TEQIP III

PFMS User Manual

Jan 2018

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1.Overview

Direct Fund Transfer System (DFTS) for TEQIP-III is designed and developed by PFMS team of CGA. This system is based on EAT (Expenditure, Advance & Transfer) module of PFMS. PFMS is a e-payment gateway and using Just-in-time method for funds transfer.

The funds disbursement under TEQIP III is routed through the Public Fund Management System (PFMS). The process of feeding the day to day transactions on the PFMS portal by an agency registered on PFMS, is called expenditure filing and the same has been elaborately explained herein.

Parent Agency

NPIU is Parent Agency for TEQIP-III project in PFMS. The funds will flow from Central Pool Account (which is bank account maintained by NPIU) to the accounts of the vendors/beneficiary of the institutes directly. **The unique agency code of NPIU is UPGB00001580**. The institute has to select the Parent Agency i.e. NPIU for expenditures wherever asked in PFMS, except in certain cases indicated in module.

Child Agency

All the participating institutions in TEQIP-III project are considered as child agency. There will be no actual transfer of money in the Child Agency's account but all the transactions will be reflected in terms of bank statement only. Virtual allocation would be done by NPIU based on action plan submitted by institute.

PURPOSE

Institutions under TEQIP III make payments towards the implementation cost of Project from the Central Pool Account. The purpose of this document is to serve as a reference document for the institutions in understanding the steps involved in expenditure filing.
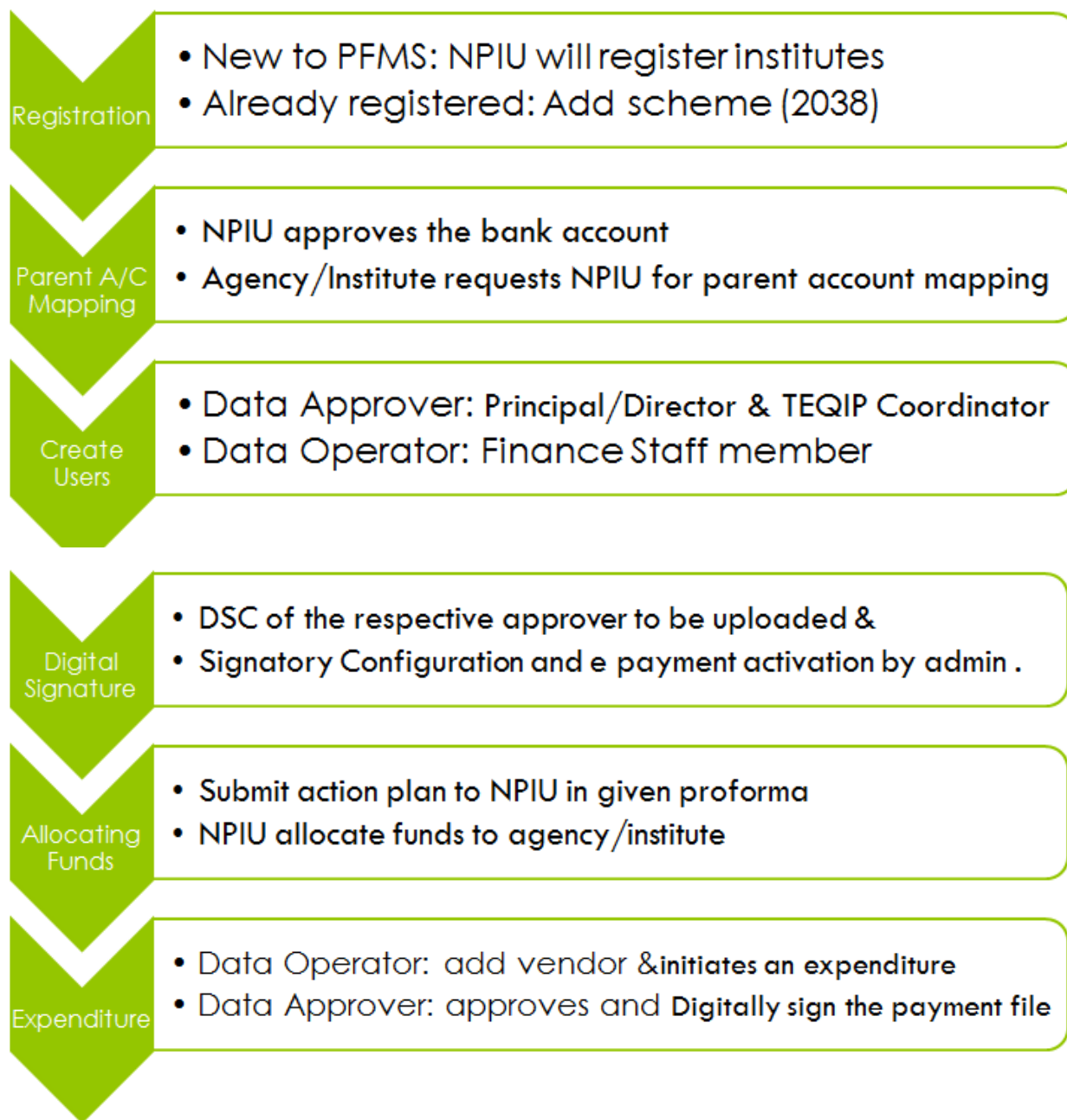
2) Outline

Registration
- New to PFMS: NPIU will register institutes
- Already registered: Add scheme (2038)

Parent A/C Mapping
- NPIU approves the bank account
- Agency/Institute requests NPIU for parent account mapping

Create Users
- Data Approver: Principal/Director & TEQIP Coordinator
- Data Operator: Finance Staff member

Digital Signature
- DSC of the respective approver to be uploaded &
- Signatory Configuration and e payment activation by admin .

Allocating Funds
- Submit action plan to NPIU in given proforma
- NPIU allocate funds to agency/institute

Expenditure
- Data Operator: add vendor &initiates an expenditure
- Data Approver: approves and Digitally sign the payment file

Table 1: Flowchart of steps involved in flow of funds through PFMS under TEQIP III

3) Registration in PFMS

There are two types of institutes:

A.   Institutes who have never been registered on PFMS.
B.   Institutes who were already registered on PFMS.

Procedure of Registration for Type A:

For the institutes who are totally new, the registration is done by NPIU.

The institute need to submit following four documents in soft copy as well as hard copy to the NPIU:

1. Institute details with Bank Account duly filled through this form
   https://goo.gl/forms/qHx8nIKwSJEOKmyh2
2. Institute registration certificate
3. Bank Authorization
4. Cancelled cheque

After confirmation of details and registration by NPIU, the institute gets login Id and password for Admin account for signing in the PFMS.

Procedure of Registration for Type B:

For the institutes who are already registered will have to submit the same four documents in hard copy as well as soft copy as described in Type A.

The institutes of Type B already have login Id and password which they can use to login and add the scheme for TEQIP-III i.e. 2038 by following the below procedure:

1. Login into https://pfms.nic.in
2. Click on My Scheme
3. Click on Register new Scheme
4. Enter Scheme Code 2038
5. Select TECHNICAL EDUCATION QUALITY IMPROVEMENT PROJECT OF GOI (EAP) CS [2038]
6. Click on 3rd bullet of Select Funding Agency (I will receive funds from this agency)
7. Click on Search option
8. Enter unique code UPGB00001580 and select National Project Implementation Unit
9. Enter Bank details
10. Enter Bank Account No.
11. Enter Agency Name as per Bank
12. Click on Agency Account Scheme Component Mapping
13. Click (+) symbol of Bulk option
14. Click (+) symbol of Improving Quality & Equity in Focus States option

a.   (for 1.1 institutions) Select ONLY Institutional development grants to institutes in focus States & Faculty reforms. (as indicated in figure 1 below)

b.   (for 1.2 institutions)Click (+) symbol of Widening the impact through ATUs/AUs option (as indicated in figure 2 below)

c.   (for 1.3 institutions) Select ONLY Twinning Arrangements (as indicated in figure 3 below)

Figure 1: for 1.1 institutions Leave the other components unchecked as indicated above

Figure 2: for 1.2 institutions Leave the other components unchecked as indicated above
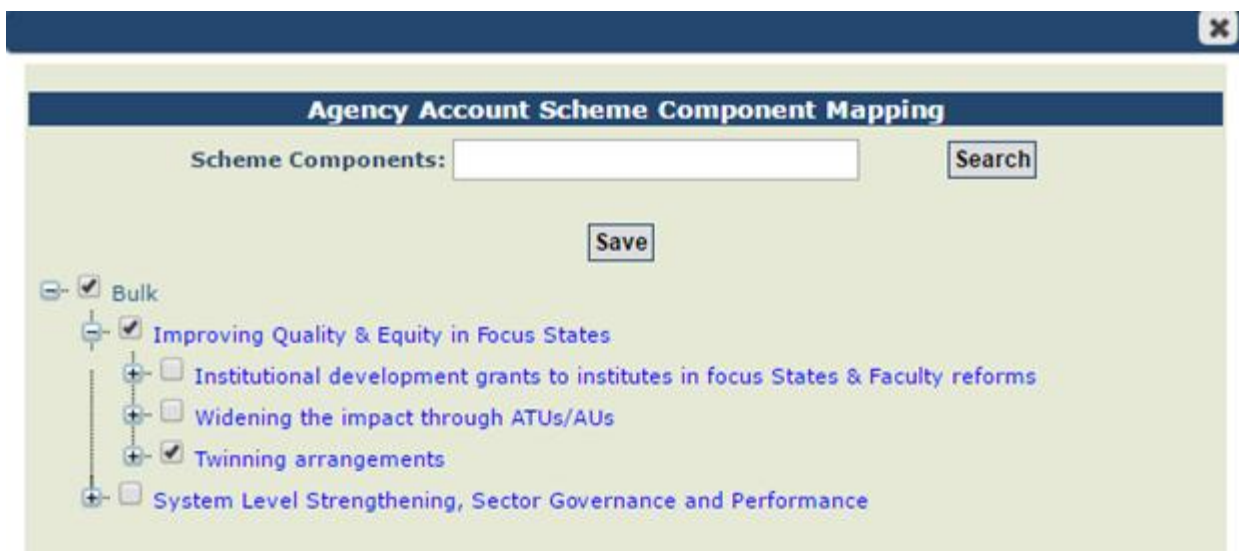

Figure 3: for 1.3 institutions Leave the other components unchecked as indicated above

15.   Click on Save

4) Account Parent Mapping

After getting login id and password for Admin account, the institute has to do account parent mapping by following the below steps:

1. Go to My Schemes.
2. Click on Agency Account Parent Mapping.
3. The following window will open
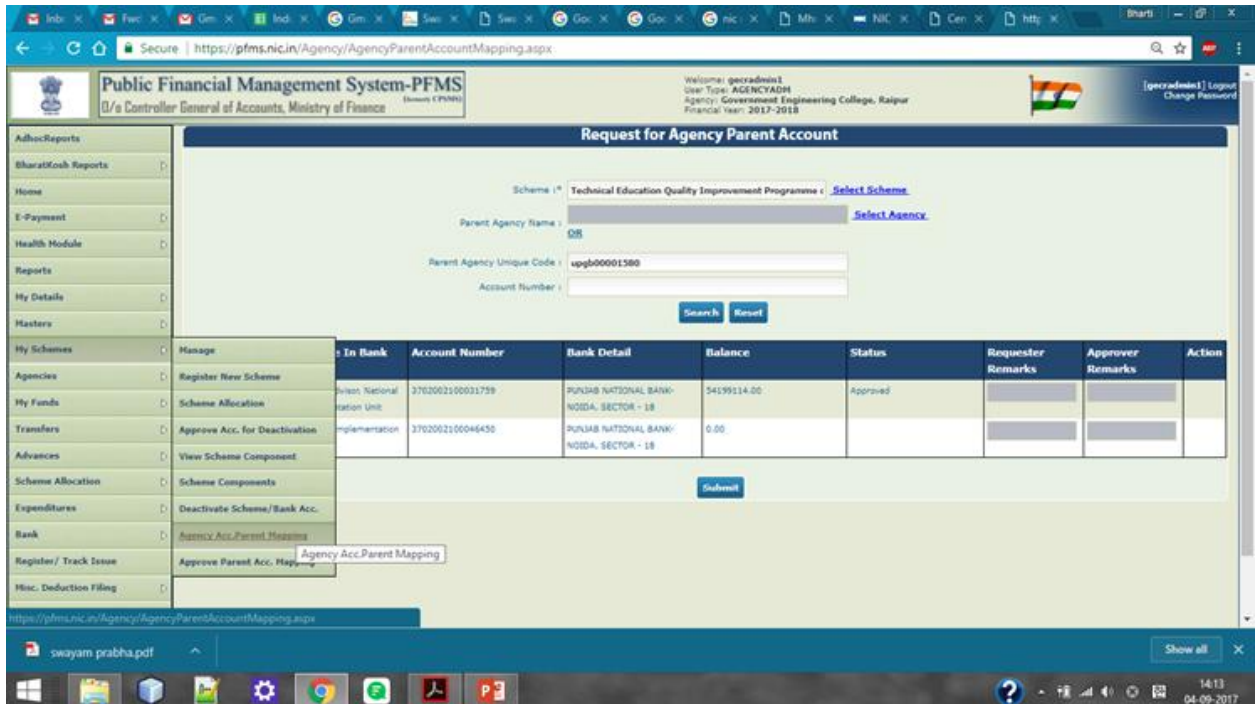
Figure 4: Agency Account Parent mapping

4) Enter the two details, scheme as 2038 and unique agency code as UPGB00001580 and click on search button.

5) Select the account with name as "Central Project Advisor National Project Implementation Unit" and account number "3702002100031759" and write "Request for approval" in Requester Remarks.

6) Click on Submit button.

The NPIU will get this request and approve it.

5) Creating Users

Every institute with Admin login Id and password should create three users:

1. **Data Operator:** who will enter the details of any expenditure.
2. **Data Approver:** Two users of this type should be created who will approve any expenditure, one being the Director/Principal ("Finance Officer" in case of ATUs) and other TEQIP coordinator.

For creating users, following are the steps:

1. Go to Masters, then Users, then Add new.
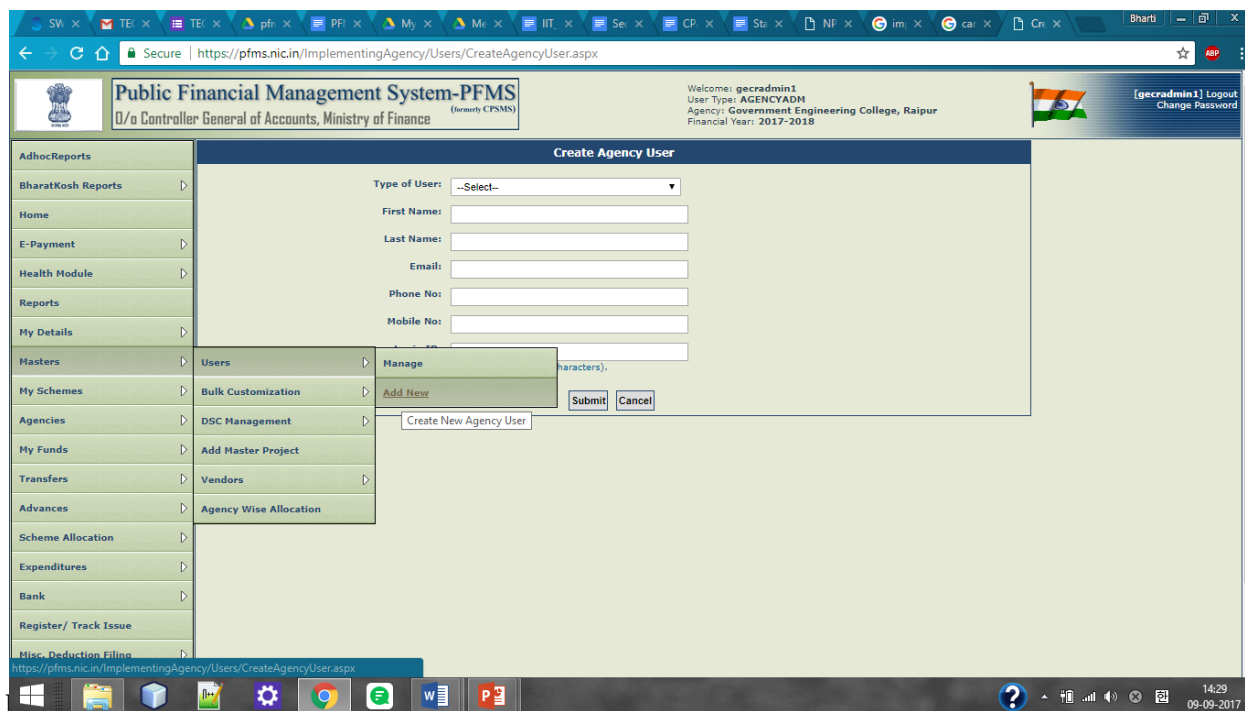
Here select the type of user as "Agency data operator" and fill the other details and that person will get login Id and password for his/her respective account on the given email Id.

In the same way, select user as "Agency data approver" and select level as "Level 1" and fill the rest of the details.

6) Enrollment of DSC (Digital Signature Certificate)

The digital signature of Director/Principal and TEQIP coordinator is required.

Make sure that the institute is uploading the digital signature through Internet Explorer browser only.

Following steps to be followed with respective login Id and password of Director/Principal and TEQIP coordinator:

1. Login with the ID of Director/Principal (Finance Officer in case of ATUs)
2. Click on Masters, then DSC Management, and then enrolled DSC.
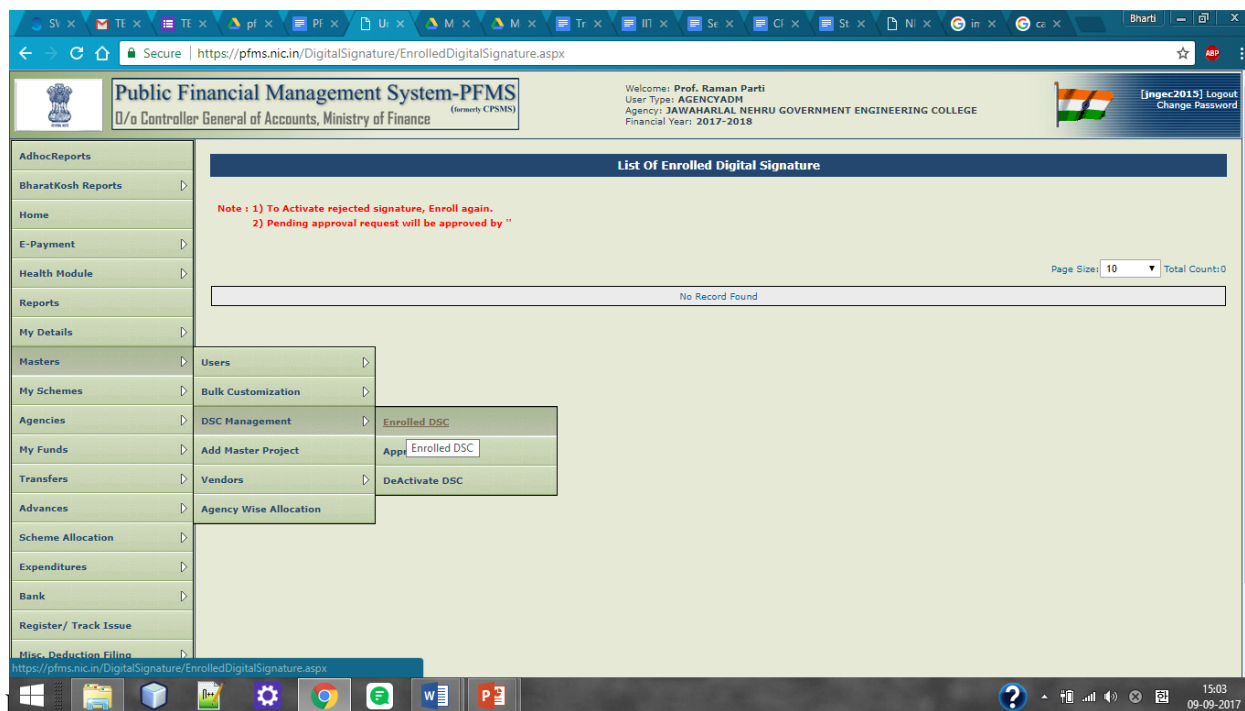
3) Now click on Digital Certificate Enrollment Button.

The following prerequisites will be required for this step:

a.   Updated Java Version, for this google the "Java Download" and download it.
b.   After downloading, run the Java and open configure Java.
c.   Click on "Security" tab and click on "edit the site list" and add "https://pfms.nic.in" as shown in following figure:
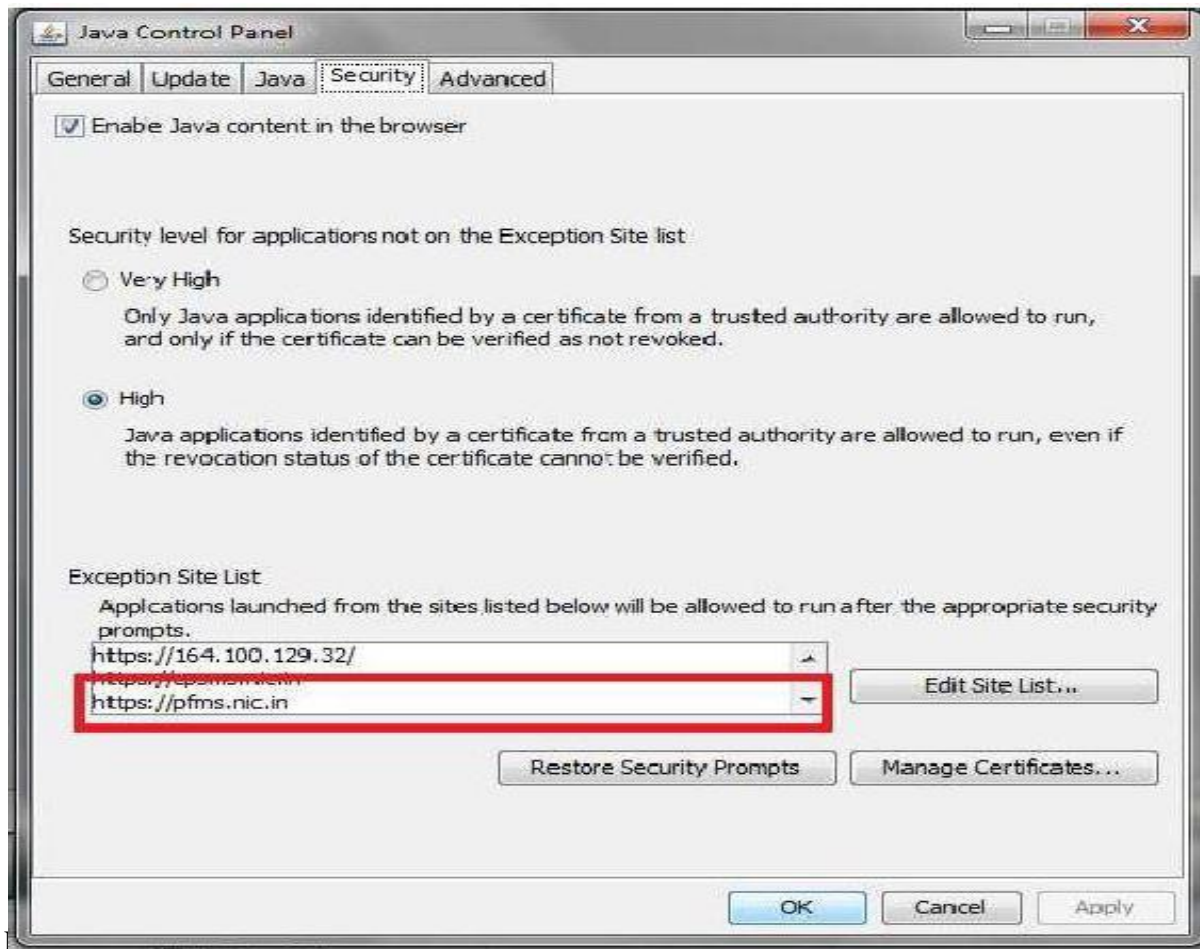
d) Now go to "Advanced" tab and select "Show Console" in java console as shown below:
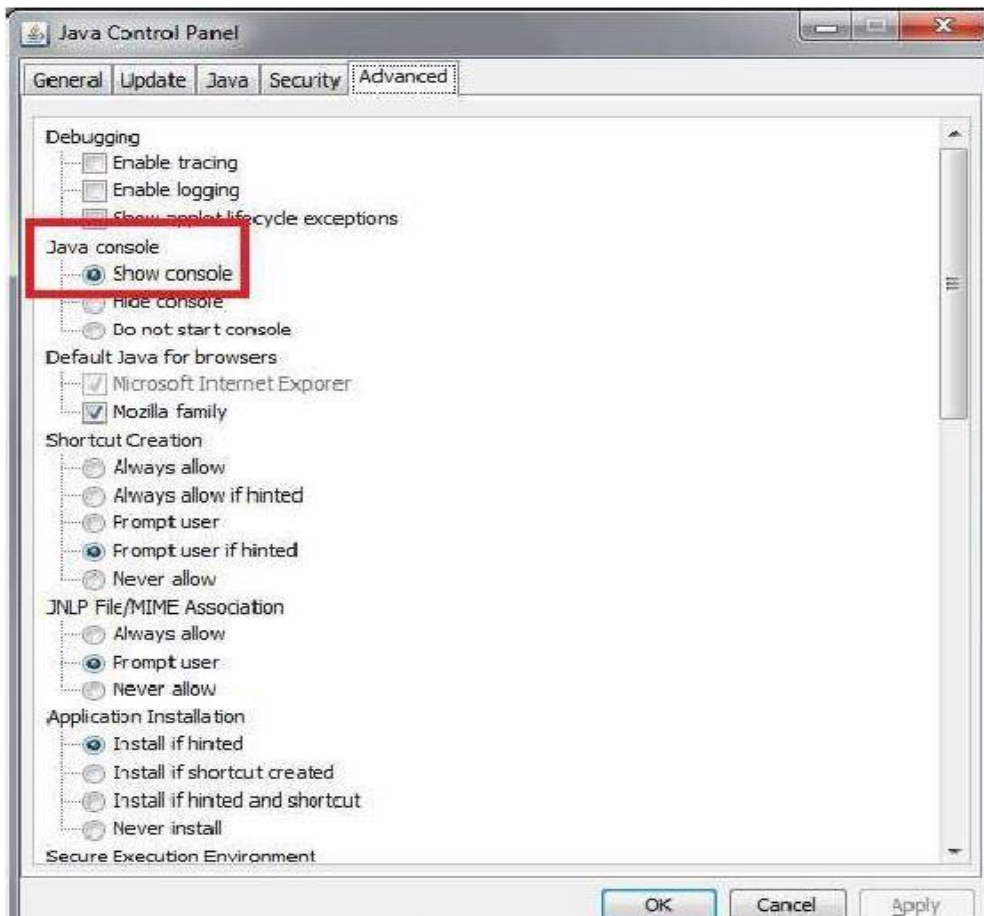
Figure 8: Click on Show console

4) Now click on "Digital Signature Enrollment" and if it shows processing for a long time, please download the "Digital Signature Installer" whose link will be given on right hand side.

5) After that again click on "Digital Signature Enrollment", it will ask a lot permission for breaking the security, allow them all.

Java Pop-Up Screen 1

Figure 9: Click on Continue in the Java Security Warning

Java Pop-Up screen 2

Figure 10: Clicking on Run button

Java Pop-Up screen 3

Figure 11: Click on Don't Block in the Java Security Warning

Java Pop-Up screen 4

Figure 12: Click on Continue in the Java Security Warning

6) Now it will ask to select the certificate and enter the pin which would have been provided by the vendor during making of digital certificate.

7) After successful upload of digital signature, it will show a console "Enroll successfully".

8) Now, It will show a button of "View Certificate Details and Proceed for Enrollment " click on it and there select the scheme as 2038 and select "Digitally sign Beneficiary List" in the purpose and finally click on enroll button.

Figure 13: Clicking on "Enroll" button

A message will be displayed "Digital signature enrolled successfully".

7) Signatory Configuration

After successfully upload of Digital signature of Director/Principal (Finance Officer) and TEQIP coordinator, the institute need to login with Admin Id and password and follow the below steps:

1. Go to "Bank", then select "Signatory Configuration"
2. Now select the scheme as 2038 and select Agency type as "parent agency", enter the agency unique code as "UPGB00001580", then select the account number shown.
3. Now enter the following details for TEQIP coordinator: minimum amount as Rs.1 and maximum amount as Rs.5,00,000 and No. of level as 1. Now click on "+" button and enter details of TEQIP coordinator and date of the validity of digital signature and click on save button.

4. Enter the same details for Director/Principal (Financial Officer in case of ATUs) with minimum amount as Rs.5,00,001 to maximum amount as Rs.50,00,000 and level as 1. Follow the same procedure for filling the details of Director/Principal.
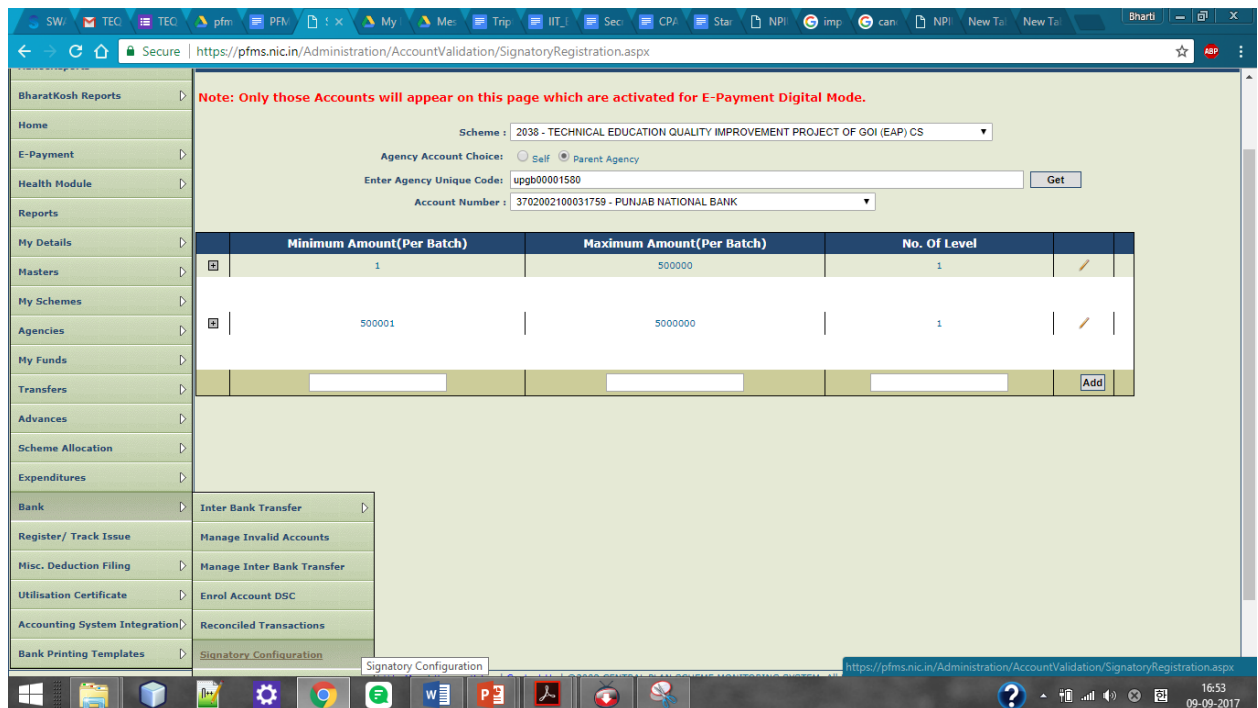
Figure 14: Setting signatory configuration

8) Activate Account E-Payment

1. Institute will login with Admin Id and password, select "bank", then "Account Activation E-payment"
2. There select the scheme as 2038 and enter the account number of the institute or select the account from the table of the institute
3. Select "EPaymentDigitalSignature" from the Account Activation Type and click on submit button.

9) Sign Account Enrolment File

1. Institute will login with respective login Ids of Director/Principal and TEQIP coordinator.
2. Go to "Bank" then "Enrol Account DSC"
3. Click on the checkbox and click on "Sign Enrolment File"

Figure 16: Selecting radio button and clicking on "Sign Enrolment File" button

10) Fund Allocation

1. Login with Admin Id and password.
2. Go to masters, then "Agency wise Allocation"
3. Select the scheme as 2038 and quarter.

4. If the action plan of an institute has been uploaded, it will show the allocated amount in that particular quarter.
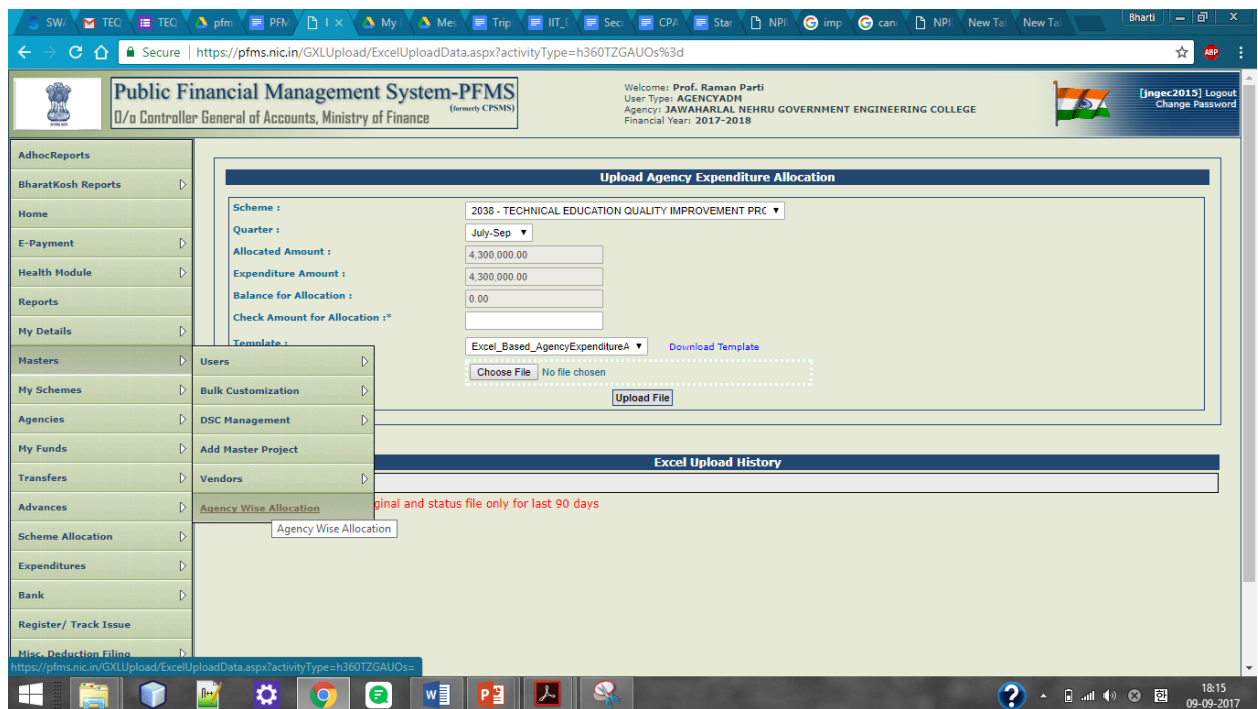
Figure 17: Clicking on Agency wise Allocation

