



Training of IPT Staff

on

“Management of Project Financial/Account, Procurement and Administrative Affairs”

May 18-20, 2023



Submitted To: Institute of Petroleum Technology (IPT)

Submitted By: SRSP Human Resource Development Center

Introduction

Institute of petroleum technology IPT Karak is established under PSDP funded project, “Establishment of Institute of Petroleum Technology Karak and is executed by Energy and Power Department Government of Khyber Pakhtunkhwa via KPOGCL. IPT is a newborn Technical Institute in Khyber Pakhtunkhwa and has started three year DAE program in “Drilling and Drilling Fluid Technology”. The Institute is in taking students, both girls and boys from all over the Pakistan. The institute offer will Skill development and research opportunity in the field of technologies related to Oil and Gas sector exploration and production companies currently engaged in the Southern Districts of KP to get benefit of transforming on job technical skills to the students of IPT through field demonstrations. The Institute shall be focusing to bridge Academia and Industry to target the training issues of technicians and mid-level staff of the Oil & Gas sector.

In this context, Institute of Petroleum Technology requested SRSP to design and organize professional 3 days training for its staff in “Management of Project Financial/ Accounts, Procurement and Administrative Affairs”. The training was organized at SRSP- Human Resource Development Center Peshawar from May 18-20, 2023. Fifteen (15) IPT staff members including Project Director IPT Karak, participated in the Training.

Day-1

On the first day of training, after registration of participants, Mr. Zubair Anwer (Facilitator) requested a participant to recite a few verses of Holy Quran. After formal opening, the facilitator had an interactive session of introduction. The facilitator asked participants to put their names on a piece of paper and fold it, he then shuffles the folded papers and ask each of the participant to collect one piece of



paper. After collecting the paper, the facilitator then asked each participant to open the folded paper and take five minutes to collect information of that participant i.e. Name, Designation, Organization and his role and responsibilities. Each participant introduced other participant and the facilitator concluded that this was basically a short introduction of each participant. This exercise helped in streamlining the methodology of each session.

After introduction session, norms were set for the three days training. Later on. The facilitator requested Mr. Mohsin ul Mulk (Project Director IPT) to present a brief overview of Institute

of Petroleum Technology IPT. PD IPT mentioned that the IPT is situated in District Karak and its objective is to address the real time issue of non-availability of local skilled technicians required for the operations of the Oil and Gas sector of the country and of KP in particular.



After PD IPT brief overview, Mr. Abdul Hayee (Facilitator) started his session on introduction and functions of finance departments. He mentioned that finance department is mainly responsible for;

- The supervision and control of Provincial Finances.
- Preparation of Provincial Budget.
- Formulation and Interpretation of Financial Rules.
- Civil Servants Rules related to Pay, Allowances and Pension, Management of Public Funds.
- Management of Public Debt, Banking, Coordination of National and Provincial Finance Commissions.
- Administration of Local Fund Audit and Treasuries.

He also highlighted the importance to Internal control where he explained that,

- Internal controls are accounting and auditing processes that ensure the integrity of financial reporting and regulatory compliance in an organization.
- Internal controls help organizations comply with laws and regulations, and prevent fraud. It also ensures that budgets are adhered to, policies are followed, capital shortages are identified, and accurate reports are generated for leadership.

Components of Internal Controls

An organization's internal controls system should include the following components:

- ▮ **Control environment:** A control environment establishes for all employees the importance of integrity and a commitment to revealing and rooting out improprieties, including fraud. A board of directors and management create this environment and lead by example. Management must put into place the internal systems and personnel to facilitate the goals of internal controls.
- ▮ **Risk Assessment:** A company must regularly assess and identify the potential for, or existence of, risk or loss. Based on the findings of such assessments, added focus and levels of control might be implemented to ensure the containment of risk or to watch for risk in related areas.

- ▢ **Monitor:** A company must monitor its system of internal controls for ongoing viability. By doing so, it can ensure, whether through system updates, adding employees, or necessary employee training, the continued ability of internal controls to function as needed.
- ▢ **Information/Communication:** Solid information and consistent communication are important on two fronts. First, clarity of purpose and roles can set the stage for successful internal controls. Second, facilitating the understanding of and commitment to steps to take can help employees do their job most effectively.
- ▢ **Control Activities:** These pertain to the processes, policies, and other courses of action that maintain the integrity of internal controls and regulatory compliance. They involve preventative and detective activities.

