; loss on disposal of property, plant and equipment; loss on sale of scrap. 2. Provided that the loss does not disclose a defect of system the amendment of which requires orders by a higher authority. 3. That there has not been any serious negligence on the part of some individual government officer or officers which may possibly call for disciplinary action requiring orders of any higher authority. 4. All sanctions to write off shall be communicated to the Accountant General and Finance Department.					
(iv)	Scholarships and other awards	Full powers	Full powers	Full powers	Full powers	Full powers
	Specific condition(s): 1. Includes merit scholarships; other scholarships; cash awards to informers. 2. Subject to number of scholarships and rates sanctioned by Finance Department inconsultation with Administrative Department. 3. Cash awards subject to admissibility under the rules and observance of prescribed rates and conditions.					
(v)	Entertainment and gifts					
(a)	Entertainment	Full powers	Full powers	--	--	--
	Specific condition(s): 1. For light refreshment up to PKR 50 per head at meetings convened for official business. 2. For serving lunch boxes up to PKR 300 per head in meetings which are prolonged beyond officehours without a break in the interest of government work. 3. For receptions, lunches, and dinners: up to PKR 40,000 in each case subject to condition that per head expenditure should not exceed PKR 1,200.					
(b)	Purchase of giftsfor state guests	Principal Secretary toCM Rs. 100,000	--	--	--	--
	Specific condition(s): 1. For presentation to foreign dignitaries only.					
(vi)	Expenditure onacquiring physical assets	Full powers	Full powers	Up to PKR 1,000,000 at a time	Up to PKR 500,000 at a time	Up to PKR 300,000 at a time
	Specific condition(s): 1. Include purchase of building; computer equipment; commodity purchase (cost of state trading); other stores and stock; purchase of transport; purchase of plant and machinery; purchase of furniture and fixtures; purchase of other assets. 2. Subject to fulfilment of all codal formalities enunciated by relevant legislative and regulatory frameworks.					
(vii)	Civil works	i. Approved developmentschemes: **full powers** i. Non-development schemes: **PKR 1,000,000**	i. Approved developmentschemes: **full powers** ii. Non-development schemes: **PKR 500,000**	--	--	--

S #	Nature of power	Administrative department	Officersin Category I	Officersin Category II	Officersin Category III	Officersin Category-IV
	Specific condition(s): 1. Includes roads, highways and bridges; irrigation works; embankments and drainage work; building and structures; other works; telecommunication works; drought emergency relief assistance works. 2. Subject to fulfilment of all codal formalities enunciated by relevant legislative and regulatory frameworks.					
(viii)	Repairs and maintenance	PKR 300,000 or 50% of the book value of machinery, whichever is less	PKR 150,000 or 50% of the book value of machinery, whichever is less	PKR 70,000 or 25% of the book value of machinery, whichever is less	PKR 50,000 or 10% of the book value of machinery, whichever is less	PKR 25,000
	Specific condition(s): 1. Include transport. 2. Subject to carrying out repairs in government workshops, in the absence of which due process of public procurement and specific conditions shall be strictly adhered to.					
(ix)	Repairs and maintenance	Full powers	Full powers	Full powers	Up to PKR 200,000 at a time	Up to PKR 100,000 at a time
	Specific condition(s): 1. Includes machinery and equipment; furniture and fixtures; buildings and structures; irrigation; embankment and drainage; roads, highways and bridges; computer equipment; general; telecommunication works. 2. Subject to admissibility under the rules and observance of prescribed ceilings, where applicable.					
(x)	Honoraria	Full powers	--	--	--	--
	Specific condition(s): 1. Subject to admissibility under the rules and observance of prescribed ceilings, where applicable.					
(xi)	Reimbursement of medical charges	Full powers	Full powers	Up to PKR 10,000 each case	Up to PKR 5,000 each case	Up to PKR 3,000 each case

Annex-II Elements of Chart of Accounts

Overview of various dimensions referred to as the Elements of CoA elaborated as below:

1. Entity Element

The entity element enables reporting of transactions by the organizational structure/organizational unit, creating the transaction. There are several sub elements contained within the entity element. These allow for capturing transaction data at more detailed levels. The sub elements of the Entity Element of CoA for provincial governments are as below:

Key Point	Detail	Example
Government	Federal or Provincial *Represented by 1 alpha character*	Federal: F Khyber Pakhtunkhwa: N Punjab: P
Department	subset of the Provincial Government *Identified by 2 numeric values prefixed by the government code*	Health Department: N08
Attached Department	subset of Department *Identified by first 2 numeric characters for government and last 2 numeric character for attach department*	0801 – Directorate of Health Services 0803 – Secretary Office, Health Depart
District	Location in which relevant DDO located *Identified by 2 alpha characters*	DAO Abbottabad AD DAO Peshawar PR
Fund Center/Cost Center	Lowest level of Budget Control & Reporting *Represented by 4 numeric characters with first two alpha characters representing district*	PR8813- Rural Health Center Regi Peshawar PR8776- Basic Health unit Pishta Khara Peshawar

2. Function Element

The function element provides reporting of transactions by economic function. The function code is mandatory for transactions relating to expenditure. Such a classification is necessitated by the fact that the government allocates its resources in the shape of budget to these economic functions in line with its priorities.

Structure of Function Codes

The functional classification is coded into four levels i.e.

Major Function	Minor Function	Detailed Function	Sub Detailed Functio
Identified by two numeric values	Identified by three numeric values	Identified by four numeric values	Identified by six numeric values
07 - Health	073 – Hospital Services	0731 – General Hospital Services	073104 – Rural Health Center's

3. Object Element

The object element enables the collection and classification of transactions into expenditure and receipts and facilitates the recording of financial information about assets, liabilities and equity. The use of object element is mandatory for all accounting transactions. In fact, this is the only element without which accounting cannot be performed for an organization.

Accounting Elements:

The Accounting Elements are denoted by single alphabets which classify the nature of expenditure and receipts and classified as A: Expenditures met from Consolidated Fund, B: Tax Receipts of

Consolidated Fund, C: Non-Tax Receipts of Consolidated Fund, E: Capital Receipts, F: Assets, G: Liabilities and H: Equity of the Government i.e. Assets – Liabilities

Structure of Object Element:

It has a three-level structures as given below:

Major Object	Minor Object	Detailed Object
Identified by two numeric values	Identified by three numeric values	Identified by five numeric values
A01 Employee related expenses	A011 Pay	A01101 Basic Pay
B01 Direct Taxes	B011 Taxes on Income	B01142 Deduction at source

4. Fund Element

The fund element is the combination of multiple codes which provides very useful information about the fund from which the expenditure is met. Furthermore, the nature of expenditure is identified using the Fund Element e.g. Current vs Development, voted vs Charged, Revenue vs Capital. It is used now in combination with Grant No. in the budget books.

Structure of Fund Element:

The fund element contains four sub elements as detailed below:

Fund	Source	Sub Fund	Grant
Source of Fund i.e. Consolidated Fund or Public Account (C or P)	Whether met from capital or revenue (1 or 2)	Type of Expenditure i.e. voted, charged etc (1 to 6)	Grant No as per the Budget book

AN EXAMPLE: Fund for Health Department becomes as "NC21017" and Grant No. '013'

Govt	Fund	Source	Sub Fund	Fund Code
N	C	2	1	017

5. Project Element

The project element or project ID is a 10 characters code uniquely used for each developmental scheme. The first 2 digits are alpha characters, and the remaining 8 digits are numeric. The alpha characters show the concerned district and remaining 8 digits is system assigned serial number. Some examples;

Project ID	Project Name
AD13100442	Upgradation of DHQ Hospital Abbottabad
PR20100121	Beautification of Peshawar Canals

Annex-III Form– I (Annual Action Plan)

1. Healthcare facility type:
2. Healthcare facility name:
3. Cost centre code and description:
Section A: Key performance indicators and targets

Sr.#	Key performance indicator	Unit of measurement	Target for the Year
1	2	3	4

Section B: Resource projections for Annual Action Plan and annual budget

Sr.#	Funding source	Amount (PKR)
1	2	3
i.	Current budget ceiling (non-salary)	Xxx
ii.	PCMC revenues	Xxx
iii.	Funds from other sources	Xxx
	4. Total	**Xxx**

Section C: Annual Action Plan (amount in PKR)

	Procurement / purchase			Repair and civil works				Operations and other			Grand total
	1	2	3	4	5	6	7	8	9	10	11
Month	Medicine	Equipment	Others (stationery, stores etc.)	Repair and maintenance (R&M) ofbuildings and structures	R&M of furniture and fixtures	R&M of machinery and equipment	Other civil work	Wages / remuneration of contract staff hired by PCMC	Solar and electrific ation	Others	Total
Jul	-	-	-	-	-	-	-	-	-	-	-
Aug	-	-	-	-	-	-	-	-	-	-	-
Sep	-	-	-	-	-	-	-	-	-	-	-
Oct	-	-	-	-	-	-	-	-	-	-	-
Nov	-	-	-	-	-	-	-	-	-	-	-
Dec	-	-	-	-	-	-	-	-	-	-	-
Jan	-	-	-	-	-	-	-	-	-	-	-
Feb	-	-	-	-	-	-	-	-	-	-	-
Mar	-	-	-	-	-	-	-	-	-	-	-
Apr	-	-	-	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-	-	-	-
Jun	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

Steps to Complete this Form:

1. **Call a PCMC Meeting**
   Bring the PCMC together to begin the annual planning and review priorities for the facility.
2. **Review Facility Needs Assessment**
   Examine findings from the needs assessment: service gaps, workload data, supplies, equipment, repairs, HR needs, and community feedback.
3. **Check Budget Ceilings & Available Funds**
   Note the indicative non-salary budget ceiling from the DHO and consider all funding sources: facility budget, PCMC grant, retained revenues, and programs.

4. **List Priority Actions**
   Identify actionable items for the year (repairs, medicines, equipment, utilities, outreach, cleanliness, waste management, minor works, etc.). Keep them realistic and within budget.
5. **Assign Costs**
   Estimate cost for each action using approved non-wage budget norms. Ensure cost fits within the ceiling and expected funds.
6. **Set Timelines**
   Specify when each activity will be carried out (monthly/quarterly/annual).
7. **Link Actions with KPIs**
   Match each action with the KPIs and targets communicated by the DHO (e.g., OPD, deliveries, immunisation, ANC visits, equipment functionality).
8. **Validate with PCMC**
   Present the draft plan to the PCMC for approval and record the decision through a formal PCMC resolution.
9. **Finalize the Annual Action Plan (Form-1)**
   Enter all approved actions, timelines, costs, and responsibilities clearly into Form-1.
10. **Submit to DHO**
    Share the completed Form-1 with the DHO along with budget estimates (Form-II) and HR Form (Form-III).
11. **Update After Final Budget Approval**
    Once final budgets are communicated, revise Form-1 if needed and send the updated version to the DHO.

Instructions on filling out this form:

Specific instructions:

Row no.1 – Enter the type of the health facility (like BHU, civil dispensary, etc.).

Row no. 2 – Enter the name of the health facility for which the Annual Action Plan has been prepared.

