

## 110 -Office of the Comptroller & Auditor General of Bangladesh

### Medium Term Expenditure

(Taka in Thousands)

| Description             | Budget<br>2019-20 | Projection       |                  |
|-------------------------|-------------------|------------------|------------------|
|                         |                   | 2020-21          | 2021-22          |
| Operating Expenditure   | 238,22,00         | 262,04,00        | 288,25,00        |
| Development Expenditure | 0                 | 0                | 0                |
| <b>Total</b>            | <b>238,22,00</b>  | <b>262,04,00</b> | <b>288,25,00</b> |
|                         |                   |                  |                  |
| Recurrent               | 222,82,26         | 240,15,65        | 266,34,28        |
| Capital                 | 14,93,74          | 21,42,35         | 21,44,72         |
| Financial Asset         | 46,00             | 46,00            | 46,00            |
| Liability               | 0                 | 0                | 0                |
| <b>Total</b>            | <b>238,22,00</b>  | <b>262,04,00</b> | <b>288,25,00</b> |

### 1.0 Mission Statement and Major Functions

#### 1.1 Mission Statement

Conducting effective audit of public sector operations for optimum utilization of public resources and providing reliable and authentic information for establishing accountability and transparency of the public financial management.

#### 1.2 Major Functions

- 1.2.1 Assist in establishing accountability, transparency and good governance in the activities of the public offices by auditing their receipts and expenditure;
- 1.2.2 Issue audit certificates for Government Appropriation Accounts after audit;
- 1.2.3 Issue audit certificates for the Finance Accounts as part of constitutional obligations;
- 1.2.4 Prepare standard audit reports in time and submit those to the Honorable President;
- 1.2.5 Impart necessary training to officers and employees involved in government financial management & auditing to enhance professional skills;
- 1.2.6 Play an ancillary role in preventing irregularity and corruption in all spheres of public financial management through effective audit;
- 1.2.7 Provide objective information to the Public Accounts Committee and Public Undertakings Committee of the Parliament and take effective measures to enforce and follow-up of the decisions of the Parliamentary Committee including PAC.

### 2.0 Medium Term Strategic Objectives and Activities

| Medium-Term Strategic Objectives   | Activities  | Implementing Departments/Agencies                                     |
|--|---|---|
| 1  | 2   | 3   |
| 1. Establish good governance, transparency and accountability in the government financial management | <ul style="list-style-type: none"> <li>• Conduct audits of all government/semi-government offices, banks and financial institutions, autonomous bodies, all foreign-aided projects and other organizations</li> <li>• Scrutinize Appropriation Accounts and Finance Accounts of the Government and issue</li> </ul> | <ul style="list-style-type: none"> <li>• Office of the CAG</li> </ul> |

| Medium-Term Strategic Objectives                                 | Activities   | Implementing Departments/Agencies                                     |
|--|--|---|
| 1  | 2  | 3   |
|  | certificates   |   |
|  | <ul style="list-style-type: none"> <li>• Provide realistic information to the Public Accounts Committee (PAC) and implementation and monitoring of decisions taken by PAC</li> <li>• Use of information technology to improve the quality of audit functions and monitoring thereof</li> </ul> |   |
| 2. Ensure value for money in the optimum use of public resources | <ul style="list-style-type: none"> <li>• Conduct performance audits on different issues/agencies</li> </ul>  | <ul style="list-style-type: none"> <li>• Office of the CAG</li> </ul> |

### 3.0 Poverty and Gender Reporting

#### 3.1 Impact of medium Term Strategic Objectives on Poverty Reduction and Women's Advancement

##### 3.1.1 Establish good governance, transparency and accountability in the government financial management

**Impact on Poverty Reduction:** No direct impact.

**Impact on Women's Advancement:** No direct impact.

##### 3.1.2 Ensure value for money in the optimum use of public resources

**Impact on Poverty Reduction:** No direct impact.

**Impact on Women's Advancement:** No direct impact.

#### 3.2 Poverty Reduction and Women's Advancement Related Spending

(Taka in Thousands)

| Description         | Budget 2019-20 | Projection |          |
|---------------------|----------------|------------|----------|
|                     |                | 2020-21    | 2021-22  |
| Poverty Reduction   | 0              | 0          | 0        |
| Women's Advancement | 22,17,46       | 23,71,78   | 25,47,29 |

