

BUSINESS RULES

Community Based Trainings

The table specifies key performance indicators which are required to be followed by training provider and the same will be observed during the visits by Third Party Monitoring Firm (TPM). In case of further inquiry is required, PSDF may investigate and condone the reported observations.

MONITORING PRACTICES

- Pre-training centre inspection before commencement of training
- If course duration > 1month; 1 monitoring visits per classes/month¹
- If course duration<=1 month; 2 monitoring visits for classes/month
- Post training verification of market linkages

Compliance Risk	No.	Key Indicators	Description of key indicator
Centre Readiness	1	Unannounced centre relocation	The training centre is relocated to a different site without prior approval from PSDF.
	2	Non-functional Classes	Class is locked/trainers or trainees are not present. Trainees found present, but class is not in progress due to any reason. e.g. non-availability of Instructor, backup source of electricity (Subject to the trades) or trainees found involved in any other activities instead of training. ²
Trainee Selection Compliance	3	Selection/enrolment of vulnerable trainees in line with BISP poverty score and DAE's	<ul style="list-style-type: none"> • Trainee age should be 18 years with upper age limit of 35 years by start of course. • Should not be enrolled earlier in any PSDF funded training • Should be in line with BISP poverty score • Trainees previously enrolled in DAE programs from PBTE should not be enrolled except in trainings courses where DAE is the Pre-requisite of advance level course³
Participation Compliance	4	Marginal Trainee	If class > 1-month. Trainee will be considered as Marginal if not found in all visits of any given month. "For every marginal trainee regardless of the month an immediate deduction of Rupees 200 will be made from stipend."

¹ Monitoring visits can be increased for any training provider based on risk assessment.

² For Class > 1 Month:

² If class is reported as non-functional during **first month** by TPM, no payment will be made. If same class is reported as non-functional in **second month**, class will be considered as cancelled.

Further if class is found to be non-functional other than above mentioned scenario, 5% penalty will be imposed except non functionality of first month of the class.

For Class<= 1 Month: if class is reported as nonfunctional during first visit, payment will be made from second visit date. Otherwise in case of no functionality during second visit class will be considered as cancelled.

³ If at any stage of training, non-compliance on trainee induction criteria is identified by PSDF, entire training cost of such trainee will be deducted since inception.

			Trainee will be considered marginal if not found in one visit of class ≤ 1 month.
	5	Confirmed Marginal (Drop out)	Trainee marked absent in two consecutive months during TPM visits with course duration > 1 month (Dropout) In case of duration ≤ 1 -month trainees remaining absent in all visits will be dropout.
	6	Fake and Ghost trainee	<p>Ghost Trainee: A trainee marked present and found absent in two consecutive visits (TPM monitors/ PSDF Officials). Below are the series of actions that will take place once a Ghost trainee is identified.</p> <ul style="list-style-type: none"> Identified trainee will be expelled from training and complete training cost of individual will be deducted since inception. A maximum penalty of 20% training cost of class monthly invoice will be imposed and a warning letter will be issued. <p>Fake Trainee: A trainee whose physical verification through trainee Profile / trainee CNIC does not match with the present trainee during any monitoring visit by TPM Monitors & PSDF officials. Below are the series of actions that will take place once a Fake trainee is identified.</p> <ul style="list-style-type: none"> Identified trainee will be expelled from training and complete training cost of individual will be deducted since inception. Invoices for the month will be withheld until the completion of inquiry. A maximum penalty of 20% training cost of class monthly invoice will be imposed and a warning letter will be issued. If incident (identification of Fake trainee) occurs during any monitoring visit (monthly class visits/Examination visits) after 15 days of first occurrence by (TPM monitors/ PSDF officials) within same scheme, batch & location then it will be considered as second occurrence. <ol style="list-style-type: none"> Based on second occurrence, the contract with the TSP in that particular scheme will be terminated and TSP will be declared ineligible to work with PSDF further in that particular scheme for one year (from date of second occurrence). The classes in progress will be completed and payments of TSP will be made after all necessary deductions after completion of inquiry. All new

			classes (Ready/Planned) within that scheme will be considered as cancelled.
	7	Accuracy of attendance register (visit day)	a) Attendance is not marked in the register. b) A trainee is marked present but found absent. c) A trainee is dropped out but marked present in the register. d) Trainee names of current and previous months will be compared. If trainees name deleted / added, the same will be reported. All above scenarios (a,b,c & d) will be reported in trainee count. ⁴ e) Register format not followed f) Trainee attendance register is not available g)Cutting/ overwriting/ interlineation/ blank spaces observed in the attendance register.
	8	Physical Count	If the trainee's attendance is less than 70% of enrolled trainees (excluding dropouts) an amount shall be withheld using percentage point difference formula and is reimbursed if the attendance reaches 70% in subsequent month or forfeited if the attendance continues to remain below 70% ⁵
	9	Any fee charged from Trainees	The trainee/s report/s about payment of any kind of fee at any time during the training
Deliverable Compliance	10	verification of deliverables from trainees	Uniform/Bags cost & stipend payments (If applicable) will be deducted in proportion to verification results. Third party verification will be carried out for a maximum of two times.
Qualitative Compliance	11	Teacher Change	Will be recorded as serious violation without prior approval from PSDF and only allowed if qualification & experience is equal/higher than previously changed.
	12	Books/manual/hand-Outs	More than 20% trainees report non-supply of books/manuals. However, same will not be recorded during 1st Month of training.
Assessment Compliance	13	Failed trainees/Absent Trainees	10% training cost will be deducted in case fail trainees are above 20% threshold. Testing fee will be deducted for all absent trainees in examinations
Employment Commitment Compliance	14	Committed employment targets	Payment against committed employment targets will be released as follows; <ul style="list-style-type: none"> • 80% & above verified; Full payment will be released. • If 50% - 79% verified: Proportional payments will be released as per the verification results. • If verified employment commitment remains less than 50% payment will be made to the number of verified employed trainees only.