Row no.3 – Enter the cost centre name and description (provided by DHO office).

Instructions for filling Section A: Key performance indicators and targets

Serial.# 1: Self-explanatory

Serial # 2: Enter the description of the key performance indicator communicated by the DHO office.

Serial # 3: Enter the unit of measurement against each key performance indicator as communicated by the DHO office.

Serial # 4: Enter the target against each key performance indicator as communicated by the DHO office.

Serial # ii: This refers to the projected revenues of the facility from OPD and other operations (i.e. the own-source revenues). Enter 90% of the projected total own-source revenues in column 3 (as 10% of the own-source revenues is deposited in the government exchequer).

Instructions for filling Section B: Resource projections for Annual Action Plan and annual budget

Serial # i: This refers to the non-salary budget ceilings for the facility communicated by the DHO office. Enter the value of non-salary budget ceilings amount in column 3.

Serial # ii: This refers to the projected revenues of the facility from OPD and other operations (i.e. the own-source revenues). Enter 90% of the projected total own-source revenues in column 3 (as 10% of the own-source revenues is deposited in the government exchequer).

Serial # iii: This refers to any other source from which funding is expected: for instance, transfers from Director General Health Services, developmental schemes, or philanthropic contribution by non-government organisation or individuals etc. Enter a separate row for each funding source of this kind. Enter the value of the projected amount for each funding source in column 3.

Calculate the value of total projected revenues in column 3 against serial # 4 in column 2.

Instructions for filling Section C: Annual Action Plan

Serial # 1: Insert the budget/planned amount for the purchase of medicine in the cell for each respective month.

Serial # 2: Insert the budget/planned amount for the purchase of equipment in the cell for each respective month.

Serial # 3: Insert the budget/planned amount for the purchase of other items (like stationery, stores etc.) in the cell for each respective month.

Serial # 4: Insert the budget/planned amount for repair and maintenance of building and structures in the cell for each respective month.

Serial # 5: Insert the budget/planned amount for repair and maintenance of fixtures and fittings in the cell for each respective month.

Serial # 6: Insert the budget/planned amount for repair and maintenance of machinery and equipment in the cell for each respective month.

Serial # 7: Insert the budget/planned amount for repair and maintenance of other civil work (additional rooms and latrines etc) in the cell of each respective month.

Serial # 8: Insert the budget/planned amount for wages and remuneration in the cell for each respective month.

Serial # 9: Insert the budget/planned amount for solar/electrification in the cell for each respective month.

Serial #10: Insert the budget/planned amount for other details in the cell for each respective month.

Serial #11: Insert the total of all the heads.

Annex-IV Budget Form II - Estimates of Current Expenditure

Indicative Budget Ceiling 20XX-YY:

Proposed Budget Estimates 20XX-YY:

Difference (Ceiling-Proposed BE):

Government	Department	Grant No.	Fund Description	DDO Description	Detail Object Code & Description	Budget Estimates (last completed year)	Actual (last completed year)	Budget Estimates (Current Year)	Actual of the first 5 months (Current Year)	Proposed Budget Estimates	Remarks

Steps to Complete this Form

1. **Confirm the Facility's Budget Ceiling**
   Use the indicative ceiling shared by the DHO to ensure estimates remain realistic and within available fiscal space.
2. **List All Essential Non-Salary Cost Items**
   Include all mandatory inputs required for smooth operations such as POL, electricity, water, communications, cleanliness, waste disposal, stationery, minor repairs, equipment upkeep, and medicines not supplied through central procurement.
3. **Apply Approved Costing Norms**
   Use non-wage budget norms provided in the guidelines to estimate realistic costs for each expenditure line.
4. **Estimate Quantities & Monthly Needs**
   Determine quantities required for the full year (e.g., monthly fuel consumption, number of kits, units of electricity, maintenance cycles).

5. **Enter Object Heads and Cost Estimates**
   Fill each relevant object head in Form II with the calculated annual cost—ensuring no duplication with centrally supplied items.
6. **Include PCMC or Own-Source Funds Separately**
   Record funds expected from facility revenues or PCMC allocations, if applicable, to avoid double counting.
7. **Align with Annual Action Plan (Form I)**
   Ensure every activity in Form I has enough budget reflected in Form II. Adjust if mismatch appears.
8. **Check for Compliance with Delegated Powers**
   Make sure the estimated expenditures fall within the DDO's financial powers and follow procurement/approval rules.
9. **Review for Accuracy & Completeness**
   Cross-verify figures, object codes, norms, and ensure nothing essential is missed.
10. **Obtain PCMC Endorsement**
    Present draft estimates to the PCMC for endorsement through a formal resolution.
11. **Submit Budget Form II to DHO**
    Share the completed Form II (along with Forms I and III) within the prescribed timeline for consolidation at district level.

Instructions for Filling Budget Form II

- **Government:** Fill in the name of the Government (Government of Khyber Pakhtunkhwa) in this column.
- **Department:** Describes the respective department for which the budget is proposed. Fill in the name of the relevant administrative department in this column.
- **Grant No:** Fill in the assigned grant number of the department (e.g. Grant of Health Department - 13) as per Finance Department guidelines in this column.
- **Function element:** The function element provides reporting of transactions by economic function, Identified by six numeric values. Fill in the six digit numeric code with description (e.g.,) in this column.
- **DDO Description:** Fill in the six digit alpha numeric code of the DDO of the respective health facility along with the full description (e.g., PR8762 - Basic Health unit Sheikh Mohammadi Peshawar).
- **Detail Object Code & Description:** Use the Chart of Accounts to select the correct detailed object code and description (e.g., A03927 – Purchase of Drug & Medicines, A03301 – Gas) for each expenditure item. Ensure no duplication or misclassification occurs.
- **Budget Estimates:** Enter budget estimate of last completed financial year by detailed object code and description. For the facilitation of the DDOs these columns are pre-filled by FMIU, Finance Department. These figures can be extracted from the Online Budget Portal.
- **Actual Expenditure:** Enter actual expenditure of last completed financial year by each expenditure object. These figures are pre-filled by FMIU, Finance Department on Online Budget Portal for the facilitation of the DDOs and can be extracted by each department.
- **Budget Estimates 2024–25:** Enter the detailed object wise budget estimates for the current financial year, which provides context for the new proposal. These figures are pre-filled by FMIU, Finance Department on Online Budget Portal for the facilitation of the DDOs and can be extracted by each department.
- **Actual (First 5 Months):** Enter the detailed object wise actual spending for the current financial year up to November, which provides context for the new proposal.
- **Proposed Budget Estimates 2025–26**: Based on the facility's projected needs, realistic service delivery targets and historical trends, propose estimates under each detail object head. Ensure the sum remains within the indicative ceiling unless justified otherwise in remarks.
- **Remarks:** Provide justification for significant increases, decreases, or new allocations. Indicate if any major programmatic changes, demand fluctuations, or emergencies are anticipated.

Annex-V Budget Form I - Revised Estimates of Current Expenditure

Grant No._____
DDO Code: _____

Minor Head/ Function	Primary Unit	Original Appropriation of the current financial year	Modified Grant	Actual (last completed year)	Actual for 1st 5 months (Current Year)	Anticipated Expenditure for remaining (Current Year)	Total Expenditure: for (running year) (R.Es) (Col: 6+7)	Surrenders (Current Year)	Excess (Current Year)	R.Es Adopted by FD for (Current Year)
1	2	3	4	5	6	7	8	9	10	11

i. Details of vacant posts along with object-wise details of funds claimed in the Revised Estimates 2024-25 on account on their pay and allowances be given.
ii. A separate statement showing Designation wise / Domicile wise detail of Surplus Staff (BPS 1 to 15), if any, must be accompanied with the proposed Revised Estimates.
iii. Justification for anticipated expenditure as per Column No. 7 be given.
iv. POL consumption shall be justified including the following information:

S. No	Name of authorized Officer/Pool	Type of Vehicle (Engine Capacity)	Ceiling in Litres	Amount (Rs.)
1	*2*	*3*	*4*	*5*

Steps to Complete this Form:

1. **Review Actual Spending to Date**
   Check object head–wise expenditure (POL, utilities, repairs, consumables, medicines, etc.) and compare with allocated amounts.
2. **Identify Variances**
   Note any major savings or overruns. Identify the reasons—price increases, additional workload, emergency needs, delayed releases, or low utilisation.
3. **Estimate Remaining-Year Requirements**
   Assess what the facility still needs for the remaining months of the fiscal year, using realistic and evidence-based quantities.
4. **Update Object Heads**
   Adjust estimates for each object head based on actual utilisation plus remaining requirements. Avoid inflating figures.
5. **Exclude One-Off or Non-Recurring Items**
   Remove items that will not recur during the remaining period (e.g., already completed repair works, one-time purchases).
6. **Ensure Alignment with Approved Workplan**
   Confirm that revised estimates support activities in the Annual Action Plan and reflect actual operational needs.
7. **Record Expected Savings or Additional Needs**
   Identify heads where savings will occur and those where additional funds may be required. Provide brief justifications.
8. **Check for Accuracy & Compliance**
   Verify object codes, arithmetic totals, and ensure estimates follow relevant rules, financial powers, and cost norms.
9. **Discuss With PCMC (if applicable)**
   Present key adjustments to the PCMC so that revisions reflect agreed operational priorities.
10. **Finalize Form I – Revised Estimates**
    Enter all revised figures clearly in the prescribed format, ensuring totals match supporting calculations.
11. **Submit to DHO**
    Forward the completed Revised Estimates to the DHO within the given deadline for district consolidation.

Instructions for Filling Budget Form I – Revise Estimates:

- **Minor Head Function:** Insert the minor head function like Basic Health Unit
- **Primary Unit:** Description of the primary unit
- **Original Appropriation:** Fill detailed object wise approved budget at the beginning of current financial year.
- **Modified Grant:** Reflects any reallocations or additional funds provided.
- **Actual Expenditure:** Fill Actual expenditure of previous year, for comparison and justification purposes.
- **Actual (First 5 Months)**: Expenditure of first five months of current financial year from July to November.
- **Anticipated Expenditure (Remaining 7 Months):** Projections from December to June based on hiring trends, needs of the facilities, etc.
- **Surrenders:** Funds that will remain unutilized and are transferred back to consolidated account.
- **Excess:** Funds that will be overspent.
- **R.Es Adopted by FD:** To be filled by Finance Department upon approval.