#### 4.1 Priority Spending Areas/ Programmes

| Priority Spending Areas/ Programmes  | Related Strategic Objectives  |
|--|---|
| <p><b>1. Conduct Audits of all government/semi-government offices, banks and financial institutions, autonomous bodies, all foreign-aided projects and other organizations</b></p> <p>It is essential to have well-disciplined financial management in all government offices and projects. Efficiency, transparency, accountability and good governance of Government activities relating to use of funds can be better enforced through effective audits. It is ascertained through audits whether relevant rules and regulations have been followed in collection of revenues as well as incurring expenditures. This is, therefore, given the top priority area.</p> | <ul style="list-style-type: none"> <li>• Establish good governance, transparency and accountability in the government financial management</li> </ul> |
| <p><b>2. Conduct special audits/ performance audits on different issues/institutions maintaining high standard</b></p> <p>The principal objective of the use of public resources is to ensure</p>  | <ul style="list-style-type: none"> <li>• Ensure value for money in the use of public resources</li> </ul>   |

| Priority Spending Areas/ Programmes   | Related Strategic Objectives  |
|---|---|
| welfare of the people by optimum use of limited public resources. Issue based or special audit is done on the operations of important public institutions and on Schemes of public importance. It helps to provide realistic information to the competent authority and at the same time, applications of performance audit techniques help verify whether economy, efficiency and effectiveness in the use of public fund have been ensured. This is, therefore, given the second highest priority.  |   |
| <p><b>3. Application and expansion of ICT to improve auditing standard and monitoring of related activities</b></p> <p>All ministries/divisions and their attached departments are laying more emphasis on the use of ICT. As a result, importance has been given to include activities of those institutions within the purview of IT audit. Application of ICT in audit will facilitate quality and useful audits and management of audit findings through sampling of data and classification thereof. This is, therefore, given the priority.</p> | <ul style="list-style-type: none"> <li>Establish good governance, transparency and accountability in the government financial management</li> </ul> |

#### 4.2 Medium Term Expenditure Estimates and Projection (2019-20 to 2021-22)

##### 4.2.1 Expenditure by Department/Agencies/Institutional Units

(Taka in Thousands)

| Description  | Budget           | Revised          | Budget<br>2019-20 | Projection       |                  |
|--|------------------|------------------|-------------------|------------------|------------------|
|  | 2018-19          |                  |                   | 2020-21          | 2021-22          |
| Office of the Comptroller & Auditor General of Bangladesh                            | 33,67,44         | 35,10,94         | 43,59,39          | 54,15,65         | 60,31,08         |
| Directorate of Civil Audit   | 16,01,05         | 16,01,69         | 17,07,59          | 18,56,08         | 20,78,81         |
| Directorate of Performance Audit   | 2,78,07          | 2,79,07          | 2,96,57           | 3,22,36          | 3,61,04          |
| Directorate of Mission Audit   | 10,18,74         | 10,18,74         | 10,86,53          | 11,81,01         | 13,22,73         |
| Directorate of Foreign Aided Projects Audit  | 16,95,97         | 16,34,61         | 16,90,03          | 17,05,18         | 17,97,88         |
| Directorate of Local and Revenue Audit   | 26,96,00         | 26,99,11         | 28,63,90          | 31,25,43         | 35,00,48         |
| Head Office, Directorate of Commercial Audit   | 25,46,99         | 25,54,74         | 26,79,46          | 28,24,76         | 29,75,87         |
| Regional Offices, Directorate of Commercial Audit                                    | 22,40,05         | 25,90,72         | 26,17,90          | 27,65,10         | 30,06,99         |
| Directorate of Works Audit   | 18,08,52         | 15,97,74         | 18,89,86          | 20,96,59         | 23,48,18         |
| Head Office, Directorate of Railway Audit  | 5,83,09          | 5,65,60          | 6,15,31           | 6,90,56          | 8,01,28          |
| Regional Offices, Directorate of Railway Audit                                       | 3,65,40          | 3,68,74          | 3,80,71           | 4,09,02          | 4,30,25          |
| Directorate of Defence Audit   | 10,22,17         | 9,71,66          | 11,05,43          | 10,97,79         | 11,30,20         |
| Head Office, Directorate of Post, Telecommunication, Science & Technology Audit      | 11,85,48         | 11,84,36         | 12,62,31          | 13,71,17         | 15,34,83         |
| Regional Offices, Directorate of Post, Telecommunication, Science & Technology Audit | 1,37,98          | 1,38,63          | 1,49,22           | 1,63,10          | 1,83,55          |
| Financial Management Academy (FIMA)  | 10,18,05         | 10,55,11         | 11,17,79          | 11,80,20         | 13,21,83         |
| <b>Grand Total :</b>   | <b>215,65,00</b> | <b>217,71,46</b> | <b>238,22,00</b>  | <b>262,04,00</b> | <b>288,25,00</b> |