11) Expenditure

Institutes may utilise the allocated funds for payment to vendors for their product/services, payment of TA/DA or salary/remuneration to the faculties/experts, scholarship/reimbursement to the students etc. , aforesaid expenditures may be booked in PFMS through the appropriate ways mentioned below:

A. Payment to a vendor/faculty/student
B. Payment to a group of vendors/faculties/students
C. Creating/settling Advance

Adding Vendor
1. Login with Data Operator Id and password
2. Go to "Masters>Vendors", click on "Add New"

Figure 18: Clicking on "Add New" for adding new vendor

2) A new page "Create Vendor" will open.

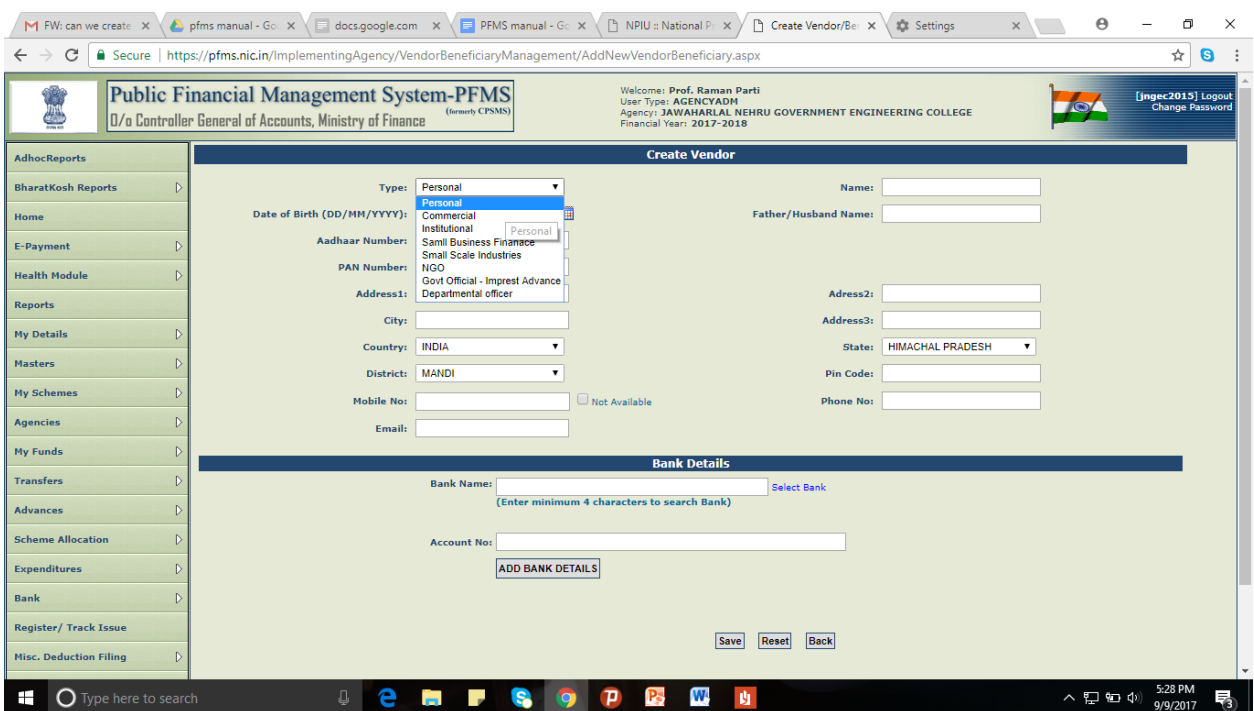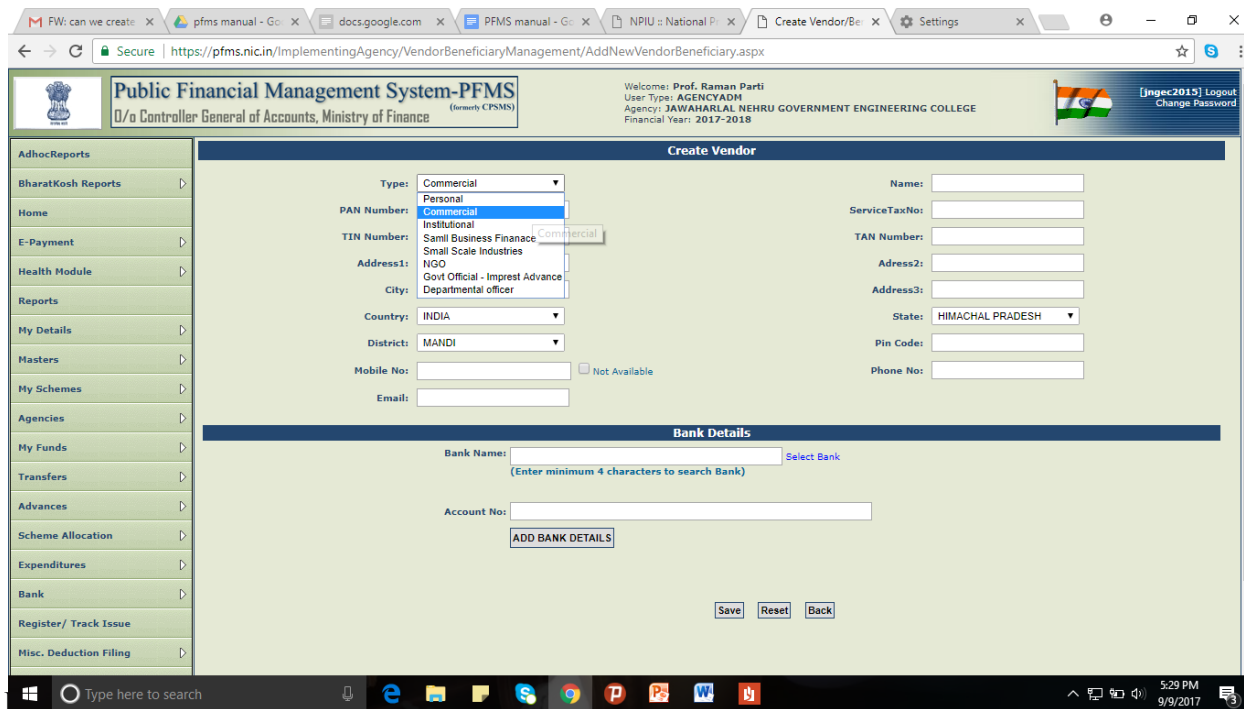3) Select "Type" as "Personal" for students/faculty and "Commercial" for Vendors respectively

Figure 19: Selecting "Personal" in "Type" drop down list

Figure 20: Creating a new vendor and the types of vendor that could be created.

4) Go to "Masters>Vendors", click on "Manage"
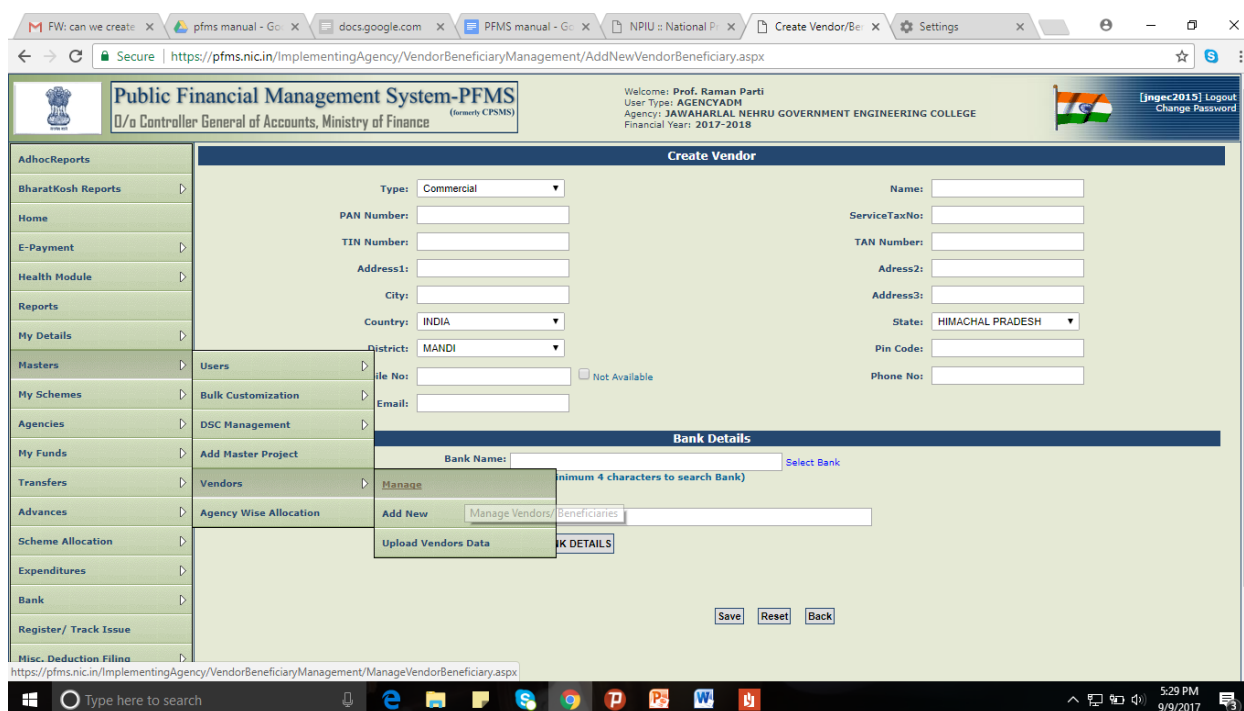
Figure 21: Click on "Manage Vendor" to see the existing details of a particular vendor

5) A new page "Manage Vendor" will open.

6) Refer the "Bank status" and "Account Status" to check if the vendor is added successfully or not. If the bank status is shown either "send to bank" or "pending", then the institute need to wait for it to get approved by bank.