Annex-VI Budget Form III - Estimates of Receipts

Government	Department	DDO Description	Detail Object Code & Description	Budget Estimates (last completed year)	Actual (last completed year)	Budget Estimates (Current Year)	Revised Estimates (Current Year)	Budget Estimates (Proposed)	Remarks

Steps to complete this Form:

1. **Identify All Permissible Receipt Sources**
   List all revenue streams allowed for the facility (user charges, diagnostic fees, ambulance charges, certificate fees, or any notified receipts).
2. **Review Last Year's Actual Receipts**
   Check previous year's collected revenue head-wise to establish a realistic baseline.
3. **Check Current Year Trends**
   Examine receipts collected so far during the current year to understand growth, decline, or seasonal patterns.
4. **Estimate Service Volumes for Next Year**
   Use expected patient load, diagnostics demand, ambulance usage, and planned service improvements to project realistic revenue quantities.
5. **Apply Approved Rates**
   Use officially notified rates for all services (no arbitrary pricing). Ensure the rates match those approved by the department/government.
6. **Calculate Expected Receipts per Revenue Head**
   Multiply estimated service volume by the approved rate for each category (e.g., X-ray, lab tests, certificates, ambulance).
7. **Exclude Non-Recurring or Irregular Items**
   Avoid one-time or exceptional receipts that will not occur in the coming year.
8. **Cross-Check With PCMC Plans**
   Ensure the estimates reflect any changes in services planned under the Annual Action Plan (Form I).
9. **Complete All Relevant Receipt Heads in Form III**
   Enter annual projected receipts head-wise in the prescribed format, ensuring each amount is evidence-based.

10. **Discuss With PCMC**
    Share the draft estimates with the PCMC for endorsement, especially if facility-level revenue supports operations.
11. **Finalize the Form**
    Review all totals, object codes, and calculations; then finalize the Estimates of Receipts.
12. **Submit to DHO**
    Forward the completed Form III together with Form I and Form II for consolidation at district level.

Instructions for Filling Budget Form III – Receipt Estimates

- **Government:** Fill in the name of the Government (Government of Khyber Pakhtunkhwa) in this column.
- **Department:** This column describes the respective department for which the budget is proposed. Fill in the name of the relevant administrative department (e.g., Health Department).
- **DDO Description:** Fill in the six digit alpha numeric code of the DDO of the respective health facility along with the full description (e.g., PR8762 - Basic Health unit Sheikh Mohammadi Peshawar).
- **Detail Object Code & Description:** Refer to the Chart of Accounts (CoA) and enter the relevant code for the type of receipt (e.g., user charges, fines, service fees, licensing, rent, etc.).
- **Budget Estimates:** Enter the revenue originally estimated in the last approved budget.
- **Actual 2023–24:** Report the actual receipts collected during the last completed year.
- **Budget Estimates:** Reflect the planned budget estimates for the current financial year.
- **Revised Estimates:** Provide updated projections based on actual collection trends.
- **Budget Estimates (Proposed):** Enter projected receipts for the upcoming year based on realistic growth, trend analysis and planned improvements in service delivery or collection mechanisms.
- **Remarks:** Mention key assumptions behind increases/decreases in estimates (e.g., new fee notifications, improved compliance, automation of receipts, etc.).

Annex-VII Standard Medicines List

S No.	Category	Priority	Medicine Generic Name	Annual Footfall	% of annual patients requiring medicine	# of annual patients requiring medicine	Dose	Estimated Annual Medicine Quantity	Price	Annual Total Cost

Steps to Complete this Form (Note: The steps below shall be undertaken simultaneously with needs assessment and budget preparation related activities for equipment, infrastructure, and other operational requirements)

1. **Check Last Year's Consumption**
   Review stock registers and issue records to understand actual medicine use during the past 12 months. Note high-use and low-use items.
2. **Confirm Essential Medicines Availability**
   Ensure all essential and life-saving drugs required under national/provincial guidelines are included in the list.

3. **Select Medicines Within Each Category**
   For each category in Annex-VII, choose the required medicines and record specifications (strength, form, pack size).
   Example:
   - Tablets, syrups, suspensions, injectables, drops as applicable.
4. **Calculate Annual Quantity Requirements**
   Use past consumption, patient load, and disease patterns to estimate realistic annual quantities for each medicine.
5. **Apply Standard Dosage and Pack Sizes**
   Ensure quantities are calculated using approved pack sizes, dosage norms, and expected treatment numbers.
6. **Note Availability Through MCC Contracts**
   Identify medicines that are already procured through MCC, so they are aligned with district procured quantities.
7. **Remove Non-Required or Duplicate Items**
   Exclude medicines not used at the facility or that duplicate therapeutic effects unless necessary.
8. **Check Storage and Handling Requirements**
   Avoid including medicines requiring conditions the facility cannot meet unless infrastructure is available.
9. **Fill the Annex-VII Columns**
   Enter for each medicine:
   - name
   - strength/form
   - quantity required
   - justification (if needed)
   - remarks

12. **Verify Alignment with Budget Ceilings**
    Ensure total medicine requirements fit within the non-salary budget limits for medicines (A03927 or relevant object head).
13. **Review With PCMC**
    Share the draft medicine list with the PCMC for validation and adjustment based on facility priorities.
14. **Finalize and Attach to Procurement Plan**
    Include the completed Annex-VII with the Annual Procurement Plan (Form VII) and Budget Form II.

Instructions for Filling this Form

Specific Instructions

Row No. 1 – Type of Facility: Enter the type of health facility (e.g., BHU, RHC, MCH Center, Civil Dispensary, Medical Ward, Emergency Room).
Row No. 2 – Name of Facility: Enter the full name of the health facility for which the medicine list is being prepared.
Row No. 3 – Cost Centre: Enter the cost centre name and code as provided by the DHO office or district accounts office.

Instructions for Filling the Medicine List Table

Column 1: Serial Number: Self-explanatory. Enter the serial number of each medicine listed.

Column 2: Medicine Name: Enter the exact name of the medicine as given in the standard list (e.g., Paracetamol, Amoxicillin, ORS, Ciprofloxacin). Only include medicines relevant to the facility's service package.
Column 3: Strength / Form: Enter the strength and form of the medicine (e.g., 500 mg tablet, 125 mg/5ml syrup, 1g injection, eye drops).
Ensure the strength matches approved provincial/national standards.
Column 4: Pack Size: Enter the standard pack size used for estimation and procurement (e.g., pack of 100 tablets, 60 ml bottle, 10-vial pack).
Column 5: Quantity Used Last Year: Enter the actual quantity consumed during the previous fiscal year as per the stock register.
Column 6: Estimated Requirement for Current Year: Based on consumption trends, disease patterns, and expected patient load, enter the estimated annual quantity required.
Column 7: Remarks / Justification: Enter any explanation needed, such as:

- high seasonal demand,
- new service added,
- stock-out in the previous year,
- centrally supplied item.

Annex-VIII Standard Equipment List

				New Procurement			Repair & Maintenance			
Sr. No	**Equipment/ Supplies Name**	**Existing Quantity (Functional)**	**Is new procurement or Repair and Maintenance required?**	**Quantity (Units) Required**	**Unit Cost**	**Required Amount (PKR)**	**Quantity (Units) Required**	**Unit Cost**	**Required Amount (PKR)**	**Remarks**

Steps to Complete this Form (Note: The steps below shall be undertaken simultaneously with needs assessment and budget preparation related activities for medicines, infrastructure, and other operational requirements)

1. **Verify Existing Equipment Inventory**
   Compare the standard list with the equipment already available at the facility. Note functioning, non-functioning, missing, or obsolete items.
2. **Assess Functional Status**
   For each item, check whether it is fully functional, partially functional, or beyond repair. Use inspection notes or maintenance records.
3. **Identify Gaps and Needs**
   Determine which equipment items are required to meet service delivery needs but are currently missing, non-functional, or insufficient in quantity.
4. **Prioritize Essential Equipment**
   Give priority to items critical for routine services—emergency care, maternity care, maternal and child health, diagnostics, sterilization, and cold chain.

5. **Define Required Specifications**
   For each needed item, record correct specifications (capacity, size, model type, single-phase/three-phase, manual/electric, etc.).
6. **Estimate Quantity Needed**
   Determine the number of units required based on patient load, service package, and room/equipment distribution.
7. **Check Compatibility with Facility Infrastructure**
   Ensure the facility has the power supply, space, and maintenance capacity for the selected equipment.
8. **Remove Non-Relevant or Duplicate Items**
   Exclude items not used at the facility or those already covered under another category.
9. **Complete Annex-VIII Columns**
   Fill in:
   - equipment name
   - specification
   - available quantity
   - functional/non-functional status
   - required quantity
   - remarks (e.g., calibration needed, replacement required)

12. **Align with Budget Constraints**
    Ensure the required equipment list fits within budget ceilings or is flagged as a demand for development budget.
13. **Finalize the Equipment List and Get Endorsement from PCMC**
    Incorporate inputs, finalize required quantities, and ensure the list is aligned with procurement plans and is endorsed by PCMC.
14. **Attach to Annual Procurement Plan**
    Include the completed Annex-VIII with Budget Form VII and Budget Form II for equipment-related items.

Instruction for filling this Form

Specific Instructions

Row No. 1 – Type of Facility: Enter the type of the health facility (e.g., BHU, RHC, MCH Center, Civil Dispensary, THQ).
Row No. 2 – Name of Facility: Enter the full name of the health facility for which the equipment list is being prepared.
Row No. 3 – Cost Centre: Enter the cost centre name and code as communicated by the DHO office.

Instructions for Filling the Equipment List Table

Column 1: Serial Number: Self-explanatory. Enter the serial number for each equipment item listed.
Column 2: Equipment Name: Enter the exact name of the equipment item as given in the standard list (e.g., BP apparatus, stethoscope, delivery set, examination light, centrifuge machine, nebulizer).
Column 3: Specification / Type: Enter the technical details or specifications of the equipment (e.g., digital/manual BP apparatus, adult/child stethoscope, 12-inch examination light, 220V centrifuge).
Column 4: Quantity Available: Enter the number of units currently available at the facility. Use the latest physical inventory and equipment register.
Column 5: Functional Status: Enter the functional condition of each equipment item:

- **Functional**
- **Partially Functional**
- **Non-Functional / Out of Order**

Column 6: Quantity Required: Enter the quantity required to meet the minimum service delivery standards for the facility. This should be based on facility type and patient load.

Column 7: Remarks / Justification: Provide comments such as:

- replacement needed
- calibration required
- new service added
- essential for emergency/MCH
- insufficient units

Annex-IX Infrastructure Requirements

Sr.#	Description	Requirement as per EPHS	Functional (yes / no)	Remarks (document requirements for new procurement or repair & maintenance)

Steps to Complete this Form (Note: The steps below shall be undertaken simultaneously with needs assessment and budget preparation related activities for medicines, equipment, and other operational requirements)

1. **Conduct a Physical Inspection**
   Inspect all parts of the facility to assess their current physical condition. Note cracks, leaks, damaged fittings, broken doors/windows, poor lighting, and sanitation issues.
2. **Check Against Service Package Standards**
   Compare existing infrastructure with the minimum standards required for the facility type (BHU, RHC, THQ). Identify gaps that hinder service delivery.
3. **Record Existing Infrastructure Condition**
   Document the current state of each item in Annex-IX—functional, partially functional, or non-functional.
4. **Identify Repair and Maintenance Needs**
   List items requiring minor repairs such as painting, electrical fixes, plumbing, small masonry works, and fixture replacement.
5. **Identify Major Upgrades or New Infrastructure Needs**
   Record items needing major rehabilitation or new construction (e.g., boundary wall, toilets, waiting area, storeroom, emergency room upgrade, incinerator).
6. **Prioritize Critical Needs**
   Rank infrastructure needs based on urgency and impact on patient care, safety, infection control, and service availability.
7. **Estimate Quantities and Scope of Work**
   For each requirement, define the scope—e.g., “repair 2 washrooms,” “replace 10 lights,” “renovate labour room,” “install new water tank.”