##### 4.2.2 Expenditure by Economic Group

(Taka in Thousands)

| Economic Group | Description                      | Budget    | Revised   | Budget<br>2019-20 | Projection |           |
|----------------|----------------------------------|-----------|-----------|-------------------|------------|-----------|
|                |                                  | 2018-19   |           |                   | 2020-21    | 2021-22   |
|                | <b>Recurrent Expenditure</b>     |           |           |                   |            |           |
| 3111           | Wages and salaries in cash       | 161,87,13 | 160,75,67 | 170,43,57         | 181,86,35  | 199,19,51 |
| 3211           | Administrative expenses          | 10,12,14  | 10,25,49  | 11,06,60          | 11,88,75   | 12,95,40  |
| 3231           | Training                         | 1,13,30   | 1,25,00   | 1,91,90           | 2,05,85    | 2,26,36   |
| 3243           | Petrol, oil and lubricants       | 1,31,51   | 1,13,60   | 1,30,14           | 1,37,87    | 1,49,26   |
| 3244           | Travel and Transfer              | 23,63,76  | 21,80,90  | 23,18,08          | 25,95,88   | 30,98,94  |
| 3253           | Public order and safety supplies | 1,06,50   | 86,00     | 95,50             | 1,02,20    | 1,06,10   |

| Economic Group | Description   | Budget           | Revised          | Budget           | Projection       |                  |
|----------------|---|------------------|------------------|------------------|------------------|------------------|
|                |   | 2018-19          |                  | 2019-20          | 2020-21          | 2021-22          |
| 3255           | Printing and stationery                                 | 4,93,41          | 5,51,21          | 3,95,00          | 4,24,56          | 5,13,66          |
| 3256           | General supplies and materials                          | 19,50            | 46,10            | 2,17,13          | 3,02,00          | 3,57,58          |
| 3257           | Professional services, honorariums and special expenses | 93,00            | 2,05,00          | 3,62,51          | 4,29,65          | 4,66,90          |
| 3258           | Repairs and maintenance                                 | 3,81,08          | 3,42,46          | 4,05,83          | 4,24,74          | 4,80,57          |
| 3821           | Current transfers not elsewhere classified              | 18,00            | 18,00            | 16,00            | 17,80            | 20,00            |
|                | <b>Total : - Recurrent Expenditure</b>                  | <b>209,19,33</b> | <b>207,69,43</b> | <b>222,82,26</b> | <b>240,15,65</b> | <b>266,34,28</b> |
|                | <b>Capital Expenditure</b>                              |                  |                  |                  |                  |                  |
| 4111           | Buildings and structures                                | 0                | 0                | 1,00,00          | 1,09,00          | 1,20,00          |
| 4112           | Machinery and equipment                                 | 5,67,37          | 8,43,73          | 12,63,14         | 18,79,95         | 18,21,22         |
| 4113           | Other fixed assets                                      | 32,30            | 1,12,30          | 1,30,60          | 1,53,40          | 2,03,50          |
|                | <b>Total : - Capital Expenditure</b>                    | <b>5,99,67</b>   | <b>9,56,03</b>   | <b>14,93,74</b>  | <b>21,42,35</b>  | <b>21,44,72</b>  |
|                | <b>Assets</b>   |                  |                  |                  |                  |                  |
| 7215           | Loans   | 46,00            | 46,00            | 46,00            | 46,00            | 46,00            |
|                | <b>Total : - Assets</b>                                 | <b>46,00</b>     | <b>46,00</b>     | <b>46,00</b>     | <b>46,00</b>     | <b>46,00</b>     |
|                | <b>Grand Total :</b>                                    | <b>215,65,00</b> | <b>217,71,46</b> | <b>238,22,00</b> | <b>262,04,00</b> | <b>288,25,00</b> |