Figure 22: Showing details of existing vendors

Payment Procedure

Expenditure module is used for capturing of all expenses incurred directly by the implementing agency like salary expenses, office expenses etc. For entering expenditure voucher details

1. Login with Data Operator Id and password
2. Go to Expenditure>Add New"

Figure 23: Adding new expenditure

3.   Select Agency Account choice as "Parent Agency", and write the unique code as "UPGB00001580" and click on get button.
4.   Account number will automatically come which is CPA NPIU's account.
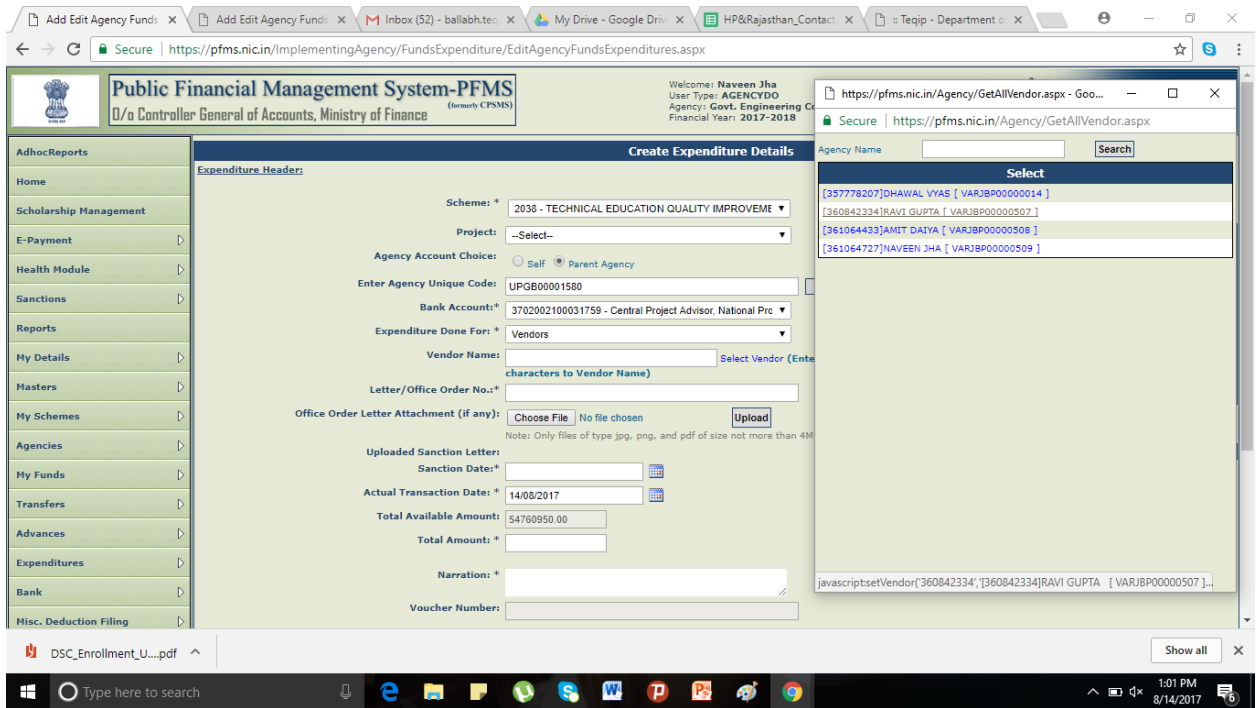5.   Select payee as Vendor.

Figure 24: Entering details for Adding new expenditure

6.   Enter Office order number, Sanction No., Sanction Date and Actual Transaction Date in the respective columns. Enter the gross amount to be paid in the total amount paid column.
7.   Select the component of expenditure

Figure 25: Selecting component for new expenditure

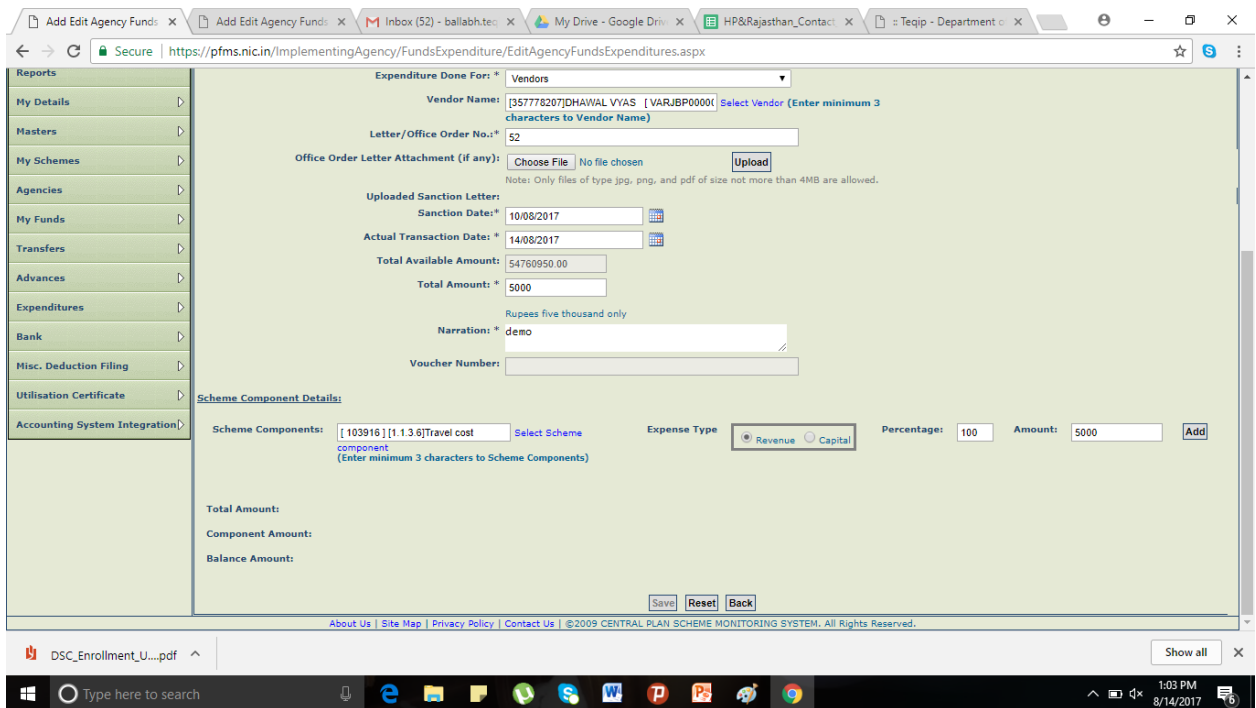8. Select expense type as Revenue or Capital (only for stock entries)

Figure 26: Select the revenue or capital as expense type

8.   Enter the amount or percentage and click Add for display of component details in a grid. The gross amount and component/s amount should tally to proceed further.

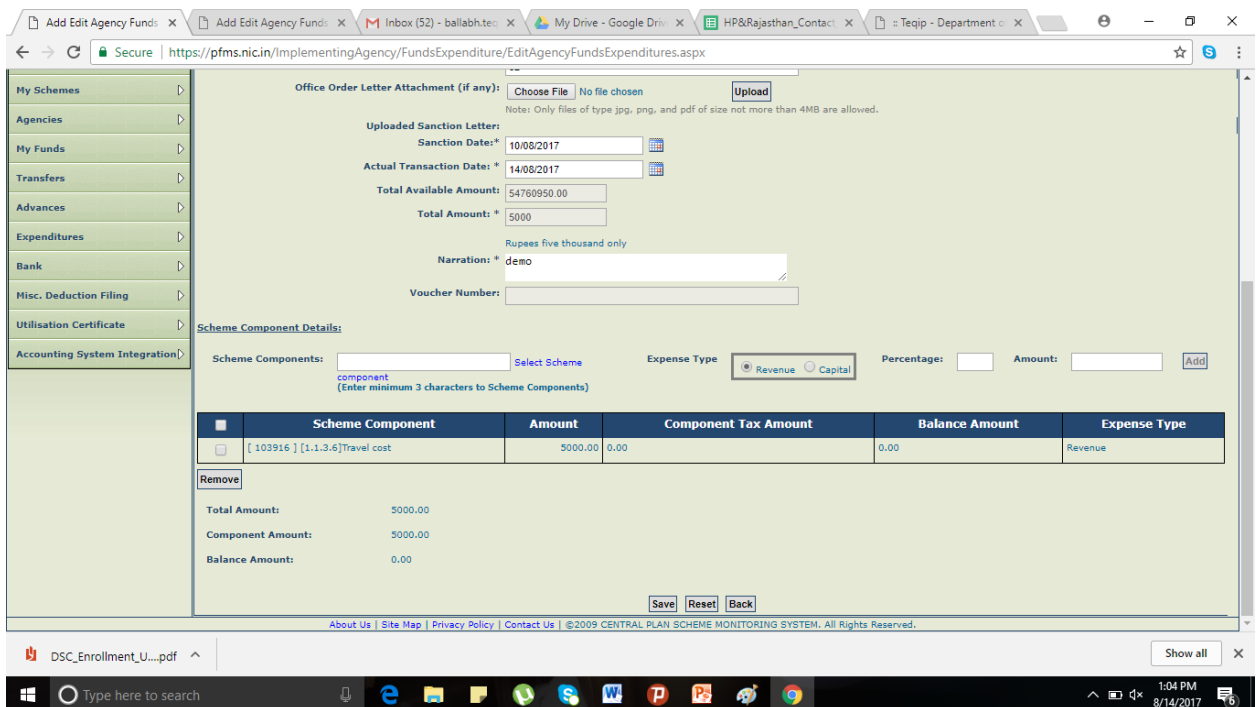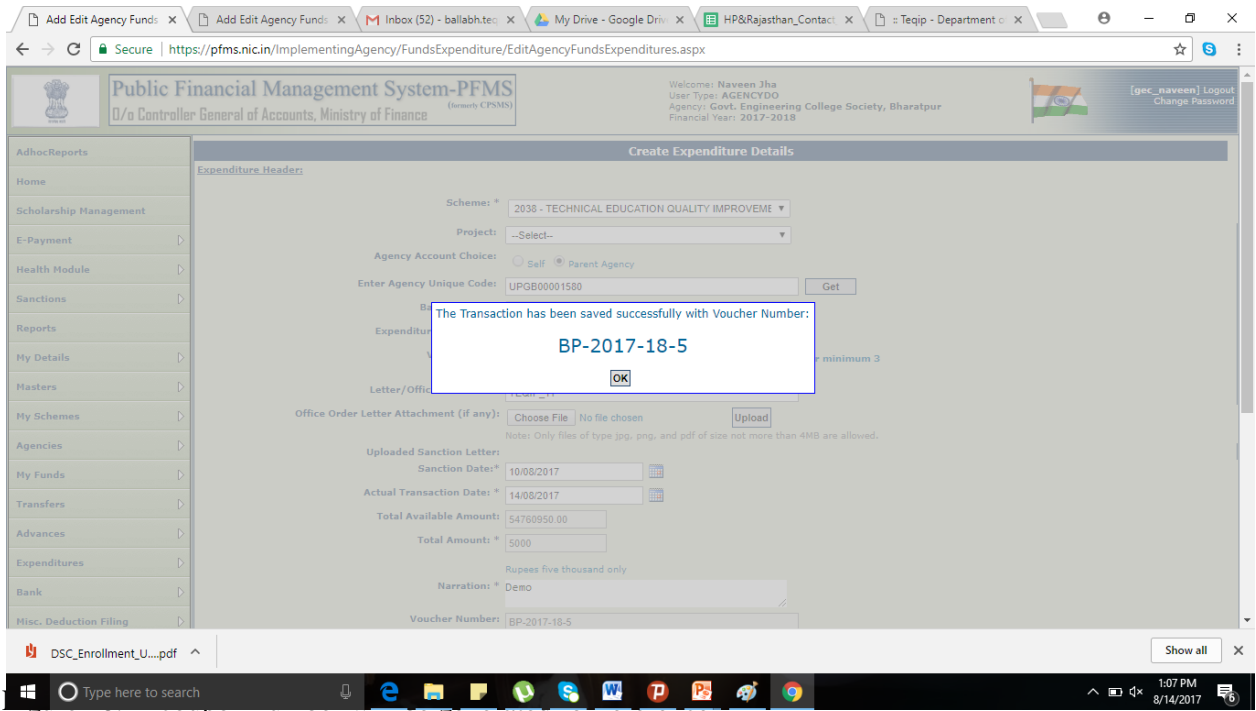Figure 27: Entering percentage and amount depending on the office order