The facilitator continued his session on Basic Accounting Records, where he highlighted the following;

- ▢ Cash Book.
- ▢ Physical Assets Register.
- ▢ Others Misc.; items Register.
- ▢ Stationery Register.
- ▢ Maintenance of Service book/ History.

After question-and-answer session, the facilitator started session on budgeting in public sector, where he mentioned that “Budgeting can be defined as the process of preparing a budget, which sets estimations for revenues and expenses for future periods. It is a mechanism for allocating resources to goals and objectives of an entity and is related to the strategic plan”.

He asked a question from participants about them know how on “How does the government prepare the budget”?

After so many replies, the facilitator explained that the responsibility for preparing the budget usually lies with the ministry of finance (in Fed;) and Finance Department (in Prov;) with input from the line ministries/ Depts. and some smaller spending agencies. This exercise is normally controlled by the Finance department/ Ministry.

BUDGETING IN PUBLIC SECTOR

Finance Department issues Budget Call Circular (Performa) normally in January onwards for Preparation of Annual as well as Revised Budget/ Estimates.

To calculate both Annual and Revised Estimates, it takes into account first 5 month of the Current Financial Year (incremental) and Last 7 months of the Previous Financial Year. Based on this data Projections/ Estimates are made for next 7 months of the Current Financial Year (incremental).

Same Chart of Account has been adopted for the whole country which consists of the following Functions and Object Classifications:

- A- Expenditure
- B- Tax Revenue
- C- Non-Tax Revenue
- E- Capital receipts
- F- Assets
- G- Liabilities

Day-2

The second day commenced by reciting a few verses of the Holy Quran. After recitation, Ms. Naheed (Facilitator) recap the previous day sessions through group exercise. She asked participants to paste charts and each group should line up and write only one word which they have learned on the first day of training. Words that are written twice will be removed and have no marks. She then



asked participants to start writing, after five minutes, she then asked each group to check other group words/topic and count the number of words written. In some cases, they explained the words which were not clearly defined. This exercise gave them a chance to review what they have discussed yesterdays and a good energizer as well.

The next session was of general principles of procurement where Mr. Syed Ali Abbas (Facilitator) started his session with general principles of procurement. He explained that Khyber Pakhtunkhwa Public Procurement Regulatory Authority Act-2012 to provide for the legal and regulatory framework for public procurement.

- The government notified under the Act: “The Khyber Pakhtunkhwa Public Procurement of Goods, Works and Services Rules-2014”.
- Applicable to all public procurements.

He then briefly explained the main definitions,

- **“Procuring Entity”**

A department or any office of government including a project unit; any Board, Commission, Council, semi-autonomous or autonomous bodies which are owned or controlled by Government.

- **“Bid”**

means a technical proposal or a financial proposal or a technical and financial proposal submitted as a result of request for quotations, tender notice, request for proposal as the case may be;

- **“bidder”**

means a contractor, supplier, vendor or consultant who offers his services for procurement of goods, works, or services in response to bid solicitation by a PE.

Standard bidding documents (SBD, s)

- means the format/forms approved and notified by the Authority for submission of proposals and bids by the bidders in a public procurement process

Bid solicitation documents (BSD, s)

- means the documents prepared by the procuring entity on the format of standard bidding documents for solicitation of bids