## 5.0 Key Performance Indicator (KPIs)

| Indicator   | Related Strategic Objectives | Unit                                       | Revised Target | Actual | Target  | Revised Target | Medium Term Targets |         |         |
|---|------------------------------|--|----------------|--------|---------|----------------|---------------------|---------|---------|
|   |                              |  | 2017-18        |        | 2018-19 |                | 2019-20             | 2020-21 | 2021-22 |
| 1   | 2                            | 3  | 4              | 5      | 6       | 7              | 8                   | 9       | 10      |
| 1. Expansion of annual audit coverage                           | 1, 2                         | as percent of auditable units              | 25             | 20     | 25      | 25             | 25                  | 25      | 25      |
| 2. Average time taken in the preparation of audit reports:      |                              |  |                |        |         |                |                     |         |         |
| a. Annual, financial, special, issue based and compliance audit | 1,2                          | Period (Months)                            | 10             | 12     | 10      | 12             | 12                  | 12      | 12      |
| b. Performance audit  |                              |  | 11             | 12     | 11      | 12             | 12                  | 12      | 12      |
| 3. Evaluation of costs and gains in audit                       | 1, 2                         | Ratio of audit expense and money recovered | 1:80           | 1:43   | 1:80    | 1:80           | 1:80                | 1:80    | 1:80    |

## 6.0 Recent Achievements, Activities, Output Indicators and Targets and Expenditure Estimates of the Departments/Agencies

### 6.1 Office of the Comptroller & Auditor General of Bangladesh

**6.1.1 Recent Achievements:** In the year of 2015-16, 2016-17 and 2017-18, office of the C&AG submitted 38, 28 and 19 audit reports respectively to the Hon'ble President in order to place those to the parliament. Besides, audits have been conducted on 40 issues/agencies between 2015-16 and 2017-18. In FY 2017-18 an amount of Tk 1573.25 crore has been realized by disposal of audit objections and Tk 6744.29 crore has been adjusted. .

### 6.1.2 Activities, Output Indicators and Targets

| Activities   | Output Indicator                         | Related Strategic Objectives | Unit   | Revised Target | Actual | Target  | Revised Target | Medium Term Targets |         |         |
|--|--|------------------------------|--------|----------------|--------|---------|----------------|---------------------|---------|---------|
|  |  |                              |        | 2017-18        |        | 2018-19 |                | 2019-20             | 2020-21 | 2021-22 |
| 1  | 2  | 3                            | 4      | 5              | 6      | 7       | 8              | 9                   | 10      | 11      |
| 1. Conduct audits of all government semi-government offices, public sector banks and financial institutions, autonomous bodies, all foreign-aided projects and | Audit Inspection Reports(AIR)* submitted | 1                            | number | 4350           | 927    | 4400    | 1000           | 1000                | 1000    | 1000    |
|  | Audit reports submitted                  |                              |        | 32             | 19     | 32      | 32             | 32                  | 32      | 32      |

| Activities  | Output Indicator                       | Related Strategic Objectives | Unit   | Revised Target | Actual  | Target  | Revised Target | Medium Term Targets |     |     |
|---|--|------------------------------|--------|----------------|---------|---------|----------------|---------------------|-----|-----|
|   |  |                              |        | 2017-18        | 2018-19 | 2019-20 | 2020-21        | 2021-22             |     |     |
| 1   | 2                                      | 3                            | 4      | 5              | 6       | 7       | 8              | 9                   | 10  | 11  |
| other organizations   |  |                              |        |                |         |         |                |                     |     |     |
| 2. Scrutinize Appropriation Accounts and Finance Accounts of the government and issue certificates                                  | Audit certification issued             | 1                            | number | 05             | 05      | 05      | 05             | 05                  | 05  | 05  |
| 3. Provide realistic information to the Public Accounts Committee (PAC) and implementation and monitoring of decisions taken by PAC | Bilateral and tripartite meetings held | 1                            | number | 450            | 840     | 460     | 460            | 470                 | 500 | 500 |
| 4. Use of information technology to improve the quality of audit functions and monitoring thereof                                   | Audit reports placed in the websites   | 1                            | number | 30             | 41      | 30      | 35             | 35                  | 35  | 40  |
| 5. Conduct performance audits on different issues/agencies  | Performance audit reports submitted    | 2                            | number | 05             | 01      | 10      | 05             | 05                  | 05  | 05  |