8. **Consult Maintenance Records**
   Review past maintenance work to avoid repeating requests already addressed or underway.
9. **Ensure Feasibility with Available Resources**
   Select items that can realistically be funded within the current budget or referred for district-level support.
10. **Complete the Annex-IX Table**
    Enter for each item:

    - infrastructure item
    - existing condition
    - required intervention (repair/renovation/new)
    - estimated quantity/scope
    - priority level
    - remarks

12. **Consult PCMC/Facility Management Team**
    Share the identified needs with the PCMC for validation, prioritization, and approval.
13. **Align With Annual Action Plan and Procurement Plan**
    Ensure infrastructure needs are reflected in Form I and Form VII where relevant.
14. **Finalize and Attach to Budget Documents**
    Include the completed Annex-IX in the facility's budget submission package.

Instructions for filling this Form

Specific Instructions

Row No. 1 – Type of Facility: Enter the type of the health facility (e.g., BHU, RHC, MCH Center, Civil Dispensary, THQ).
Row No. 2 – Name of Facility: Enter the full name of the health facility for which the infrastructure assessment is being prepared.
Row No. 3 – Cost Centre: Enter the cost centre name and code as communicated by the DHO office.

Instructions for Filling the Infrastructure Requirements Table

Column 1: Serial Number: Self-explanatory. Enter the serial number of each infrastructure item.
Column 2: Infrastructure Item: Enter the name of the item/area as given in the standard list (e.g., boundary wall, roof, OPD room, toilets, electrification, plumbing, drainage, water supply, store room, waiting area).
Column 3: Existing Condition: Describe the current physical condition of each item using one of the following terms:

- **Good**
- **Needs Minor Repair**
- **Needs Major Repair**
- **Non-Functional / Damaged**

Column 4: Required Intervention: Enter the type of work needed:

- **Minor Repair**
- **Major Renovation**
- **Replacement**
- **New Construction**

  Make the intervention specific to the issue.

Column 5: Estimated Quantity / Scope: Enter the required scope of work, such as:

- "Repair 2 washrooms,"
- "Change 15 lights,"
- "Repaint entire OPD,"
- "Construct new boundary wall (30 meters)."

Column 6: Priority Level: Assign a priority level based on service need and safety:

- **High** (critical for service delivery or safety)
- **Medium** (important but not urgent)
- **Low** (desirable improvements)

Column 7: Remarks / Justification: Enter comments such as:

- structural issues
- patient safety concerns
- essential for WASH standards
- previous repair pending
- high patient load

Annex-X Details of A03807 / A03827 - POL Charges

Amount in Rs

S. No.	Vehicle No.	Model	Engine Type	Vehicle Type	Cost of oil change	Monthly Usage	Per litre Average	Rate	Total Fuel Expense	No of oil changes	Yearly Oil Change Expense	Total (Fuel + Oil Change)
A	B	C	D	E	F	G	H	I	J	K	L	M
1												-
2												-
3												-
4												-
5												-
			Total for FY 20XX-YY						-		-	-
GENERATORS												
S. No.	Generator	Model	Type	Company	Cost of oil change	Annual Hourly Usage	Per Hour Average	Rate	Total Fuel Expense	No of oil changes	Yearly Oil Change Expense	Total (Fuel + Oil Change)
1									-		-	-
2									-		-	-
			Total for FY 20XX-YY			-			-		-	-
	Grand Total for Vehicles & Generators								-		-	-

(Signed)
Name
Designation
Telephone No.

Steps to Complete this Form (Note: The steps below shall be undertaken simultaneously with needs assessment and budget preparation related activities for medicines, equipment, infrastructure, and other operational requirements)

1. **List All POL-Using Assets**
   Identify every vehicle, ambulance, generator, motorcycle, or equipment that consumes fuel at the facility.
2. **Record Technical Details**
   For each asset, note engine capacity, average mileage (km/litre), or generator consumption rate (litres/hour).

3. **Determine Expected Usage**
   Estimate annual kilometres (for vehicles) or operating hours (for generators) based on past usage and expected requirements.
4. **Apply Fuel Consumption Norms**
   Use approved norms or historical averages to calculate litres required per month for each asset.
5. **Project Annual Fuel Requirement**
   Multiply expected monthly consumption by 12 months for each asset.
6. **Use Latest Government Fuel Rates**
   Apply the notified petrol/diesel price to calculate annual POL costs. Use realistic and current rates.
7. **Include Lubricants & Maintenance Oils (if applicable)**
   Add engine oil, filters, and lubricants if they fall under the same POL object head.
8. **Exclude Non-Functional Assets**
   Remove vehicles or generators that are not in working condition to avoid inflated estimates.
9. **Cross-Check with Activity Plans**
   Ensure POL needs match service delivery plans (e.g., outreach, cold chain, referrals, ambulance shifts).
10. **Enter POL Costs by Asset**
    Fill in the form asset-wise:
    - asset name
    - consumption rate
    - estimated litres
    - price per litre
    - total cost

11. **Verify Totals**
    Add all POL costs and ensure they match the POL object head amount in Budget Form II.
12. **Provide Brief Justifications (if required)**
    Note reasons for any increase (e.g., higher ambulance load, new generator hours due to load-shedding).
13. **Submit with Budget Package**
    Attach the completed POL form along with Forms I, II, and III for DHO consolidation.

Instructions to fill out this Form

This form is designed to provide supporting evidence of budget figures under object classification code A03807 and/or A03827- POL charges, reflected in BM-II form. Actual data for POL for preceding 12 months is required to be incorporated in this form. This form has two parts, one for vehicles and second for Generators. Separate data in both parts is required to be provided as per instructions below:

Specific Instructions:

Row No.1- Provide the name of Institute for which budget is being prepared

Column A- Put in the serial number
Column B- Provide registration number of the vehicle (in the first part) and generator identification (in the second part)
Column C - Model number or year of the vehicle/generator should be provided
Column D- Engine type (2000 CC- Diesel, 1300 CC- Petrol etc.) should be provided in this column
Column E- Vehicle type (in first part) should be provided, for example Car, High roof, Jeep etc. Name of the company (in second part) should be provided for generators, for example Honda
Column F- Provide average cost per oil change in this column
Column G- Average monthly mileage of vehicle (in first part) and average hourly usage of generators (in second part) be provided
Column H- Average liters consumed per mile in case of vehicle (in first part) and average liters consumed per hour in case of generator should be provided
Column I- Average rate of fuel for last year should be given in this column
Column J- Here comes the product of columns H, I and 12 months. J= (H x I)12. For example, if a vehicle travels around 1,000 Km per month and its average per liter is 10 Km, then 100 liters per month will be consumed. Assuming average rate of fuel to be Rs. 80/liter, then yearly fuel expense for the vehicle should be (100x80)12= Rs. 96,000
Column K- Average number of oil changes per year will be provided here. For example, if a vehicle travels around 12,000 Km per annum and oil is changed after every 3,000 Km, then 12,000/3,000=4 times a year
Column L- This column is a product of Columns F and K. L= F x K
Column M: This column will include the total of columns J and L. M = J +L

Annex-XI Detail of A03303 - Electricity Bills (Charges)

Amount in Rs.

Sr. No	Months	Meter No. (1)		Meter No. (2)		Meter No. (3)		Meter No. (4)		Total	Total
		Units	Amount of Bill	Units	Amount of Bill	Units	Amount of Bill	Units	Amount of Bill	Units	Amount of Bill
A	B	C	D	E	F	G	H	I	J	K	L
1	Jan XX									-	-
2	Feb XX									-	-
3	Mar XX									-	-
4	Apr XX									-	-
5	May XX									-	-
6	June XX									-	-
7	July XX									-	-
8	Aug XX									-	-
9	Sep XX									-	-
10	Oct XX									-	-
11	Nov XX									-	-
12	Dec XX									-	-
Grand Total		-	-	-	-	-	-	-	-	-	-

(Signed)
Name
Designation
Telephone No.

Steps to Complete this Form (Note: The steps below shall be undertaken simultaneously with needs assessment and budget preparation related activities for medicines, equipment, infrastructure, and other operational requirements)

1. **List All Electricity Connections**
   Identify every electricity meter installed at the facility (main building, ward, lab, quarters, etc.).
2. **Record Meter Details**
   For each meter, note meter number, connection type (domestic/commercial), load, and tariff category.

3. **Review Past Bills**
   Collect the last 12 months of electricity bills to determine average monthly consumption in units (kWh).
4. **Calculate Monthly Consumption**
   Use the average units consumed per month for each meter. Adjust if seasonal variations exist (e.g., higher summer load).
5. **Apply Current Tariff Rates**
   Use applicable tariff from the latest electricity schedule (per-unit cost, taxes, fixed charges).
6. **Project Annual Electricity Cost**
   Multiply average monthly bill by 12 months for each meter. Include fixed charges, meter rent, and taxes.
7. **Add New or Expected Load (if applicable)**
   Reflect any new equipment added during the year (e.g., AC, refrigerators, lab machines) that will increase electricity use.
8. **Exclude Non-Functional Meters or Disconnected Lines**
   Remove meters that are not active to avoid overstated estimates.
9. **Ensure Consistency with Facility Operations**
   Verify that usage assumptions match actual operational hours (OPD, labour room, lab, emergency, cold chain).
10. **Enter Meter-Wise Details into the Form**
    Fill in:
    - meter number
    - average units
    - per-unit tariff
    - fixed charges
    - total monthly cost
    - annual cost

11. **Verify Computations**
    Sum all meter-wise annual costs and ensure the total matches the electricity head in Budget Form II.
12. **Explain Any Large Variations (if needed)**
    Provide a brief note for increases due to tariff hikes or increased equipment use.
13. **Attach Bills as Evidence**
    Include recent bills or a consumption summary to support estimates.
14. **Submit with Budget Documents**
    Submit the completed electricity form along with the full budget package to the DHO.

Instructions to fill out this Form: (A03303 - Electricity)

This form is designed to provide supporting evidence of budget figures under object classification code A03303- Electricity bills (Charges) reflected in BM-II form. Month wise data for actual bill amount along with number of units consumed, for 12 months in last calendar year, is required to be incorporated in this form.

Specific Instructions:

Row No.1- Provide the name of Institute for which budget is being prepared

Column A- Put in the serial number

Column B- Enter months of preceding calendar year starting from January. For example, for the budget of 2025-26, actual bills data from January 2024 to December 2024 will be provided for in this form

Column C to J- Provide meter wise detail in terms of actual number of units consumed in the column labelled as "Units" and actual amount in the column labelled as "Amount of Bill". Also provide actual meter number in the provided space. Add further columns if number of installed meters is more than 4

Column K: This column will include total of column C, E, G and I

Column L: This column will include total of columns D, F, H and J

Annex-XII Detail of A03301 - Gas Bills (Charges)

Amount in Rs.

