



FATA INSTITUTIONAL STRENGTHENING PROJECT

REPORT ON ESTABLISHMENT OF FATA HEALTH ENDOWMENT FUND April 2014

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**ESTABLISHMENT OF FATA HEALTH ENDOWMENT FUND
(FHEF)**

Regulation

Rules of Business

Contract Appointment Rules

Financial Rules

April 2014

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Acronyms and Abbreviations

ACS	Additional Chief Secretary
ADF	Agency Development Fund
ADP	Annual Development Program
BDS	Bachelor of Dental Surgery
BHU	Basic Health Unit
BOD	Board of Directors
CHC	Community Health Center
COE	Center of Excellence
CSO	Civil Society Organization
DFIs	Development Financial Institutions
FATA	Federally Administered Tribal Areas
FHEF	FATA Health Endowment Fund
FISP	FATA Institutional Strengthening Project
FRs	Frontier Regions
KM	Kilometers
KP	Khyber Pakhtunkhwa
LHV	Lady Health Visitor
LHW	Lady Health Worker
MC	Management Committee
MCH	Maternal & Child Health

MD	Managing Director
MICS	Multiple Indicators Cluster Survey
MBBS	Bachelor of Medicine & Bachelor of Surgery
MPH	Master of Public Health
NGO	Non-Governmental Organization
NOC	No Objection Certificate
PCNA	Post Crisis Needs Assessment
P & D	Planning & Development
RHC	Rural Health Center
UN	United Nations

Executive Summary

The provision of a proper health care system in FATA is one of the major challenges for the government. Besides many other issues, availability of doctors, nurses, trained paramedics, capacity of service providers, quality of care, lack of interest and absenteeism; are some of the major problems contributing to the present decline in the health care system. The worst effects are observed on the health of vulnerable groups, particularly women and children. In addition to that, adequate funds and windows of opportunities to support the treatment of poor and needy patients are also not available. The government is making all out efforts to improve the status of the health care system in FATA, but the health service delivery is at a decline. To improve this situation, some incentives, such as special allowances for specialized doctors, may encourage health professionals in devoting their expertise to serve the people of FATA. At the same time, pool of doctors, health technicians and paramedical staff may be prepared by providing financial assistance to the students. The existing system in FATA is lacking a speedy mechanism to provide financial assistance to medical students and paramedics to continue with their studies. It also hinders timely financial assistance to needy patients. Therefore, there is a need to establish a system under the Health Endowment Fund, through which, a swift flow of funds for these important activities could be improved, and procedural bottlenecks and bureaucratic hurdles addressed. Thus, the FATA Health Endowment Fund (FHEF) is expected to efficiently take care of all these issues and ensuring timely and swift responses to the needs of destitute patients and students of medical institutions. The main objective of the FHEF is, therefore, to improve quality of the health service delivery system, patient care and to provide financial assistance to the FATA medical students and technicians in order to help them complete their education.

The main features of FHEF are listed below:

- i. The FATA Health Endowment Fund shall be established by employing resources from the FATA Annual Development Program (ADP), the Agency Development Fund (ADF), grants from donor agencies and philanthropists etc.
- ii. The Fund shall be managed by a Board of Directors (the Board) with the Governor, Khyber Pakhtunkhwa (KP) as its Chairperson. The Board shall also include the Additional Chief Secretary (ACS) FATA, Secretary Social Sectors Department FATA, Secretary P&D Department FATA, Secretary Finance Department FATA, public

representatives, representatives of the Federal Government, donors, philanthropists and businessmen etc., as its members.

- iii. All policy guidelines, decisions and approval of the annual budget shall be the responsibility of the Board.
- iv. The Board will be assisted by the FATA Secretariat through a Management Committee headed by the ACS FATA. This committee shall also be responsible for monitoring and supervision of FHEF activities.
- v. The responsibility for the implementation of its activities at the agency/FR level has been assigned to agency level committees, headed by the Political Agent of the respective agency or any other senior government official in the agency.
- vi. A Managing Director shall be appointed by the Board for day to day activities regarding the fund.
- vii. The principal amount shall be placed in appropriate profit earning schemes or in commercial banks, after due evaluation of associated risks and benefits.
- viii. The Funds shall be utilized on providing financial support/assistance to medical students of FATA to cover expenses of tuition fee, books and nominal pocket money etc.
- ix. The FHEF shall also cover FATA students admitted to professional colleges and institutes imparting education in Medicine, Dentistry or Paramedics; anywhere in the country.
- x. The fund may also provide financial support to the poor and needy to buy medicines and cover treatment costs for chronic diseases.
- xi. An annual audit of the fund shall be carried out by a Chartered Accountant, appointed by the Board.

1. INTRODUCTION

The government is spending huge resources on the social sectors, especially on the health sector, but the gap in the provision of adequate medical services and the resources being provided is still not reduced. It is therefore important to improve service delivery and conditions in the health sector. Availability of doctors and paramedics is essential for the delivery of health services. Doctors from settled areas are reluctant to serve in FATA, due to peculiar situation in the area. The gap in the availability of health service providers can be reduced if more students from FATA are supported and encouraged to acquire medical education. These doctors and technicians are then more likely to serve the people of FATA, after the completion of their medical education, thereby reducing the need to rely on medical assistance from outside.

Another issue in the health sector is affordability of treatment, particularly by the poor. In order to address these issues, the ACS FATA, directed Health Directorate, FATA to complete spade work for establishment of the FATA Health Endowment Fund (FHEF or the Endowment Fund). The ACS further directed the FATA Institutional Strengthening Project (FISP) to assist FATA Secretariat in preparing details of the FHEF, with the objective of bringing better opportunities to the FATA students, studying in professional colleges or medical institutions. Thus, the fund shall work for the promotion of medical education in FATA, through scholarships and shall also assist needy and poor patients in getting medical treatment. The fund shall be established on the following lines:

- i. Resources for FHEF may be allocated from the FATA Annual Development Program, Agency Development Funds, and grants from the Federal Government, from donors, philanthropists and businessmen etc.
- ii. Funds shall be managed by a BOD with the Governor Khyber Pakhtunkhwa as its Chairperson and officials from the Federal Government, the FATA Secretariat, public representatives, donors, philanthropists, retired bureaucrats, other professionals and businessman etc., as its members.
- iii. The FATA Health Endowment Fund would be an independent and transparent organization with no political or bureaucratic interference.
- iv. Contributions to the fund shall be placed in 'profit earning schemes', through a transparent mechanism. Specialist doctors and other staff of the FATA health service

delivery system need to be offered better salaries and incentives to retain them in FATA’s health institutions, which is not currently possible under the existing system.

2. SITUATION ANALYSIS

- 2.1 The Federally Administered Tribal Areas (FATA) is comprised of 7 agencies (Bajaur, Khyber, Kurram, Mohmand, North Waziristan, South Waziristan, and Orakzai) and 6 Frontier Regions (FRs) (FR Bannu, FR Dera Ismail Khan (DIK), FR Kohat, FR Lakki, FR Peshawar and FR Tank), with an estimated population of 4.285 million
- 2.2 Health facilities in FATA are inadequate to meet the requirements of its people due to multiple factors, such as the lack of availability of doctors, paramedics, nurses, equipment, inconvenient locations and staff absences. Besides this, economic, social and cultural barriers also contribute to the low quality of medical care and health service delivery, particularly for females. A comparison of different health facilities in FATA is shown in the tables below:

Table-1: Comparison of Health Facilities in FATA

S.#	Institutions/Facilities	Unit	No. of Health Facilities in FATA	No. of Health Facilities in Pakistan	FATA %
01	Hospitals	No.	32	972	3.3
02	Rural Health Centers	No.	8	584	1.4
03	Dispensaries	No.	295	4842	6.1
04	Maternity & Child Health Centers	No.	19	909	2.1
05	Basic Health Units	No.	173	-	-

Source: FATA Development Statistics 2012

Table-2 Number of Beds Health Institutions of FATA

S.#	Level	No. of Beds
1	Hospitals	1605
2	Rural Health Centers (RHC)	80
3	Basic Health Units (BHU)	0
4	Dispensaries	0
5	Maternity & Child Health Centers (MCHC)	20
6	T.B Clinics	0
7	Community Health Centers (CHC)	0
	Total	1705

Source: FATA Development Statistics 2012

Table-3: Health Indicators in FATA

S.#	Health Facilities	National	FATA	FATA as % of National
01	Hospital Beds	108137	1685	1.6
02	Doctors	149201	644	0.4
03	Nurses	76244	234	0.3
04	Lady Health Visitors	11510	298	2.6
05	Population per Hospital Bed	1665	2571	154
	Population per Doctor	1206	6728	579

Source: FATA Development Statistics 2012

2.3 Health sector indicators in FATA are very poor and child mortality rate (10.4%) is comparatively higher than in the KP province and the rest of the country. The Multiple Indicators Clusters Survey (MICS) from 2001 and 2008 highlighted that indicators like antenatal care visits, child birth deliveries attended by skilled birth attendants, as well as the immunization of women/children in FATA; all lag behind compared to the KP province and the rest of Pakistan.

2.4 Significant inequalities in health care provisions between FATA, KP and the rest of the country may be noticed in terms of several indicators, such as doctor-to- population ratio,

population per hospital bed and Lady Health Workers per female population etc. The health sector institutions in FATA also suffer from lack of equipment, medicines, and other essential supplies. The physical conditions of health facilities are generally very poorly maintained and lack basic facilities including general security measures, adequate water/electricity supply etc.

- 2.5 It has been reported that more than one- third of Rural Health Centers in FATA have no Medical Officer and no Lady Health Visitor in the Mother and Child Centers. About 78% of female Medical Officer's positions are currently vacant. The other positions have reportedly been filled, but the report indicates that staff is generally not present at the duty station (FATA Secretariat Data Statement, April 2012).
- 2.6 The insurgency and the prevailing geo-political situation have also had a severe impact on health care provisions in FATA. Militants have attacked facilities, carried out vandalism (theft of expensive equipment), coercion, killings and kidnappings of health personnel. Many peripheral health facilities were shut down forcibly. Lack of security, both for service providers and users, has been a major stumbling block. Even where facilities are still functional, women in particular have been unable to reach them because of ongoing militancy.
- 2.7 The FATA Annual Development Program for the health sector mainly encompasses the reconstruction and operation of health facilities damaged during the crisis. Although, these efforts will take time, but unless the challenges of finding suitable personnel are not resolved, these efforts are likely to remain futile. Therefore, interim solutions for bringing very basic health care at the community level must be explored, and measures to develop a larger cadre of local health workers (Specialist Doctors, Doctors, Nurses, Paramedics, Lady Health Visitors, and Lady Health Workers) should be set in motion. These interim solutions should include:
 - a) Training local young people and teachers (male and female) in basic first aid and emergency response skills.
 - b) Providing incentives to female secondary school students on the condition that they undergo training designed for Community Health Workers and then return to

their communities for service delivery (Post Crisis Needs Assessment KP & FATA Sept.2010).

3 APPROACH AND METHODOLOGY

3.1 The following approach and methodology was adopted to prepare an outline for the establishment of the FATA Health Endowment Fund:

- i.** Meetings were held with the following officers and stakeholders of the FATA Health Directorate and FATA Secretariat for their input in understanding the objectives of the Endowment Fund:
 - a.** Mr. Arbab Muhammad Arif, Additional Chief Secretary, FATA.
 - b.** Mr. Yousaf Rahim, Additional Director General Projects, FATA.
 - c.** Dr. Pervez Kamal, Director Health, FATA.
 - d.** Dr. Mohammad Nazir, Deputy Director (Admin), Directorate of Health, FATA.
 - e.** Dr. Sartaj Khan Project Director, T.B. Control Program, FATA.
 - f.** Dr. Alamgir Khan, Deputy Project Manager Coordination, T.B. Control Program, FATA.
 - g.** Dr. Ms. Alam, Project Manager, HIV/AIDS Program, FATA.
 - h.** Dr. Qasim Abbas, Program Manager, Immunization, Vaccination and Malaria control Program, FATA.
 - i.** Dr. Hayat Sahibzada, Deputy Coordinator, LHW Program, FATA.
 - j.** Dr. Ikhtiar Ali, Assistant Director, EPI, Directorate of Health, FATA.
- ii.** Furthermore, very useful discussions were held with the concerned officers of Khyber Pakhtunkhwa Health Department and autonomous organizations of a similar nature.
- iii.** The following documents were reviewed thoroughly before developing the Draft Regulation 2014 for the establishment of FHEF's rules and procedures:
 - a.** North West Frontier Province (N.W.F.P) Health Foundation Ordinance, 1995
 - b.** Khyber Pakhtunkhwa Health Foundation Act, 2014
 - c.** Khyber Pakhtunkhwa Health Department Endowment Fund

- d. Jalozei Charity Hospital Trust Fund Cherat Nowshera
 - e. FATA Health Foundation Regulation 2010
 - f. FATA Health Foundation Rules of Business 2012
 - g. FATA Health Foundation Financial Rules 2012
 - h. Punjab Health Foundation Rules of business,2005
 - i. Punjab Health Foundation (Contract Appointment)Rules,2005
 - j. Punjab Health Foundation(Finance and Audit) Rules ,2005
 - k. Endowment Fund For Preservation of Heritage of Sindh 2008
 - l. Khyber Pakhtunkhwa Higher Education Scholarship Endowment Fund Ordinance, 2013
- iv. Based on the review of relevant laws, acts, regulations, ordinances, other material and best practices in Pakistan, Khyber Pakhtunkhwa and other provinces, the report has been prepared comprising of the draft Act, draft Regulations, modus operandi and standard operational procedures for operating and managing the FATA Health Endowment Fund.

