

Fin (Bud) Dept

Dt: 11.05.2022

**CIR.NO.CMWSSB/Fin/Budget/013781/2022**

Sub: CMWSSB – Fin (Bud) – Standard Operating Procedure – To be followed from FY 2022-23 – Reg.

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With reference to the above subject, it is informed that, a standard operating procedure (SOP) has been proposed to be followed from the financial year 2022-23 with respect to guidelines and utilisation of Budget provision as detailed below.

**1) General Guidelines for the Financial Year 2022-23**

<b>Process to be adopted</b>	
<b>Activity</b>	<b>Responsibility</b>
The entire year Budget will be regulated through "Quarterly Budget Allocation" and Budget meetings will be held in the first week of every quarter	DCOF Budget.
Initially, the Area offices based on their expenditure needs, can specify all the four quarter requirements out of BE 2022-23 within 15 days from the date of communication of Budget.	Area Engineer/Unit Heads
Estimates prepared on or after 1.4.2022 should be appropriated only against the Budget Estimate for 2022-23 that too only to the extent of the "Quarterly Approval"	SAO/AO (Area & Unit Offices)
If next quarter Budget allocation is to be moved to current quarter to do work requirements then approval of Finance Director is to be obtained.	Area Engineer/Unit Heads
Unutilised Budgeted funds for the current quarter can either be "surrendered" or "carry forward" to next quarter. For "surrender" orders of FD is to be obtained.	Area Engineer/Unit Heads
In the first week of every quarter, from the second quarter onwards an midterm review meeting for Revenue Budget will be held by FD with all Area Engineers/Unit Heads, Concerned SE's and CE O&M I and CE O&M II to review the Budget utilisation, Pending Bills status and requirements for next quarter. Based on the discussion, that	SAO/AO (Area & Unit Offices and Head office Expense Section)

<p>quarter allocation can be revised and any fund diversion between budget codes can be requested. The authority to sanction fund diversion will be Finance Director. A report will be submitted to Managing Director regarding the mid-term review.</p>	
<p>In the first week of every quarter, from the second quarter onwards an midterm review meeting for Revenue Budget will be held by FD with all Area Engineers/Unit Heads, Concerned SE's and CE O&amp;M I and CE O&amp;M II to review the Budget utilisation, Pending Bills status and requirements for next quarter. Based on the discussion, that quarter allocation can be revised and any fund diversion between budget codes can be requested. The authority to sanction fund diversion will be Finance Director. A report will be submitted to Managing Director regarding the mid-term review.</p>	<p>CE O&amp;M I and CE O&amp;M II</p>
<p><b>Control Mechanism</b></p>	
<p>"Appropriation Register" should be maintained for all Revenue expenses codes including Office and Administration expenses and Employee Pay and allowance related expenses SAO/AO (Area &amp; Unit Offices)</p>	<p>SAO/AO (Area &amp; Unit Offices)</p>
<p>Pension related expenditure will be kept tracked and controlled centrally by Finance "Pension section.</p>	<p>SAO/AO (Finance Pension)</p>
<p>There should be no delay in obtaining bills from the contractors. For Operation and Maintenance, bills from contractors should be received by the 7<sup>th</sup> of next month, scrutinised and Fund request be sent to Head office Finance Expense Section by 15<sup>th</sup>. For Rs 1,00,000 bills and above the bills along with Fund request should be given by 15<sup>th</sup>. For Repair and Maintenance Works, bills should be submitted within 30 days of completion of work.</p>	<p>AE concerned along with Area &amp; Unit office SAO/AO</p>
<p>Funds transfer will be made by Expense section, only upon receipts of details of BPV's for which transfer is sought. Area SAO/AO should ensure, payment is made only to those contractors for which the fund request is made. Any deviation in this case will be viewed seriously.</p>	<p>SAO/AO (Area/Unit offices and HO expense section)</p>
<p>At the first week of every month, for each code, statement showing</p>	

<p>cumulatively upto previous month the details of Estimates appropriated but bills not received from contractor/yet to be passed, Bills passed but funds not received from Head office for payment should be submitted to Expense section of Head office. This is to keep track of unpaid liabilities and to make arrangements for funds to pay off the liabilities</p>	<p>SAO/AO (for Area/Unit offices)</p>
<p>In the first week of every quarter, from the second quarter onwards an midterm review meeting for Revenue Budget will be held by FD with all Area Engineers/Unit Heads, Concerned SE's and CE O&amp;M I and CE O&amp;M II to review the Budget utilisation, Pending Bills status and requirements for next quarter. Based on the discussion, that quarter allocation can be revised and any fund diversion between budget codes can be requested. The authority to sanction fund diversion will be Finance Director. A report will be submitted to Managing Director regarding the mid-term review.</p>	<p>DCOF (Budget)</p>
<p>Any additional requirement of funds over and above Budget will be allocated only upon the orders of Managing Director which will be regularised in RE 2022-23. The proposals should be scrutinized by CE O&amp;M I and CE O&amp;M II and submitted to Finance Director. No Areas can incur expenditure over and above Budget allocation in anticipation of RE 2022-23 without proper approval.</p>	<p>CE O&amp;M I and CE O&amp;M II</p>
<p>In the first week of every month, a reconciliation should be done between Area offices and Head office Cash Section with respect to funds transferred from Head office to Area Office to meet out approved Revenue expenditure.</p>	<p>SAO/ AO (Area/Unit offices and HO Cash section)</p>
<p>Monthly reconciliation of "Appropriation Register" between Area office and Head office Expense section is to be done by 15<sup>th</sup> of next month and is a pre-requisite for further appropriation of funds in Expense section.</p>	<p>DCOF (Expense)</p>
<p>Monthly reconciliation of "Funds transfer" between Area office and Head office cash section is to be done by 15<sup>th</sup> of next month and is a pre-requisite for further funds transfer from cash section to Area office</p>	<p>DCOF (Cash)</p>

