

GOVERNMENT OF WEST BENGAL
Panchayats & Rural Development Department
Joint Administrative Building
Block HC-7, Sector –III, Salt Lake
Kolkata-700 106

Memo. No. 1669 -RD/P/NREGA/18S-01/08

Dated: 01/04/2014

From: Dibyendu Sarkar
Commissioner, MGNREGS
&
Special Secretary

To: The Principal Secretary, GTA
The District Magistrate and District Programme Coordinator (all),
The Additional Executive Officer, Zilla Parishad (all) and
Siliguri Mahakuma Parishad

Sub: Declaration of e-FMS Status and SOP for e-FMS.

Madam/Sir,

Kindly note that the State Government has decided to introduce Electronic Fund Management System (e-FMS) for all the Districts, Programme Officers and Programme Implementing Agencies of the States with effect from 1st April, 2014.

2. For the purpose of transaction into e-FMS we have as yet been able to achieve the following:-
 - a. **Procurement of Digital Signature Certificates (DSC)** for all the signatories at the Gram Panchayat, Block and District Levels. There might be some signatories whose DSC have not yet been collected. The District Authority should expedite procurement of DSC for the remaining signatories.
 - b. **Freezing of account information** of the job seeker. As as it could be seen from the MIS, most of the active bank accounts of the wage seekers have already been verified and account information frozen. However, there are substantial gaps in relation to the accounts in the Post Offices. One major reason for such gap is non-receipt of relevant codes from the postal authority. We are following it up with the officer of the Chief Post Master General and are expecting breakthrough in a short-while.

c. Training of the users of the DSC and the officials associated with management of e-FMS:

Most of the districts have conducted several rounds of training. However, introduction of such major changes in the accounting system will require further orientation of all the functionaries associated with MGNREGA implementation. The districts should have specific training plan and ensure that all the functionaries are appropriately oriented. The training plan should be shared with State.

d. Freezing of account information for the suppliers of materials, semi-skilled and skilled wage-seekers and contractually appointed officials:

Since all payments will be made through banks/post office accounts of the payees and the entire process routed electronically, the account information of all the suppliers/vendors, workers including semi-skilled and skilled and contractually appointed employees receiving payment from the administrative component of MGNREGS will have to be obtained, verified and frozen in the system. The process has to be immediately initiated failing which we will face major stumbling block in implementation of MGNREGS.

e. Introduction of e-FMS for material payment will also require freezing of work/scheme information including financial estimates. If the scheme information is not frozen in the system you would face difficulty in making material payment routed through the e-FMS.

3. Cash book Management:

Another major issue associated with implementation of e-FMS is the issue of writing of cash books against payments made through e-FMS. Since fund will be lying on the State level e-FMS account and there will be no physical flow of fund into the account of the PIA including the Gram Panchayat, entries in the cash book will be only notional. Whenever, after generating FTO, payment is made into the account of the wage seekers/suppliers/employee, the fund will be first shown as received by the PIA/Gram Panchayat and entered into the cash book on the receipt side. Simultaneously credited amount will be entered on the payment side of the cash book. Thus there be simultaneous entries at both the receipt and payment sides. However, there will be no entry on either of the sides until the payment is debited from the State account and credited into the payee account. In the e-FMS portal there is provision for monitoring of each individual FTO and individual transactions of the FTO. To explain it further, against a muster roll having ten workers, one FTO will be generated for the ten. Debit of fund from the e-FMS account of the State for payment to each individual wage seeker in the master roll will be treated as individual transaction. Thus, when seven wage seekers out of ten in a muster roll against which FTO has been generated together have received payment the cash book entry will show transaction against the seven only. For the remaining three the transaction will be entered into the cash book

on both sides only after payment is actually debited from the State account and credited into the accounts of the remaining wage seekers.

So far as the cash book is concerned, a separate protocol for accounting will be shared subsequently.

4. FTO Record Management:

In all cases including the Gram Panchayats, Panchayat Samiti, Zilla Parishad, the Line Departments, Programme Officer, District Programme Co-ordinator printouts of all the wage list generated through online MIS, detail Screenshot / print of all the FTOs generated by 1st & 2nd Signatory and the report of FTO transactions will have to be maintained. Such records will be kept date-wise, serially and authenticated by the Accountant, the DDO/Executive Assistant and Pradhan/Programme Officer/ District Nodal Officer etc **through official file with note-sheet.**

5. Management of Digital Signature Certificate

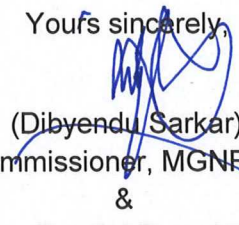
Management of digital signature certificate will be another issue which should be properly addressed. At every level a register of DSCs with the details of the functionaries against whom individual DSCs have been issued will have to be maintained. Master Registers will be maintained at the level of the Programme Officer for all the Gram Panchayat of the Blocks and at the level of the district MGNREGA Cell for all the signatories of the districts. In case of transfer, resignation, superannuation and death of the holders of DSCs appropriate entry in the register should be made. In case of Gram Panchayats any revocation and reassignment will have to be authorized by the Programme Officer and then accepted by the District Programme Coordinator. Such revocation, reassignment should immediately be brought to the notice of the State Government so that official revocation and assignment can be made by the State Authority in online MIS.

6. Processes to be followed immediately

Since we still have unfrozen accounts, substantial work to be done in the front of materials and administrative expenses and certain gaps in procuring of digital signature certificates, during the months of April and May we would be running the system on a dual mode. Wherever the account information is frozen we will positively generate FTOs only for payment of wages to unskilled wage seekers. Wherever the information could not be frozen as yet due to some unavoidable circumstances, the existing route of payment through the Bank/Post Office account of the wage seekers though system generated wage list will continue. However, all efforts should be made to ensure that the entire transition from the existing manual system to e-FMS is completed by May, 2014. Please note that since we are declaring that the State e-FMS with effect from 1st April, 2014, the system will not allow any manual payment after 30th June, 2014. From now onwards, the

Districts will take steps to generate FTO in case of all the wage-seekers having account information frozen. Side by side manual transactions will continue for the remaining wage seekers. Freezing of account information will have to be completed by 31 May 2014 after which all wages will be paid through the e-FMS route only. For material and other payments we will issue separate set of instructions. However, in the intervening period, the account information of all existing vendors, semi-skilled and skilled workers and contractual employees should continue.

Yours sincerely,


(Dibyendu Sarkar)
Commissioner, MGNREGS
&
Special Secretary


07.04.2014

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Dated: 01/04/2014

Copy forwarded to information and necessary action to:

1. The Chief Secretary
2. The Joint Secretary R. Subhramanyam, Joint Secretary, Ministry of Rural Development, Govt. of India
3. The Additional Chief Secretary/Principal Secretary/Secretary
Department for favour of information
4. The Sabhadhipati (all) Zilla Parishad and Siliguri Mahakuma Parishad.
5. The P.S to MIC
6. The Senior P.A to the Principal Secretary.


Commissioner, MGNREGS
&
Special Secretary

01.04.2014