

**GOVERNMENT OF ODISHA
FINANCE DEPARTMENT**

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From

**Sri R. Balakrishnan I.A.S.,
Additional Chief Secretary to Government**

To

**The Principal Secretaries/
Commissioner-cum-Secretaries/
Secretaries/Special Secretaries to Govt.
All Heads of Departments**

Sub: **Verification and Reconciliation of Departmental receipt and expenditure figures for 2016-17 with those of Accountant General (A&E), Odisha.**

Sir/Madam,

I am directed to say that, monthly verification and reconciliation of Departmental figures with Accountant General (A&E) relating to receipts and payments in the Consolidated Fund of the State Government is necessary to watch the trend of receipts as well as payments and avoid misclassification of receipts and expenditure which results in incorrect reporting of receipts and expenditure.

(i) Further, the expenditure incurred under a particular scheme is required to be reconciled/verified with the Accountant General (A&E), Odisha for issue of Audit Certificate by the Accountant General (G&SSA and E&RSA), Odisha. Without such Audit Certificate, Government of India and External Funding Agencies will not allow reimbursement of expenditure. It is, therefore, necessary that Controlling Officers/Heads of the Departments should reconcile the accounts with Accountant General (A&E), Odisha on monthly basis as per schedule.

(ii) During the year 2015-16, the dates fixed by Accountant General (A&E), Odisha for verification/reconciliation of expenditure for different months were communicated to the Controlling Officers/Heads of Departments in Finance Department Circular No.23110/F., dated 22.08.2015 and despite repeated request, some of the Controlling

Officers/HODs did not ensure verification/reconciliation for which concern was expressed by the Accountant General (A&E), Odisha.

3. The Controlling Officers are required to reconcile their receipts and expenditure with that of the Accountant General (A&E), Odisha as per Rule-25 and Rule-319 (vi) of O.G.F.R. Volume-I. The online reconciliation facility has been made available in the Treasury Portal. In this facility, the expenditure and receipt data compiled in the VLC system of Accountant General (A&E), Odisha is being uploaded in the Treasury Portal through the Accountant General (A&E), Odisha interface in the IFMS. The data pertaining to expenditure and receipts generated from the VLC system is becoming the basis of reconciliation of accounts between the Controlling Officer & Accountant General (A&E), Odisha. **However, it will take some time for the receipt reconciliation module to be fully functional. Till such time, the receipt reconciliation can be carried out through communication of suggestion for change or correction to the O/o Accountant General (A&E), Odisha manually.**

4. The Controlling Officers' reconciliation functionality in the Treasury Portal is carried out in two separate stages : At the first instance, this functionality provides facility for correction of accounts between the Drawing & Disbursing Officer and the Treasury/Sub-Treasuries before the submission of monthly accounts to Accountant General (A&E), Odisha. In the second stage, the receipt and expenditure reports compiled by the Accountant General(A&E), Odisha is made available to the Controlling Officers in the Treasury Portal.

5. The DDO-wise break up of expenditure/receipt details in the Treasuries are provided to each Controlling Officers against the respective Chart of Accounts both in the consolidated manner and also in details, chalan/voucher-wise for identification and settlement of the discrepant items of receipts and expenditure.

6. Further, the Treasury/Sub-Treasury Officers are required to ensure that the DDOs under their jurisdiction should verify and submit the proposal for correction of accounts, if any, in the on line reconciliation module prior to finalization of Treasury accounts. For the purpose of the accounting classification of all vouchers passed for payment at the Treasury level will be made available to the DDO in the online reconciliation functionality. If there is any misclassification in booking of the receipt/expenditure at the Treasury level or otherwise, the DDO shall send a proposal for correction of accounts to

the Treasury Officer/Sub-Treasury Officer before closure of monthly accounts i.e. before 3rd day of the subsequent month. The proposal received from the DDO will be examined by the Treasury and necessary correction may be made in the accounts. The effective use of this functionality will substantially reduce the possibility of mis-classification at the level of Accountant General (A&E), Odisha as they are importing data from IFMS and the burden of monthly accounting reconciliation for the Controlling Officers. The COs may impress upon DDOs under their control to ensure that the head classification booked by the treasuries are correct.

7. After submission of Treasury accounts, the proposal for correction has to be submitted by the DDO to their respective Treasuries who shall forward it to Accountant General (A&E), Odisha for acceptance. On receipt of approval from the Accountant General (A&E), Odisha, Treasury Accounts will be revised by the Treasury Officer. Treasury will not accept any proposal of DDO relating to budgeted heads after sub mission of accounts to AG.

Secondly, if any correction of account is made through the process of reconciliation between the Controlling Officer and the Accountant General (A&E), Odisha, the same will also be reflected in the Treasury Accounts and shall be communicated to the DDO. The DDO/Controlling Officer shall verify the same from the reports available and update their records accordingly.