Sr. No	Months	Meter No. XX11111111		Meter No. YY22222222		Meter No. ZZ33333333		Meter No. XY12345678		Total	Total
		HM3	Amount of Bill	HM3	Amount of Bill	HM3	Amount of Bill	HM3	Amount of Bill	HM3	Amount of Bill
A	B	C	D	E	F	G	H	I	J	K	L
1	Jan XX									-	-
2	Feb XX									-	-
3	Mar XX									-	-
4	Apr XX									-	-
5	May XX									-	-
6	June XX									-	-
7	July XX									-	-
8	Aug XX									-	-
9	Sep XX									-	-
10	Oct XX									-	-
11	Nov XX									-	-
12	Dec XX									-	-
Grand Total		-	-	-	-	-	-	-	-	-	-

(Signed)
Name
Designation
Telephone No.

Steps to Complete this Form (Note: The steps below shall be undertaken simultaneously with needs assessment and budget preparation related activities for medicines, equipment, infrastructure, and other operational requirements)

1. **List All Gas Connections**
   Identify every gas meter installed at the facility (main building, kitchen, heating system, staff quarters, etc.).
2. **Record Meter Information**
   Note the meter number, load/connection type, pressure category, and tariff bracket applicable to each meter.

3. **Collect Last 12 Months of Gas Bills**
   Gather the previous year's monthly gas bills to determine actual consumption trends.
4. **Calculate Average Monthly Consumption**
   Compute the average units (MMBTU/cubic meters) consumed per month for each meter. Adjust for seasonal variations (winter heating demand).
5. **Apply Current Tariff Rates**
   Use the latest notified gas tariff for the relevant category, including per-unit charges, fixed charges, and taxes.
6. **Project Annual Gas Cost**
   Multiply the average monthly bill by 12 months for each meter to estimate annual gas expenditure.
7. **Include New or Expected Gas Usage**
   Add requirements for any additional heaters, sterilizers, geysers, or equipment expected to be used in the coming year.
8. **Exclude Inactive or Disconnected Meters**
   Remove any meters not in active service to avoid overstated estimates.
9. **Align With Facility Operations**
   Ensure estimated gas use matches actual operational needs—especially winter months, sterilization, emergency services, and maternity ward heating.
10. **Enter Meter-Wise Information in the Form**
    Fill in:
    - meter number
    - average monthly consumption
    - applicable tariff
    - fixed charges
    - monthly estimated bill
    - annual estimated bill

11. **Verify Totals**
    Add all meter-wise annual costs and ensure the total matches the Gas Charges amount in Budget Form II.
12. **Note Explanations for Major Changes**
    Record brief justifications for significant increases (tariff changes, new gas appliances, extended winter load).
13. **Attach Supporting Bills**
    Include photocopies or summaries of recent bills as supporting documentation.
14. **Submit With Budget Package**
    Send the completed Gas Charges form alongside Forms I–III to the DHO for consolidation.

Instructions to fill out this Form: (A03301 - Gas)

This form is designed to provide supporting evidence of budget figures under object classification code A03301- Gas bills (Charges) reflected in BM-2 form. Month wise data for actual bill amount along with actual number of units consumed, for 12 months in preceding calendar year, is required to be incorporated in this form.

Specific Instructions:

Row No.1- Provide the name of Institute for which budget is being prepared
Column A- Put in the serial number
Column B- Enter months of preceding calendar year starting from January. For example, for the budget of 2017-18, actual bills data from January 2016 to December 2016 will be provided for in this form
Column C to J- Provide meter wise detail in terms of actual number of units consumed in the column labelled as "HM3" and actual amount in the column labelled as "Amount of Bill". Also provide actual meter number in the provided space. Add further columns if number of installed meters is more than 4
Column K: This column will include total of column C, E, G and I
Column L: This column will include total of columns D, F, H and J

Annex-XIII Budget Form VII – Annual Procurement Plan

S#	Name of items / objects	Specification / Description	Estimated Cost	Date of IFB[1]/ NIT	Procurement Method[2]	Date of Bid submission/ Opening	Tentative date of Award of contract	Anticipated Completion date

Steps to Complete this Form:

1. **Review the Annual Action Plan (Form I)**
   Identify all activities requiring procurement—medicines, consumables, lab items, POL, stationery, minor works, equipment, and services.
2. **List All Required Procurements**
   Prepare a complete list of goods, services, and works needed for the fiscal year, based strictly on approved priorities and budget ceilings.
3. **Group Items by Procurement Category**
   Categorize each item as:
   - Goods
   - Services
   - Works

   This determines the procurement method and timelines.
4. **Determine Quantities and Specifications**
   For each item, record realistic annual quantities and technical specifications based on needs assessment and past consumption.
5. **Estimate Costs Using Approved Norms**
   Apply non-wage budget norms, market rates, or last year's procurement prices to estimate annual cost for each item.
6. **Choose the Procurement Method**
   Select the appropriate method for each item as per KP-PPRA Rules:
   - Open competitive bidding

[1] IFB/NIT means Invitation for Bid/Notice Inviting Tender
[2] Procurement method means Open Competitive Bidding /RFQ/Direct Contracting

- Request for quotations
- Framework contract
- Direct purchase (within limits)

7. **Assign Procurement Timeline**
   Set month/quarter for initiating each procurement, ensuring timely availability of supplies (e.g., lab items quarterly, POL monthly, stationery annually).
8. **Ensure Alignment with Budget Form II**
   Verify that estimated costs match the budget provision under relevant object heads—adjust if required.
9. **Include Recurrent and New Procurements Separately**
   Distinguish between routine recurring items (medicines, POL) and new items (equipment, repairs).
10. **Record Contract Details**
    For ongoing contracts or rate contracts, note contract number, vendor name, rate validity, and expiry dates.
11. **Enter Complete Information into Form VII**
    Fill the form clearly with:

    - item name
    - specification
    - quantity
    - cost estimate
    - procurement method
    - timeline
    - responsible person/committee

13. **Review for Compliance with PPRA Rules**
    Ensure all thresholds, approval levels, and methods comply with procurement regulations.
14. **Obtain PCMC Endorsement (where applicable)**
    Present the plan to PCMC for approval, especially for primary facilities.
15. **Submit to DHO Along with Full Budget Pack**
    Forward the completed Annual Procurement Plan with Forms I–III and other required annexes.

Instructions for filling this form

Column 1: Serial Number: Self-explanatory. Enter the serial number for each procurement item.
Column 2: Name of Item: Enter the name of the item to be procured (e.g., medicines, consumables, lab items, POL, stationery, minor repair materials, equipment).
Column 3: Specification / Description: Enter a short description or technical specification of the item (e.g., 500 ml disinfectant, N95 masks, centrifuge machine, office register).
Column 4: Quantity Required (Annual): Enter the total quantity needed for the entire year based on estimated consumption or service requirements.
Column 5: Estimated Cost: Enter the estimated annual cost of the item, using approved norms, last year's procurement rates, or market assessment.
Column 6: Procurement Method: Enter the method as per KP-PPRA Rules:

- Open competitive bidding
- Request for quotations
- Direct purchase (within financial powers)
- Rate contract (if applicable)

Column 7: Procurement Timeline: Enter the expected month or quarter when procurement will be initiated (e.g., Q1, Q2, monthly, annual, biannual).
Column 8: Responsible Person / Committee: Enter the name of the officer or committee responsible for carrying out the procurement (e.g., DDO, PCMC Procurement Committee).
Column 9: Remarks: Enter any additional information (if required)

Annex-XIV Voucher – Code Classification Proforma

(Provincial)

PROVINCIAL CODE CLASSIFICATION PERFORMA

Name of the office : Rural Health Center Regi Peshawar

SUB HEAD: "07-Health - 073-Hospital Services -0731-General Hospital Services -073104 - Rural Health Center

1. FUND CODE	N	C	2	1	C	1	7	
2. COUNTER NO.....			3. DOCUMENT					
GOVERNMENT CODE....	K	P						
BUSINESS AREA / DEPARTMENT	Rural Health Center Regi Peshawar							
COST CENTER/DDO CODE.	P	R	8	8	1	3		
DETAIL FUNCTION	0	7	3	1	0	4		
C.L CODE....								
C.N CODE....								

10. VENDER	EMPLOYEE									
	DDO									
	CONT/SUPP									

11. PAYMENT ..... DEBIT DEDUCTION.....(CREDIT)

DETAIL OBJECT	AMOUNT	DETAIL HEAD	AMOUNT
A03807	274,900		-

GROSS PAYMENT RS	274,900	TOTAL DEDUCTION RS.	-
NET PAYMENT RS.	274,900		

MS RURAL HEALTH CENTER
Rural Health Center Regi Peshawar

Annex – XIII – A

C.A.C.93

N.W.F.P Accountan General No. 18

Abstract Contingent Bill No.....

Detail Bill Will be sent for countersignature on .....

District	Bill for contingent Charges of	Month in presented payment at treasure 2025
PR-	**A03807 - POL**	Voucher No..... List of Payment for 2025

Detailes of Nos of Sub Voucher	Detailed Head of Charges (with description where necessary) and quotation of authority for charges requiring special		Amount	
	MS, Rural Health Center Regi Peshawar	Rs.	Rs.	
	Payable to Pak Petroleum Services			
1		28602		
2		28602		
3		25792		
4		25792		
5		22983		
6		25973		
7		28802		
8		25973		
9		28802		
10		25973		
11		7606		
	Total:	**274900**		
	Total Deduction:	0		
	Net Total:-	**274900**		
	Sanction budget for the uear 2025-26			
	Expenditure Including this bill			
	Balance			
	Carried Over			

N.B:- The Treasury officer will make payent of this form as often required but the drawer should be certain to include

* To be entered by drawing officer

Detaile of No. of Sub Voucher	Detailed Head of Charges (with Description where necessary) and quotation of authority for charges requiring special sanction			Amount
	Brought Forward			
	Certified that the DC Bill for the previous month has already been submitted to the controling authority.		0	**274900**
	Certified that necessary entry has been made in log book.			
		Rs.	Ps.	
	Total Rupees	**274,900**		

The Received Content

Drawing Officer

Dated .....

.....

.....20

Pay Rupees

Examined and Entered

Accountant .....Treasury Dated ..... Office Incharge Treasury.