4. VISION

A healthy population which contributes towards economic and social development to realize the dream of a moderate, progressive society; and promotion of a better quality of life through comprehensive and quality healthcare for all population segments in FATA

5. MISSION STATEMENT

Creation of human capital with good health through quality healthcare for patients and equitable opportunities for medical students of FATA to pursue their studies

6 AIMS AND OBJECTIVES

6.1 Aims and objectives of the FHEF are as follows:

- i. To develop the talent in FATA to bring it in line with national mainstream talent, in order to remove the huge disparity between FATA and rest of the country in the fields of healthcare and medical education.

- ii. To facilitate the provision of best medical educational opportunities to the youth of FATA.
- iii. Provide scholarships/stipends to the students of FATA admitted in public sector institutions (Medical, Dentistry and Nursing colleges, Paramedics etc.).
- iv. To provide attractive salaries and allowances to specialized doctors, nurses, paramedics and health technicians to retain them in FATA.
- v. Provide financial support to poor patients suffering from chronic diseases, through the provision of subsidized lifesaving drugs, strengthened health services and an improved health service delivery system.
- vi. Strengthening the management and quality of medical education, health services at primary, secondary and tertiary level facilities in FATA.

7. SCOPE AND FUNCTIONS

7.1 The FATA Health Endowment Fund shall take all such measures as it deems necessary for the promotion, improvement and financing of the healthcare system and human resource development in FATA's health sector, through the strengthening of medical education in line with the health policy of the government.

7.2 Without prejudice to the generality of its foregoing functions, the Endowment Fund may:

- i. Award scholarships, stipends and fellowships to medical students from FATA, admitted to public sector institutions anywhere in the country, in order to study Medicine, Dentistry, Nursing and Paramedics.
- ii. Provide soft loans to individuals or NGOs to facilitate the establishment and improvement of medical institutions in FATA. Priority shall be given to diagnostic and clinical facilities (primary or secondary health care centers, mother and child health centers etc.).
- iii. Prepare proposals or projects for improving the quality and standard of the health care delivery system in all types of health facilities and medical education.
- iv. Promote public and private partnerships for the development of the health care delivery system in FATA, through innovative mechanisms such as, endowment and matching grants etc.

- v. Provide and administer direct financial assistance to medical, nursing and paramedical institutions/colleges outside FATA providing medical education to the students of FATA.
- vi. Coordinate with other stakeholders in initiating, organizing and facilitating projects and programs on a resource sharing basis.
- vii. Provide service training to:
 - a) Doctors and other staff in government health facilities.
 - b) On-the-job training for all cadres of the health sector.
- viii. Encourage research in the healthcare system, conduct surveys and studies focusing on the health service delivery system or other operational issues, to identify grey areas for remedial measures.
- ix. Financial grants for adequate provision of supplies and drugs to health facilities, in order to fill the gap in demand and supply, particularly at times of emergencies.
- x. Measures for integration, coordination, consolidation and monitoring of health sector institutions and facilities.
- xi. Establish such regional offices, branches and local units as may be necessary for managing the affairs of the Endowment Fund.
- xii. Collaboration with other organizations, institutions, CSOs and societies in Pakistan and abroad, including international agencies and constituents of United Nations (UN) System, interested in similar objectives.
- xiii. Enter into any arrangements with authorities, including the government, the Provincial Government, corporations or persons that may be conducive to the Endowment Fund's objectives.
- xiv. Hold, control and administer its funds in accordance with the functions and objectives of FHEF.
- xv. Open accounts, with banks and/or other approved financial institutions.
- xvi. Acceptance of gifts, donations and bequests by donors, to be used in programs and projects to achieve FHEF's objectives.
- xvii. Plan, invest and manage the Endowment Fund, so as to earn optimum income at minimal risks for funding the operations of the fund.

- xviii.** Treat the income and money of the Endowment Fund as public assets. It shall be the prime responsibility of the management to administer the funds with due diligence and for the purposes for which the Endowment Fund has been established.
- xix.** Expend income of the Endowment Fund strictly in accordance with the financial rules of the Endowment Fund.
- xx.** Ensure that as far as possible, the Endowment Fund operations are decentralized, subject to sound financial and operational management principles, to facilitate access to Endowment Fund services by other organizations in FATA, working in furtherance of the purposes of this regulation.
- xxi.** Ensure that the resources of the Endowment Fund are only provided to well-functioning, professionally managed health institutions, with transparent governance and financial management systems.
- xxii.** Ensure that financial assistance to medical institutions and beneficiaries is based on sound principles of cost sharing, sustainability and financial viability.
- xxiii.** Purchase, take on lease, allot, hire or otherwise acquire, erect or adapt movable or immovable properties and to sell, dispose off, lease out or hire all or any portion of the same as considered necessary for attaining the objectives of the Endowment Fund.
- xxiv.** Hold workshops and seminars for the orientation of staff and faculty as well as for public awareness.
- xxv.** Constitute such financial, technical and other committees, necessary for carrying out the purposes of this regulation.
- xxvi.** Perform such other functions/measures as may be deemed appropriate by the Endowment Fund to carry out the purpose of this regulation.
- xxvii.** Prepare the annual and revised budgets under the directions of the Managing Director as deemed necessary.
- xxviii.** Approve rules of business, procedures, contract appointments and financial rules.
- xxix.** Regulate, determine and administer all other relevant matters and to this end, exercise all powers necessary to fulfill the requirements of the regulation.

- xxx. Delegate any of its powers to an officer or a committee or sub-committee appointed or constituted under the regulation.
- xxxi. Create, suspend or abolish such administrative posts in the Endowment Fund, as may be necessary and to appoint persons against the posts so created.
- xxxii. Suspend, punish and remove from service any officers and employees of the Endowment Fund as may be necessary, after due investigation and proof of wrongdoing.
- xxxiii. Submit a comprehensive report on the performance of the Endowment Fund, annually to the Board of Directors of FHEF.

8. Operational Rules & Procedures

8.1 The management, operations and general administration of the Endowment Fund shall vest in the Board of Directors. The Board shall exercise all such powers and do all acts, which may be exercised or carried out under the Endowment Fund Regulation. The funds/capital of the Endowment Fund shall be kept in a bank account and invested in such a manner as may be determined by the Board. The FHEF shall be managed by a Management Committee (MC) at FATA Secretariat level to be constituted in a manner as may be prescribed. The Board should be responsible for taking strategic and policy decisions and advises on general direction of FHEF while the Management Committee should be responsible for providing assistance to the Board in planning, implementation, operational, and management activities of FHEF.

8.2 Constitution and Composition of the Board:

The government shall, as soon as possible, but not later than sixty days from the date of the establishment of the FATA Health Endowment Fund, constitute a Board of Directors, comprising of 11 members (including at least 5 each from the government and the private sector, and a Chairperson) for the general administrative control of the Endowment Fund and to carry out the purpose of the proposed regulation, 2014: The composition shall be as follows:

- | | |
|-------------------------------------|------------------|
| (a) Governor, Khyber Pakhtunkhwa | Chairperson |
| (b) Additional Chief Secretary FATA | Vice Chairperson |
| (c) Sectary Finance Department FATA | Member |

(d)	Sectary Social Sectors Department FATA	Member
(e)	Director of Health, FATA	Member
(f)	President, FATA Chamber of Commerce and Industries	Member
(g)	Two parliamentarians from FATA nominated by the government	Member
(h)	Two eminent professionals, retired bureaucrats, philanthropists to be nominated by the government	Member
(i)	Managing Director of the FATA Health Endowment Fund	Member/Secretary

8.3 The criteria for the selection and tenure of members are as under:

- i. For initial selection of the members, other than ex-officio members of the Board, the Governor Khyber Pakhtunkhwa may appoint members of the Board on the recommendation of the Management Committee headed by the Additional Chief Secretary, FATA.
- ii. Members of the Board, other than ex-officio members, shall hold office for a period of three years and shall be eligible for re-appointment for such a term or terms as the Governor may determine provided that a member shall cease to hold office on attaining the age of sixty five years or upon the expiry of his/her tenure, whichever is earlier.
- iii. Any casual vacancy caused due to the permanent absence of a member or resignation shall be filled in the manner specified above, and the incumbent shall hold office of the unexpired period of the term of his/her predecessor.

8.4 Frequency of meetings of the Board is as under:

- i. The Board shall meet biannually at least once every six months or earlier, if required due to exigencies, at such a place and such a date as the Chairperson may direct.
- ii. The quorum for meeting of the Board shall be the presence of two-third of the total members including the Chairperson.
- iii. All the decisions in a meeting of the Board shall be taken by a majority vote and incase of equal votes, the Chairperson shall have a second or casting vote.

- iv. No less than a seven days' notice shall be given to the members of any such meeting. The agenda and the working paper for the meeting shall be circulated to the members, with an advance notice of such meetings.
- v. No remuneration shall be admissible to the Chairperson, any member or the Secretary of the Board, except for travelling and daily allowances, as admissible to member other than an ex-officio member coming to attend a meeting of the Board from out station.
- vi. A member of the Board, other than an ex-officio member may at any time, resign by writing under his hand addressed to the government/Chairperson of the Board, provided that no such resignation shall take effect until it is accepted.
- vii. The Chairperson shall preside over all meetings of the Board. In the absence of the Chairperson, the meeting shall be presided over by the Vice Chairperson.

8.5 Powers and functions of the Board are as under:

- i. The Board shall be responsible for:
 - a. Policy decisions.
 - b. Approval of the annual or revised budgets.
 - c. Approval of major grant assistance, investments, financial assistance, project proposals.
 - d. Review, approve and revise the annual budget, receipts and expenditures.
 - e. Approval of investment proposals by the Fund.
 - f. Appointment of a Managing Director of the Endowment Fund.
 - g. Making decisions on any administrative, financial and managerial issues.
 - h. Evolving procedure for conduct of its business under the regulation.
 - i. Determining the direction and scope of the activities of the Endowment Fund.
 - j. Reviewing and approve annual plans, projects, grants, loans, donations, contributions and technical assistance to the partner organizations, NGOs, private sector Health Institutions and individuals.

- k. According approval to acquire, borrow and mortgage property of the Endowment Fund or any part thereof or issue debt instruments or other securities.
 - l. Delegation of powers to the Managing Director.
 - m. Making such financial, technical, advisory and other committees of the Board as may be deemed necessary.
- ii. In case the Board becomes non-existent or non-functional for any reason, the Management Committee headed by the Additional Chief Secretary may, with the approval of the government, perform functions of the Board.
 - iii. The Board may take decisions in the following manner:
 - a. Discussion in a meeting of the Board.
 - b. By circulation of a working paper.
 - iv. In case a decision is to be taken through circulation, the time frame for seeking opinions of its members may invariably be specified.
 - v. In case of non-receipts of views of a member within the stipulated time, it could be presumed that he/she agrees on the proposals/recommendations in the working paper. However, the Chairperson may dispense with the requirement of the circulation of a working paper, if he/she is satisfied that the circumstances were such that a working paper could not be supplied.
 - vi. In case of a disagreement of a member, the issue shall be decided by a majority on the basis of the views expressed by the members.
 - vii. The Chairperson of the Board may, at his/her discretion, order that the case may be placed before the Board.
 - viii. Each member of the Board, as well as the Chairperson shall have one vote, but the Chairperson shall also have a second/casting vote.
- 8.6 All proceedings of the Board and the records relating thereto, shall be classified as privileged documents. Members of the Board shall, after scrutiny return the minutes to the MD of the FHEF.

8.7 The Managing Director shall prepare an annual report, highlighting the activities undertaken during the year and submit it to the Chairperson of the Board for review and decision.

8.8 The constitution and role of the Management Committee (MC) will be as under:

i. As soon as may be after the commencement of the regulation, a Management Committee (MC) at FATA Secretariat level shall be constituted consisting of the following:-

- | | | |
|----|--|------------------|
| a. | Additional Chief Secretary FATA | Chairperson |
| b. | Secretary Social Sectors Department FATA | Member |
| c. | Secretary P&D Department FATA | Member |
| d. | Secretary Finance Department FATA | Member |
| e. | Director Health FATA | Member |
| f. | Managing Director of the Endowment Fund | Member/Secretary |
| g. | Any other member can be co-opted on the recommendation of the Chairperson. | |

ii. Subject to the provision of rules and regulation made under the general or special directions of the Endowment Fund, the MC shall be the principal administrative body of the Endowment Fund, responsible for the implementation of all policies and discharge all functions of the fund, as may be assigned to it by the Board.

iii. The members other than an ex-officio member of the MC, shall unless he/she resigns from office earlier, hold office for a period of three years and shall be eligible for re-appointment for such a term or terms as the Additional Chief Secretary FATA may determine, provided that the member of the MC shall cease to hold office on attaining the age of sixty five years or after expiry of the tenure, whichever is earlier.

iv. The MC shall perform the following functions:

- Review, scrutinize and recommend the budget to the Board for approval.
- Review, scrutinize and recommend proposals from the public and private sector organizations/institutions.
- Develop the criteria for financing of the health program in FATA.
- Recommend grants, loans, financial assistance and activities under the fund.

- e. Approve the criteria for scholarships to FATA medical students, studying in national and international medical and health institutions.
 - f. Scrutinize and recommend audit and account reports.
 - g. Recommend the creation of posts, salary packages, re-designation and up-gradation to the Board regarding existing posts relating to the Endowment Fund.
 - h. Monitor progress of the fund's activities.
 - i. Evaluate the impact of investment on the health delivery system and the quality of medical education, doctors, nurses and paramedics.
 - j. Any other matter assigned to it by the Board.
- v. The MC shall meet at least once every three months (quarterly). In addition, other meetings as may be required under exceptional circumstances may also be held.