Bidding documents

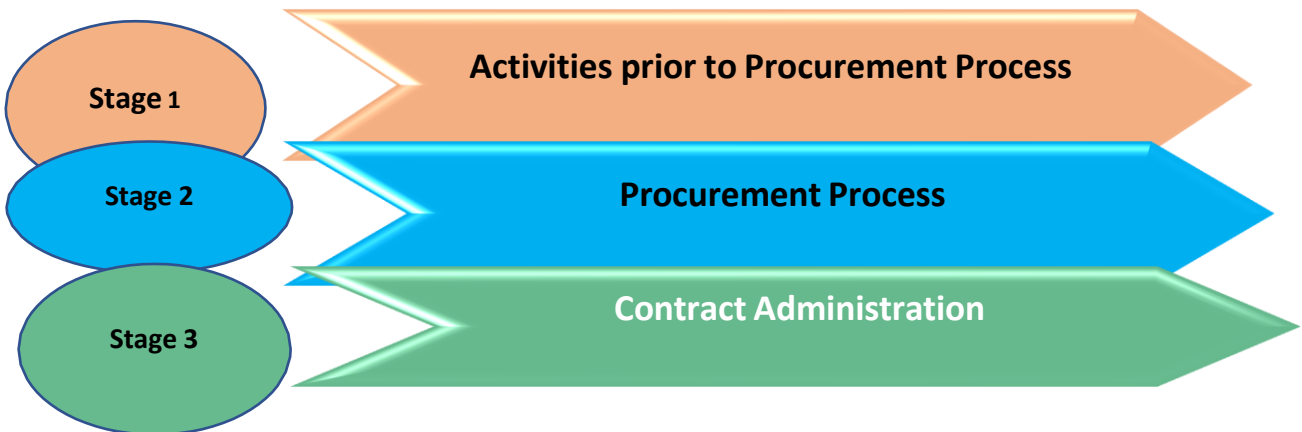
- means the data, information and representations submitted by the bidder on the bid solicitation documents advertised and made available by the procuring entity.