9.   Click on save button to save the entry.

10. Upon saving the entry, the user will be prompted for entering the payee details.
11. Click 'Yes' to proceed for entering payee details
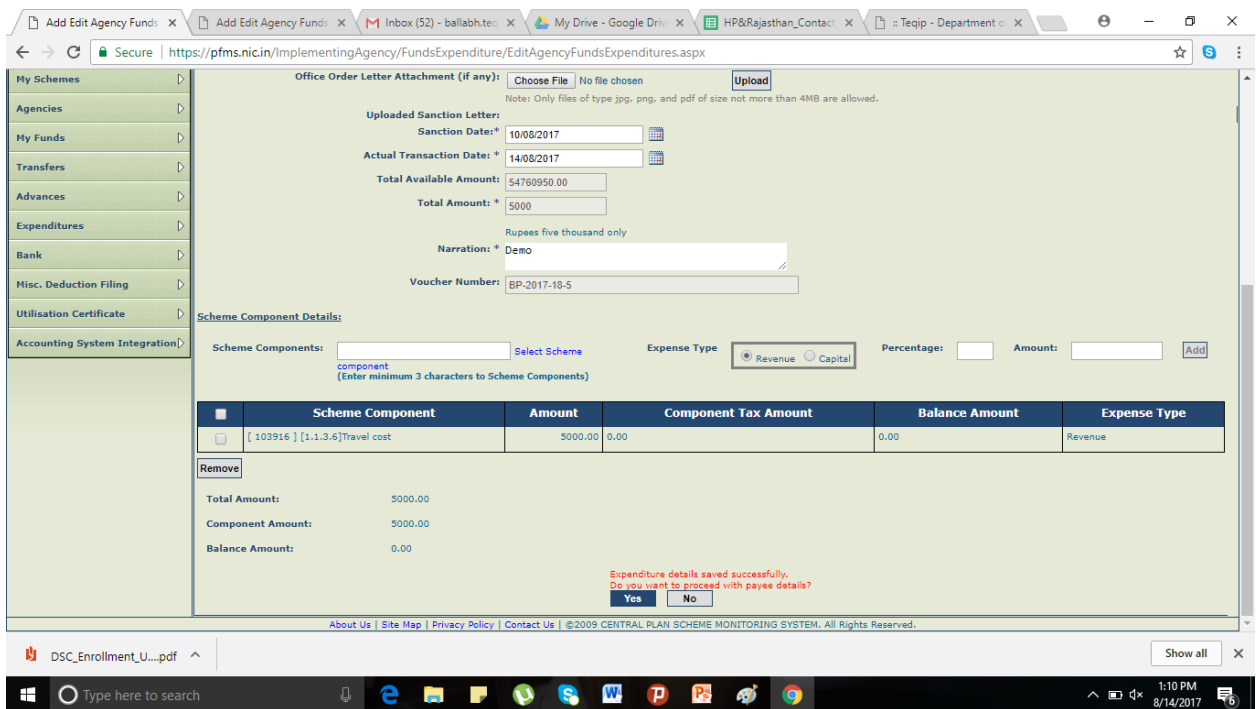
Figure 29: Click on Yes to proceed for Payee details

12. In the drop down list of "Instrument Type" select "e-payment using digital signature"
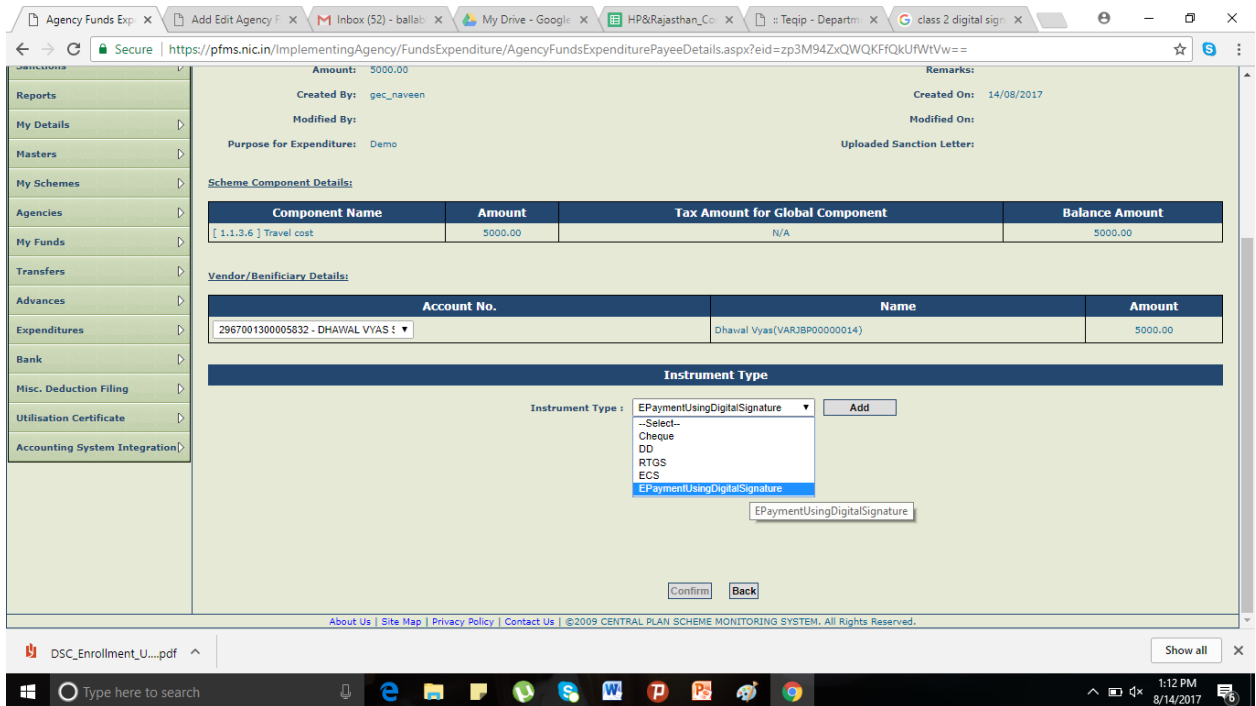
Figure 30: Selecting EpaymentUsingDigitalSignature option for instrument type

13.   Select "No" for "Do you want to add deduction details?". The procedure for Deduction like TDS from payment is explained in FAQ Q1.

14.   'Click confirm to complete payee details.
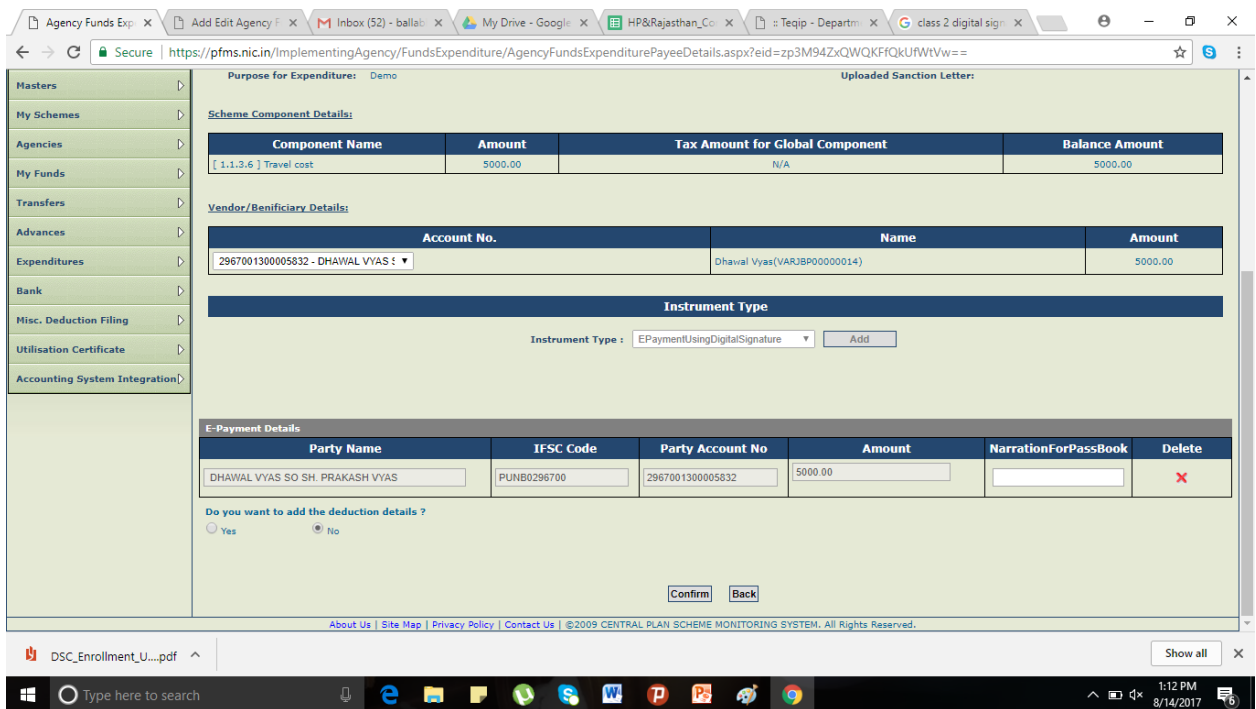
Figure 31: Click on confirm to finalize the payee details

16. Verify the details and submit for approval of payment

Figure 32: Verify the details and submit for approval

Approving the payment

1. The approver (Director or TEQIP coordinator as the case may be) will log in with his credential.
2. Go to Expenditure>Approve"
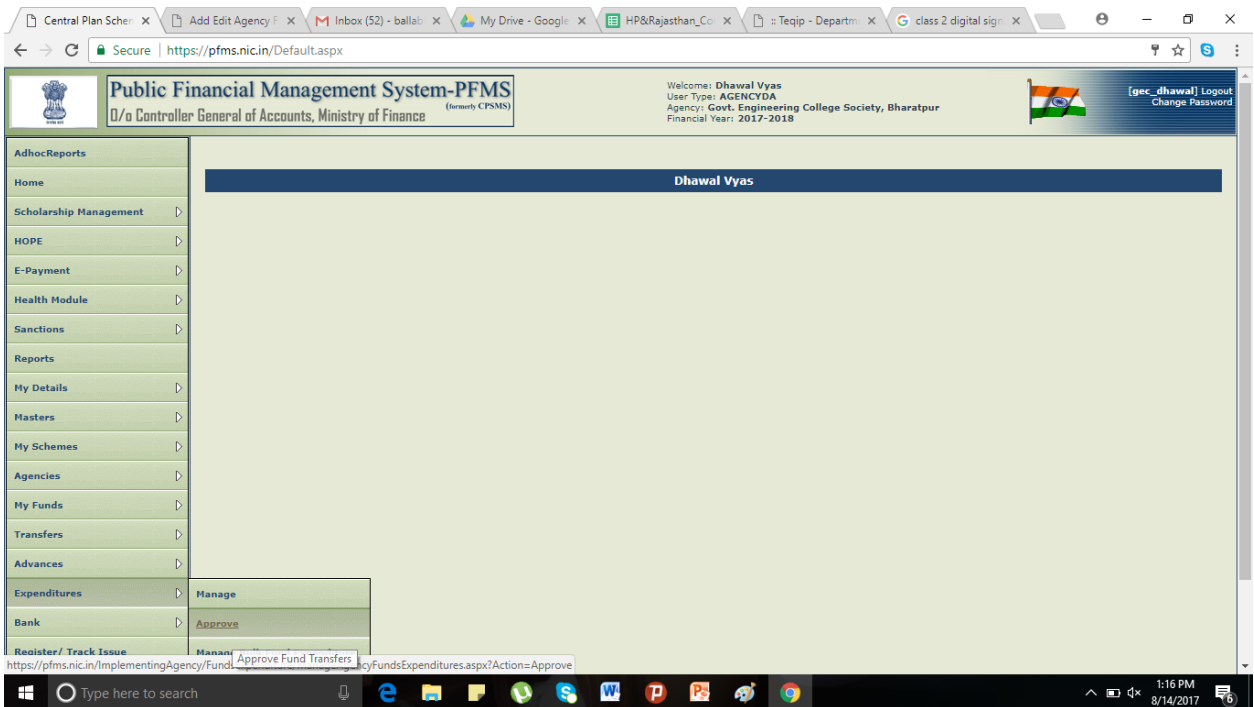
Figure 33: Login with approver Id and password for approving any expenditure

