

# Financial Accounting System - Towards Better e-Governance Through Transparency In Accounting

Financial Accounting System (FAS) facilitates the departments effectively manage the funds of all Central and State sponsored schemes. Receipt, payment and adjustment vouchers are generated through this web-based software. Various roles and privileges are created for the Accounts Officers and Accountants of each Department. The Departments can monitor fund receipts and expenditure through an integrated view generated by the system.



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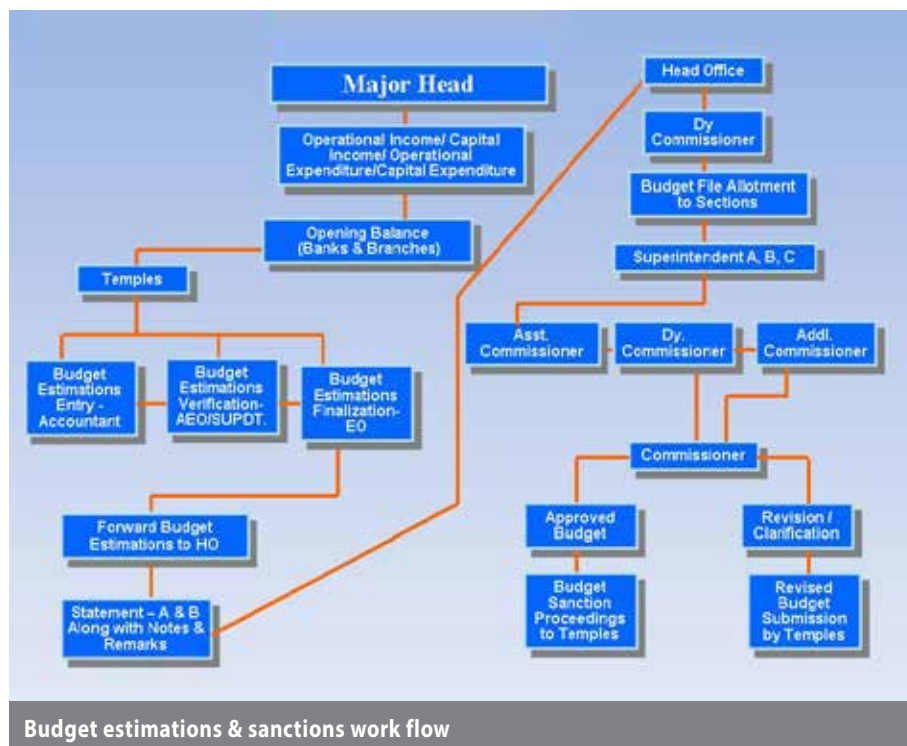
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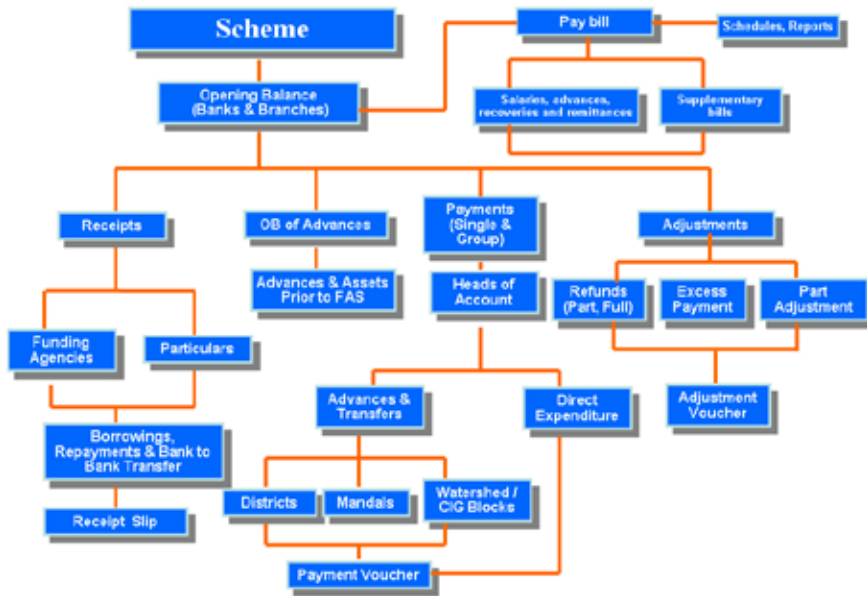
**T**he Financial Accounting System is a generic fund management application conceptualized, designed and developed by National Informatics Centre, Hyderabad to effectively solve the accounts management problems in Central & State sponsored schemes. FAS software facilitates in generating all the statutory books of accounts with the help of receipt and payment vouchers entered day to day. The Cashbook is prepared at the end of the transacting day and the system keeps track of the availability of funds. This software will help the departments towards effi-

cient fund management of all Central & State sponsored schemes. Receipt, payment and adjustment vouchers are generated through the software.

FAS is a web based application accessible over net through a secured login/password. Different roles and privileges are created for the accounts officers and accountants of the department. The departments will be able to monitor the fund receipts and expenditure through an integrated view generated by the system. Higher officials of the department can view and monitor the state level consolidated and scheme level consolidated reports online.

**SCALABILITY:** The established business process and the FAS software is fully fine tuned and even after the





FAS funds flow

concurrent users have accessed the Application, scalability is maintained and the users do not have to face session related issues. The scope of the software can be increased to implement it in a wide range to new Institutions with minimal effort and within a short period of time.

**SUSTAINABILITY:** Most optimal sustenance model with clear definition of roles and responsibilities had been implemented. Effective Monitoring cells have been put in place to ensure daily use of software yielding desired outcomes and results. Online feedback entry with token generation and automated mail response helps to redress the implementation issues in a faster manner.