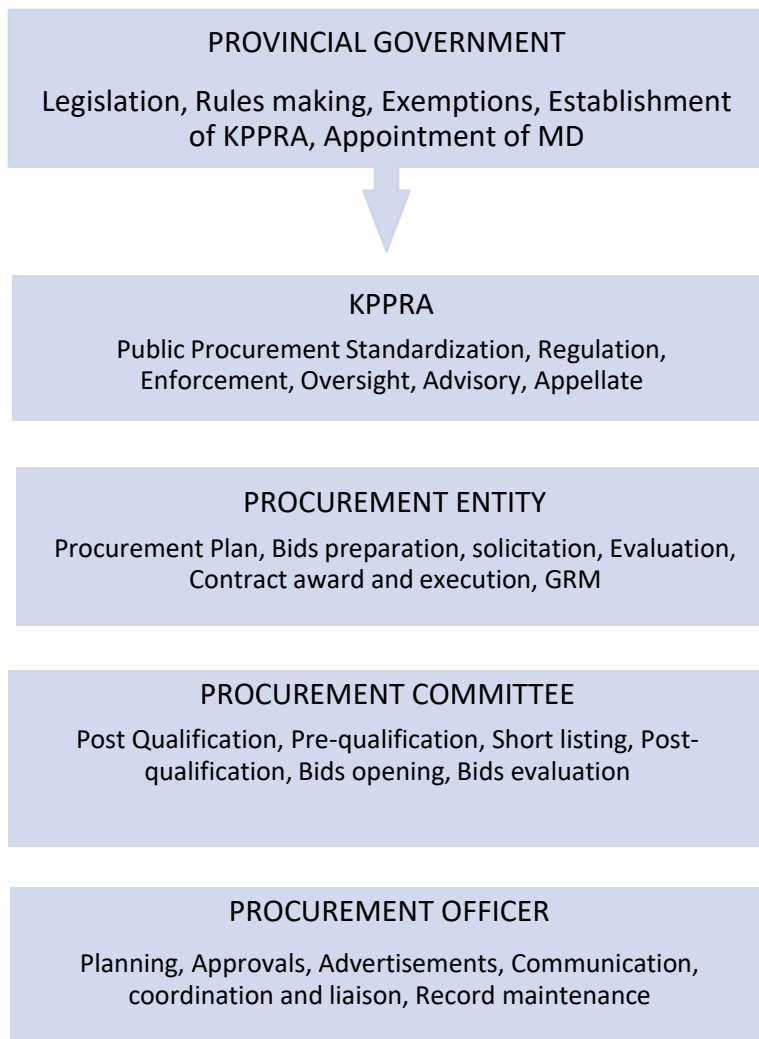
Principles of Public Procurement



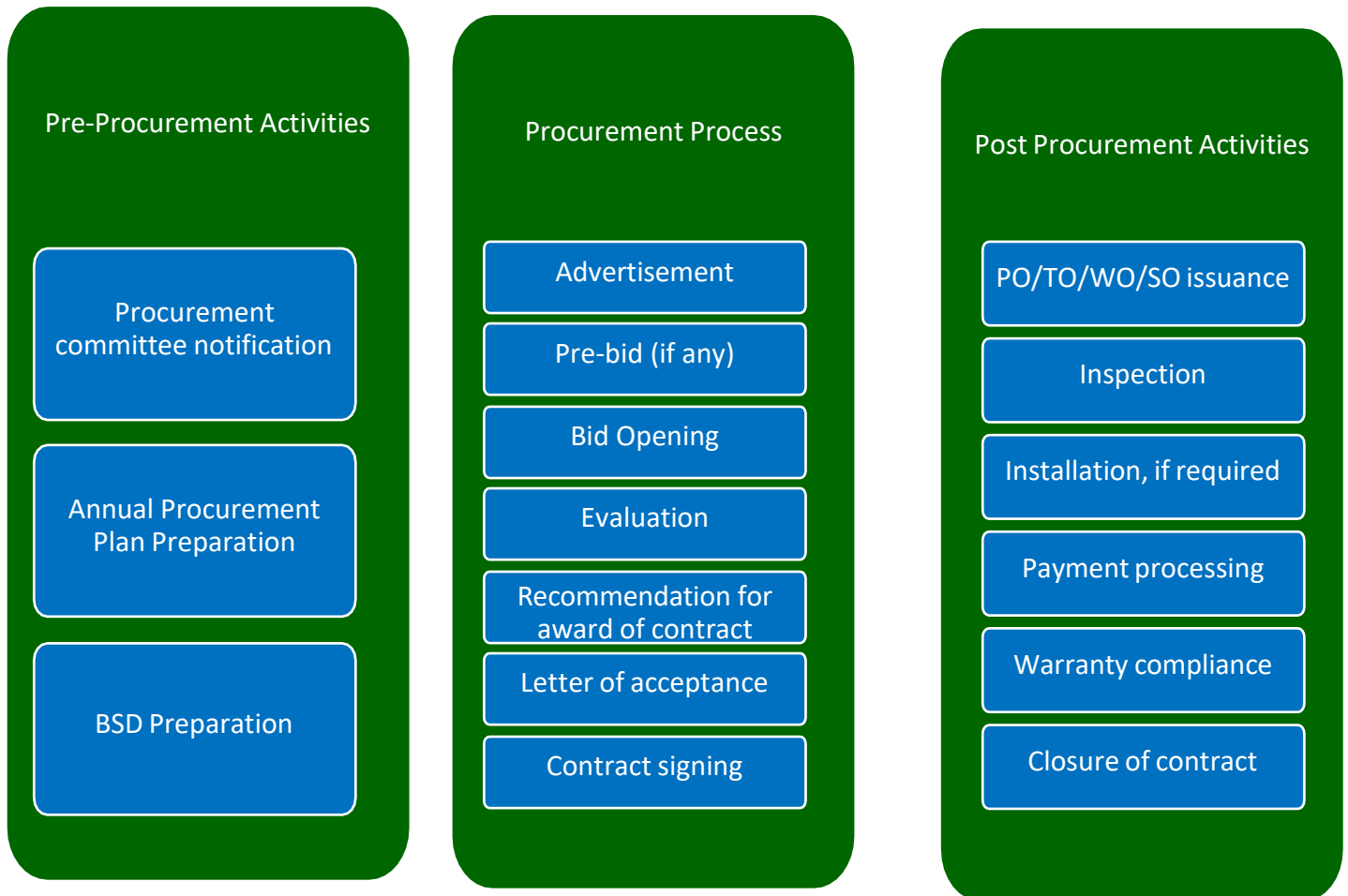
Stages of Procurement



Scheme of Public Procurement



Pre-Procurement Activities, Procurement Process, Post Procurement Activities



At the end of the session the facilitator mentioned that there are some questions which needs to be addressed and are continuously asked by people, so their explanation is important which is mentioned below;