8.9 The constitution and functions of Agency/FR level Committees are proposed as under:

- i. As soon as, after the commencement of the regulation, an Agency/FR level Committee at the Agency/FR headquarters shall be constituted by the Endowment Fund. The Agency/FR level Committees shall be headed by the Political Agent/Deputy Commissioner of the respective Agency/FR or any other senior officer and shall comprise of:
 - a. Agency Surgeon of the respective Agency.
 - b. Medical Superintendent of the Agency/FR headquarters hospital in the respective Agency.
 - c. A Medical Specialist or other specialist in the Agency/FR headquarters hospital in the Agency/ FR.
 - d. A senior Medical Officer in the hospitals/RHCs/ BHUs etc.
 - e. Representative of Nurses, LHVs, LHWs, and Paramedics in the Agency /FR.
 - f. Philanthropists in the Agency/FRs (preference will be given to those who will donate funds).
 - g. One member to be nominated by the Political Agent/Deputy Commissioner.

- ii. The Agency/FR level committee shall perform the following functions:
 - a. To scrutinize and recommend proposals for financial assistance.
 - b. Implement the decisions of the Board/Management Committee and submit progress reports.
 - c. Identify the grass root level problems in the health delivery system.
 - d. Monitor the progress of activities of the Endowment Fund in the Agency/FR.
 - e. Recommend medical students and poor patients for financial assistance.
 - f. Recommend any feasible activity for financing under the Endowment Fund in the public and private sectors.
 - g. Liaison with the development partners.
 - h. Perform activities for mass awareness campaigns on preventive care measures for communicable diseases and vaccinations etc.
 - i. Receive donations for the fund at the Agency level.
 - j. Scrutinize and recommend incentives for health service providers in the backward and far-flung areas of FATA to retain them in health facilities i.e. hospitals, RHCs, BHUs, and dispensaries and particularly the female staff.

9. ADMINISTRATIVE STRUCTURE AND WORKING OF FATA HEALTH ENDOWMENT FUND

9.1 The FATA Health Endowment Fund will be an independent and autonomous organization headed by a Managing Director, supported by staff comprising of officers and support staff, as per the organogram at **Annex-I**.

9.2 The Managing Director shall:

- i. be appointed by the Board, and shall be the Secretary of the Board as well as of the Management Committee.
- ii. unless resigns from office earlier, hold office for a period of three years and shall be eligible for reappointment on such terms as the Governor Khyber Pakhtunkhwa on the recommendation of the Board may determine, provided that the Managing Director shall cease to hold office on attaining the age of sixty five

years or due to the expiry of the tenure, whichever is earlier. However, the Governor Khyber Pakhtunkhwa or the Board may relax the age limit in special circumstances.

- iii.** be a full time paid officer of the Endowment Fund.
- iv.** be terminated, if found guilty of misconduct or if incapable of performing his/her duties due to physical or mental disability.
- v.** be responsible for:
 - a.** day to day management of the Endowment Fund and for instituting, conducting, defending or abandoning any legal proceedings by or against the Endowment Fund or its officers or otherwise concerning the affairs of the Endowment Fund.
 - b.** presenting the annual work plan and budget of the Endowment Fund to the Board and the Management Committee.
 - c.** determining human resource requirements, salary structure and incentives for the employees of the Endowment Fund.
 - d.** recruitment, dismissal, appointment, transfer and promotion of employees of the Fund.
 - e.** designing interventions and development schemes in thematic and programmatic areas, for the promotion and encouragement of medical education and health care service delivery systems in FATA, to accomplish the functions laid down in the regulation and to frame the governing criteria for the execution of such instruments, interventions and development schemes.
 - f.** raising funds through donations, grants, contributions, subscriptions etc.
 - g.** receipt of funds from different sources for the promotion and encouragement of medical education and health care service delivery systems in FATA and transfer savings in the form of net receipts to the account of the Endowment Fund.
 - h.** appointment of consultants, advisors and other employees in accordance with the powers delegated to him/her by the Endowment Fund.

- i.** incurring miscellaneous and contingent expenditures within the budgetary provision.
- j.** exercising powers of a controlling officer in respect of his/her own bills and the traveling allowance bills of the employees of the Endowment Fund.
- k.** interaction with international agencies and donors.
- l.** preparation and submission of projects.
- m.** negotiation and execution of joint ventures with partner organizations.
- n.** receipt and management of any property transferred, and grants, bequests, trusts, gifts, donations, endowments and other contributions made to the Fund.
- o.** investment of funds belonging to the Endowment Fund in any suitable bank, government security schemes and other investment initiatives on the recommendations of the Board or the Management Committee, as the case may be.
- p.** maintenance of proper books of accounts for all sums of money received and spent by the Fund.
- q.** signing, executing and canceling contracts on behalf of the Fund.
- r.** referring any claim or demand by or against the Fund to an arbitrator and to look after the follow up action.
- s.** supervising the work and conduct of all employees of the Fund.
- t.** undertaking and performing such other task as may be assigned.

9.3 Distribution of work:

- a.** The FHEF shall have the following sections for carrying out its official business:
 - Planning and monitoring
 - Finance and Administration.
- b.** The head of each section shall be responsible for its efficient administration and duties assigned to the section.
- c.** The business of the FHEF shall be distributed by the Managing Director amongst the sections
- d.** In case of any dispute arising as to which section a case may pertain, the matter shall be referred to the MD.

- e. The Managing Director may issue Standing Orders laying down the manner of disposal of the cases or work distribution.

9.4 Manner of submission of cases to the Board:

All cases to be submitted to the Board, the in-charge of the concerned section shall prepare, keeping in view the requirements of the regulation, a concise but self-contained working paper giving the background and relevant facts, the points for decision and recommendations thereon.

- a. The section in-charge shall transmit requisite sets of the working paper to the MD in his/her capacity as the Secretary of the Board. The working paper shall, before submission to the Board, be approved by the MD and shall include as appendices such relevant papers, as may be necessary for proper appreciation of the case.
- b. Where the case concerns more than one sections, the working paper shall, contain joint recommendations of the section's concerned in-charge, being collective responsibility.
- c. The agenda of a meeting of the Board shall reach its members and others at least 7 days in advance of the date of the meeting. However, cases involving urgencies shall be sent to members' at least 5 days before the meeting.

10. **FINANCIAL REQUIREMENTS AND SOURCES OF FUND**

- i. The government has allocated funds in the FATA ADP 2013-14 for the grant of scholarships to medical students. The unspent budget from this allocation may be diverted to the FHEF. However, this amount may not be sufficient for the functions of the fund, defined in the regulation. Therefore, additional funds will be made available by the government, and the FHEF may commence its functions with initial seed money of Rs.500 million. It may not be out of place to mention that the Punjab Government provided initial seed money of Rs.1 billion to the Punjab Health Endowment Fund. The capital was invested in different banks and has now grown to Rs.10 billion. Another example is that of Khyber Pakhtunkhwa Higher Education Scholarship Endowment Fund, established with initial seed money of Rs.800 million.

- ii. The initial seed money of Rs.500 million is expected to fetch a profit of Rs.60 million per annum, at an average interest rate of 12%. The profit so earned, may be used for further investment or provide grant assistance to achieve the objectives of the Endowment Fund.
- iii. The principal amount shall be increased over the years through tapping of other potential resources.
- iv. There should be some annual raise in the fund through:
 - a. Annual grants from the Provincial Government and FATA, as well as from any other sources not detrimental to the aim and objectives of the Endowment Fund.
 - b. Grants from the Federal Government
- v. The following may serve as sources of the fund:-
 - a. FATA Annual Development Program (ADP)
 - b. Grant from the Current Budget
 - c. Special grants made by the government
 - d. Grant assistance from national and international donors, the Government of Pakistan or any Provincial Government.
 - e. Income/profit from investments/deposits made by the fund in commercial banks.
 - f. Donations, contributions, and bequests from philanthropists, individuals, corporations and national and international organizations.
 - g. Grant from Political Agent Fund/Agency Development Fund (ADF).
- vi. The funds shall be kept in such banks and invested in such a manner as may be allowed by the Board.
- vii. The income from the fund shall be utilized in accordance with the prescribed procedure/ rules and the purpose for which it is meant.

11. AREAS FOR INVESTMENT AND GRANT ASSISTANCE

11.1 The following potential areas for investment of the funds are identified:

- a. Investment in commercial banks
- b. Any other venture for income/profit etc.

11.2 The following areas are identified for financial assistance to achieve the objectives of FATA Health Endowment Fund:

- a) Scholarships to medical students of FATA for pursuing medical education in all categories including MBBS, BDS, Nursing, Paramedics and LHVs; anywhere in the country or abroad.
- b) Financial assistance to health institutions in the public and private sectors for the improvement of the health service delivery system.
- c) Financial assistance to medical graduates of FATA for pursuing specialization within the country or abroad.
- d) Training of doctors and other health staff in FATA.
- e) Incentives and allowances to specialists, doctors, dental surgeons, nurses, paramedics, Lady Health Visitors and other health professionals, particularly females working in FATA, in order to avoid absenteeism and improve their retention.
- f) Assistance to the children of health service providers/ health workers martyred during duty in FATA.
- g) Small solar panels to provide electricity to a bulb and fan for medical students to study during the night.
- h) Financial assistance to poor patients, particularly those suffering from chronic diseases.
- i) Institutionalization of research and surveys focusing on health delivery system and operational issues.
- j) Financing of continuous medication for poor patients suffering from diseases like Parkinson, HIV AIDS, Diabetics, Cancer and Cardiac problems etc.
- k) Any other area with the approval of the Board.

12. MODE OF FINANCIAL ASSISTANCE

- i. The financial assistance will be provided in the shape of : -
 - a. Grants
 - b. Combination of grants and loans.
- ii. The mode of transfer of funds/scholarships to the medical students of FATA or any other beneficiary shall be through bank drafts/cross cheques to ensure transparency.

13. AUDIT AND ACCOUNTS

- i.** The accounts of the Endowment Fund shall be maintained as prescribed in the financial rules and shall be audited by an auditor to be appointed by the Board on the recommendation of the Management Committee. The auditor will preferably be a Chartered Accountant within the meaning of the Chartered Accountants Ordinance 1961 (X of 1961).
- ii.** The Managing Director of the FHEF shall cause to prepare annual accounts statement of the fund within thirty days of the closing of the financial year.
- iii.** The Managing Director shall, after the end of every financial year, submit to the government, the Management Committee and the Board, the audited annual statement of accounts together with reports of the auditor.
- iv.** At the end of each financial year, the Managing Director shall submit a progress report to the Board and the Management Committee.

14. RECOVERY OF LOANS

Loans may be discouraged under the Financial Assistance Program of the Endowment Fund, keeping in view its objectives. However, recovery can be made only from private institutions according to the terms and conditions approved by the Board. If the loan is to be extended, the following may be kept in consideration:

- a.** Rate of markup
- b.** Term period of the loan
- c.** Grace period
- d.** Number of installments for recovery.
- e.** Share/ratio in loan under public and private partnership.

15. LEGAL REQUIREMENTS

- i.** FATA is under the administrative control of the President of the Islamic Republic of Pakistan. The Companies Ordinance 1984 and the Societies Act 1860 are not extended to FATA. Therefore, the Social Sectors Department FATA Secretariat, has to establish the Endowment Fund, under a regulation in accordance with section 247 clause (5) of the

Constitution of the Islamic Republic of Pakistan, which states that:

“Notwithstanding anything contained in the Constitution, the President may, with respect to any matter, make regulations for the peace and good governance of a Federally Administered Tribal Area or any part thereof”.

- ii. The draft regulation for the FATA Health Endowment Fund is placed at **Appendix-A**.

16. POWERS TO MAKE RULES

- i. The Endowment Fund may, with the approval of the Board, make the following Rules for carrying out the purpose of the regulation.
 - a. THE FHEF (CONDUCT OF BUSINESS) RULES.
 - b. THE FHEF (CONTRACT APPOINTMENT) RULES.
 - c. THE FHEF (FINANCE AND AUDIT) RULES.
- ii. Draft notifications regarding the above rules, framed for convenience of the stakeholders are placed at Appendix B, C, and D, respectively.

17. POLICY GUIDELINES FOR FINANCIAL ASSISTANCE AND SCHOLARSHIPS

- 17.1 One of the main objectives of the FHEF is to provide scholarships to students, for pursuing quality medical education. The program under the guidance of the Governor Khyber Pakhtunkhwa shall provide opportunities to the medical students in fulfilling their dreams and aspirations and at the same time becoming partners in national development and the welfare of the country.
- 17.2 The Board/Management Committee shall approve/review monthly rate of scholarships admissible for various levels of medical education during the year.
- 17.3 FHEF will adopt a proactive approach for the award of scholarships to the students. Advertisements will be issued in print and electronic media for this purpose.
- 17.4 Scholarships/stipends shall be disbursed on a biannual basis by issuing cheques/bank drafts through the office of the head of the health institutions where the scholar may be studying.

- 17.5 The 2nd installment of scholarships/stipends shall be released when the institution confirms that the scholar has been paid the stipend and dispatches “scholarship acknowledgment sheet” to FHEF.
- 17.6 A student may avail only one scholarship in an academic year and if he or she opts to avail FHEF’S scholarship, then he/she will have to surrender the other scholarship.
- 17.7 FHEF’s higher level foreign scholarship shall cover the following costs:
- a. Tuition fee
 - b. Boarding and lodging allowance
 - c. Maintenance allowance
 - d. Airfare
- 17.8 FHEF will deposit the tuition fee directly into the university’s official account, as per semester wise/year wise invoice issued by the university.
- 17.9 FHEF will transfer Boarding and lodging allowance on a quarterly basis directly into the personal account of the FHEF scholar.
- 17.10 Airfare charges shall be reimbursed to students on the production of air tickets and Boarding passes.