## 2) Budget for Emergency Repair Works-Water & Sewer

<b>Process to be adopted</b>	
<b>Activity</b>	<b>Responsibility</b>
In principle approval for rectification works for cave in should be got from CE O&M I immediately after the rectification works has started. Approval should be got in the format sought by CE O&M I office	Concerned SE
On 1 <sup>st</sup> and 16 <sup>th</sup> of every month, details of such works should be compiled and forwarded to the office of Finance Director seeking funds.	SE-Cordination
Finance Budget will give separate code for "Cave in Rectification works-Sewer" and "Cave in Rectification works-Water" and after getting approval of MD will provide funds in RE 2022-23	DCOF Budget
<b>Control Mechanism</b>	
Appropriation Register should be maintained and all other General procedures as specified above should be followed	SAO/AO (Area and Unit offices,Expense)

## 3) Imprest

There is no separate Budget for Imprest and it should be operated within the overall Budget allocation for a particular Area/unit office. However for tracking of "imprest" separate Budget code will be given. As a pre-requisite for the procedure to be adopt all "imprest" already in name of AE/DAE or any staff of the Board should be settled immediately by 7<sup>th</sup> of April.

<b>Process to be adopted</b>	
<b>Activity</b>	<b>Responsibility</b>
In the first week of April 2022, Rs 100000 will be transferred to all Areas/Unit offices as imprest amount. Separate Budget code will be given for Imprest	DCOF Cash
This amount can be withdrawn as cash to the extent required by the Area SAO for imprest/petty cash expenses upon the approval of Area Engineer/ Unit Head.	Area Engineer/Unit Head and SAO/AO
From this amount upon recommendation by DAE and sanction by Area Engineer, to every DAE/ AE can be given an imprest of Rs 5000/- for urgent repair and maintenance works and office expenditure.	Area Engineer/Unit Head and SAO/AO
Such works should be completed as early as possible and the imprest	DAE/AE concerned

should be settled. Maximum time allowed to settle an imprest bill will be 15 days from the day of drawal of imprest.	
Without bills are received for imprest the SAO/AO concerned should book the concerned expenditure under the relevant code in "Appropriation Register" and close the imprest. Unspent imprest should be settled in cash	SAO/AO concerned.
Only one imprest should be in the name of any AE at any particular time. Without clearing the imprest already got another imprest should not be given to the same AE	SAO/AO concerned
<b>Control Mechanism</b>	
SAO to prepare the list of pending imprest to be settled and submit it to Area Engineer in the first week of every month.	SAO/AO concerned
For imprest not squared off for more than 3 months, the same should be intimated to Head office, for further action against the AE concerned.	Area Engineer/Unit Head concerned & SAO/AO concerned.
An "Imprest register", and a "Petty cash" register should be maintained by Area office to keep track of imprest payments and other petty cash payments	SAO/AO concerned.
This imprest will be of "revolving fund type" once the amount in the imprest account falls below Rs 40000/- further imprest to make good Rs 100000/- can be got from Head office.	SAO/AO concerned.
Head office Expense section to monitor and control the "imprest account" of each area and reconcile the same every month. Any unauthorised use of Imprest and abnormal imprest amounts should be brought to the knowledge of higher management immediately.	Ao/SAO expense and DCOF Expense
In Both Area/unit office and Head office, the expenditure under Imprestaccout should be squared off and transferred to respective expenditure code account.	

#### **4) Budget for Special Programmes/Cyclone/Monsoon/Drought**

<b>Process to be adopted</b>	
<b>Activity</b>	<b>Responsibility</b>
Initial request for funds should be estimated by CE O&M and proposal to be forward to Finance Director	CE O&M I
With the approval of Managing Director will be initially paid out of Board	DCOF Budget

funds which will be regularised in RE 2022-23	
Request to SDRF/ Govt to be submitted for request of special funds	CE O&M I
Upon receipt of Grant, for the balance undisbursed amount allocation to Areas to be given by CE O&M I	CE O&M I
If Grant is not sufficient, the amount to be spent from Board Revenue funds to be estimated and proposal submitted to Finance Director	CE O&M I
Only upon receipt of approval for spending from Board funds from Managing Director, to be regularised in RE 2022-23 bills can be appropriated at Area office Level.	Area Engineer/Unit offices, SAO/AO concerned.
Transfer of Grant funds to Areas	DCOF Cash
Receipt of Bills should be within 30 days from date of completion of works	Area Engineers/Unit Heads
Expenditure should be appropriated under separate account codes given for this purpose and expenditure should not exceed the allocation given either out of Grant funds or Board funds or both	SAO/AO and Area Engineer/Unit offices
<b>Control Mechanism</b>	
Utilisation Certificate to be furnished within 30 days of receipt of bills or 60 days from the date of incident	SE (co-ordination)

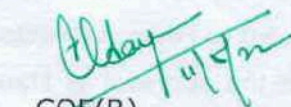
### **5) Establishing the adequacy of Budgetary Control**

- Internal Control Systems established should be tested for its adequacy and efficiency by conducting Internal Audit.
- "Transaction Audit" will be conducted at regular intervals at all Area/unit offices and Depot offices, Sections of Head office, testing the budgetary procedures, passing of Bills and Payment of Bills.
- The system will be improved on a continuous basis upon the suggestions of Internal Audit Reports on "Budget and Budgetary control"

Sd/-11.05.2022

MANAGING DIRECTOR

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