Q. Is it essential that the Tender in Newspaper and on Web site should be displayed on the same date?

A. Not necessarily.

Q. What is the minimum response time for procurement advertisements?

A. The minimum response time shall not be less than fifteen (15) days for NCB and thirty (30) days for ICB.

- Q. How can procuring agency calculate response time?
- A. Calculated from the date of first publication of the advertisement in newspaper or posting on the KPPRA's website. In case if the advertisement is mandatory to advertise in both print and KPPRA website it shall be calculated from the day of last publication either in newspaper or KPPRA website.
- Q. When the Bid must be opened?
- A. The date of opening of bids and the last date for the submission of bids shall be the same. The bids shall be opened at least thirty minutes after the deadline for submission of bids in the presence of bidders.
- Q. Can procuring agency reject bids without assigning any reason?
- A. The procuring agency may reject all bids or proposals at any time prior to the acceptance of a bid or proposal. On request by the bidders, the Procuring Agency shall intimate the reasons of rejection of bids.
- Q. How PE can deal when all the bids prices substantially exceed the cost estimated/market value?
- A. The PE is allowed to cancel all the bids prior to acceptance.
- Q. Whether the procuring agency can enter into negotiations with the bidders for the reduction in the prices?
- A. Negotiations are not allowed.
- Q. What is miss-procurement?
- A. Any violation of KPPRA Rule 2014 shall amount to miss-procurement.
- Q. If a bidder has not submitted the required document with the technical bid as per evaluation criteria, and later submitted after closing time, can it be considered as a responsive bidder?
- A. To be considered as non-responsive bidder. The procuring agency shall not open the financial bid to non-responsive bidder

Day-3

The third day of training started with a recap of previous day session. The facilitator through brainstorming session reviewed the topics. On the last day of training, Mr. Murad Ali (Facilitator) imparted sessions on office administration, conflict management administrative affairs, office filling system etc. The first session he started through presentation was of staff hiring, where he mentioned that as per recruitments for development projects under the policy 2022 is;

“Method of recruitment given here shall apply to all posts in the approved development projects funded fully or partially by the Provincial Government or controlled by the Provincial Government. Terms and conditions for appointment under the policy shall be made part of the PC-I to be approved by the relevant approval forum. Project posts which have already been advertised shall be filled based on Project Policy 2008. Project posts in approved projects which are yet to be advertised, may be filled through this policy, after approval of the P&D Department”

If the competent authority decides to make appointment to a project post through initial recruitment, the following procedure shall be followed:

- Applications for the posts shall be invited through wide publicity in the print media. The advertisement shall be published in at least two leading newspapers having wide circulation as well as through the official website of the project / concerned administrative department.
- A reasonable time not less than fifteen (15) days may be given in the advertisement inviting applications for the posts to provide adequate opportunity to eligible candidates to apply and to ensure maximum competition.



In the next session regarding conflict management in administrative affairs he explained various tools that are very much important, and they are;

- Be calm.
- Listen to Understand.
- Don't Take Things Personally.
- Focus on What Works.
- Be Respectful.
- Recognize No One is All Right.
- Focus on the Problem, Not the Person.
- Focus on the Future, Not the Past.

- Ask the Right Questions.
- Be Creative.

In communication, the facilitator highlighted that following are the main communication channels;

- Official Letter
- Memorandum
- Demi-Official Letter
- Un-official Letter
- Endorsement
- Notification
- Press Communique/Note;
- Office Order
- Call Fax or E-mail.



He also highlighted KP efficiency & Discipline rules, 2011, which are;

- ❖ Show Cause Notice/Explanation.
- ❖ Conducting Enquiry if necessary.
- ❖ Charge Sheet/ Statement of Allegations.
- ❖ Minor Censures-preventing from promo; Stoppage of Increment;
- ❖ Major Censures I.e. Removal or Dismissal and if guilty of corruption/P. Barge; then recovery of the money also.
- ❖ Right of appeal to Appellate Authority.

One of the most important session was on Vehicle management. The facilitator explained the vehicle management as;

Maintenance of Log Book:

Log Book consists of the following:

- ❖ Millage and fueling Record date-wise.
- ❖ Periodic Change of Oil and Filter Record.
- ❖ Repairs and Maintenance Record.

Besides, Transport Department in KP Govt: issues a millage certificate according to the vehicle condition as KM/ Liter (separate for Local & Long route).

