

OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (A&E)
MANIPUR: IMPHAL-795001

CA-VLC/Order No. 1

Dated: 02/07/2020

Subject:- Validation of vouchers in Accounts offices.

Headquarter's vide letter No. 427/GA-109/2019 dated 27/05/2020 had directed to ensure validation of vouchers relating to digital data which is available to A&E offices, owing to implementation of IFMS by the State Government either through direct access to the IFMS portal or through media for checking its existence, authenticity, correctness and completeness of vouchers as per the existing MSO(A&E) provisions.


1. Validation of vouchers should be carried out in two stages viz.
 - i. **Primary Validation:** Checking of existence and authenticity of vouchers before generating Monthly Civil Accounts. (The details of checks to be carried out is in Annexure -A); and
 - ii. **Complete Validation:** To be carried out & completed before receipt of the account of the next month. Complete validation checks will be based on a selected sample of vouchers as in Annexure-B.
2. The percentage of check to be exercised by the unit Accountant/AAO/Branch Officers for different kinds of vouchers is indicated in *Appendix-I*. These percentage of checks will be in addition to the prescribed checks (LOP checking) performed to ensure that all the vouchers mentioned in the list of payments have been received and that the figures in the LOP and in the vouchers agree. While selecting vouchers through Simple random sampling, it should be ensured that no treasury is left out. At least 20 *per cent* of vouchers of each treasury/sub-treasury should be checked.
3. Errors noticed in the vouchers by Dealing Assistants should be brought to the notice of the concerned AAO for onward submission to the concerned Treasury Officers/Sub-Treasury Officers for rectification. Appropriate actions should be taken in respect of treasuries that persistently render erroneous accounts. Information on persistent errors and gap/missing sub-vouchers should be submitted to Book Section for inclusion in the quarterly appreciation note on the Monthly civil Accounts addressed demi-officially to the Finance Secretary.
4. The result of validation of vouchers should be submitted to PAG(A&E) monthly after completion of MCA and shortcomings/deficiencies viz. misclassification between revenue and capital expenditure/non-adherence to the codal provision etc. should be intimated to the state Government after completion of MCA. Major risk areas indentified should be communicated to the Audit office.

5. A detailed report on the validation of vouchers should be forwarded to Headquarters' office on half yearly basis.

6. In view of the above, all the Dealing Assistants/AAO/Branch Officers of CA-VLC section are instructed to carry out the validation of vouchers as per the above instructions strictly and should be followed as long as physical vouchers are received along with digital data. These instructions will be re-visited once physical vouchers are discontinued and IFMS is fully implemented in the state.

This issues with the approval of the Principal Accountant General(A&E), Manipur.

Enclo:- Annexure A,B & Appendix-I


Sr. Dy. Accountant General(A&E)

Copy to all Dealing Assistants/AAO/Branch Officers

Stage-I- Primary Validation of Vouchers:

Existence:

- See that the voucher is attached in original in the bundle as per Schedule of Payment.
- In case of e-vouchers, see that the voucher is received digitally.

Authenticity of voucher:

- Verify that the voucher is signed by the DDO and TO along with their seal.
- See that there are no erasures and that any alterations in the total are attested by the officer concerned as many times as they are made.
- In case of e-vouchers, see that the voucher is digitally signed by the TO and DDO.
- In case of e-vouchers or where e-payment advices are issued by TOs, see that the bank account details of the payee are mentioned as proof of payment through EPS.
- In case of e-vouchers, see that the scanned sub-vouchers have been defaced.

Completeness of the voucher:

- See that voucher is complete with respect to sub-vouchers such as sanctions, detailed bills, cash memos, prescription slips, travel tickets etc. For e-vouchers, scanned copies of the sub-vouchers needs to be attached.

Stage II-Complete Validation of Vouchers:

Complete validation of vouchers is to be carried out on the basis of test check. The number of vouchers to be test checked is given in Appendix-I. Complete validation is required to be completed before receipt of the accounts of the next month.