### 6.1.3 Medium Term Expenditure Estimates by Institutional Unit, Schemes and Projects

(Taka in Thousands)

| Name of the Institutional Unit/Scheme/Project  | Related Activity | Actual 2017-18   | Budget           | Revised          | Medium Term Expenditure Estimates |                  |                  |
|--|------------------|------------------|------------------|------------------|-----------------------------------|------------------|------------------|
|  |                  |                  | 2018-19          | 2019-20          | 2020-21                           | 2021-22          |                  |
| 1  | 2                | 3                | 4                | 5                | 6                                 | 7                | 8                |
| <b>Operating Activities</b>  |                  |                  |                  |                  |                                   |                  |                  |
| <b>General Activity</b>  |                  |                  |                  |                  |                                   |                  |                  |
| 1100101 - Office of the Comptroller & Auditor General of Bangladesh                            | 1-5              | 63,31,32         | 33,67,44         | 35,10,94         | 43,13,39                          | 53,69,65         | 59,85,08         |
| 1100201 - Directorate of Civil Audit   | 1-5              | 13,44,24         | 16,01,05         | 16,01,69         | 17,07,59                          | 18,56,08         | 20,78,81         |
| 1100301 - Directorate of Performance Audit   | 1-5              | 2,35,75          | 2,78,07          | 2,79,07          | 2,96,57                           | 3,22,36          | 3,61,04          |
| 1100401 - Directorate of Mission Audit   | 1-5              | 6,24,44          | 10,18,74         | 10,18,74         | 10,86,53                          | 11,81,01         | 13,22,73         |
| 1100501 - Directorate of Foreign Aided Projects Audit  | 1-5              | 15,13,48         | 16,95,97         | 16,34,61         | 16,90,03                          | 17,05,18         | 17,97,88         |
| 1100601 - Directorate of Local and Revenue Audit   | 1-5              | 23,69,06         | 26,96,00         | 26,99,11         | 28,63,90                          | 31,25,43         | 35,00,48         |
| 1100701 - Head Office, Directorate of Commercial Audit   | 1-5              | 39,00,25         | 25,46,99         | 25,54,74         | 26,79,46                          | 28,24,76         | 29,75,87         |
| 1100702 - Regional Offices, Directorate of Commercial Audit                                    | 1-5              | 0                | 22,40,05         | 25,90,72         | 26,17,90                          | 27,65,10         | 30,06,99         |
| 1100801 - Directorate of Works Audit   | 1-5              | 15,77,11         | 18,08,52         | 15,97,74         | 18,89,86                          | 20,96,59         | 23,48,18         |
| 1100901 - Head Office, Directorate of Railway Audit  | 1-5              | 7,96,16          | 5,83,09          | 5,65,60          | 6,15,31                           | 6,90,56          | 8,01,28          |
| 1100902 - Regional Offices, Directorate of Railway Audit                                       | 1-5              | 0                | 3,65,40          | 3,68,74          | 3,80,71                           | 4,09,02          | 4,30,25          |
| 1101001 - Directorate of Defence Audit   | 1-5              | 9,08,12          | 10,22,17         | 9,71,66          | 11,05,43                          | 10,97,79         | 11,30,20         |
| 1101101 - Head Office, Directorate of Post, Telecommunication, Science & Technology Audit      | 1-5              | 10,81,05         | 11,85,48         | 11,84,36         | 12,62,31                          | 13,71,17         | 15,34,83         |
| 1101102 - Regional Offices, Directorate of Post, Telecommunication, Science & Technology Audit | 1-5              | 0                | 1,37,98          | 1,38,63          | 1,49,22                           | 1,63,10          | 1,83,55          |
| 1101201 - Financial Management Academy (FIMA)  | 1-5              | 7,96,30          | 10,18,05         | 10,55,11         | 11,17,79                          | 11,80,20         | 13,21,83         |
| <b>Total : General Activity</b>  |                  | <b>214,77,28</b> | <b>215,65,00</b> | <b>217,71,46</b> | <b>237,76,00</b>                  | <b>261,58,00</b> | <b>287,79,00</b> |
| <b>Special Activity</b>  |                  |                  |                  |                  |                                   |                  |                  |
| 120000801 - Loans to Government Employees  | 1-5              | 0                | 0                | 0                | 46,00                             | 46,00            | 46,00            |
| <b>Total : Special Activity</b>  |                  | <b>0</b>         | <b>0</b>         | <b>0</b>         | <b>46,00</b>                      | <b>46,00</b>     | <b>46,00</b>     |
| <b>Total : Operating Activities</b>  |                  | <b>214,77,28</b> | <b>215,65,00</b> | <b>217,71,46</b> | <b>238,22,00</b>                  | <b>262,04,00</b> | <b>288,25,00</b> |
| <b>Total :</b>   |                  | <b>214,77,28</b> | <b>215,65,00</b> | <b>217,71,46</b> | <b>238,22,00</b>                  | <b>262,04,00</b> | <b>288,25,00</b> |