Petty cash management was also discussed, where the facilitator mentioned that, Petty Cash is authorized by Finance Dept.; in consultation with AG Office on the request of the department concerned. Petty Cash is maintained to fulfill the need of the department in terms of:

- ❖ Utility Expenses.
- ❖ Minor expenses for office supplies.
- ❖ Any other urgent petty nature expenses.

Summary Automation System



To digitally **generate, process and approve/review** summaries and notes



To ensure the **effective and timely disposal** of the summaries and notes



To minimize the chances of **delaying and lost summaries** and subsequent actions (**notifications**)



To **track** the complete record of summaries

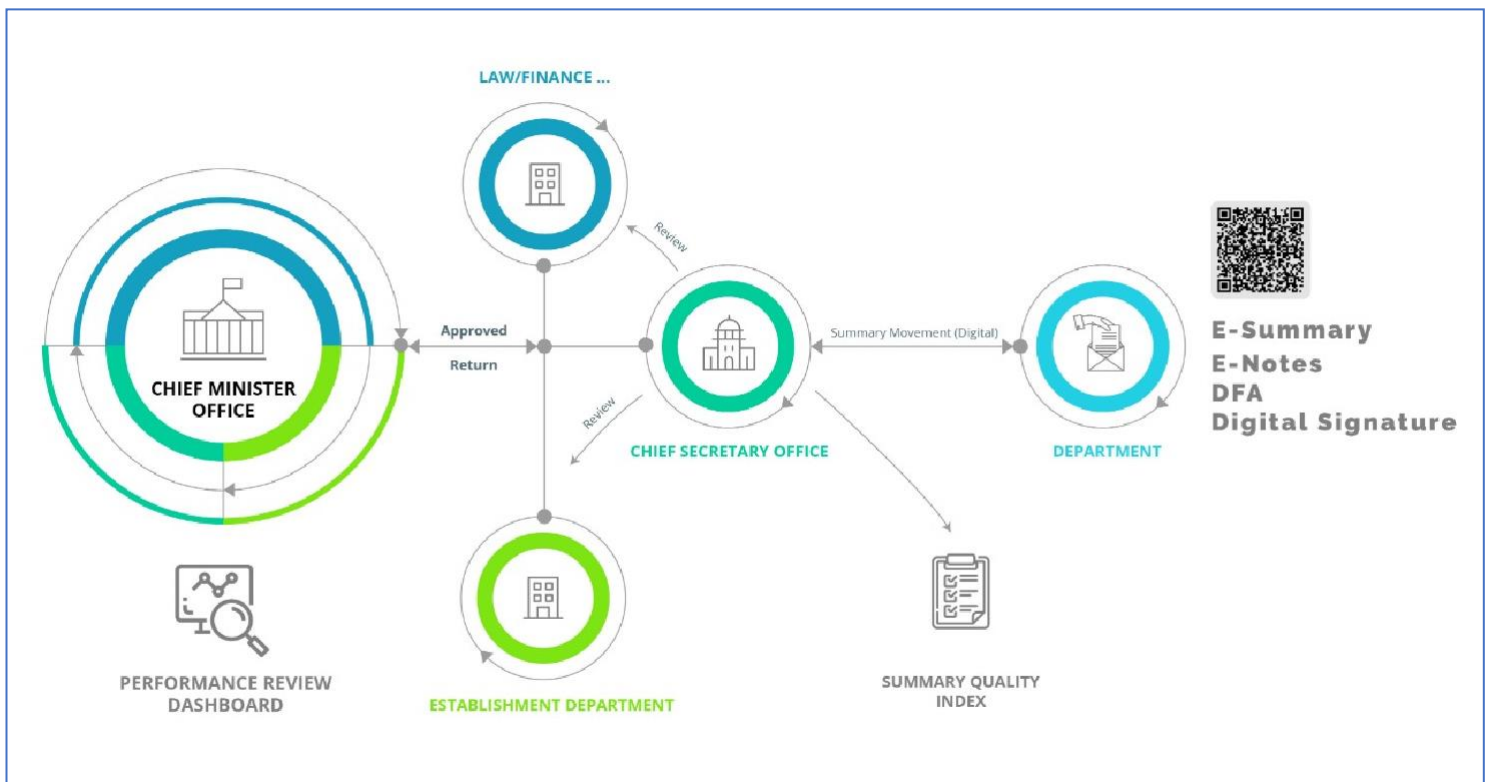


To digitally sign/approve summaries on the go.