(Space for pre-audit enforcement in respect of bill submitted for pre-audit)

FOR USE IN A.G.S, OFFICE

Objected in full pending receipts of objected contingent bill and objected to

Head of Service Chargeable

Rs..... On the following ground: -

(Senior Accountant)

Steps to Complete this Form:

1. **Identify the Nature of the Transaction**
   Determine whether the payment is for goods, services, POL, utilities, repair work, consumables, or any other specific expense.
2. **Collect Supporting Documents**
   Gather all required documents: invoice/bill, supply order, inspection/receipt report, approval note, and stock entry (if applicable).
3. **Verify Availability of Budget**
   Check that sufficient funds are available under the relevant object head in the facility's budget.
4. **Select the Correct Object Code**
   Choose the appropriate COA object head (e.g., A03807 POL, A03303 electricity, A039 utilities, A13 repair & maintenance). Ensure accuracy to avoid misclassification.
5. **Enter DDO and Facility Details**
   Fill in DDO code, cost centre, demand number, and other identifiers exactly as per SAP/FABS records.
6. **Record Supplier/Payee Information**
   Write full name, address, CNIC (if required), and GST/NTN details of the vendor or service provider.
7. **Enter Financial Details**
   Record:
   - gross amount
   - deductions (GST, income tax, KPST, etc.)
   - net payable amount

8. **Attach Relevant Classification Information**
   Provide break-up if the payment spans multiple object codes, showing exact amount against each code.
9. **Confirm Completion of Delivery/Service**
   Ensure receipt of goods or completion of work is certified by the concerned staff and recorded in the stock register or work completion note.
10. **Apply Sanction/Approval**
    Verify that the expenditure has been approved under delegated financial powers and sanction is attached.
11. **Review and Validate Entries**
    Recheck calculations, code accuracy, and attached documents to ensure compliance with rules.
12. **Sign the Proforma**
    The DDO signs the voucher classification proforma; the accountant/assistant verifies and countersigns.
13. **Forward for Bill Preparation**
    Submit the completed proforma to the Accounts Office/Treasury for bill processing along with all supporting documents.
14. **Retain a Copy for Record**
    Keep a copy of the signed proforma and attachments in the facility's accounts file for audit.

Annex-XV Template for Sanction for the Bill

OFFICER OF THE MEDICAL SUPRETENDENT, RURAL HEALTH CENTER REGI, PESHAWAR

Phone - 091-xxxxxxx
Fax- 091-xxxxxxx

No._____/MS
Dated._____/_____/2025

To,

Accountant General,
Khyber Pakhtunkhwa,

Subject: **Sanction for POL**

under the Power delegation to me vide Para No. 2( ) of Khyber Pakhtunkhwa Delegation of power under the financial Rules and the power of Re-appropriation Rules 2018. Sanction is hereby accorded to the payment of Rs._____**274,900**_____.

The expenditure involved on this account will be met from within the sanctioned Budget grant under Head of Account 07-Health - 073-Hospital Services -0731-General Hospital Services - 073104 - Rural Health Center - PR8813 - Rural Health Center Regi, Peshawar under sub head **A3807 - POL** for the year 2025-26.

Medical Superintendent,
Rural Health Center Regi, Peshawar

Annex-XVI Format of Cash Book

Cash Book of _____ For the month of _____

Date	RECEIPT	Voucher No	Folio	Amount		Total		Date	PAYMENT	Voucher No	Folio	Amount		Total	
				Rs.	P	Rs.	P					Rs.	P	Rs.	P

Steps to Complete this Form:

1. **Open the Cash Book with Required Headings**
   Include date, voucher number, description, receipt, payment, and running balance columns.
2. **Record Every Transaction Daily**
   Enter all receipts and payments on the same day they occur—no transaction should remain unrecorded.
3. **Post Receipts First**
   For each receipt, record the source, amount received, and relevant receipt head. Update the balance.
4. **Record Payments with Voucher Details**
   For each payment, enter voucher number, payee name, purpose, amount, and object head. Deduct from the balance.
5. **Attach Supporting Documents**
   Ensure bills, receipts, vouchers, approvals, and acknowledgments are maintained in sequence and cross-referenced.
6. **Ensure Proper Classification**
   Record each transaction under the correct object head to avoid misclassification in accounts.
7. **Update Running Balance After Each Entry**
   After every receipt or payment, compute the new balance. The Cash Book should always show the exact cash on hand.
8. **Reconcile Cash on Hand Daily**
   Physically count cash at the end of each day and match it with the Cash Book balance. Record discrepancies (if any) immediately.
9. **Close the Cash Book at Day-End**
   Draw a line after the last entry and carry forward the closing balance for the next day.
10. **Monthly Verification by DDO**
    The DDO should sign the Cash Book at month end, confirming accuracy and completeness.
11. **Deposit Receipts Promptly**
    Ensure all collections are deposited into the government treasury/account within the prescribed time and recorded in the Cash Book.
12. **Record Treasury Challans**
    Note challan number, date, and amount for every deposit made into the treasury.

Instructions to record financial transactions in Cash Book:

Receipts: Used to record all amounts received during the financial year, Key Columns in the Receipt Side are:

- In date column record the date of the transaction.
- In receipt column mention the source and description of the receipt (e.g., Finance Department, recovery, donations, grants, etc.).
- In voucher column enter the reference number of the voucher for traceability.
- In amount column enter the amount received for that specific transaction.
- In total column show the cumulative (progressive) amount after adding the transaction.

Payment: The other side is used for recording all payments during the financial year Key columns in the payment side are as below:

- In date column record the date of the transaction.
- In the payment column provide a description of the payment along with details of the payee to whom the payment is made.
- In the Voucher no column records the reference number of the voucher for traceability.
- In the folio column record the folio number for cross-reference.
- In the amount column record the amount paid in the specific transaction.
- In the total column show the cumulative (progressive) total amount of payments.

Annex-XVII Format of Reconciliation Statement

DEPARTMENT NAME- DISTRICT HEALTH OFFICER PESHAWAR

RECONCILIATION STATEMENT OF EXPENDITURE UPTO THE MONTH OF JANUARY 2025

PR-8852	HEAD FUNCTION	07-HEALTH 073-Health Admn 0731-Administration 73105-Administration PR 8852-MCH										
OBJECT HEAD	RELEASED BUDGET 2024-25	TOTAL BUDGET	RE-APPROPRIATION(+,-)	SURRENDERRED	FINAL GRANT	DEPARTMENT FIGURE		AG FIGURE		VARIATION	REMARKS
						THIS MONTH	PROGRESSIVE	THIS MONTH	PROGRESSIVE		
1	2	4	5	6	7	8	9	10	11	12	13
A01101-BASIC PAY	3,194,000	3,194,000				168,499	1,568,579	168,499	1,568,579		
A01151-BASIC PAY	4,554,000	4,554,000				366,360	2,617,897	366,360	2,617,897		
A01152-PERSONAL PAY	12,000	12,000				0	0	0	0		
A01202-HOUSE RENT ALLOWANCE	1,543,000	1,543,000				94,603	743,367	94,603	743,367		
A01203-CONVEYANCE ALLOWANCE	680,000	680,000				41,369	332,699	41,369	332,699		
A01207-WASHING ALLOWANCE	172,000	172,000				13,000	96,000	13,000	96,000		
A01208-DRESS ALLOWANCE	172,000	172,000				13,000	96,000	13,000	96,000		
A0120D-INTEGRATED ALLOWANCE	103,000	103,000				7,800	57,600	7,800	57,600		
A0120E-HOUSING SUBSIDY ALLOWANCE	6,000	6,000				0	0	0	0		
A0120Q-FIXED DAILY ALLOWANCE	1,000	1,000				45	315	45	315		
A01217-MEDICAL ALLOWANCE	416,000	416,000				28,088	215,151	28,088	215,151		
A0121B-HEALTH PROFESSIONAL ALLOWANCE	1,561,000	1,561,000				60,484	510,484	60,484	510,484		
A0121T-ADHOC RELIEF ALLOWANCE 2013	83,000	83,000				4,517	37,133	4,517	37,133		
A0122C-ADHOC RELIEF ALLOWANCE - 2015	57,000	57,000				3,170	25,988	3,170	25,988		
A0122N-SPECIAL CONVEYANCE ALLOWANCE TO DISBAL	79,000	79,000				12,000	84,000	12,000	84,000		
A01239-SPECIAL ALLOWANCE	0	0				0	5,419	0	5,419		
A0124F-ADHOC RELIEF ALLOWANCE-2021	0	0				0	10,773	0	10,773		
A0124H-SPECIAL ALLOWANCE-2021	72,000	72,000				3,500	24,500	3,500	24,500		
A0124N-DISPARITY REDUCTION ALLOWANCE 2022- 15	707,000	707,000				43,156	343,555	43,156	343,555		
A0124R-ADHOC RELIEF ALLOWANCE 2022	811,000	811,000				44,741	365,423	44,741	365,423		
A0124X-ADHOC RELIEF ALLOWANCE 2023	2,952,000	2,952,000				171,428	1,385,656	171,428	1,385,656		
A01252-NON PRACTISING ALLOWANCE	40,000	40,000				0	0	0	0		
A01257-RC ALLOWANCE	1,000	1,000				100	700	100	700		
A0125E-ADHOC RELIEF ALLOWANCE 2024	0	0				121,417	937,024	121,417	937,024		
A03303-ELECTRICITY	124,000	124,000				0	0	0	0		
A03901-STATIONERY	62,000	62,000				0	15,340	0	15,340		
A03902-PRINTING AND PUBLICATION	50,000	50,000				0	24,800	0	24,800		
A03927-PURCHASE OF DRUG AND MEDICINES	2,500,000	2,500,000				0	0	0	0		
A03942-COST OF OTHER STORES	100,000	100,000				0	49,840	0	49,840		
A03970-OTHERS	20,000	20,000				0	4,865	0	4,865		
A04114-SUPERANNUATION ENCASHMENT OF L.P.R	0	0				0	413,880	0	413,880		
A13101-MACHINERY AND EQUIPMENT	200,000	200,000				0	94,800	0	94,800		
A13201-FURNITURE AND FIXTURE	50,000	50,000				10,200	20,400	10,200	20,400		
Total	**20,322,000**	**20,322,000**				**1,207,477**	**10,082,188**	**1,207,477**	**10,082,188**		

Accounts Officer (Accounts)
Accountant General Khyber Pakhtunkhwa

Head of Department/DDO
Signature with Stamp

Annex-XVIII Standard Operating Procedure for Creation of Position Codes

GOVERNMENT OF KHYBER PAKHTUNKHWA
FINANCE DEPARTMENT

3179

No. FMIU/FD/4-2/99/PIFRA/Vol-XIV

Dated 19th March, 2018

To.

1. All Administrative Secretaries to Govt. of Khyber Pakhtunkhwa.
2. The Registrar, Peshawar High Court.
3. All Deputy Commissioners in Khyber Pakhtunkhwa.

Subject: - **STANDARD OPERATING PROCEDURES (SOPs) FOR CREATION OF POSITION CODES**

Dear Sir,

I am directed to refer to the subject cited above and to state that Finance Department has integrated payroll strength with budgeted positions through position codes to ensure accuracy of strength, designations and BPS. In this backdrop the requisite Standard Operating Procedures (SOPs) have been devised and sent herewith along with forms for creation/updation of position codes of your respective entities. The same can also be downloaded from Finance Department's website www.financekpp.gov.pk/infodesk/downloads

Encl (4):

Yours faithfully,

(Kamran Javed)
Assistant Director - II

2013

Copy for information to:

1. Accountant General, Khyber Pakhtunkhwa.
2. All District Accounts Officers in Khyber Pakhtunkhwa.
3. All District Finance & Planning Officers in Khyber Pakhtunkhwa.
4. All the Budget Officers and Section Officers (Development) of Finance Department.
5. PS to Finance Secretary.
6. PA to Additional Secretaries, Finance Department.