18. Potential Issues in the Disbursement of Scholarships

During the currency of the scholarships program, different issues may crop up, relating to scenarios where students may change the institution mid-term or where cheques are returned by institutions on the basis that the student has left or changed his/her degree course. Such issues need a comprehensive implementation strategy. The Managing Director of FHEF should immediately bring such issues to the notice of the Management Committee for decision. They shall look for early solutions such as payment of scholarships to students who change the institution during an academic year. In such a case, the scholar will have to submit the following documents:

- a. A certificate to the effect that he has not been given a scholarship by the previous institution.

- b.** An Admission/confirmation letter from the current institution, stating the year of admission in a specific degree course and the duration of the current course.
- c.** Filled up scholarship application forms attested by the current institution.

(Draft)

Appendix-A

PART 1

Acts, Ordinance, President's Orders and Regulations

Government of Pakistan

States and Frontier Regions Division

Islamabad, the Day----Month---, 2014

A

REGULATION

WHEREAS it is expedient *to establish Federally Administered Tribal Areas (FATA) Health Endowment Fund to provide;*

- (a) free medical education to FATA students in any public sector medical institution.*
- (b) for the promotion, improvement, financing of medical education and human resource development in FATA, in order to strengthen the health care service delivery system, both in the public and private sectors in line with the National Health Policy.*
- (c) scholarships or financial assistance on merit – affordability basis to the medical, nursing and paramedic students of FATA, studying in any public sector's health institution in Pakistan and*
- (d) financial assistance to enable brilliant doctors to carry out their postgraduate studies/specialization in high ranked national or international institutions,*

AND WHEREAS the President of the Islamic Republic of Pakistan is satisfied that circumstances exist, which render it necessary to take immediate action;

NOW, THEREFORE, in exercise of the powers conferred by clause (5) of Article 247 of the Constitution of the Islamic Republic of Pakistan, the President of Pakistan is pleased to make and promulgate the following regulation, namely:

1. Short Title, Application and Commencement.

- i. This Regulation may be called the Federally Administered Tribal Areas Health Endowment Fund Regulation 2014.
- ii. It shall extend to the whole of the Federally Administered Tribal Areas.
- iii. It shall come into force at once.

2. Definitions.

In this Regulation, unless the context otherwise requires,

- (a) “Bank” means any scheduled bank as defined in the State Bank of Pakistan Act, 1956 (XXX III of 1956) in whose custody and control the Fund is kept and invested;
- (b) “Board” means the Board of Directors of the FATA Health Endowment Fund constituted under section 6.
- (c) “Chairperson” means the Chairperson of the Board;
- (d) “Director Health” means the Director Health, Federally Administered Tribal Areas;
- (e) “Doctor” means a person engaged in or having qualification and experience, expertise, pertaining to health planning, management and teaching in a government department or organization established for promotion of health;
- (f) “Ex-officio” means a government servant;
- (g) “Management Committee (MC)” means the committee constituted under section 7;
- (h) “FATA” means the Federally Administered Tribal Areas as defined in clause (c), Article 246 of the constitution of the Islamic Republic of Pakistan;
- (i) “Endowment Fund” means the FATA Health Endowment Fund (FHEF) established under section 3;
- (j) “Fund” means the fund established under section 11(1);
- (k) “Government” means the Federal Government;
- (l) “Governor” means the Governor Khyber Pakhtunkhwa;
- (m) “Grant” means a sum of non-refundable amount advanced to an organization/ individual from the fund;
- (n) “Loan” means a refundable sum of money advanced by the fund to an organization;
- (o) “Managing Director” means the Managing Director of the fund;
- (p) “NGO” means an organization set up with private finance for advancement of health in FATA and all such other organizations registered under the Voluntary Social Welfare

Agencies (Registration and Control Ordinance, 1961 XLVI of 1961)/ Societies Registration Act, 1860 (XXI of 1860), the Trust Act, 1882 (II of 1882), and the Companies Ordinance, 1984 (XLVII of 1984): and

(q) “Prescribed” means prescribed by rules made under this regulation;

3. Establishment of the Fund.

- i. As soon as may be, after the commencement of this regulation, the government may, by notification in the official Gazette shall establish an Endowment Fund to be called the FATA Health Endowment Fund, with its head office at Peshawar.
- ii. The Fund shall be established with an initial capital, as seed money, which shall be replenished on needs basis and shall increase over the years.
- iii. The Fund shall be a body corporate having perpetual succession and a common seal, with powers, subject to this regulation, to acquire and dispose of property both movable and immovable, and shall by the said name sue and be prone to being sued.

4. Management

The general administration and management of the Fund and its affairs shall vest in the Board that shall exercise all powers and do all acts and things, which may be required to be exercised under the Endowment Fund.

5. Functions of the Endowment Fund

- (1) The +Endowment Fund shall take all such measures as it deems necessary for the promotion, improvement and financing of the health care system and healthy human resource development in FATA, through the strengthening of medical education in line with the National Health Policy.
- (2) Without prejudice to the generality of the foregoing function, the Endowment Fund may:
 - i. Award scholarships, stipends and fellowships to medical students from FATA, admitted to public sector institutions anywhere in the country, in order to study Medicine, Dentistry, Nursing and Paramedics.
 - ii. Provide soft loans to individuals or NGOs to facilitate the establishment and improvement of medical institutions in FATA.

- iii. Promote public and private partnerships for the development of the health care delivery system in FATA.
- iv. Provide and administer direct financial assistance to medical, nursing and paramedical institutions/colleges outside FATA providing medical education to the students of FATA.
- v. Provide funds for training to doctors and other staff in government health facilities.
- vi. Encourage research in the healthcare system, conduct surveys and studies focusing on the health service delivery system or other operational issues, to identify grey areas for remedial measures.
- vii. Financial grants for adequate provision of supplies and drugs to health facilities, in order to fill the gap in demand and supply, particularly at times of emergencies.
- viii. Measures for integration, coordination, consolidation and monitoring of health sector institutions and facilities.
- ix. Establish such regional offices, branches and local units as may be necessary for managing the affairs of the Endowment Fund.
- x. Collaboration with other organizations, institutions and CSOs in Pakistan and abroad, including international agencies and constituents of United Nations (UN) System, interested in similar objectives.
- xi. Enter into any arrangements with authorities, including the government, the Provincial Government, corporations or persons that may be conducive to the Endowment Fund's objectives.
- xii. Hold, control and administer its funds in accordance with the functions and objectives of FHEF.
- xiii. Open accounts, with banks and/or other approved financial institutions.
- xiv. Acceptance of gifts, donations and bequests by donors, to be used in programs and projects to achieve FHEF's objectives.
- xv. Plan, invest and manage the Endowment Fund, so as to earn optimum income at minimal risks for funding the operations of the fund.
- xvi. Treat the income and money of the Endowment Fund as public assets. It shall be the prime responsibility of the management to administer the funds with due diligence and for the purposes for which the Endowment Fund has been established.

- xvii. Expend income of the Endowment Fund strictly in accordance with the financial rules of the Endowment Fund.
- xviii. Ensure that as far as possible, the Endowment Fund operations are decentralized, subject to sound financial and operational management principles, to facilitate access to Endowment Fund services by other organizations in FATA, working in furtherance of the purposes of this regulation.
- xix. Ensure that the resources of the Endowment Fund are only provided to well-functioning, professionally managed health institutions, with transparent governance and financial management systems.
- xx. Ensure that financial assistance to medical institutions and beneficiaries is based on sound principles of cost sharing, sustainability and financial viability.
- xxi. Purchase, take on lease, allot, hire or otherwise acquire, erect or adapt movable or immovable properties and to sell, dispose off, lease out or hire all or any portion of the same as considered necessary for attaining the objectives of the Endowment Fund.
- xxii. Hold workshops and seminars for the orientation of staff and faculty as well as for public awareness.
- xxiii. Constitute such financial, technical and other committees, necessary for carrying out the purposes of this regulation.
- xxiv. Perform such other functions/measures as may be deemed appropriate by the Endowment Fund to carry out the purpose of this regulation.
- xxv. Prepare the annual and revised budgets under the directions of the Managing Director as deemed necessary.
- xxvi. Approve rules of business, procedures, contract appointments and financial rules.
- xxvii. Regulate, determine and administer all other relevant matters and to this end, exercise all powers necessary to fulfill the requirements of the regulation.
- xxviii. Delegate any of its powers to an officer or a committee or sub-committee appointed or constituted under the regulation.
- xxix. Create, suspend or abolish such administrative posts in the Endowment Fund, as may be necessary and to appoint persons against the posts so created.

- xxx. Suspend, punish and remove from service any officers and employees of the Endowment Fund as may be necessary, after due investigation and proof of wrongdoing.
- xxxi. Take up such other measures and steps as may be necessary to carry out the purpose of this Regulation.

6. Constitution and Composition of the Board

I. The government shall, as soon as possible, but not later than sixty days from the date of the establishment of the FATA Health Endowment Fund, constitute a Board of Directors, comprising of 11 members (including at least 5 each from the government and the private sector, and a Chairperson) for the general administrative control of the Endowment Fund and to carry out the purpose of the proposed regulation, 2014: The composition shall be as follows:

Governor, Khyber Pakhtunkhwa	Chairperson
Additional Chief Secretary FATA	Vice Chairperson
Sectary Finance Department FATA	Member
Sectary Social Sectors Department FATA	Member
Director of Health, FATA	Member
President, FATA Chamber of Commerce and Industries	Member
Two parliamentarians from FATA nominated by the government	Member
Two eminent professionals, retired bureaucrats, philanthropists to be nominated by the government	Member
Managing Director of the FATA Health Endowment Fund	Member/Secretary

II. For initial selection of the members, other than ex-officio members of the Board, the Governor Khyber Pakhtunkhwa may appoint members of the Board on the recommendation of the Management Committee headed by the Additional Chief Secretary, FATA.

- III. Members of the Board, other than *ex-officio* members, shall hold office for a period of three years and shall be eligible for re-appointment for such a term or terms as the Governor may determine provided that a member shall cease to hold office on attaining the age of sixty five years or upon the expiry of his/her tenure, whichever is earlier.
- IV. Any casual vacancy caused due to the permanent absence of a member or resignation shall be filled in the manner specified above, and the incumbent shall hold office of the unexpired period of the term of his/her predecessor.
- V. The Board shall meet at least once every six months or earlier, if required due to exigencies, at such a place and on such a date as the Chairperson may direct.
- VI. The quorum for the meeting of the Board shall be two-third of the total membership including the Chairperson.
- VII. All the decisions in the meeting of the Board shall be taken by a majority vote and in case of equality of votes; the Chairperson shall have a second or casting vote.
- VIII. Not less than seven days' notice shall be given to the members of any such meeting and the agenda and the working papers for the meeting shall be circulated to the members with advance notice of such meetings.
- IX. No remuneration shall be admissible for the Chairperson, any member or secretary of the Board, except traveling and daily allowances, as admissible to members coming to attend a meeting of the Board from out station.
- X. A member of the Board, other than an *ex-officio* member, may at any time resign by writing under his hand addressed to the government, provided that no such resignation shall take effect until it is accepted.
- XI. The Chairperson when present shall preside over all meetings of the Board. In the absence of the Chairperson, the meeting of the Board shall be presided over by the Vice Chairperson.
- XII. The Board shall evolve its own procedure for conduct of its business under the regulation.

7. Powers & Functions of the Board

Powers and functions of the Board are as under:

- I. The Board shall be responsible for:
 - a. Policy decisions.

- b. Approval of the annual or revised budgets.
 - c. Approval of major grant assistance, investments, financial assistance, project proposals.
 - d. Review, approve and revise the annual budget, receipts and expenditures.
 - e. Approval of investment proposals by the Fund.
 - f. Appointment of a Managing Director of the Endowment Fund.
 - g. Making decisions on any administrative, financial and managerial issues.
 - h. Evolving procedure for conduct of its business under the regulation.
 - i. Determining the direction and scope of the activities of the Endowment Fund.
 - j. Reviewing and approve annual plans, projects, grants, loans, donations, contributions and technical assistance to the partner organizations, NGOs, private sector Health Institutions and individuals.
 - k. According approval to acquire, borrow and mortgage property of the Endowment Fund or any part thereof or issue debt instruments or other securities.
 - l. Delegation of powers to the Managing Director.
 - m. Making such financial, technical, advisory and other committees of the Board as may be deemed necessary.
- II. In case the Board becomes non-existent or non-functional for any reason, the Management Committee headed by the Additional Chief Secretary may, with the approval of the government, perform functions of the Board.
- III. The Board may take decisions in the following manner:
- a. Discussion in a meeting of the Board.
 - b. By circulation of a working paper.
- IV. In case a decision is to be taken through circulation, the time frame for seeking opinions of its members may invariably be specified.
- V. In case of non-receipts of views of a member within the stipulated time, it could be presumed that he/she agrees on the proposals/recommendations in the working paper. However, the Chairperson may dispense with the requirement of the circulation of a working paper, if he/she is satisfied that the circumstances were such that a working paper could not be supplied.

- VI. In case of a disagreement of a member, the issue shall be decided by a majority on the basis of the views expressed by the members.
- VII. The Chairperson of the Board may, at his/her discretion, order that the case may be placed before the Board.
- VIII. Each member of the Board, as well as the Chairperson shall have one vote, but the Chairperson shall also have a second/casting vote.
- IX. All proceedings of the Board and the records relating thereto, shall be classified as privileged documents. Members of the Board shall, after scrutiny return the minutes to the MD of the FHEF.
- X. The Managing Director shall prepare an annual report, highlighting the activities undertaken during the year and submit it to the Chairperson of the Board for review and decision.