To serve as a **KPIs** in performance management system

Workflow



The facilitator also discussed the filing system, where he mentioned that there are two parts of a file;

1. Note Part
2. Correspondence Part.

Opening new File.

- Hard Cover (Paka Cover)
- File Cover (Kacha Cover).
- Two pieces of Tags a Long and a Short one.
- Card Board with pasted wrapping tape. (Explain; Red Tape)
- At least three pages Note Sheets.
- Mention Name, Description and No. of File on both Paka & Kacha Covers.

Closing Old File:

- Place Note Part at the end of Correspondence.
- Remove Kacha Cover.
- Mention the period or the year on Paka Cover with the word "CLOSED" in Red.

Merging of part file.

- Strike through Paras of the Part File in Kacha Cover to be merged and write down the new paras in continuation to the Main File.
 - Place the Correspondence Part at the end of the Old file and start Page numbering accordingly in continuation to Main File.
- Preparation & Submission of cases.
- Analyzing PUC (Page under Consideration) if provided or received from other quarter.
 - Describing and Placing Rules/ Regulations, Previous Precedence as a reference duly Flagged such as F/A, F/B and F/C etc. or if a bunch or set of papers then as Annexures; in Short Annex-I, Annex-II etc.
 - Maintain Page Numbering and Referencing.

Certificate Distribution Ceremony

On the last day of training, post evaluation of the training was carried out, where participants were very much satisfied from the training facilitators, environment, boarding & lodging and appreciated all the services proved by SRSP. PD IPT also thanked SRSP team for their full support in successful completion of the training. Finally, certificates were distributed amongst the training participants and a group photo was taken.



**Staff Training on
Management of Project Financial/Account, Procurement, Administrative Affairs**

Time	Agenda Point	Facilitator
Day-1 (May 18, 2023)		
09:00 - 09:10	Welcome Remarks	
09:10 - 09:30	Recitation and Introduction, Fears & Expectations, Norms Setting	
09:30 - 09:45	Programme Introduction (IPT)	
09:45 – 11:00	Introduction of Financial System Internal Controls Basic Accounting Records Question & Answers by Participants	Mr. Abdul Hayee (M.COM & PIPFA) Accountant General KP Finance Dept. Finance Dept.
11:00 – 11:30	Tea Break	
11:30 – 13:00	Budgeting in Public Sector (Key concepts, charts of accounts, budgeting systems in KP)	
13:00 - 14:00	Lunch & Prayer Break	
14:00 - 15:30	Accountant General KP (General Matters)	
15:30 – 17:00	Taxation FBR/KPRA	
Closing of the day		
Day-2 (May 19, 2023)		
09:00-09:20	Review of the previous day	
09:20-11:00	KPPRA Act, 2012 Rules Regulation	Mr. Syed Abid Ali (PhD, MBA HR) Procurement Regulatory Authority KPPRA, Govt. of KP KPPRA AG Office
11:00 - 11:30	Tea Break	
11:30 – 13:00	General Principles of Procurement Procurement Planning Step by step Public Procurement Formation of Bidding Documents	
13:00 – 14:00	Lunch & Prayer Break	
14:00 – 16:00	Criteria for Technical & Financial Bid Evaluation Grievance Redressal Contract Award	
Day-3 (May 20, 2023)		
09:00-09:20	Review of the previous day	
09:20-11:00	Pre-Service Training of Staff (BPS7-16) Office Administration affairs (S&GAD KP) Project staff Hiring and staff contract management (S&GAD KP)	Mr. Murad Ali (MBA Finance) Establishment & Finance Dept. Govt of KP
11:00 – 11:30	Tea Break	
11:30 – 13:00	Conflict Management (Administrative Affairs) Communication Skills	
13:00 – 14:00	Lunch & Prayer Break	

14:00 – 16:30	Transport – Vehicles and Maintenance log book etc. Job Responsibilities of staff (Service conduct as per govt rules and project staff policy) Petty Cash, Note sheet etc. Office file system, Diary / Dispatch Register, File tracking etc.	
16:30 -	Closing Ceremony Evaluation Certificate Distribution	