Correctness:

- See that the classification noted is correct with respect to the nature of expenditure as per sanction.
- See that the form number and voucher type are in agreement with the nature of transactions.
- See correctness of arithmetic total of vouchers with respect to its attached sub vouchers.
- See that budgetary provisions are available against expenditure head classification.

Specific checks for validation of different categories of vouchers:

(a) Salary bills:

- See that the sub-vouchers such as GPF schedule, HBA/ MCA schedule etc. are attached with the bill,
- See that the deductions shown in the bill are matched with the corresponding schedules,
- See that the recovery of overpayment from salary bill pertaining to previous years is classified under Minor head 911 Deduct- Recovery of Overpayment. The current year's recovery is deducted from same accounting Head from where the payment was made,
- See that total amount shown in the bills tallies with the total shown in the inner sheet of the Bills,
- See that classification of deduction mentioned on the schedules is correct with respect to the nature of deduction.

(b) Travelling Allowance Bills:

- See that the following are attached with the voucher as per rules prevalent in the respective States,
- Tour Programme sanctioned by competent authority,
- Sanction of the competent authority,
- See that vouchers/sub-vouchers viz. tickets, hotel receipts etc are attached with the bills,
- See that the Bill is countersigned by the controlling officer other than the bill of HOD.

(c) Medical Bills:

- See that the following sub-vouchers are attached with the voucher as per extant rules prevalent in the respective States,
 - a. Medical claims,
 - b. Essentiality certificate,
 - c. Non-availability certificate,
 - d. Cash memo,
 - e. Prescription slip,
- Sanction of competent authority,
- See that the essential certificate and cash memos are verified by the Doctor as per rules prevalent in the respective States.
- See that the claims are preferred with the specified time limit as per extant rules prevalent in the respective States.

(d) Abstract Contingent (AC) Bills:

- Check that the sanction is attached with the voucher,
- Purpose is explicitly mentioned in the Sanction Order and on the Voucher,
- Check AC Bills are drawn by the authorized person mentioned in the Government orders,
- Limit of drawal through AC Bills has not been exceeded by DDOs,
- Necessary certificates by the DDO, if any, as per extant rules prevalent in the respective States are attached with the Abstract Contingent Bills,
- Classification and purpose of expenditure mentioned on the AC Bills are in conformity with Sanction Orders.

(e) Non Payment Detailed Contingent (NDC) Bills:

- Check that the reference of AC bill is mentioned on the body of NDC bill,
- NDC bill amount tallies with the sub-vouchers/challans attached with the bill,
- Verify whether NDC bill is submitted within the prescribed time period,
- See that the purpose/nature of expenditure mentioned in the sub-vouchers is correct with respect to the nature/purpose of expenditure as per sanction orders of AC Bill,
- To ensure that in case of part adjustment of AC bills, VLC system captures only part adjustment.

(f) Grant-in-Aid (GIA) Bills:

- See that GIA vouchers are supported with sanctions issued by the competent authority,
- Sanction Orders indicate invariably, whether the grants-in-aid are recurring or non-recurring,
- Verify whether the grant is conditional or unconditional. Wherever conditions are attached to the utilisation of a grant (in the shape of specification of the particular objects on or the time within which the money must be spent) the receipt of formal utilisation certificate from the sanctioning authority should be watched,
- In case where UC is required for GIA, ensure that the GIA vouchers are entered in the VLC package for watching receipt of UCs.

(g) Treasury Transfer Transaction bills/Nil Payment (Transfer Credit) Bills:

- Verify whether the amounts deducted from the salary bills (such as IT, PT, NPS, etc), work bills (IT, GST, Royalty, Labour Cess etc) and Supply/Services bills (IT and GST) are credited to the appropriate heads of accounts,
- See that Nil Payment vouchers are supported with sanctions issued by the competent authority,
- In case where UC is required for Nil Payment voucher, see that the Nil Payment vouchers are entered in the VLC for watching receipt of UCs,
- In case of Nil payment bills see whether the corresponding Reserve Fund/Deposit Head provided is as per the sanction order enclosed,
- See that corresponding receipts heads mentioned in the Cash Accounts are correct with respect to Sanction Orders.