8. Management Committee

- I. As soon as may be, after the commencement of this regulation, a Management Committee shall be constituted by the Endowment Fund, consisting of the following:

a)	Additional Chief Secretary FATA	Chairperson
b)	Secretary of Social Sectors Department FATA	Member
c)	Secretary P&D Department FATA	Member
d)	Secretary Finance Department FATA	Member
e)	Director Health FATA.	Member
f)	Managing Director of the Endowment Fund	Member/Secretary
g)	Any other co-opted member on recommendation of the Chairperson	Member
- II. Subject to the provisions of this regulation and the rules made thereunder and the general or special directions of the Endowment Fund, the Management Committee shall be the principal administrative body of the Endowment Fund, responsible for executing all policies and discharging all functions of the Endowment Fund as may be assigned to it.
- III. The Management Committee shall perform the following functions, namely:
 - a. Review, scrutinize and recommend the budget to the Board for approval.
 - b. Review, scrutinize and approve various programs/proposals from public and private sector organizations/institutions.

- c. Develop criteria for financing health programs in FATA.
 - d. Approve grants, loans/investments, financial assistance and activities under the fund.
 - e. Approve criteria for scholarships to FATA medical students, studying in national and international medical and health institutions.
 - f. Scrutinize and recommend audit and account reports. Recommend the creation of posts, salary packages, re-designation and up-gradation of existing posts in the Endowment Fund to the Board.
 - g. Monitor the progress of the fund's activities.
 - h. Evaluate the impact of investment on the health delivery system and the quality of medical education, doctors, nurses and paramedics.
 - i. Any other matter assigned to it by the Board.
- IV. The Management Committee shall meet at least once in three months (quarterly) in addition to such other meetings as may be required in exceptional circumstances.

9. Agency/FR Level Committees

- I. As soon as, after the commencement of the regulation, Agency/ FR level management committees at the Agency Headquarter level shall be constituted by the Endowment Fund. The Agency/FR level committees shall be headed by the Political Agent/ Deputy Commissioner or any other officer with the following members;
 - a. Agency/FR Surgeon of the respective agency
 - b. Medical Superintendent/Head of Agency/FRs headquarters hospital in a respective Agency.
 - c. Medical Specialist or other Specialist in the Agency/FR headquarters hospital.
 - d. Senior Medical Officer in the Agency/FR hospitals, RHCs/BHUs etc.
 - e. Representative of Paramedics, Nurses, LHVs, and LHWs in the Agency/FR.
 - f. Philanthropists in the Agency/FRs (preference will be given to those who will donate funds).

- g. One member to be nominated by the Political Agent/Deputy Commissioner.

II. The Agency/FR level committee shall perform the following functions:

- a. To scrutinize and recommend proposals for financial assistance.
- b. Implement the decisions of the Board/Management Committee and submit progress reports.
- c. Identify the grass root level problems in the health delivery system.
- d. Monitor the progress of activities of the Endowment Fund in the Agency/FR.
- e. Recommend medical students and poor patients for financial assistance.
- f. Recommend any feasible activity for financing under the Endowment Fund in the public and private sectors.
- g. Liaison with the development partners.
- h. Perform activities for mass awareness campaigns on preventive care measures for communicable diseases and vaccinations etc.
- i. Receive donations for the fund at the Agency level.
- j. Scrutinize and recommend incentives for health service providers in the backward and far-flung areas of FATA to retain them in health facilities i.e. hospitals, RHCs, BHUs, and dispensaries and particularly the female staff.

10. MANAGING DIRECTOR

- i. The FATA Health Endowment Fund will be an independent and autonomous organization headed by a Managing Director.
- ii. The Managing Director shall:
 - a. be appointed by the Board, and shall be the Secretary of the Board as well as of the Management Committee.
 - b. unless resigns from office earlier, hold office for a period of three years and shall be eligible for reappointment on such terms as the Governor Khyber Pakhtunkhwa on the recommendation of the Board may determine, provided that the Managing Director shall cease to hold office on attaining the age of sixty five years or due to the

- expiry of the tenure, whichever is earlier. However, the Governor Khyber Pakhtunkhwa or the Board may relax the age limit in special circumstances.
- c. be a full time paid officer of the Endowment Fund.
 - d. be terminated, if found guilty of misconduct or if incapable of performing his/her duties due to physical or mental disability.
 - e. be responsible for:
 - f. day to day management of the Endowment Fund and for instituting, conducting, defending or abandoning any legal proceedings by or against the Endowment Fund or its officers or otherwise concerning the affairs of the Endowment Fund.
 - g. presenting the annual work plan and budget of the Endowment Fund to the Board and the Management Committee.
 - h. determining human resource requirements, salary structure and incentives for the employees of the Endowment Fund.
 - i. recruitment, dismissal, appointment, transfer and promotion of employees of the Fund.
 - j. designing interventions and development schemes in thematic and programmatic areas, for the promotion and encouragement of medical education and health care service delivery systems in FATA, to accomplish the functions laid down in the regulation and to frame the governing criteria for the execution of such instruments, interventions and development schemes.
 - k. raising funds through donations, grants, contributions, subscriptions etc.
 - l. receipt of funds from different sources for the promotion and encouragement of medical education and health care service delivery systems in FATA and transfer savings in the form of net receipts to the account of the Endowment Fund.
 - m. appointment of consultants, advisors and other employees in accordance with the powers delegated to him/her by the Endowment Fund.
 - n. incurring miscellaneous and contingent expenditures within the budgetary provision.
 - o. exercising powers of a controlling officer in respect of his/her own bills and the traveling allowance bills of the employees of the Endowment Fund.
 - p. interaction with international agencies and donors.
 - q. preparation and submission of projects.

- r. negotiation and execution of joint ventures with partner organizations.
- s. receipt and management of any property transferred, and grants, bequests, trusts, gifts, donations, endowments and other contributions made to the Fund.
- t. investment of funds belonging to the Endowment Fund in any suitable bank, government security schemes and other investment initiatives on the recommendations of the Board or the Management Committee, as the case may be.
- u. maintenance of proper books of accounts for all sums of money received and spent by the Fund.
- v. signing, executing and canceling contracts on behalf of the Fund.
- w. referring any claim or demand by or against the Fund to an arbitrator and to look after the follow up action.
- x. supervising the work and conduct of all employees of the Fund.
- y. undertaking and performing such other task as may be assigned.

11. Fund

- I.** There shall be a FATA Health Endowment Fund's fund and the following shall be the sources of the fund, namely:
 - (a)** FATA Annual Development Program (ADP)/Development Budget.
 - (b)** Grants from the current / non-development budget FATA.
 - (c)** Special grants provided by the government.
 - (d)** Grant assistance from International Donor Agencies.
 - (e)** Income/ profit from investments/deposits made by the fund.
 - (f)** Other sources of the fund will include donations, contributions, trusts, and bequests from philanthropists, individuals, the corporate sector, national and international organizations.
 - (g)** Revolving funds and income from other sources.
 - (h)** Grants from the Political Agent's Fund/Agency Development Fund (ADF).
- II.** The fund shall be under the control and management of the Fund and shall be kept in such banks and invested in such a manner as may be prescribed by the Board.
- III.** The income from the fund shall be utilized in accordance with the prescribed procedure and for the purpose as may be prescribed.

12. FINANCIAL STRATEGY FOR OPERATION OF THE FUND

- I.** The financial assistance will be provided in the shape of : -
 - a.** Grants
 - b.** Combination of grants and loans
- II.** The mode of transfer of the funds/scholarships to medical students of FATA or any other beneficiary shall be made through bank drafts/cross cheques.

13. AUDIT AND ACCOUNTS

- I.** The accounts of the Endowment Fund shall be maintained as prescribed in the financial rules and shall be audited by an auditor to be appointed by the Board on the recommendation of the Management Committee. The auditor will preferably be a Chartered Accountant within the meaning of the Chartered Accountants Ordinance 1961 (X of 1961).
- II.** The Managing Director of the FHEF shall cause to prepare annual accounts statement of the fund within thirty days of the closing of the financial year.
- III.** The Managing Director shall, after the end of every financial year, submit to the government, the Management Committee and the Board, the audited annual statement of accounts together with reports of the auditor.
- IV.** At the end of each financial year, the Managing Director shall submit a progress report to the Board and the Management Committee.

14. RECOVERY OF LOANS

Loans may be discouraged under the Financial Assistance Program of the Endowment Fund, keeping in view its objectives. However, recovery can be made only from private institutions according to the terms and conditions approved by the Board. If the loan is to be extended, the following may be kept in consideration:

- i.** Rate of markup
- ii.** Term period of the loan
- iii.** Grace period
- iv.** Number of installments for recovery.
- v.** Share/ratio in loan under public and private partnership.

15. INDEMNITY

No legal suit, prosecution or other proceedings shall lie against any officer or employee of the Endowment Fund or any other person exercising any power or performing any function under this regulation or the rules made there under for anything which is done or intended to be done in good faith.

16. POWERS TO MAKE RULES

The Endowment Fund may, with the approval of the Board, make rules for carrying out the purpose of this regulation.

(F. No. / /2014) -----

President of Pakistan

(Draft)

Appendix-B

FATA HEALTH ENDOWMENT FUND (FHEF)
(CONDUCT OF BUSINESS) RULES, 2014
SOCIAL SECTORS DEPARTMENT FATA
dd/mm/ 2014

NOTIFICATION

File No._____. In pursuance of the FATA Health Endowment Fund (FHEF) Regulation 2014 and in exercise of the powers conferred under Section 17 of the Regulation, the following Rules for carrying out business of the FHEF are hereby notified: -

1. SHORT TITLE AND COMMENCEMENT

- (1) These Rules may be called the FATA Health Endowment Fund (Conduct of Business) Rules, 2014.
- (2) They shall come into force at once.

2. DEFINITIONS

(1) In these Rules, unless there is anything repugnant to the subject or context:

- i. **“Appropriation”** means the assignment to meet specified expenditure of funds at the disposal of assigning authority
- ii. **“Appendix”** means appendix to these Rules.
- iii. **“Board”** means the Board of Directors of the FHEF.
- iv. **“Bank”** means the bank approved by the Board.
- v. **“Chairperson”** means the Chairperson of the Board of Directors.
- vi. **“Health Institution”** means Medical/Health Institutions, which shall impart education to MBBS, BDS, Nurses and paramedics etc. established by the public/government and private sectors.

- vii. **“Employee”** means an employee of FATA Health Endowment Fund.
- viii. **“Endowment Fund”** means FATA Health Endowment Fund (FHEF) established under section 3 of Regulation 2014.
- ix. **“Fund”** means the Endowment Fund’s Fund created under section 11 of the Regulation 2014.
- x. **“Government”** means the Government of Pakistan.
- xi. **“Governor”** means the Governor Khyber Pakhtunkhwa and includes any Person acting on his behalf.
- xii. **“Incentive”** includes stipend, honorarium, cash prize and certificate given to selected Doctors and other health staff and scholarships granted to medical students.
- xiii. **“Managing Director”** means the Managing Director of the Endowment Fund;
- xiv. **“Non-Governmental Organization”** means a non-governmental organization set up for the objectives relating to social welfare, including the promotion of health, and duly registered under the Voluntary Social Welfare Agencies (Registration and Control) Ordinance, 1961, the Trust Act 1882; the Societies Registration Act 1860, or the Companies Ordinance 1984 or any other law for the time being enforced; and
- xv. **“Recurring Expenditure”** means all current expenditures which are not non-recurring.
- xvi. **“Re-appropriation”** means the transfer of Funds from one unit/activity of appropriation to another such unit/ activity with the approval of the competent authority/ forum i.e. that is the Board.
- xvii. **“Regulation”** means the FHEF Regulation 2014 Government of Pakistan, as amended from time to time.

xviii. **“Recipient”** means an individual or NGO or any other public or private organization or association of persons or an individual who receives any assistance from the FHEF.

xix. **“Selection Committee”** means committee(s) constituted by the Board for the purpose of making recommendations for the appointment to various Posts of FHEF.

(2) Words and expressions used in the Regulation and not defined in these Rules shall have the same meaning as assigned to them in the Regulation or as interpreted by the Board.

3. POWERS AND FUNCTIONS OF THE BOARD OF DIRECTORS

(1) The Board may:-

- a. Determine the direction and scope of the activities of the Endowment Fund;-
- b. Review and approve annual plans, projects, grants, loans, donations, contributions, technical assistance to the partner organizations, NGOs, private sector medical education institutions and individuals;
- c. Review, revise and approve the annual budgets, all actual receipts and expenditures;
- d. Acquire, borrow and mortgage property of the Endowment Fund or any part thereof or issue debt instruments or other securities;
- e. Delegate any of its powers to the Managing Director;
- f. Determine human resource requirements, salary structure and incentives for the employees of the Endowment Fund;
- g. Recruit, dismiss, appoint, transfer and promote employee of the Endowment Fund;
- h. Design instruments, interventions and developmental schemes in thematic and programmatic areas, for the promotion and encouragement of medical education and improvement of health services delivery in FATA to

accomplish the functions laid down in section 5 of the Regulation and to frame the governing criteria for the execution of such instruments, interventions and development schemes;

- i. Constitute such financial, technical, advisory and other committees as may be deemed necessary;
- j. Raise funds through donations, grants, contributions, subscriptions etc.;
- k. Receive funds from different sources for the promotion and encouragement of medical education and measures for improvement of health services delivery systems in FATA and transfer savings in the form of net receipts to the Endowment Fund Account.

(2) In case the Board becomes non-existent or non-functional for any reason, the Management Committee under the Chairpersonship of the Additional Chief Secretary may, with the approval of the Government, perform functions of the Board.

(3) The Chairperson shall chair all the meetings of the Board. In the absence of the Chairperson, The Vice Chairperson shall chair the meeting of the Board.