3. Click on the sanction number and verifying the details entered by operator.
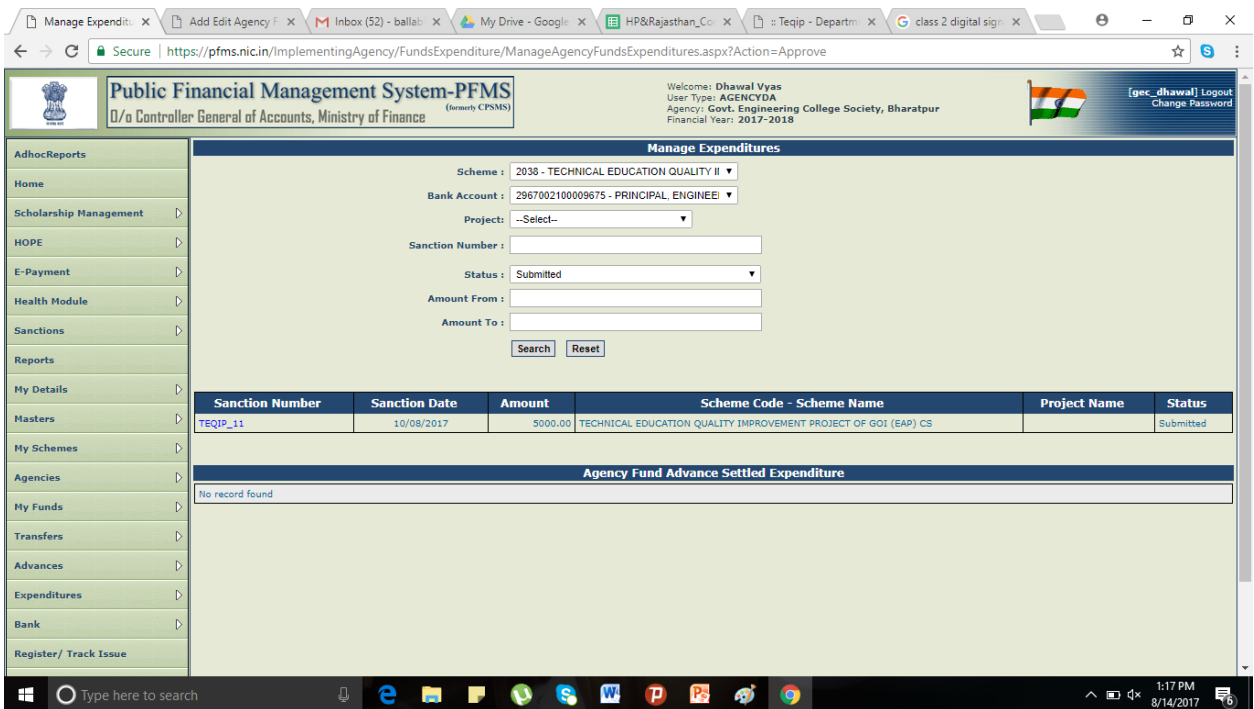
Figure 34: Click the sanction number to know the details

After verifying the details, approve the expenditure

Digitally Sign Payment File

1. Go to "e-payment">"Digitally Sign file"

2. Select 2038 scheme of TEQIP

3. The approved file is shown under the leftmost tab "Digitally sign payment file".
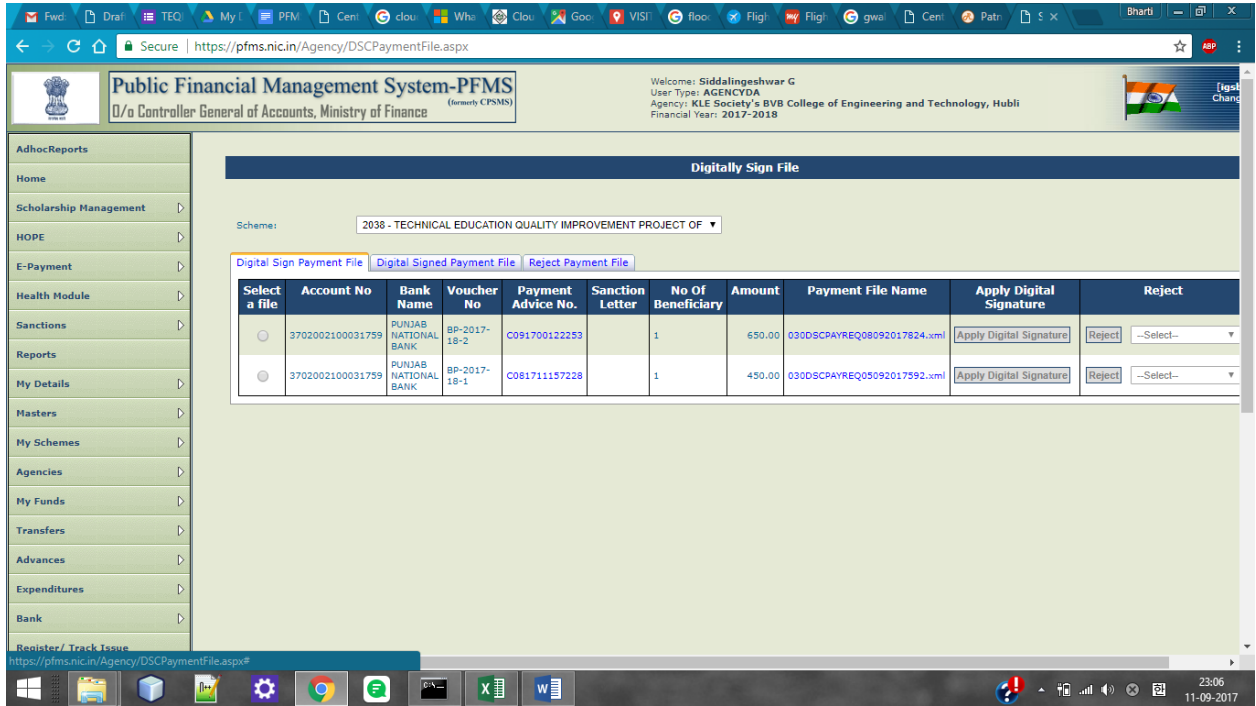
Figure 35: Approved files shown in "Digital sign payment file"

4. Insert the DSC dongle in the Computer's usb port and click on the "Apply Digital Signature" button.

5. After Signing the file, the same is shown in a table under the second tab "Signed Digital payment file".

Figure 36: Digitally signed files are shown in "Digital signed payment file"

6. Click on the payment advice number under the column "Payment Advice No." and keep the printed advice for your reference.

Figure 37: Payment Advice

12) Advances

Advance payment is made to a vendor or supplier for getting a service or product. An advance is also given to an official for getting a work done.

Once the intended work is completed, the beneficiary/vendor/supplier will submit the voucher and return the balance amount, if any, for settling the advance.

Payment of Advance

1. Go to module "Advances" click on "Add New"
2. A new page "Create Fund Advances" will open.
3. Select Scheme, and Bank Account,.
4. Select the beneficiary/vendor if it has already been created. Otherwise create the vendor by clicking on "Add New vendor/Beneficiary". The beneficiary/Vendor list can also be created from Master-Vendors-Add New.
5. Fill in all the relevant information such as sanction number, date, actual transaction date, amount of advance & purpose of advance etc..
6. The component of advance can be selected by clicking on Select Component Button.
7. Enter the Amount of Advance or the percentage in case advance is to be paid from more than one component and percentage of each component is available. Only any one of the column has to be entered.
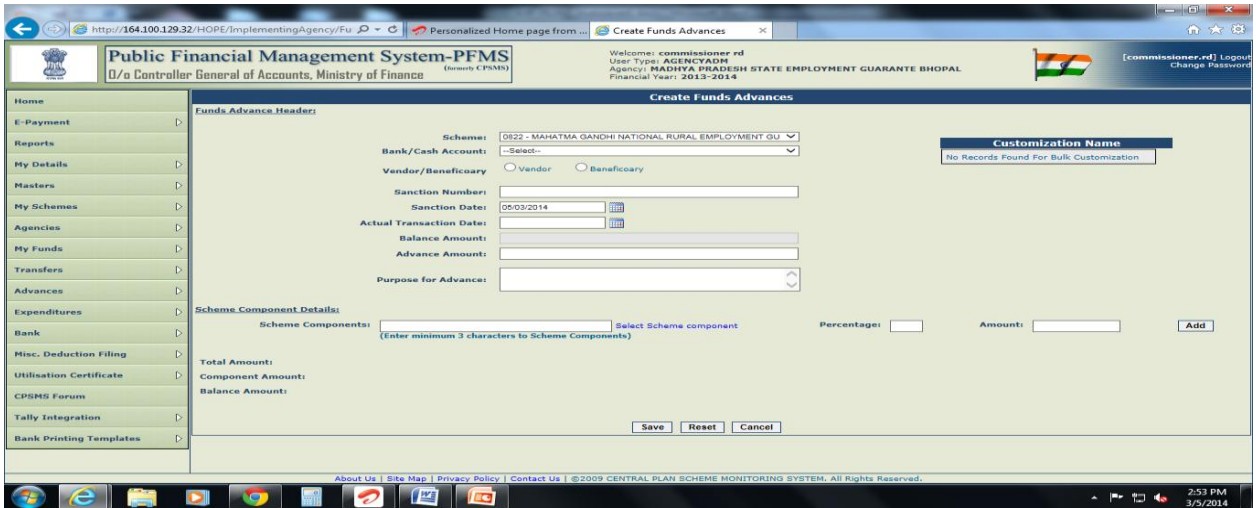
Figure 38: Creating advances