8. The Controlling Officers are required to cause verification of the month-wise payment & receipt details in the Controlling Officers reconciliation functionality of Treasury Portal and indicate the discrepant items and suggests corrections/transfer entry online to the Accountant General (A&E), Odisha, or their acceptance of the accounts as compiled in the VLC system. In case of any discrepancy, the Controlling Officers are required to mention the details and suggest the appropriate Chart of Account in which the expenditure/receipt should be booked. In case where the Controlling Officer has no knowledge as to where the receipt or expenditure would be booked, it should mark the reported figure as not related to them and may also record his/her specific observation, in the remark field.

9. On receipt of the online request from the Controlling Officer; the Accountant General (A&E), Odisha shall examine each such suggestion for rectification/transfer entry and carry out the adjustment on the basis of vouchers/chalan and also the data available at their end. If the suggestion is accepted, then the Accountant General (A&E), Odisha will instruct the Treasuries to rectify the accounts wherever required within a defined time

frame which is to be given effect to through the Treasury Portal. On acceptance of the request of the Controlling Officer by the Accountant General (A&E), Odisha, the Treasury accounts should be revised in the Treasury Portal. The Treasury Officers are required to submit revised account as per the prescribed procedure. The Accountant General (A&E), Odisha will download the revised electronic accounts into the VLC after submission of system generated revised Treasury Accounts by the Treasury Officer.

10. Where the Accountant General (A &E), Odisha does not agree to the suggestion of the Controlling Officer the request may be rejected with reasons or suggestion. The Controlling Officer in such a case can either accept the suggestion of Accountant General (A &E), Odisha leading to confirmation of provisional account or may send back to Accountant General (A &E), Odisha with a request to reconsider its decision. It may also suggest a fresh chart of Account along with the request for reconsideration. Subsequently, the Accountant General (A &E), Odisha will indicate the appropriate head of account for classifying the receipt and expenditure and intimate the Controlling Officers in writing the reasons for non-acceptance.

11. The reconciliation can be taken up by the officials of the Controlling Officers by using their own User ID & Password subsequently for the remaining part of the financial year as per the programme schedule. **In case of failure on the part of the officials of the Controlling Officer to reconcile the expenditure in time, a system generated mail will be provided to the Administrative Department. Finance Department & Principal Accountant General (A & E), Odisha.**

12. Office of the Principal Accountant General (A&E), Odisha has fixed the following deadline for monthly verification/reconciliation of expenditures during the year 2016-17 in their letter No. VLC (B&R) Recon. 2016-17/01 dated 25.04.2016.

Month of Account	Uploading of Data in iFMS	Cut-off date for receipt of alteration proposal/ acceptance letter
April, 2016	30.05.2016	14.09.2016
May, 2016	29.06.2016	
June, 2016	29.07.2016	
July, 2016	31.08.2016	29.09.2016
August, 2016	29.09.2016	12.10.2016
September, 2016	31.10.2016	14.11.2016
October, 2016	30.11.2016	12.12.2016

Month of Account	Uploading of Data in iFMS	Cut-off date for receipt of alteration proposal/ acceptance letter
November, 2016	30.12.2016	12.01.2017
December, 2016	30.01.2017	13.02.2017
January, 2017	02.03.2017	13.03.2017
February, 2017	31.03.2017	12.04.2017
March (P), 2017	18.05.2017	27.05.2017

13. The reconciliation of the receipt can be made by the Controlling Officer after downloading the report on receipts from the Treasury portal. The suggestion for correction can be made manually in the usual process till the software development in respect of such reconciliation is complete. The time schedule prescribed for reconciliation of expenditure is also to be followed in case of receipts. A list containing the names of the Controlling Officers responsible for reconciliation of various kinds of receipts is enclosed in the **Annexure-1** which is indicative.

14. It has been categorically stated by the Principal Accountant General (A&E), Odisha that reconciliation of receipt and expenditure figures beyond the above time schedule shall not be entertained and the figures booked by Principal Accountant General's office will be treated as final and will be reflected in the Finance and Appropriation Accounts for the year 2016-17.

I would, therefore, request you to kindly issue necessary instructions to the Controlling Officers for causing online reconciliation of Departmental expenditure figures and also carry out verification of departmental receipts by the prescribed timeframe failing which they would be debarred from carrying out any transaction through the Treasury Portal.

Yours faithfully,

Sd/-

Additional Chief Secretary to Govt.