(h) Fully vouched Contingent/Detailed Contingent Bills:

- Check for the availability of all the sub-vouchers and invoices,
- Verify whether the totals of the sub vouchers tally with the main voucher,
- Check whether the sub-vouchers are duly cancelled by affixing the stamp, "*Paid and Cancelled*" to prevent their misuse.

Percentage of vouchers to be checked by Unit Accountant/AAO/Branch Officer for different categories of vouchers through Monetary Unit Sampling (MUS).

Bill category	Percentage of check
Establishment Bills (Salary, TA, Medical, Pension, Wages, Honorarium, etc).	<ul style="list-style-type: none"> • 10 per cent check by the Accountants/Sr Accountants/DEO with following monetary limit- Salary bills, – Exceeding ₹1 lakh. TA bills- Exceeding ₹0.25. Medical bills, Wages, Honorarium etc.- Exceeding ₹0.10 lakh. • 3 per cent check by the AAOs of the above items. Of the 3 per cent, 1.5 per cent shall be selected out of the vouchers checked by the Unit Accountant and the remaining 1.5 per cent out of the vouchers, not checked by the Unit Accountant. • For the following items, checks to be carried out by AAO will be 5 per cent. Salary bills – Exceeding ₹5 lakh TA bills- Exceeding ₹0.50 lakh. Medical bills, Wages, Honorarium etc.- Exceeding ₹0.25 lakh. • Branch officers would check 5 per cent of the vouchers. Of the 5 per cent, 2.5 per cent shall be selected out of the vouchers checked by AAO and remaining 2.5 per cent out of the vouchers, not checked by Accountant and AAO. • For the following items, checks to be carried out by Branch Officer will be 5 per cent. Of the 5 percent, 2.5 per cent vouchers which have not been checked by Accountant/AAO. Salary bills – Exceeding ₹5 lakh TA bills- Exceeding ₹0.50 lakh. Medical bills, Wages, Honorarium etc.- Exceeding ₹0.25 lakh.
Abstract Contingent (AC) Bills, Subsidy, Capital expenditure, Suspense/ Inter State Suspense, Loans, Investments, Major works, Interest Payment.	<ul style="list-style-type: none"> • 100 per cent check by the Accountants/Sr Accountants/DEO. • 60 per cent check by the AAOs. Of the 60 per cent, 50 per cent check shall relate to vouchers, the value of which is more than ₹5 lakh and the remaining 10%, being confined to the vouchers less than ₹5 lakh. • Branch Officers would check 50 per cent of vouchers. Of the 50 per cent, 40 per cent shall be selected out the vouchers checked by AAO and the value of which

	<p><i>is more than 5 lakh. The remaining 10 per cent out of the voucher not selected by Accountant and AAO and the value of which is less than 5 lakh.</i></p>
Non Payment Detailed Contingent (NDC) Bills.	<ul style="list-style-type: none"> • 100 per cent check by the AAOs. • Branch Officers would check 15 per cent of vouchers, the value of which is more than ₹20 lakh and 10 per cent of the vouchers, value of which is less ₹20 lakh.
Grant in Aid Bills.	<ul style="list-style-type: none"> • 100 per cent check by the AAOs. • Branch Officers would check 15 per cent of vouchers, the value of which is more than ₹50 lakh and 10 per cent of the vouchers, value of which is less ₹50 lakh.
Detailed Contingency (DC) Bills/Fully vouched contingency bills.	<ul style="list-style-type: none"> • 100 per cent check by the Accountant/Sr Accountant/DEO. • AAOs- 20 per cent check of vouchers above ₹20 lakh and up to ₹50 lakh and 20 per cent below ₹20 lakh. • Branch Officers- 10 per cent check of vouchers above ₹50 lakh and 20 per cent below ₹50 lakh.
Treasury Transfer Transaction bills/Nil payment vouchers.	<ul style="list-style-type: none"> • 100 per cent check by the AAOs. • Branch Officers- 80 per cent check of vouchers above ₹50 lakh and 20 per cent below ₹50 lakh.