



GOVERNMENT OF KERALA

Abstract

Finance Department – Centrally Sponsored Scheme (CSS) – Revised Fund Flow Method – Sanctioned - Orders Issued.

Finance (Planning-A) Department

G.O.(P)No. 24/2017/Fin.

Dated, Thiruvananthapuram, 21/02/2017

ORDER

It has come to the notice of the Government that there occurs procedural delays and issues in the release of central funds along with matching state share of Centrally Sponsored Schemes. In order to ensure the timely implementation of the Centrally Sponsored Schemes, central funds along with matching State share is required to be released to the implementing department / agency on receipt of Central fund from Government of India. Government after having examined the matter in detail are pleased to issue the following guidelines on revised fund flow method for Centrally Sponsored Schemes to avoid procedural delays and issues involved in the release of Central funds along with matching State share.

1. The funds under CSS are released directly to State Govt. through credit to State Govt. account by Central line Ministry on advance / reimbursement basis (in the case of Central Sector schemes funds are released to the State Govt. or separate agency at State / District level directly by Central line Ministry). On receiving the credit memo regarding Central release of CSS from Reserve Bank of India, Finance (Planning) Department shall report the same to the

Administrative Department and Heads of the Departments (HoDs) concerned to initiate action for getting the funds released and credited to their account.

2. In cases where budget provision is available, on receipt of the report about the credit memo, the Administrative Department shall issue fund release order (Central share and corresponding State share) to the implementing authority if the balance in the TSB Account of implementing authority is less than 20% of total budget provision. The Administrative Department should also issue administrative sanction for the implementation of the scheme based on the administrative approval from Government of India.

3. In cases where budget provision is available, but Central share is yet to be received from Government of India, Administrative Department should seek concurrence of Finance Department before issuing fund release orders.

4. In the case of new schemes/ existing scheme where there is no/insufficient provision (State share or Central share), Head of the Department should forward proposal to Finance Department through Administrative Department for providing additional funds along with copy of the Utilisation Certificate (UC), if any of the funds already released. The Administrative Department should forward the proposal to Finance Department within *three days* of the receipt of the same from HoD. Finance Department will provide additional funds within *one week* of the receipt of proposal.

5. A copy of any fund release order by Administrative Department invariably be forwarded to Finance Department for scrutiny along with a statement showing the name of CSS, funding pattern, budget provision, head of account, amount released and cumulative release as per annexure. Lapse on this account will be viewed seriously.

6. In cases where proposals are forwarded to Finance Department for fund release by Administrative Department without exercising the delegation extended under this new dispensation, such proposals will be returned instantly by Finance Department without processing the same and the Administrative Department shall be solely accountable for any such delay on this account.

7. After the close of the financial year, the implementing department should prepare a reconciled Statement of Expenditure (SoE) and furnish the same to Accountant General (Audit) before 15th of August every year. On receipt of reconciled SoE from implementing department, the AG (Audit) will intimate the implementing department to make available all vouchers at District/ Field Office level regarding implementation of the scheme at the headquarters of the implementing authority/ department for audit certification. After verification of vouchers/ receipts, AG (Audit) will issue audit certificate and forward the same to Government of India with a copy to the implementing department and Finance (Planning) Department. The Finance Officer should ensure that the audit certification of the Centrally Sponsored Scheme should be completed by December of the next financial year.

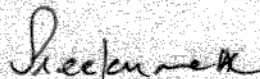
(BY ORDER OF THE GOVERNOR)

MINHAJ ALAM IAS

SECRETARY FINANCE (RESOURCES)

To : The Principal Accountant General (A&E)/Audit, Kerala, Thiruvananthapuram
The Principal Accountant General (G&SSA), Kerala, Thiruvananthapuram
The Accountant General (E&RSA), Kerala, Thiruvananthapuram
All Additional Chief Secretaries/Principal Secretaries/Secretaries
All Heads of Departments
All Finance Officers / Autonomous Bodies / Managing Directors of Public Sector
Undertakings
Nodal Officer, www.finance.kerala.gov.in
Stock File/Office Copy

Forwarded/By order,


Section Officer