4. THE MANAGEMENT COMMITTEE (M.C)

I. As soon as may, be after the commencement of this Regulation, a Management Committee shall be constituted by the Endowment Fund consisting of the following:--

- | | |
|---|------------------|
| a. Additional Chief Secretary FATA, | Chairperson |
| b. Secretary P&D Department FATA | Member |
| c. Secretary Finance Department FATA | Member |
| d. Secretary Social Sectors Department FATA; | Member |
| e. Director Health FATA | Member |
| f. Managing Director of the Endowment Fund | Member/Secretary |
| g. Any other coopted member on recommendation of the Chairperson. | |

II. Subject to the provisions of this Regulation and the Rules made there under and the general or special directions of the Endowment Fund, the Management Committee shall be the principal administrative body of the Endowment Fund responsible for executing all policies and discharging all functions of the Endowment Fund as may be assigned to it.

III. The Management Committee shall perform the following functions, namely:-

- a. Review, scrutinize and recommend the budget to the Board for approval.
- b. Review, scrutinize and recommend various programs/ proposals from public and private sectors organizations/institutions.
- c. Develop criteria for financing medical education in FATA.
- d. Approval of grants, loans/investments, financial assistance and activities under the Fund.
- e. Approve criteria for scholarships to FATA medical students studying in national and international medical institutions.
- f. Scrutinize and recommend the audit and account reports.
- g. May recommend creation of posts, salary packages, re-designation and up gradation of existing posts in Endowment Fund to the Board.
- h. Monitor implementation, progress of the Fund's activities of medical education and health services delivery in FATA.
- i. Any other matter assigned to it by the Endowment Fund / Board.

IV. The MC shall meet at least once in three months (quarterly) in addition to such other meetings as may be required in exceptional circumstances.

5. RESPONSIBILITIES OF THE MANAGING DIRECTOR

(1) The Managing Director shall:-

- a. Be the Chief Executive of the Endowment Fund and shall cause the orders and decisions of the Board to be carried out;
- b. Take all possible steps to ensure that the profit/proceeds of Endowment Fund are spent on the purposes for which they are provided;
- c. Cause to be prepare and submit to the Board for approval, the annual statement of accounts and budget estimates;

- d. Convene all meetings of the Board under the direction of the Chairperson, while preparing the agenda for meetings of Board ;
- e. Act as Secretary and record the minutes of the meeting of the Board, maintain the record of the proceedings of the Board and keep the minutes open for inspection by any member during office hours;
- f. Exercise all the executive, financial and administrative powers delegated by the Board;
- g. Keep the Board informed of the progress of all investment schemes, grant assistance, scholarships etc. launched by the Endowment fund;
- h. Carry out all the duties as assigned to him from time to time by the Board;

6. MEETINGS OF THE BOARD OF DIRECTORS

- (1) The Managing Director with the approval of the Chairperson may summon the meeting of the Board on such date or dates, as may be specified.
- (2) The Chairperson of the Board shall preside over all meetings of the Board. In his absence, the meeting shall be presided by the Vice Chairperson or any other member to be nominated by the Chairperson.
- (3) Six Members, including at least two members from private sector, shall constitute the quorum.
- (4) A motion or a resolution may be moved without previous notice with the permission of the Chairperson.
- (5) The Secretary shall record minutes of the meeting of the Board and in his absence, the Chairperson may direct any other Member to perform such function. The minutes so prepared shall be submitted in the next meeting of the Board for confirmation.
- (6) All scheduled meetings of the Board shall be held and called on a notice of one week. All emergency meetings shall be held and called on a notice of two days.

7. HONORARIUM AND ALLOWANCES

(1) The Chairperson and the Members of the Board of Directors shall not be entitled to any regular salary for their services except a daily allowance if so decided by the Board.

(2) The Members shall, however, be entitled to actual travel expenses and Boarding and lodging for visits undertaken for the cause of the Endowment fund. The Managing Director shall be the sanctioning authority for such expenditures.

8. RESIGNATION OF MANAGING DIRECTOR

(1) The Managing Director may at any time, resign his office by addressing a letter to the Chairperson of the Board.

9. CONDITIONS FOR PROVISION OF GRANT-IN-AID AND LOAN

(1) Any person, institution, association of persons including NGO, committed to the cause of health, may apply to the Endowment Fund for grant in aid and loan.

(2) The Board may either generally or in a specific case, determines the terms and conditions on which the grant in aid and loan may be provided by the Endowment Fund.

(3) Formal order for the sanction of grant in aid and loan shall be issued by the Managing Director in the name of the recipient.

(4) The Board may waive off penalties imposed on account of default of payments of installments, keeping in view any extenuating circumstances or financial hardships of the recipient on a case to case basis. Such cases shall be placed in the Board meeting as an agenda item and the decision of the Board thereon shall be final and binding.

(5) The cases of loan/grant or grant converted into a loan advanced by the Endowment Fund prior to the notification of these Rules shall be dealt with in accordance with the FATA Health Endowment Fund Rules, 2014.

10. ENDOWMENT FUND'S FUND

(1) There shall be a Fund to be known as the "Endowment Fund's Fund" which shall vest in the Endowment Fund and to which shall be credited-

a. Grants from Government (FATA) and the Federal Government.

- b. Income or profit from investments made by the Endowment Fund in Commercial Banks.
- c. Donations and endowments.
- d. Revolving funds placed by the Government at the disposal of the Endowment Fund.
- e. Grants/donations made by the philanthropists or other organizations/ individuals.
- f. All other sums received by the Endowment Fund and incomes from other sources.
- g. The fund shall be kept in safe custody and shall be utilized and regulated in such manner as may be prescribed.

11. PROCEDURE FOR CONDUCT OF BUSINESS

(1) ORGANIZATION OF SECTIONS IN FHEF:

- a. The FHEF shall have the following sections for carrying out its official business
 - i. Planning and Monitoring
 - ii. Finance and Administration
- b. Each section shall consist of an officer and officials subordinate to him.
- c. The head of section being the official head shall be responsible for its efficient administration and discipline. He shall also be responsible for the proper conduct of the business assigned to the sections.
- d. The business of FHEF shall be distributed amongst the sections by the Managing Director.
- e. In Case of dispute arising among the Sections on distribution of work, the matter shall be decided by the MD.
- f. The Managing Director may issue Standing Orders laying down the manner of disposal of the cases or work distribution.

(2) MANNER OF SUBMISSION OF CASES TO THE BOARD:

- a. In respect of all cases to be submitted to the Board, the in-charge of the concerned section shall prepare, keeping in view the requirements of the

Regulation, a concise but self-contained working paper giving the background and relevant facts, the points for decision and his recommendations thereon.

- b. The Section in-charge shall transmit to the MD in his capacity as Secretary of the Board, as many sets of the working paper as the later may specify. The working paper shall, before submission to the Board, be approved by MD and shall include as appendices such relevant papers as may be necessary for proper appreciation of the case.
- c. Where the case concerns more than one sections, the working paper shall, contain joint recommendations of the section in-charges concerned, being their collective responsibility.
- d. The agenda of a meeting of the Board shall reach the members of the Board and others concerned at least 7days in advance of the date of meeting. However the cases involving urgencies shall be sent to members' at least 2 days before the meeting.

(3) Procedure for disposal of cases by the Board:

- a. The Board may take decisions in the following manner:
 - i. Discussion in a meeting of the Board.
 - ii. By Circulation of working paper.
- b. In case a decision is to be taken through circulation of working paper, time frame for the opinion of the member may invariably be specified.
- c. In case of non-receipts of views of the concerned member within the stipulated time, it could be presumed that he agrees to the proposals/recommendations in the working paper.
- d. In case of disagreement of a member, the issue shall be decided by majority on the basis of views expressed by the members.
- e. The Chairperson of the Board may at his discretion order that the case may be placed before the Board.
- f. Each member of the Board as well as the chairperson shall have one vote, but in case of tie the chairperson shall have a second or casting vote.

(4) Custody Of The Board Papers:

- a. All proceedings of the Board and the records relating thereto shall be classified as privileged documents.
- b. Members of the Board shall after perusal return the minutes to MD FHEF.

(5) Annual Administration Reports.

The MD shall prepare Annual Administration Report highlighting the activities undertaken during the year and submit the same to the Chairperson of the Board for review and decision.

12. AUDIT REPORT

- (1) The audit report, after discussion in the meeting of the Board shall be submitted for perusal of the Governor Khyber Pakhtunkhwa, through FATA Secretariat.

13. CONSULTATION AMONGST SECTIONS of FHEF

- (1) When the subject matter concerns more than one section, no orders shall be issued thereon nor shall the matter be submitted to the Board, until it has been considered by all the sections concerned and an agreement has been reached; However, in the case of urgency this requirement may be dispensed with by the MD; but the matter shall at the earliest opportunity thereafter be brought to the notice of the section(s) concerned.
- (2) If the sections concerned cannot reach an agreement, the section that initiated the case shall submit it to the MD for decision.
- (3) When a case is referred by one section to another for consultation, all relevant facts and points shall be clearly brought out.
- (4) The sections shall invariably circulate policy decisions to other sections.

14. CONSULTATION WITH FINANCE SECTION

- (1) No section shall, without previous consultation with Finance Section of FHEF; issue any orders which involve:-
 - a. Financial implications of any kind directly or indirectly.
 - b. Expenditure for which no provision exists or for which no sanction exists.
 - c. Re-appropriation within grants.

- d. Alteration in the method of compilation of accounts or of budget estimates.
- e. Interpretation of any Rules/Orders affecting finances of the FHEF.
- f. A change in the terms and conditions of employees of the Endowment Fund, involving financial implications

15. MISCELLANEOUS:

(1) Secrecy of Official Information:

- a. No information acquired directly or indirectly from any official document or relating to any official matter shall be communicated by an employee of FHEF, to the press, to an outsider or to an official belonging to an office of FHEF; to which the official document or the official matter does not pertain unless he has been generally or specially empowered to do so.
- b. All official news or information shall be conveyed, whenever a necessity arises, to the press or the public through the FATA Secretariat.

16. OBSERVANCE OF THE RULES:

- (1) The Section in-charge shall be responsible for the careful observance of these Rules in his section and, if he is satisfied that there has been a material departure from them; he shall bring the matter to the notice of MD.
- (2) In case of any doubt or dispute as to the interpretation of these Rules, the matter shall be referred to the Board.

17. INDIVIDUAL AND COLLECTIVE RESPONSIBILITY:

- (1) The in-charge of the sections shall be responsible, collectively as well as individually, for the executive orders issued in the name of the Endowment Fund in pursuance of a decision by the Board. The In-charge of the Sections shall, however, primarily be responsible for the disposal of business pertaining to their spheres of jurisdiction.

SECRETARY

SOCIAL SECTORS DEPARTMENT FATA

NO. & DATE EVEN.

1. All Administrative Secretaries, FATA.
2. The Chairperson, Board of Directors, FHEF.
3. All Members of the Board of Directors, FHEF.
4. Secretary Finance Department FATA.
5. The Managing Director, FATA Health Endowment Fund.
6. The Director Health FATA.
7. The PS to Additional Chief Secretary FATA.
8. The PS to Secretary Social Sectors Department, FATA.
9. Office File.

Section Officer Regulation

(Draft)

Appendix-C

FATA HEALTH ENDOWMENT FUND (FHEF)
(CONTRACT APPOINTMENT) RULES, 2014
FATA SOCIAL SECTOR DEPARTMENT

dd/mm/ 2014

NOTIFICATION

File No. _____ In pursuance of the FATA Health Endowment Fund (FHEF) Regulation 2014 and in exercise of the powers conferred under Section 17 of the Regulation, the following Rules for contract appointments in the FHEF are hereby notified: -

1. **SHORT TITLE AND COMMENCEMENT**

- I. These Rules may be called the FATA Health Endowment Fund (Contract Appointment) Rules, 2014.
- II. They shall come into force at once.

2. **DEFINITIONS**

- I. In these Rules, unless there is anything repugnant to the subject or context:
 - i. **“Appointing Authority”** means Managing Director of the FHEF;
 - ii. **“Board”** means the Board of Directors of the FHEF;
 - iii. **“Contract Appointment”** means appointment made under specific agreement for a fixed period;
 - iv. **“Endowment Fund”** means FATA Health Endowment Fund;
 - v. **“FHEF”** means FATA Health Endowment Fund;
 - vi. **“Government”** means the Government of Pakistan ;
 - vii. **“Managing Director”** means the Managing Director of the Endowment Fund;

viii. **“Selection Committee”** means a committee to be constituted by the Board for recruitment under these Rules;

II. Words and expressions used in the Regulation and not defined in these Rules shall have the same meaning as assigned to them in the Regulation or as interpreted by the Board.

3. EMPLOYMENT ON CONTRACT BASIS

I. The Endowment Fund may employ on contract such persons who are otherwise eligible for the post through an open and transparent selection process.

II. Such employment shall be made through the Selection Committee.

4. CONDITIONS OF APPOINTMENT

(1) No person shall be eligible for appointment in the Endowment Fund unless:-

a. He fulfills the eligibility criteria to be determined by the Board;

b. He is declared medically fit by the medical officer to be nominated by the Endowment Fund; and

c. His personal bio-data and certificates of service /qualifications, references and any other information/particulars required by the Endowment Fund are found correct.

5. METHOD OF RECRUITMENT

I. All contract appointments shall be made

a. In accordance with the provisions of these Rules; and

b. On the basis of merit. For this purpose, Selection Committee shall invite applications through press for appointment under these Rules.

II. When a post is created by the Board or the Managing Director, the Appointing Authority shall forward a requisition to the Selection Committee.

III. Subject to the approval of the Board, the Appointing Authority may extend the contract and re-negotiate terms and conditions of the contractual appointment.

IV. In case a Government Servant applies for any such appointment and is selected, the Endowment Fund may request the Government for borrowing the services of such servant. The terms and conditions of such employees shall be settled with approval of the Board.