Assistant Director - II

3/19

STANDARD OPERATING PROCEDURE (SOP) FOR POSITION CODES

FMIU, Finance Department is using SAP Organizational Management (OM) Module for integration of payroll strength with budgeted posts through position codes to eradicate the discrepancies of BPS, designation and strength. Each position code denotes a single sanctioned post either regular, project, supernumerary post, or employee who is on Special Duty (OSD) or the employee who is suspended for temporary period. Finance Department create/ modify the position codes and its allotment for processing of payroll is the domain of respective Accounts Offices. Finance Department will create/ modify the position codes after fulfilling the following pre-requisites:-

1. Position codes for the staff of development projects shall be created after clearance from the concerned Development Section of Finance Department along with the required proforma and documents.

2. Position codes for supernumerary posts shall be created for the period in accordance with the sanction issued by Finance Department.

3. Other than the budgeted pay scales such as Own Pay scales, Personnel Upgradations and time scales shall not be incorporated in position codes whereas the concerned District Account Office/Accountant General Office shall do the needful.

4. Position code for employee, suspended by the competent authority shall be created for the period of three months, if the processing of salary through payroll system is required.

5. Position codes, for the posts created during the course of the fiscal year shall be created and would be communicated through sanctioned letter.

6. The following proformas shall be filled in by the respective DDO or other authorized officer for creation/updating of existing position codes:-
   a. Proforma-I along with required documents, mentioned therein, shall be filled for fresh position codes of the exiting sanctioned posts.

   b. Proforma-II along with Proforma-I and required documents shall be filled in for those cases where position codes are required to be corrected according to sanctioned strength, or for cases where, both creation along with correction of position codes, are required.

   c. Proforma-III shall be filled along with Proforma-I and required documents for cases wherein position codes are required to be transferred from one cost center/DDO Code to another. For cases where a Department/Office has been divided into multiple offices or sanctioned posts are transferred from one office to another.

7. FMIU, Finance Department will collect the proforma through PA to Director/Deputy Director FMIU and after approval will be forwarded to AD-II and shall be processed by the Computer Operator concerned. The required action will be completed within 3 days subject to the availability of system connectivity etc.

8. Computer Operator shall add "action completed with remarks" or any observation on Proforma-I (in case of incomplete information) and will send back to PA to Director FMIU for handing over to the official concerned for doing the needful.

PROFORMA-I
(POSITION CODE PROFORMA)
(FOR REGULAR POSTS)

DEPARTMENT:_____DDO Code_____

REQUIRED

ACTION:(please tick ✓)
Please tick multiple boxes if multiple actions are required

A. Position Creation ☐	B. Position Correction ☐ *(If ticked must also fill Proforma-II)*
C. Position codes Bifurcation ☐ *(For DDO Code Bifurcation. If ticked, must also fill Proforma-III)*	

A. CREATION OF POSITION CODES

S#	DDO Code	Designation *(As per Sanctioned Post)*	BPS *(Budgeted Pay scale)*	No. of Posts

Following Documents of the concerned office must be submitted:

- ☐ Printed copy of all the existing position codes from Finance Department website (www.finance.gkp.pk/articles/info-desk/position-code)
- ☐ Budget copy of sanctioned posts.
- ☐ Sanction letters of all the posts created, upgraded or re-designated during the current Fiscal Year.

B. CORRECTION OF POSITION CODES

Following Documents of the concerned office must be submitted:

- ☐ Budget copy of sanctioned posts.
- ☐ Sanction letters of all posts created/upgraded/re-designated during the current Fiscal Year.
- ☐ Filled Proforma-II duly signed by Drawing and Disbursing Officer.
- ☐ Posting/promotion order of official concerned, if post(s) is/are upgraded/re-designated partially amongst multiple posts in a DDO Code, already filled, and the change in filled position code/s of incumbents is required.

C. BIFURCATION OF POSITION CODES

(For an Office divided into multiple sub offices or for sanctioned posts transferred from one office to another)

Following Documents of the concerned office must be submitted:

- ☐ Bifurcation letter of sanctioned posts, issued by Finance Department.
- ☐ Filled Proforma-III duly signed by Drawing & Disbursing Officer.

SUBMITTED BY	
Name:	Designation:
Department	Email address(if any)
Contact # (if any)	
Submission Date	Signature

Note: Proforma once submitted, shall be collected after three working days, subject to any other circumstances which may delay the processing.

FOR OFFICE USE ONLY

Action taken by _____

Remarks _____

_____

Signature & Date _____

PROFORMA-II
(REGARDING CHANGE IN EXISTING POSITION CODES)
(FOR REGULAR POSTS)

(Existing Position codes can be downloaded from Finance Department Website)
www.finance.gkp.pk/articles/info-desk/position-code

S#	Position Code	Position Code Status (Open/Filled)	Personnel No. and Name (If filled)	Existing Designation	Correct Designation	Existing BPS	Correct BPS	Action required?

Note:

i. "Correct Designation Column" should be according to Budget Book/Sanctioned Letter Nomenclature.
ii. BPS should be according to Budget BPS, Own Pay scales and BPS of Personal upgradations should not be provided for position code correction.
iii. Position Codes strength should be according to sanctioned posts.
iv. Position codes once corrected will take effect only when refreshed by concerned District Accounts Office/AG Office.

SUBMITTED BY

Name _____

Designation _____

Department _____

Signature & Date _____

_____ Dated:

Signature of Drawing & Disbursing Officer

PROFORMA-III
(REGARDING BIFURCATION OF EXISTING POSITION CODES)
(FOR REGULAR POSTS)

(Existing Position codes can be downloaded from Finance Department Website)
www.finance.gkp.pk/articles/info-desk/position-code

S#	Position Code	Position Code Status (Open/Filled)	Personnel No (If filled)	Name (If filled)	Existing DDO Code	New DDO Code

Note:

i. Position codes once bifurcated by Finance Department will take effect only when refreshed by concerned District Accounts Office/AG Office.

SUBMITTED BY

Name _____

Designation _____

Department _____

Signature & Date _____

_____ Dated:

Signature of Drawing & Disbursing Officer

Annex-XIX Goods Receiving Note

The goods pertaining to Purchase Order No. _____ have been received from (Name of Company with address) _____ on _____ (date mm/dd/yyyy). Additionally, the goods have` been delivered in good and/or working condition.

Item No	Item Name and Description	Unit as per PO	Units Delivered	Units Rejected	Unit Accepted
Total					

Declaration: I hereby certify that product has been received, inspected and found satisfactory for the purpose of which product is purchased

Received By:

Name and Designation: _____

Signature with Date: _____

Steps to Complete this Form:

1. **Check the Supply Order**
   Before receiving items, review the supply order to know the exact items, specifications, quantities, and delivery terms.
2. **Receive the Goods Physically**
   When the supplier delivers, ensure goods are off-loaded safely and placed where they can be inspected.
3. **Inspect the Items**
   Examine items for quality, expiry (for medicines), damage, correct specifications, and proper packaging.
4. **Verify Quantities**
   Count or measure each item and compare with the delivery challan, invoice, and supply order.
5. **Note Any Shortages or Defects**
   Record damaged, expired, incorrect, or missing items. Segregate these immediately.

6. **Enter Supplier and Document Details**
   Record the supplier's name, challan number, invoice number, date of delivery, and purchase order number.
7. **Record Item-Wise Details**
   For each item list:

   - item name and specification
   - unit of measure
   - quantity ordered
   - quantity received
   - quantity accepted
   - quantity rejected

8. **Give Reasons for Rejection (if any)**
   Clearly mention the reason (e.g., short supply, wrong model, damaged, near-expiry).
9. **Enter Accepted Goods in the Stock Register**
   Record all accepted quantities in the stock register, cross-referencing the GRN number.
10. **Attach GRN to Payment File**
    Include the GRN with the invoice, supply order, inspection report, and voucher before sending for payment.
11. **File One Copy for Record**
    Keep a copy of the signed GRN in the facility's store/procurement record for audit.

Instructions for filling this Form:

Column 1: Item Number: Self-explanatory. Enter the item number for each item received.
Column 2: Item Name / Description: Enter the exact name of the item received (medicine, consumable, equipment, POL, supplies, etc.) as per the supply order.
Column 3: Unit as per PO: Enter the quantity originally ordered under the approved supply order.
Column 4: Units Received: Enter the actual quantity of the item delivered by the supplier.
Column 5: Units Rejected: Enter the portion rejected due to reasons such as damage, expiry, wrong specification, or short supply.
Column 6: Units Accepted: Enter the portion of quantity received that is accepted after inspection.

Annex-XX Links for Relevant Laws and Rules

- KP Delegation of Financial Powers Rules
  (https://www.kpexcise.gov.pk/app/wp-content/uploads/2020/02/kp-delegation-of-financial-power-rules-2018.pdf)
- Treasury Rules
  https://www.finance.gov.pk/publications/Treasury_Rules_of_FG_Vol_I.pdf)
- General Financial Rules
  (https://www.finance.gov.pk/publications/general_financial_rules.pdf)
- Integrated Budget Rules and Budget Manual
- KPPPRA Rules
  http://www.kppra.gov.pk/kppra/download_new.php?action=Procurement%20rules
  http://www.kppra.gov.pk/kppra/upload/929290KPPRA%20Rules%20updated.pdf
- Integrated Budget Call Circular
  https://www.finance.gkp.pk/article/integrated-budget-call-circular-for-the-financial-year-2025-26
- Release Policy
  https://www.finance.gkp.pk/article/release-policy-2025-26
- Guidelines & Operational Manual for PCMCs
  https://healthkp.gov.pk/public/uploads/news-PCMC%20Guidelines.pdf
- KP Facility Level Budget & Expenditure Management Policy 2024 (Health Sector)
  https://www.finance.gkp.pk/article/kp-facility-level-budget-expenditure-management-policy-2024-health-sector
- KP Whistleblower Protection and Vigilance Commission Act, 2016
  https://www.pakp.gov.pk/wp-content/uploads/2024/05/The-Khyber-Pakhtunkhwa-Whistleblower-Protection-And-Vigilance-Commission-Act-2016-Act-No.-XVI-2016.pdf
- Essential Package for Health Service
  https://www.healthkp.gov.pk/news/view/897
- MCC List
  https://www.healthkp.gov.pk/public/uploads/news-Approved%20list%20of%20Govt.MCC%20FY%202024-25.pdf
- Market Rate System (MRS) for costing for infrastructure issued biannually by the Finance Department
  https://www.finance.gkp.pk/article/market-rate-system-mrs-2024-ist-bi-annual

Annex-XXI Glossary of Terms

"Accountant General" means the Accountant General, Khyber Pakhtunkhwa. (KP PFM Act).

"Accounts" or "Actuals" of receipts, or expenditure relating to a financial year are the figures of actual receipts, or expenditure, respectively, for that financial year, as recorded by the Accountant General or provided in the printed Appropriation Accounts or in the Monthly Civil Accounts.

"Administrative Approval" is the formal acceptance, by the competent authority, of a proposal to incur expenditure subject to availability of funds for the said proposal.