⁴ Attendance will only be considered for those trainees whose trainee profiles are received and accepted by PSDF.

⁵ The amount deducted will be seventy percent of trainees minus trainee's present, multiplied by training cost

			Note: The employment data will only be verified if submitted through Placement service Portal (PSP) from January 2020.
Reporting Compliance	15	Late submission of Reports	2% fine will be applied on late submission of reports and relevant documents.
Contractual to Enrolment Compliance	16	No. of Cancelled Classes	For a given scheme, if number of cancelled classes of a training provider is more than 20 percent of the entire contractual classes awarded to that training provider, 10% contractual training cost of cancelled classes will be deducted.
TSP-TPM Collusion	17	Establishment of Collusion	<p><u>On Event Report:</u></p> <ul style="list-style-type: none"> TSP will be enquired about the incident of any collusion in writing Payments of all contracts will be withheld & MIS access will be restricted until the outcome of inquiry <p><u>1st Occurrence (collusion established)</u></p> <ul style="list-style-type: none"> A penalty of 20% monthly training cost of all classes will be imposed <p><i>Explanation: A penalty of 20% monthly training cost of all classes of that particular location/s (where collusion has been established) in all schemes will be imposed.</i></p> <ul style="list-style-type: none"> Warning Letter will be issued Meeting with TSP about implications of re-occurrence of incident TSP will terminate staff involved in collusion TSP payments will be resumed after taking necessary actions <p><u>2nd Occurrence (collusion established)</u></p> <ul style="list-style-type: none"> TSP Contract will be terminated and debarring for at-least one year <p><i>Explanation: TSP Contract will be terminated for all schemes and debarring for one year (starting from date of collusion reported)</i></p> <ul style="list-style-type: none"> Active classes will continue, and their payments will be made accordingly after imposition of 20% penalty of training cost of all classes on monthly invoice

- Inquiry will be held in case of reported observations cited at serial no. 1,6,9,11 & 17. Inquiry can result up to 20% fine in training cost of monthly invoice.
- 5% fine will be imposed in the case of non-compliance of key indicators listed at 2,7 & 12 along with splitting/merging of classes.
- 2% additional fine will be imposed against each indicator if non-compliance of more than three below listed indicators are recorded.
- Shift /Time changed unannounced, Maintenance of stipend register (If applicable), Provision of Consumables, Trainee ID card; Uniform; Stationery, Bags, Payment of stipend (If applicable), Study plan provision & contractual credit hours not being followed⁶
- Violation against Trainee ID card, uniform, stationery and bags will not be recorded in first month of training.

⁶ If compliance is less than 70% where applicable

- No deductions against reported observations will be applied during the first invoice of training contract **(Except listed at 1,2, 6, 9,11,15 & 17)**
- In any given month, the financial deductions imposed will not exceed 20% of the monthly invoice for the class except observations listed at serial 1,2, 6,9,11 & 17.
- In case of missing or unverified CNICs PSDF will withhold training cost of such trainees since inception. The same amount will be released only once PSDF receives valid CNICs for such trainees.
- Short Leave Rule; Up to 10% of enrolled trainees on visit day, however those trainees who were reported as marginal cannot avail short leave in subsequent month.
- Drop out allowance for any class is 25%.

Further Rules

1. Training service provider is required to start their classes as per the contract start date. No extra time will be given for trainee profile submission and inception reports (as specified in PSDF business rules).
2. Stipend payments (If applicable) will be deducted in proportion to verification results run by call centre agency while processing the final invoices.
3. Examination fee will be deducted on account of testing & certification in case of absent and drop out (after registration with PBTE) Trainee.
4. In case of international certification, the trainee must qualify both theoretical and practical exam of both the modules, only then a trainee will be considered pass. Registration, testing and certification fee will be reimbursed upon successful passing of examination of all (Practical & theoretical modules).
5. Training service provider is required to enter correct trainee data i.e. CNIC issue date and CNIC number. If TSP fails to follow the instructions the payment will be released in next month.
6. In case training service provider entered wrong trainee data in MIS, no stipend will be released until the correct data is provided by TSP. In this case, the stipend will be released in next due disbursement cycle.
7. Any kind of correction of trainee data (CNIC, Phone numbers etc.) needed for stipend disbursement will not be entertained after completion of class.
8. TSP can't enrol any trainee without valid CNIC issued by NADRA. No trainee can be enrolled based on B-form.
9. Every trainee must keep original CNIC with him during Third Party Monitoring visit. Trainee will be considered as "Absent" in case of non-availability of CNIC. "Marginal trainee rules" will be applicable on trainee if not found compliant with the requirement and considered as "**Expelled trainee**".
10. Only IPS (invoice Processing System) based invoices will be processed from January 2020.