6. TERMS AND CONDITIONS OF CONTRACT APPOINTMENT

The terms and conditions of contract appointment shall be settled by the Appointing Authority.

I. Without prejudice to the generality of above:-

- a. Such appointment shall not confer any right for regular appointment;
- b. The Appointing Authority may, without assigning any reason, terminate services of the contract employee on one month's prior notice or pay one month's salary in lieu thereof;
- c. The contract employee may resign from the service by giving one month's notice or surrender one month's salary if fails to serve prior notice.
- d. The appointment shall be non-pensionable; and all contract employees shall be governed by the Rules and Regulations of the Endowment Fund.
- e. The contract appointment shall be post specific. The appointee may not claim any right for transfer from one post to another.
- f. The contract employees shall have to undergo essential training programs, if deemed necessary.
- g. In case a loss is caused to the endowment fund by any act of the contract employee, the contract may be liable to be terminated by the endowment fund and the loss so caused may be recovered from such employee as arrears of land revenue.

7. LEAVE

- I.** Casual leave not exceeding 24 days per year shall be admissible. More than 10 days leave at one time shall not be allowed.
- II.** In case of female employees, 90 days maternity leave with pay, once in the tenure of five years shall be admissible.
- III.** Leave on medical ground shall be admissible on production of medical certificate from the competent authority as per prevailing Medical Attendance Rules in FATA.

- IV. The person appointed against non-vacation post shall earn 10 days leave per year to be availed by him during the tenure.
- V. The employee may request encashment of annual leave if refused during the preceding year. However, leave may not be accumulated.

8. CONTRIBUTION TOWARDS GENERAL PROVIDENT FUND, BENEVOLENT FUND AND GROUP INSURANCE:-

- I. Subject to sub-rule (2) below, contract employee, shall not contribute towards General Provident Fund, Benevolent Fund and Group Insurance.
- II. A civil servant when transferred or deputed in FHEF shall contribute towards Benevolent Fund and Group Insurance as per prevailing Rules.

9. PERFORMANCE EVALUATION

- (1) The Performance and Evaluation of the contract employee shall be assessed on the basis of attitudes, work output, efficiency, conduct, dedication, and service delivery.

10. TRAVELLING AND DAILY ALLOWANCES

- (1) Subject to the FATA Health Endowment Fund Service Regulations,
 - a. A contract employee shall be entitled to such traveling allowance and daily allowance as may be applicable to the regular employees of his scales; and.
 - b. When appointed on a package other than normal pay scale, traveling allowance and daily allowance shall be admissible as per the pay package.

11. PROCEDURES FOR CONTRACT APPOINTMENT

- (1) Promotion/Selection Committee:

There shall be two Selection Committees, one for initial recruitment of officers in BPS-17 and above or equivalent grades of the Endowment Fund and other for officials in BPS-I to BPS-16 or equivalent grades of the endowment fund for selection of suitable persons to various posts in the Endowment Fund. The composition of the committees shall be as follows.

- a. Selection Committee for appointments in BPS-17 and above or equivalent grades of the endowment fund.

- | | |
|---|------------------|
| i. Additional Chief Secretary FATA | Chairperson |
| ii. Secretary Social Sectors Department, FATA | Member |
| iii. Secretary Finance FATA | Member |
| iv. Managing Director FHEF | Member/Secretary |
| v. Director Health FATA | Member |

b. Selection Committee for appointment in BPS-16 and below (or equivalent grades of the Endowment fund):

- | | |
|--|------------------|
| i. Managing Director FHEF | Chairperson |
| ii. Deputy Secretary Administration | Member |
| iii. Deputy Secretary Finance FATA | Member |
| iv. Deputy Secretary, Social Sectors Department FATA | Member |
| v. Deputy Director, Health Endowment Fund | Member/Secretary |

12. AMENDMENT OF RULES

(1) The Endowment Fund through its Board of Directors reserves the right to frame, amend or modify all or any of these Rules as it may deem necessary and such amendments shall be binding on all employees.

SECRETARY

SOCIAL SECTORS DEPARTMENT FATA

NO. & DATE _____

1. All Administrative Secretaries, FATA.
2. The Chairperson, Board of Directors, FHEF.
3. All Members of the Board of Directors, FHEF.
4. Managing Director FHEF.
5. The Director Health FATA
6. The PS to Additional Chief Secretary, FATA.

7. The PS to Secretary Social Sectors, FATA.
8. Office File.

Section Officer Regulation

(Draft)

Appendix-D

FATA HEALTH ENDOWMENT FUND (FHEF)

FINANCIAL RULES, 2014

SOCIAL SECTORS DEPARTMENT FATA

Dated ---, 2014

NOTIFICATION

File No_____. In exercise of the powers conferred by Section 17 of the FATA Health Endowment Fund (FHEF) Regulation 2014, the Board of Directors FATA Health Endowment Fund, hereby make the following Rules, namely FATA Health Endowment Fund Financial Rules, 2014 for conduct of financial business.

SHORT TITLE AND COMMENCEMENT:

- (1) **Title** These Rules may be called the FATA Health Endowment Fund, Financial Rules, 2014.
- (2) **Commencement:** These Rules shall come into force at once.

1. DEFINITIONS:

In these Rules, unless the context otherwise require.

- i) **“Appropriation”** means the assignment to meet specified expenditure of funds at the disposal of assigning authority
- ii) **“Appendix”** means appendix to these Rules.
- iii) **“Bank”** means the bank approved by the Board
- iv) **“Board”** means the Board of Directors of FATA Health Endowment Fund.
- v) **“Chairperson”** means the Chairperson of the Board.
- vi) **“Health Institution”** means the institutions established for medical education or health service delivery under the public & private sectors.
- vii) **“Employee”** means an employee of FATA Health Endowment Fund.

- viii) **“FHEF”** means FATA Health Endowment Fund.
- ix) **“Fund”** means the Endowment Fund’s Fund created under section 11 of the Regulation 2014.
- x) **“Government”** means the Government of Pakistan.
- xi) **“Governor”** means the Governor Khyber Pakhtunkhwa and includes any Person acting as Governor Khyber Pakhtunkhwa.
- xii) **“Managing Director”** means the Managing Director of the FHEF.
- xiii) **“Purchase Committee”** means a committee constituted by the Managing Director for procurement of machinery, equipment, furniture, vehicles etc.
- xiv) **“Regulation”** means FATA Health Endowment Fund Regulation 2014.

2. FUND OF THE FHEF

- (1) The funds and accounts of the Endowment Fund shall be maintained on Financial Year basis under the order of the Board.

3. DELEGATION OF FINANCIAL POWERS:

As may be delegated by the Board

4. INVESTMENT

- I. Subject to the Government Policy, all the funds shall be placed in the name of the FHEF in the Banks approved by the Board, in the following heads.
 - a. Current Account.
 - b. Savings Account.
 - c. Term Deposit Account.
 - d. Welfare Fund Account.
 - e. Special Waqf Fund.
 - f. General Provident Fund Account.
 - g. Pension and Commutation Fund Account.
 - h. Endowment Fund Account; and
- II. Any other financial head to be determined by the Board from time to time. All assets of the FHEF shall be in the name of the FHEF. The Managing Director, on

the recommendation of Finance Committee and approval of the Board, shall be authorized to jointly exercise all the powers which are deemed necessary for this purpose.

5. DEPOSITS OF RECOVERED AMOUNTS

- I. The FHEF shall receive funds in the form of cheques, bank drafts/pay order in its name.
- II. The amounts received in cash by any authorized representative of the FHEF shall be deposited under the respective head of the bank account immediately and shall not be used for any other purpose.

6. PAYMENT FROM THE FHEF FUND

- I. No payment shall be made from the Fund until it is approved by the Managing Director or other officer authorized by the Board in this behalf.
- II. The prevailing Government Travelling Allowance Rules in FATA to the extent to which these are practically possible shall apply.

7. PROCEDURE OF PAYMENT

All payments shall be made through crossed cheques duly signed by the two officers authorized by the Board in this behalf. The Managing Director shall be the authorized officer for payment of petty cash up to certain limit to be assigned by the Board.

8. ANNUAL BUDGET

- I. The Managing Director shall be responsible for getting the actual income & expenditure statements of the current financial year and budget estimates for the next financial year proposed for placement before the Board for approval at the end of the current financial year.
- II. FHEF shall prepare annual budget which shall include developmental as well as recurrent budget. The budget shall be placed before the Management Committee for scrutiny before its approval by the BOD.
- III. Budget grants approved by the BOD shall further be distributed by the MD.
- IV. An appropriation shall be intended to cover all charges including the liabilities of any past year to be paid during the year. It can be authorized by the competent authority any

time before but not after the expiry of the financial year. Any unspent balance shall be considered lapsed.

- V. In case of excess expenditure, approval of the Board shall be solicited.
- VI. Defalcation, Losses etc. Losses detected at any stage shall be reported to the MD, who shall place the matter with his views/comments before the Chairperson BOD for decision.
- VII. **Date of effect of the sanction:** unless otherwise specifically indicated in the order conveying the sanction, a sanction issued by the competent authority (MD) shall take effect from the date of orders conveying the sanction.
- VIII. **Lapse of Sanction:** If a sanction for any fresh charge has not been acted on for a year, shall be held to have lapsed, unless it is specifically protected.
- IX. No contracts may be entered into by any employee, who has not been empowered by Managing Director or the Board.

9. **THE EXPENDITURE FROM BUDGET ESTIMATES**

- I. Expenditure shall be incurred according to the allocated funds in the approved annual budget.
- II. Subject to approval of the Finance Committee and its ratification by the Board, the Managing Director may re-appropriate funds from one budgetary head to another.
- III. The Managing Director may authorize payments/expenditures laid down in budget and any other expenditure approved by the Board from time to time.

10. **AUDIT & ACCOUNTS:**

- I. Audit:
 - a. **Internal Checking:** Internal checking of Accounts of the FHEF shall be carried out by the Finance Section of the FHEF on quarterly basis during the year.
 - b. **External Audit:** External audit of accounts shall be carried out annually by Chartered Accountants approved by the Board under Regulation 2014.
- II. Account:
 - a. The following registers of account and forms shall be maintained at the offices of the FHEF:-

- i. FHEF's Fund**
 - ✓ Cash Book
 - ✓ Category wise receipt register
 - ✓ Category wise expenditure register
 - ✓ Bank Pass Book
- ii. Pension/Commutation**
 - ✓ Cash Book
 - ✓ Ledger
 - ✓ Bank Pass Book
- iii. Specific Reserved Fund**
 - ✓ Cash Book
 - ✓ Separate ledger for each specific account
 - ✓ Bank Pass Book/Books
- iv. General Provident Fund**
 - ✓ Cash Book
 - ✓ Ledger for personal accounts
 - ✓ Other Books of Accounts (if any)
- b. Head-wise vouchers of expenditure shall be maintained for at least ten years. Vouchers more than ten years old may be destroyed at the discretion of the Board but the accounts and documents of Auqaf, gifts and donations shall remain part of the permanent record.**
- c. For maintenance and implementation of the accounts of Endowment Fund, the Board may give any direction to the Managing Director.**
- d. Operation and maintenance of Endowment Funds accounts:**

I. General:

- i. All funds and moneys owned by the FHEF shall be kept in one or more of the scheduled banks, approved Development Financial Institutions (DFIs).

- ii. The banks, where FHEF is maintaining its accounts will furnish monthly statements of respective accounts regularly by the 10th of each subsequent month.
- iii. The official responsible to maintain the cashbook will reconcile the monthly balances as per cashbook with those shown in the respective monthly bank statements. Such reconciliation statements will be put up regularly every month to the Managing Director.
- iv. Authorization memorandum should invariably precede the payment voucher and it must be serial numbered. This serial number must be shown in the cashbook against each respective payment to facilitate verification.

II. Receipt:

- i. On any occasion if the money is to be received by the FHEF it must be deposited in the relevant bank account the same day. If on any day due to certain unavoidable circumstances the cash remains undeposited with the bank, the same must be recorded in books and the matter must be brought to the notice of Managing Director.
- ii. Amount of profit credited by the bank will be properly checked and difference in rates or amount shall be pursued with Bank till settlement.
- iii. The profit so accruing on bank accounts and other investments shall be available for utilization by the FHEF.

III. Payments:

- i. An account under the title 'FATA Health Endowment Fund Saving/Daily Product Account shall be maintained through which all payments (excluding petty payments) in respect of FHEF's expenditure and obligations shall be made through crossed cheques. Amount to this account will be transferred, from time to time, as needed for disbursements, from the interest of the seed money.

- ii. The Managing Director shall sign the cheques. Cheque book shall be maintained/ kept in safe custody under lock and key.
- iii. All cheques issued shall be entered on the payment side of the cashbook giving full particulars of the payment in serial order. The cheque number should also appear on the relevant voucher and in the expenditure ledger.
- iv. No overwriting and erasures will be allowed in the cashbook. In case of any correction, the incorrect entry will be corrected with proper initials of the accountant.
- v. Under no circumstances shall the Managing Director sign any blank cheque.
- vi. On receipts of a fresh cheque book from the bank, the number of cheques contained therein will be counted before its acknowledgement is signed and sent to the bank.
- vii. The counterfoils of the used cheque books will be preserved and kept in safe custody.
- viii. Copies of letters containing standing instructions to the bank will be filed properly and kept under the custody of the Managing Director or any other officer authorized by the Managing Director.

IV. Permanent Advance:

- i. The MD FATA Health Endowment Fund may keep a permanent advance in his custody for payment of contingent expenditure subject to recoupment on presentation of contingent bills.
- ii. The MD may either sign a bill or order himself or authorize an officer serving under him to sign a bill. This will not however, relieve the MD in any way of his responsibility for accuracy of the bill or for disposal of the money received in payment.