"Administrative Department" means an Administrative Department as defined in the Khyber Pakhtunkhwa Government Rules of Business, 1985. (KP PFM Act)

"Advance" means an amount paid by the Government to a contractor/supplier for the purpose of securing goods or services; or an amount provided to a government employee for a specified purpose and to be adjusted. (Federal BM)

"Annual Budget Statement" means a budget statement, which compares the budget estimates for the coming year, with both the initial budget estimates and revised estimates of the outgoing year, as well as the actual expenditure of the previous year. (KP PFM Act)

"Annual Financial Statements" refer to a set of financial reports, produced after the close of the financial year by the Auditor-General of Pakistan for the Provincial Government. (Federal BM)

"Appropriation" means any Schedule of Authorised Expenditure, given assent to by the Provincial Assembly of Khyber Pakhtunkhwa, to authorise payment from the Provincial Consolidated Fund and Public Account of a given financial year. (KP PFM Act)

"Attached Department" means an attached department as defined in the Khyber Pakhtunkhwa Government Rules of Business, 1985. (KP PFM Act)

"Auditor General" means the Auditor General of Pakistan. (KP PFM Act)

"Authorization" means the approval given by an authority or a delegated authority for a particular payment to be made. (Federal BM)

"Authorization of Expenditure" refers to payments and withdrawals from the Provincial Consolidated Fund and Public Account of the Province against approved budgetary provisions, specified in the schedule of authorized expenditure. (KP PFM Act)

"Budget Estimate" relating to financial year means in relation to expenditure, the expenditure proposed for that year and, in relation to receipts, the receipts expected to be realized during that year.

"Budget Publications" are the Annual Budget Statement and other supporting publications, as mentioned in this Manual.

"Capital Expenditure" is the expenditure incurred with the object either of increasing concrete assets of a material and permanent character, or of reducing recurring liabilities and of the receipts of capital nature intended to be applied as set off to capital expenditure.

"Capital Receipt" means, for the purposes of budgeting, receipts obtained from sources of finance other than revenue (e.g. loans). In accounting terms, receipts generated from the proceeds of sale of physical assets or receipts intended to set-off capital expenditure. (Federal BM)

"Cash Accounting" refers to a method of accounting that records cash payments and cash receipts only. (Federal BM)

"Cash Balance" means the amount held in a particular bank account at any point in time. This includes an amount as imp rest with the departmental officers and treasuries. (Federal BM)

"Charged Expenditure" or "Expenditure charged upon the Provincial Consolidated Fund" means such items of expenditure as are enumerated in Article 121 of the Constitution and are not submitted to the vote of the Provincial Assembly, under Article 122(1) of the Constitution.

"Chart of Accounts" refers to a listing of codes on the basis of which accounting transactions are classified to provide meaningful financial information. (Federal BM)

"Collecting Officer" means the Head of Department or the authority named as such for each major head/minor head of receipt for the purposes of budget estimates and control over revenue.

"Contingent Liability" means a liability that may arise or come as financial impact on the treasury and includes the outcome of an uncertain future event. (KP PFM Act)

"Controller General of Accounts" means the person appointed as Controller General of Accounts under the Controller General of Accounts (Appointment, Functions and Powers) Ordinance, 2001 (Ordinance No. XXIV of 2001). (KP PFM Act)

"Controlling Officer" means a head of a department or other departmental officer who is entrusted with the responsibility of controlling the incurring of expenditure or the collection of revenue by the authorities subordinate to the department.

"Competent Authority" means the Provincial Government, or any other authority to whom the relevant powers have been delegated by the Provincial Government.

"Constitution" means the Constitution of the Islamic Republic of Pakistan, 1973.

"Current Expenditure" means the expenditure incurred mainly on pay and allowances of the Government Servants, essential items of daily use in offices, minor/major repair of Government assets, Commodities and Services, purchase of durable goods, payment on mark-up or loan, subsidy on wheat and any other expenditure sanctioned/declared by the Government as such.

"Delegated Authority" means an officer formally empowered by the responsible authority to perform a particular function.

"Demand for Grant" is a proposal made to the Provincial Assembly, on the recommendations of the Chief Minister, for withdrawal of a certain sum out of the Provincial Consolidated Fund for expenditure which is granted, or deemed to have been granted, under Article 122 of the Constitution.

"Departmental Estimate" is the estimate of receipts and expenditure, submitted, to the Finance Department by the Administrative Department in the prescribed form.

"Detailed Estimates" are the estimates prepared by the Administrative Department in support of the departmental estimates containing complete details and calculation of pay, allowances and commodities and services etc.

"Direct and Indirect Taxes" are defined as: Direct tax is a tax which has to be paid by the person upon whom it has been imposed. The person or the payee of such tax cannot shift the burden of such tax to somebody else e.g. property tax. On the other hand, the indirect tax is one which has to be paid by the person upon whom it has not been imposed, meaning that the payee of such tax can shift the burden of such tax to somebody else e.g. sales tax.

"Disbursing Officer" means the officer designated as such by the Head of Department in respect of a major function/minor function, relating to expenditure, under para-3 of the General Financial Rules Vol: I.

"Entity" means an organisational unit of Government. This term can be applied to specific types of organisational units, depending on the context. (Adapted from Federal BM)

"Estimating Officer" means a Disbursing Officer, Collecting Officer, Controlling Officer, Regional Head or Head of Department, who is responsible for preparing departmental estimates of receipts and expenditure.

"Excess Budget Statement" relating to a financial year is the statement to be laid before the Provincial Assembly, under Article 124 of the Constitution, showing the amount of expenditure incurred on a purpose, in excess of the amount authorized to be expended on that purpose, during that financial year. "Excess Budget Statement" or "Excess Grant" is based on the recommendation/Report of the Public Accounts Committee which is presented before the Provincial Assembly after the expiry of that financial year.

"Finance Department" means the Finance Department, Government of Khyber Pakhtunkhwa. (KP PFM Act)

"Financial Rules" means the Financial Rules which are enforce at present, or such other Financial Rules which may be enforced by the Provincial Government, from time to time.

"Function" means an element used in the Chart of Accounts, which provides financial information on particular economic activities, according to the International Monetary Fund's Government Finance Statistics (GFS) classification scheme. (Federal BM)

"Financial Year" means a year commencing on the 1"day ofJulyandendingon30"dayofJune. (Text as per KP PFM Act)

"Government" means the Government of Khyber Pakhtunkhwa. (KP PFM Act)

"Grant" means the amount granted, or deemed to have been granted, by the Provincial Assembly, in respect of a demand for grant.

"Head of Department" means the Administrative Secretary of the department who is under the Khyber Pakhtunkhwa Rules of Business, 1985 is responsible for the proper conduct of business allocated to the Department.

"Internal Control" includes an integrated process affected by an entity's management and personnel and is designated to address risks and to provide reasonable assurance in pursuit of the entity's mission by achieving the:

Compliance with applicable laws and regulations;

Safeguarding resources against loss, misuse and damage;

Executing orderly, economical, efficient and effective operations; and fulfilling accountability obligations

"Major Head" means a main head of account for the purposes of recording and classifying, receipts.

"Major Function" is defined as overall function like "General Administration", "minor function" indicates sub details like "Organ of State" and detailed function specifying the specific department/subject such as "S&GAD".

"Minor Head" means a head subordinate to a major head or a sub-major head.

"New Service/New Expenditure in relation to a financial year" means a purpose for which expenditure is not included in the Schedule of Authorized Expenditure or in the Annual Budget Statement, for that year.

"Object" means a Chart of Accounts element used to classify financial information according to the IAS accounting requirements (e.g. asset, liability, revenue, expenditure, equity) and provide sub classifications therein (e.g. salaries, travel, transport). (Federal BM)

"Principal Accounting Officer" means the Secretary of an Administrative Department or any designated officer notified by Government as such responsible for exercising financial propriety in management of public funds and having personal accountability to Provincial Assembly for the economic, efficient and effective use of resources. (KP PFM Act)

"Provincial Assembly" means the Khyber Pakhtunkhwa Provincial Assembly.

"Provincial Consolidated Fund" means the Provincial Consolidated Fund of the Government of Khyber Pakhtunkhwa as provided under Clause (1) of Article 118 of the Constitution. (KP PFM Act).

"Public Account of the Province" means the Account as defined in Clause (2) of Article 118 of the Constitution. (KP PFM Act)

"Public Entity" means an entity which is substantially funded, either from the Provincial Consolidated Fund or other public monies, accruing to it in terms of any law, or which may result in a financial commitment or other liability, being incurred by Government. (KP PFM Act)

"Public Moneys" means the moneys forming part of the Provincial Consolidated Fund and the Public Account of the Province. (KP PFM Act)

"Re-appropriation" means the transfer of funds from one head of Account of appropriation to another such head of Account within the same budget grant. (KP PFM Act)

"Reconciliation" refers to a process of substantiating recorded financial information against an alternative source of data (e.g. bank reconciliation, reconciliation between accounts offices and spending departments). (Federal BM)

"Recurring Expenditure" means all expenditure which is of recurring nature such as pay and allowances, commodities and services etc.

"Regional Head" means the head of the office which has been declared as regional office.

"Regularity" means the requirement for all items of expenditure and receipts to be dealt with, in accordance with the legislation authorising them, including the Act and any applicable delegated authority, regulations, directives and instructions issued under the Act. (KP PFM Act)

"Release" means a sanction given by Finance Department, permitting a particular budgetary allocation to be spent, on the basis of cash being available. (Adapted from Federal BM)

"Revenue Account" is the account of the income derived from taxes and duties, fees for services rendered, land revenue from Government estates, fines, penalties and Royalty, Net Profit from Hydel Generation, Federal Grants, User Charges and Cess other miscellaneous items and the expenditure met there from. The difference between revenue receipt and expenditure represent the revenue surplus or deficit for that year.

"Revised Estimate" is an estimate of the probable receipts or expenditure, for a financial year, framed, in the course of that year with reference to the transactions already recorded.

"Rules of Business" means Government of Khyber Pakhtunkhwa Rules of Business, 1985.

"Schedule of Authorized Expenditure" means the schedule prepared, following consideration, by the Provincial Assembly, of the Annual or Supplementary or Excess Budget Statement in respect of a financial year and authenticated by the Chief Minister by his signatures, under Article 123 of the Constitution.

"Secretary" shall have the same meaning as defined in the Khyber Pakhtunkhwa Government Rules of Business, 1985. (KP PFM Act)

"Supplementary Appropriation/or Supplementary Grant for a financial year" means an amount included in the Schedule of Authorized Expenditure relating to a Supplementary Budget Statement of that year.

"Supplementary Budget Statement" means a budget grant within the meaning of Article 124 of the Constitution. (KP PFM Act)

"Surrender" means an amount included in the initial approved budget that is given back because it has not or will not be spent in the financial year by the entity. (Federal BM)

"Technical Supplementary Grant" means the transfer of approved budgetary funds between two or more budget/demand for grants. (KP PFM Act)

"Token Demand" is a demand presented in a financial year, to the Provincial Assembly, for a nominal sum for a new service, the expenditure on which is proposed to be met by re-appropriation from savings within the grant.

"Token Grant" in a financial year means a nominal amount included in the Schedule of Authorized Expenditure relating to a Supplementary Budget Statement of that year for a new service, the expenditure on which is proposed to be met by re-appropriation.

"Voted Expenditure" means expenditure other than the charged expenditure. (KP PFM Act)