**HIGHLIGHTS**

- Workflow based online budget estimation preparation, submission and sanction
- Every component of receipt and

payment for a scheme is accounted with the help of strong 7 levels of heads of accounts system, uniformly across the departments

- Generic software and customizable for any department
- Analysis and decision making on releases and expenditure of funds
- Awareness and monitoring capabilities are expected to be increased for the head of departments on various accounting procedures
- Building a strong data bank of financial information
- Manual books of accounts need not be maintained
- Preparation of monthly financial progress reports

**USER INTERFACE**

- Menu driven and user friendly interface
- Entry of Bank, Branch and Opening Balances

- Entry of Cheque Book
- Entry of Receipts & Payments
- Adjustments (Settlement of advances)
- Bank to Bank Transfers
- Entry of Reimbursable advance, Repayment Entries (Contra Entries)
- Entry of Opening balances of Advances (out standing advances)
- Integrated Pay Bill Module for salary processing
- Bank Scroll, Cheque for DD scroll and Bank Reconciliation
- Cashbook, Periodic Cashbook and Ledger
- Annual Financial Statements

**USER MANAGEMENT**

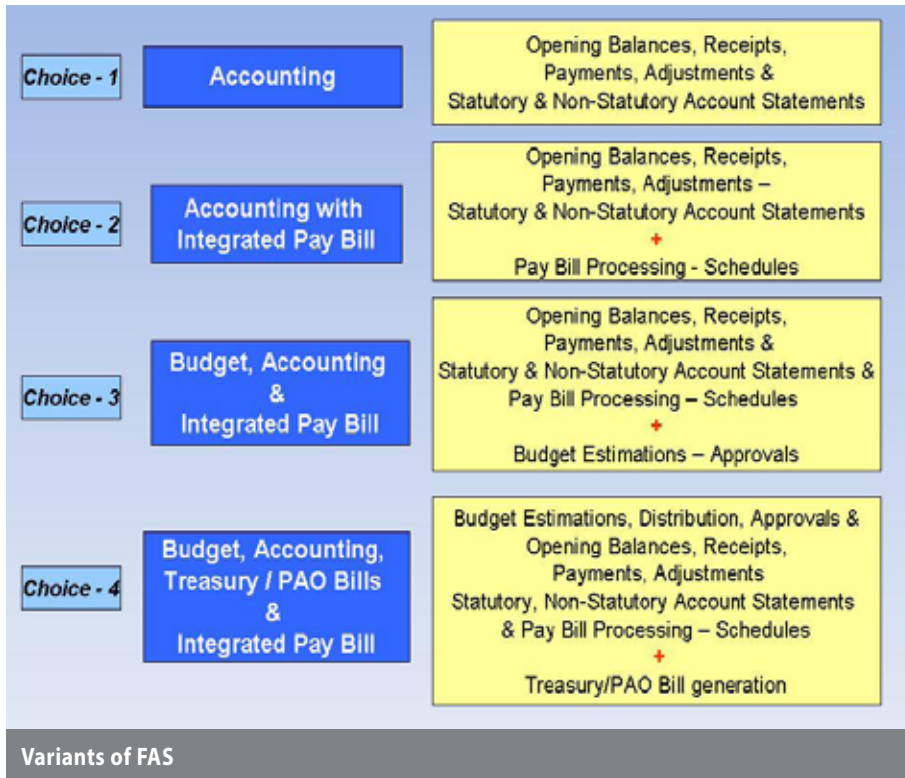
The user management module under FAS project Consists of the following major operations:

1. Identification of Users
2. User ID formation & generation
3. Security & Session Management
4. User ID intimation
5. User locking mechanism
6. Roles & Privileges

**TRANSFORMATION AND POSITIVE IMPACT**

Uniform head of accounts across the departments are designed by conducting series of brain storming sessions and interactions with domain experts from the departments

- Role based privileges and transaction modification history made available.



- Generation of unique voucher number for every receipt, payment and adjustment vouchers.
- Complete automation of settlement of out standing advances and current year advances
- Preparation of complete MIS of funds available on web for monitoring and decision making process for higher officials
- Scheme fund integrated pay bill module for the salary disbursement.
- Low cost effective solution (wherever required open source software are used)
- Java server pages, servlets and MS-SQL as back end database
- Application is hosted in Tomcat web server at state of art SAN data centre of NIC Hyderabad free of cost.

### BEST PRACTICES ADOPTED

Deployment of the software enabled the department to instantly generate all the statutory and non-statutory books of accounts. Since the head of accounts are uniform across the Institutions, there is no chance for recording expenditure as per the choice. Monthly financial progress reports are generated with a click of button, funds position across the department in the state in all schemes is known instantly. State, district and department level consolidated reports are generated for monitoring and decision making processes. Practical approach has been adopted for unique advance settlement when compared to other accounting software.

### PRE-DEPLOYMENT VS POST-DEPLOYMENT

Prior to the deployment of the software the department used to maintain the

accounts manually and various books needed to be referred to find out the release and expenditure details in a particular head of account and prepare a statement. There were repeated occurrences of human errors in writing cash books, ledgers, registers etc., recording the expenditure details in wrong head of accounts. Additionally, the ratification procedures were cumbersome. There was redundancy in work & delay in preparation and communication of monthly financial progress reports to the departments.

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### RECOGNITION

Financial Accounting System for APT-WREIS has won Bronze Award at the National e-Governance Awards 2012-2013 under the category - “Exemplary Re-Use of ICT Based Solutions”.

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