V. Delay in Payment:

Delay in the payment of money indisputably should be avoided.

VI. Arrears Claim:

- i. Claims of FHEF's employees, arrears of pay or increments, or in respect of any under payments which have been allowed to remain in abeyance for a period exceeding one year may not be investigated by the Finance Section, except under the special orders of MD.
- ii. The aforesaid time limit should be calculated from the date on which the charge becomes payable. In case of sanction accorded with retrospective effect, the charge does not become payable before it is sanctioned. The time limit should therefore, be calculated from the date of sanction and not from the date from which the sanction takes effect.

VII. Reconciliation of Accounts:

- i. The bank balances at the end of each month will be reconciled with the cash book and ledger accounts and a reconciliation statement prepared by the Accountant. Accountant will place such reconciliation statement before the Managing Director regularly.
- ii. Un-cashed cheques, if any, which remain outstanding for longer duration will be brought to the notice of the Managing Director.
- iii. A certificate will be obtained from the bank about the balances in each account at the end of the financial year.

VIII. Cash Book Handling:

- i. Cash books shall be maintained in the Finance Section for record and proper accounting.
- ii. The following Rules shall be observed by the Endowment Fund Officers who are required to receive and handle cash:-
 - a) Every officer receiving money on behalf of the FHEF should maintain a cash book.
 - b) All monetary transactions should be entered in the cash book as soon as they occur and attested by the head of the office in token of check.

- c) Cash book should be closed regularly and completely checked. The head of the office should verify the totaling of the cash book and initial it as correct.
- d) At the end of each month, the head of the office should verify the cash balance in the cash book and record a signed and dated certificate to that effect.

11. RECORD of FHEF

I. As a general rule for the purpose of permanent or temporary preservation of the recorded files, each file shall be categorized as under, showing the period of retention on the docket sheet of that file.

- a. Category 'A' — Permanent files to be printed.
- b. Category 'B' — Permanent files not to be printed.
- c. Category 'C' — Life 5 to 15 years.
- d. Category 'D' — Life up to 4 years.

II. Category 'A' Permanent Files to be printed.

- a. The 'A' category shall include important files of permanent utility and value and have to be preserved with utmost care as they will be required frequently for reference purposes over a long period of years, more than one copy of such files will be needed for working purposes
- b. These will, therefore, be properly recorded, indexed and printed. Only printed copies shall be used for working purposes. The original manuscript of files of official record shall be preserved with utmost care. As a general rule the following types of files shall be kept;
 - i. Files containing discussions or orders on important matters of policy, legislation, Rules and Regulations;
 - ii. Files containing orders establishing important procedures, or conveying important instructions of a general nature;
 - iii. Files of historical, academic or public importance;

- iv. Files relating to individuals whose importance warrants retention of their cases permanently; and
- v. State documents such as treaties and agreements with Tribal Areas.

III. Category 'B' Permanent File

- a. Original manuscript of permanent files would be sufficient for working purposes. Such files shall not be printed but will be properly recorded, indexed and retained permanently. The service records of the Government Servants should be classified under this category subject to revision of classification after each five years.

IV. Category 'C' Files having life from 5-15years

- a. This category will include files which have limited utility and will be retained for periods ranging between 5 to 15 years, depending on the nature of the files. They will not be printed but will be properly recorded and indexed, It is not possible to lay down any hard and fast rule for determining the period for which a file of this category should be retained, as it will largely depend on the nature and importance of the subject discussed in it and the frequency of the use to which it may be put.
- b. Concerned Officers should, therefore, exercise discretion in the matter in the light of past experience and decide as to which of the files should be included in this category and for what period should be retained. The classification of each of these files should be reviewed at the end of the allotted period and, if no longer required, should be destroyed.

V. Category 'D' File having life up to four years

- a. This category will consist of files containing correspondence of routine or temporary nature which are not likely to be required beyond a period of three years. These will, therefore, be retained for a period ranging between one and four years, according to their relative importance. These files need not be indexed but should be retained in the Sections Branches for the allotted periods and thereafter destroyed.

VI. Category 'E' Secret and Confidential Files

- a.** The security classification of files which have ceased to be secret or confidential should be downgraded under the order of the MD. When this is done, they should be recorded, indexed and classified as ordinary files. Where files are to remain secret or confidential, they should be recorded under the instructions of the Section Officer and should remain in his personal custody. He should also maintain a register of secret and confidential files.
- b.** At the time of handing over and taking over charge of a post, the officer taking over charge should satisfy him-self that all the confidential files recorded in the register are in their proper place and sign the register at the end of the last entry in token of having received them.
- c.** A copy of the list of the files which remain in the custody of the Branch Officer should be supplied to the Section concerned to enable them to put up any fresh receipts direct to the Branch Officer concerned.
- d.** Secret or confidential files which are more than three years old and are not current, may be sent to the Section/Branch concerned to be placed in separate almirah, the keys of which should be in the personal custody of the Section Officer/Superintendent.

12. PREPARATION AND PROCESSING OF SALARY BILLS

- I.** Appointing authorities shall timely communicate to the Finance Section all orders pertaining to appointment, promotions and terminations of the staff. For every employee full record will be maintained to depict any change in his status and salary/pay. In addition to this the officer responsible for leave records will endorse a copy of leave sanction orders to the Finance Section.
- II.** The Finance Section will prepare the salary bills of all employees of the FHEF. They will ensure that all changes in the salary bill are supported by the orders of Managing Director.
- III.** The Authorized Officer will disperse salary officers and ministerial staff drawing salary more than Rs. 10,000 through crossed-cheques or transfer to their bank accounts. The lower staff drawing salary less than Rs. 10,000 will be issued an open cheque. Their

signatures shall be obtained on the counterfoil. The accountant shall obtain signature of the payee in the space of the pay bills. The cheque will not be given to a person other than the concerned employee, unless he authorizes his representative in writing and the written request is duly approved by the Managing Director.

13. ADMINISTRATIVE APPROVAL OF WORKS

- I. The Managing Director FHEF will give Administrative Approval for up to Rs.2.0 Million for the works and up to Rs. 5.0 million in consultations with Management committee.
- II. For works above Rs.5.0 Million, approval of the Board of Directors will be necessary after which the Managing Director may execute the work by observing codal formalities/the procedural requirements.

14. ADVANCE PAYMENTS

In case of urgency e.g. arrangement of accommodation for participants of training courses, travelling expenses, hiring of building, security deposit with fuel filling station and advance payment to staff against salary etc. the MD may make advance payments, which may either be recovered and deposited in the bank account or adjusted in the bill as the case may be.

15. RECEIPT AND ISSUE OF STOCKS

- I. Separate registers shall be maintained for the receipts and issue of all consumable and non-consumable items. The receipt shall be recorded from the invoices, bills and other relevant documents. An inspection report of the stock will be submitted to MD by a responsible officer of the FHEF.
- II. When stocks are issued, the concerned official should ensure that an authorized officer has signed an indent. The acknowledgment of the items issued shall invariably be obtained.
- III. An official so authorized by the Managing Director shall make a physical verification of all stocks at least once in a year. However, this person must be the one who does not have any direct responsibility of maintaining and writing up of the stock register.

16. PURCHASE COMMITTEE

- I.** The FHEF shall have a Purchase Committee to be constituted by the Managing Director, for purchases of all kinds of stores (consumable and non- consumable) or services like printing, publications, consultancies, advisory etc.; the FHEF will adopt an open bidding policy and more realistic procedure to ensure transparency and maximum savings in terms of cost, quality and time.
 - a.** The Managing Director shall have the authority to purchase any item up to Rs.50, 000/- (Rupees Fifty Thousands) without involving other members of the committee. Shall, however, give a certificate that the items were purchased at the lowest and most economical rate prevailing in the market. A certificate to this effect, if recorded on the face of the cash memo, will be considered sufficient.
 - b.** The purchase committee may make purchases above Rs.50, 000/- (Rupees Fifty Thousands) to Rs.0.5 Million from the open market on the basis of at least three quotations. The purchase committee shall ensure genuineness of the rates and quality.
 - c.** Procurement beyond Rs.0.5 Million shall be advertised with the approval of Managing Director and sealed quotations/tenders obtained through the purchase committee. If the purchase is to be of a patent article of required specifications available from sole authorized dealer or the manufacturer, it can be purchased from him with the prior approval of the Managing Director without calling quotations.
- II.** In case of urgency/exigency for a purchase or acquiring a service, budget will be provided through re-appropriation but other formalities and prescribed procedures will be followed. Objectives of the fund may not be allowed to suffer for mere reason of non-availability of budget under the specific head of account or delegation of powers. Special request for the purpose will be made to the Managing Director to make the purchases. The excess expenditures so incurred will be accounted for in the revised budget estimates of that year for approval of the Management committee/BoD.
- III.** All stores, which are the property of the FHEF, will have a specified lifetime and will be subject to the depreciation as specified by the FHEF.

- IV. Any store, which is property of another person or body and is lost/ damaged by the FHEF or by its employees without a willful negligence or default to be determined through proper inquiry, will be made good by the FHEF after an agreement with the real owner.
- V. Repair, maintenance and up-keep of acquired buildings and, machinery etc. shall be the responsibility of the FHEF if not otherwise disagreed/decided by FHEF.

17. APPROVAL of TENDER AND CONTRACTS OF WORKS

- I. The tender and contracts of works can be approved by the competent authorities as under:
- a. Managing Director FHEF (Up to Rs. 1.0 Million)
 - b. Managing Director FHEF with the Management Committee (up to Rs 10.0 Million)
 - c. Board of Directors (above Rs. 10.00 Million)
- II. Conditions regarding tenders and contracts
- III. Lowest offer should usually be accepted. However, lowest bidder can be rejected on valid reasons to be recorded on the body of the comparative statement and the same rates can be offered to the next successful bidder. Otherwise retendering should be adopted.

18. POWER TO DISPOSAL OF PROPERTY

- (1) The Managing Director will approve disposal of the property up to the tune of Rs.0.5 Million and up to Rs.5 Million with the approval of the Management Committee subject to approval of the Board.

STOCK REGISTER

- (1) Stores will be classified as under, and separate registers for each category shall be maintained to keep its record. Date of purchase, quantity and per item cost as well as name of supplier will be recorded in the register and initialed by the concerned officer. Another register for un-serviceable, surplus stores shall also be maintained. All such items of category (a) & (b) below will be noted in it for further consideration while disposing off the un-serviceable stock/scrap. No stock of scrap is required to be kept for stores falling in category (c). They shall be shown issued/ used on the face of the stock register/voucher.

- a. Long life Items: They are the stores, the scrap of which can be sold at a reasonable price. They include all long life items like machinery, Iron, steel wood or such like stores.
- b. Short Life Items: Stores like, plastic goods, Tyres Tubes, Curtains. Batteries bicycles, small electric machines etc.; the scrape of which can be sold at a lower/lowest cost.
- c. Single life Items: Stationery, oils, Bulbs, tubes, cloths and such like items where no useful scrap is left behind.
- d. Separate columns may be added in the stock register(s) and also a separate register may be maintained, for indicating the issue of equipment/machinery and other items of stock like furniture, crockery etc.
- e. After proper evaluation by a committee, disposal of the stores mentioned in (a) and (b) above will be recommended for the permission of the competent authority. An advertisement will be published where stores on a large scale are to be disposed of. For small-scale auctions, where expenditures on advertisements etc.; are not economical or un-wanted, the stores can be sold locally and even to the staff of the FHEF.

19. HISTORY REGISTERS

A register will be maintained wherein all details of costly stocks like vehicles, Photostat machines, computers, typewriters and such like stores, which require repairs etc., be kept. In this register, separate pages will be reserved for each stock item wherein besides original cost, dates of purchase, and cost of repairs from time-to-time will be recorded. This history will be used while disposing off these items.

20. MAINTENANCE OF SEPARATE REGISTERS.

Three separate registers and files shall be maintained by the store keeper for the above stores. However, building or such like things will be recorded in the relevant file only. The store keeper must carry half-yearly stocktaking/ physical verification and all the wear and tear and losses (if any) be brought on record and to the knowledge of the concerned seniors for further orders.

Nothing will be issued to any one by the store keeper at his/her own discretion. For issue of any item of stores, a written permission of the concerned officer in BPS-17 or above will be required.

21. DELEGATION OF POWERS

As specified in these Rules or as prescribed by the Board.

22. LIVERIES OF BPS 1 -4 EMPLOYEES

The low paid employees in BPS 1 to 4 will be provided liveries for summer and winter. They will be bound to wear their liveries as the management may prescribe from time to time. For the purpose of uniform/liveries, summer season will be considered from April to September whereas the remaining period will be winter season. On expiry, the items will automatically be termed as struck off the list/stock. No scrap of these items will be kept on old stock/store of office. In case an employee loses an item before its useful life, he will purchase it at his own expenses. However, in case he quits the service within six months of their issue, he will return the items (except Shalwar Kameez) to the storekeeper.

23. MODIFICATIONS:

- I. The FHEF through its Board of Directors reserves the right to frame, repeal, amend or modify all or any of these Rules as it may deem necessary.
- II. The Board of Directors may decide any question related to rights and duties of the employees, which are not provided for in the service Rules.

SECRETARY

SOCIAL SECTORS DEPARTMENT FATA

NO. & DATE _____

1. All Administrative Secretaries, FATA.
2. All Members of the Board of Directors, FHEF.
3. Managing Director FHEF.
4. The Director Health FATA
5. The PS to Additional Chief Secretary, FATA.
6. The PS to Secretary Social Sectors, FATA.
7. Office File.

Section Officer Regulation

Organizational Structure of FATA Health Endowment Fund (Annex-I)