ANNEXURE-I**Indicative list of Controlling Officers for Receipt reconciliation**

Major Head of Receipts		Controlling Officers
0028	Other Taxes on Income and Expenditure-Tax on Professions	Commissioner of Commercial Taxes, Odisha
0029	Land Revenue	Secretary, Board of Revenue
0030	Stamp Duty & Registration Fees	Inspector General, Registration(IGR)
0039	State Excise	State Excise Commissioner
0040	Taxes on Sales, Trade Etc.- Sales Tax, VAT & CST	Commissioner of Commercial Taxes, Odisha
0041	Taxes on Vehicles	Transport Commissioner
0042	Taxes on Goods and Passengers-Entry Tax	Commissioner of Commercial Taxes, Odisha
0043	Taxes and Duties on Electricity	Principal Chief Electrical Inspector
0045	Other Taxes and Duties on Commodities and Services-	Commissioner of Commercial Taxes, Odisha/Principal Chief Conservator of
0047	Other Fiscal Services	Director Small Savings/ Dy. Examiner-cum-Dy. Secretary(LFA)
0049	Interest Receipts	Co-operation/Industries Deptt. and other Departments in which loans & advances have
0050	Dividends & Profits	Administrative Departments under which the PSUs, Statutory Corporations & Cooperatives
0051	Public Service Commission	OPSC, OSSC, Subordinate Staff Selection Commission
0055	Police	Director General of Police

Major Head of Receipts		Controlling Officers
0056	Jails	Inspector General of Prisons
0059	Public Works	Works, H&UD, R.D. Departments & Heads of Departments of these Departments
0070	Other Administrative Services	Administrative Tribunal / Chairman, Administrative Tribunal
0071	Contribution & Recovery - Towards Pension/ Leave Salary	Finance Department
0075	Miscellaneous General Services	Principal Chief Conservator of Forests(PCCF), Odisha /Administrative Departments
0202	Education, Sports, Art and Culture	Director, Mass Edn./ Elementary Edn. / Secondary Edn./Higher Edn./Vocational Edn./ Technical Edn.& Training/ Sports & Youth Services/ Culture
0210	Medical and Public Health	Director Health Services/Director, Medical Edn. & Training/ Director, Employees State Insurance
0211	Family Welfare	Director, Family Welfare/Director, Employees State Insurance
0215	Water Supply and Sanitation	Chief Engineer, Rural Water Supply & Sanitation (RWSS) /Chief Engineer, Public Health
0216	Housing	Chief Engineer, Rural Works, Roads & Building, Public Health/ Director, Housing/ Rent Officer, General Administration Deptt.
217	Urban Development	Director, Municipal Administration
0220	Information and Publicity	Director, Information & Public Relation
0230	Labour and Employment	Labour Commissioner /Director Factories & Boilers
0235	Social Security and Welfare	Women & Child Welfare Department

Major Head of Receipts		Controlling Officers
0250	Other Social Services	Women & Child Welfare Department
0401	Crop Husbandry	Director of Agriculture & Food Production/ Director, Horticulture/ Director of Soil Conservation
0403	Animal Husbandry	Director, AH&VS, Odisha
0404	Dairy Development	Director, AH&VS, Odisha
0405	Fisheries	Director, Fisheries, Odisha
0406	Forestry & Wild Life.	Principal Chief Conservator of Forests(PCCF), Odisha/PCCF (KL)/ (WL)
0408	Food Storage and Warehousing	Director, Agricultural Marketing/ F. S.& C.W Department
0415	Agricultural Research and Education	Agriculture Department
0425	Co-operation	Co-operation Department /Registrar of Co- operative Societies(RCS), Odisha
0435	Other Agricultural Programmes	Agriculture Department
0506	Land Reforms	Revenue & Disaster Management Department / Board of Revenue / R D Cs
0515	Other Rural Development Programmes	Panchayati Raj Department
0700	Major Irrigation	(a) Industrial Water Rate - E.I.C., Water Resources and Chief Engineers of W.R. Department
0701	Medium Irrigation.	(b) Irrigation Water Rate - Board of Revenue and RDCs
0702	Minor Irrigation	
0801	Power	Energy Department / P.C.E.I & E.I.C. , Electricity

Major Head of Receipts		Controlling Officers
0810	Non Con. Energy	Science & Technology Department
0851	Village and Small Ind.	Industries Department/MSME Department
0852	Industries	Director, Industries
0853	Mining Revenue	Director of Mines
1051	Ports and Light	Director, Inland Water Transport
1053	Civil Aviation	Director, Civil Aviation, Odisha
1054	Roads and Bridges	Works Department / H&UD Department / R.D. Departments & Chief Engineers of Heads of Departments
1055	Road Transport	Transport Department
1056	Inland Water Transp.	Director of Ports & Inland Water Transport
1425	Other Scientific	Science & Technology Department
1452	Tourism	Tourism Department
1456	Civil Supplies	Food Supply & Consumer Welfare Department
1475	Other Gen. Eco. Service	Food Supply & Consumer Welfare Department