8. Click on Add button to display the advance details in a grid blow. The total amount and net of Component amounts should match to proceed further.
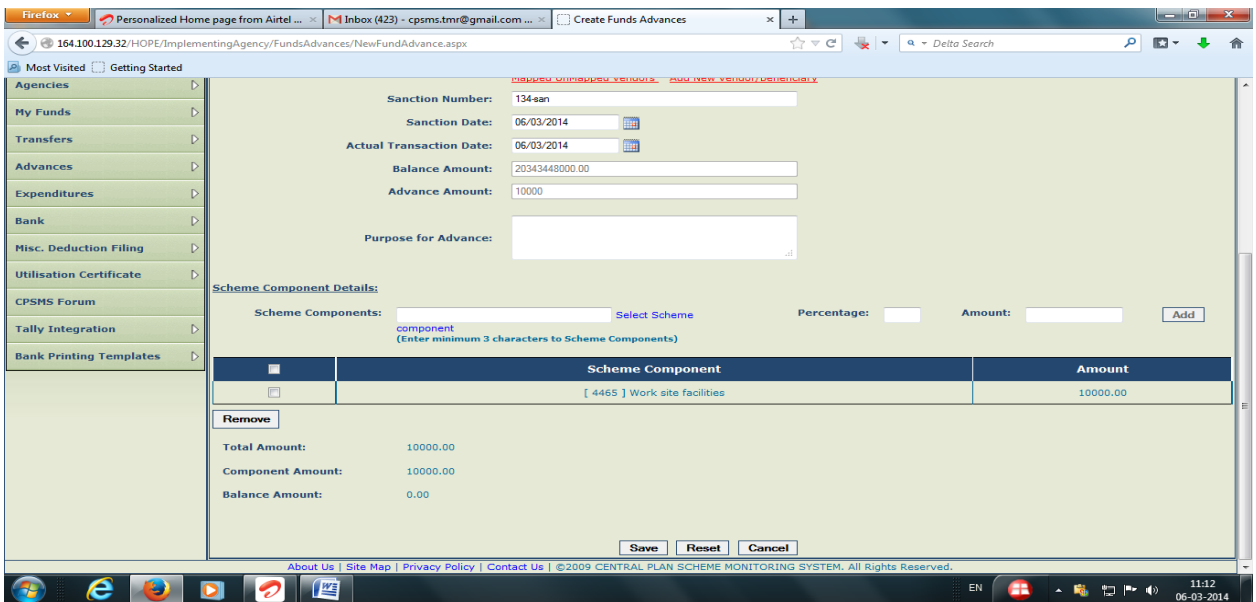
Figure 39: Displaying Advance details

9. Click on save button to enter payee details. Click 'Yes' to Enter payee details as explained in Transfer Module.
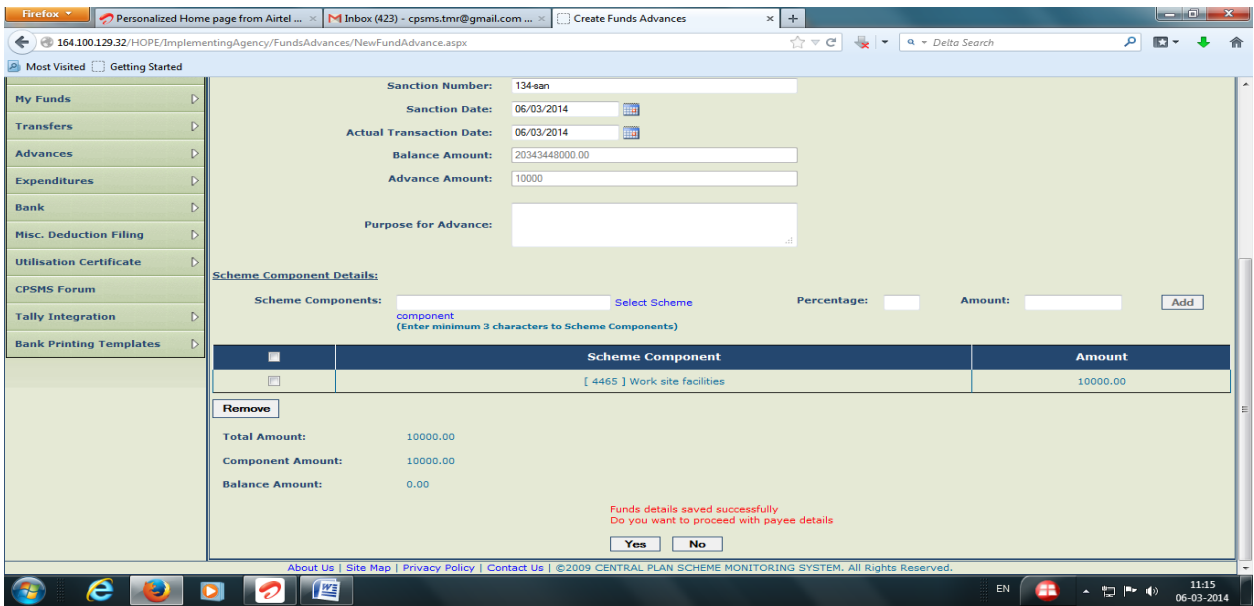
Figure 40: Proceed with payee details

10.   Select "No" for "Do you want to add deduction details?". The procedure for Deduction like TDS from payment is explained in FAQ Q1.
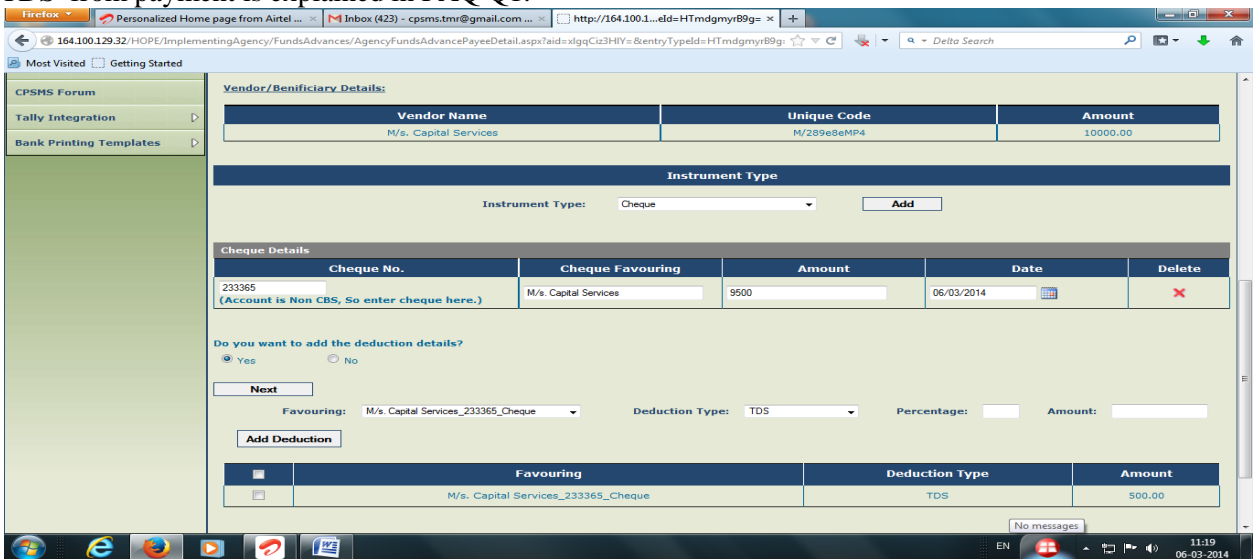
Figure 41: Confirm to complete payee details

11.   Verify the details and submit for approval of advance payment.

Figure 42: Submit for approval

12. The approver will log in and approve the advance by clicking on the sanction number and verifying the details entered by operator.
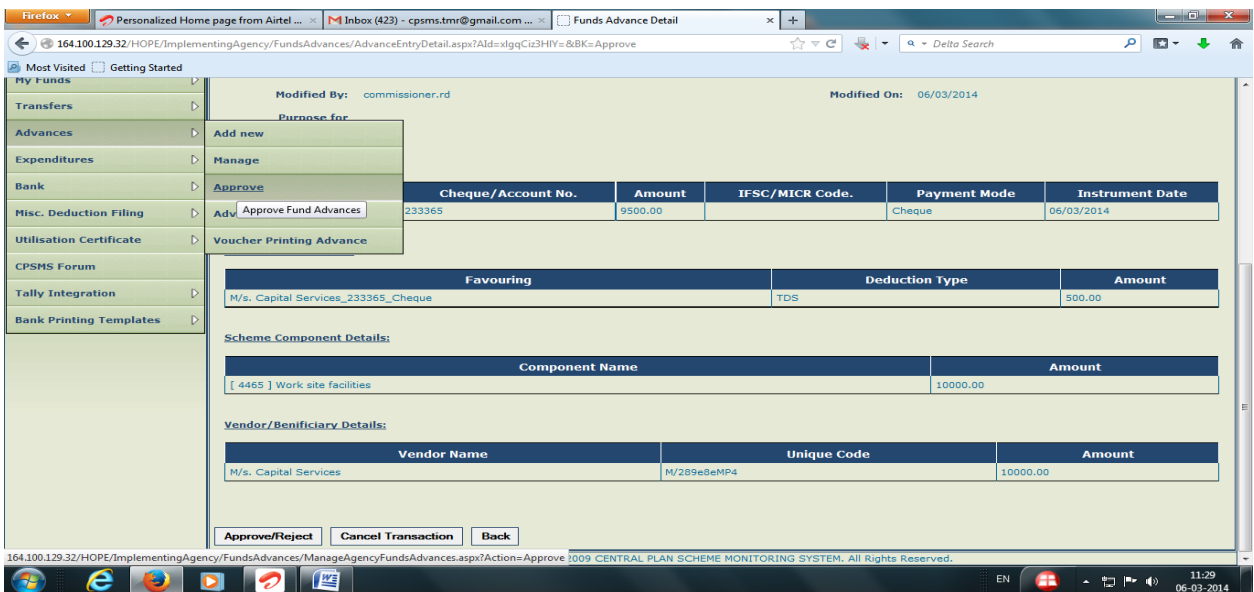
Figure 43: Approve the advance with approval login ID and password

Advance Settlement

Advance paid should be settled within the stipulated time. For settlement of Advance paid the operator will log in.

1. go to Advances-Advance Settlement.
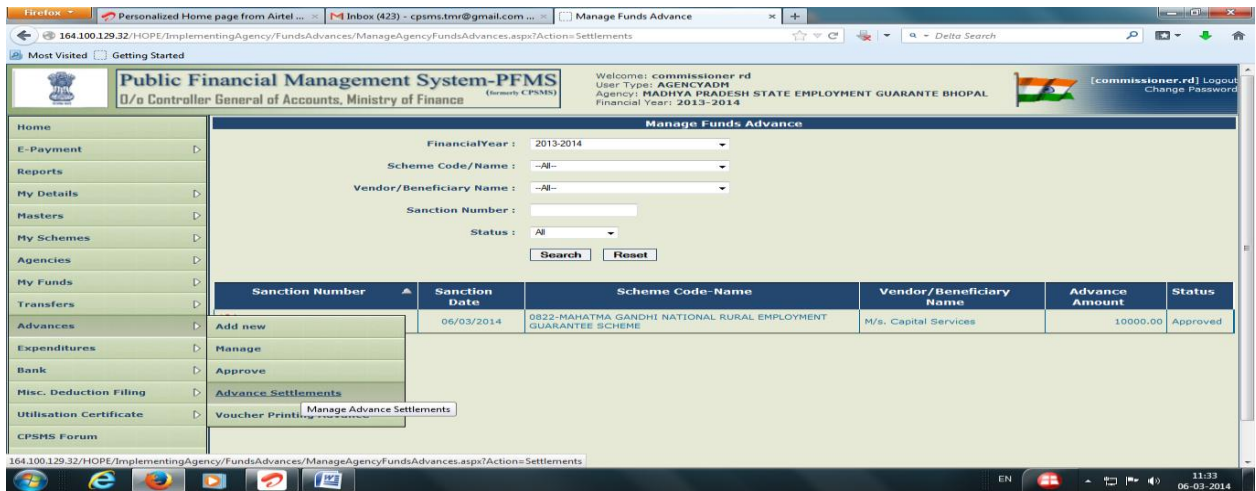
Figure 44: Advance settlements

Click on the Sanction No. to verify advance details. Click 'Add New Settlement' button to open the settlement page to enter advance settlement.
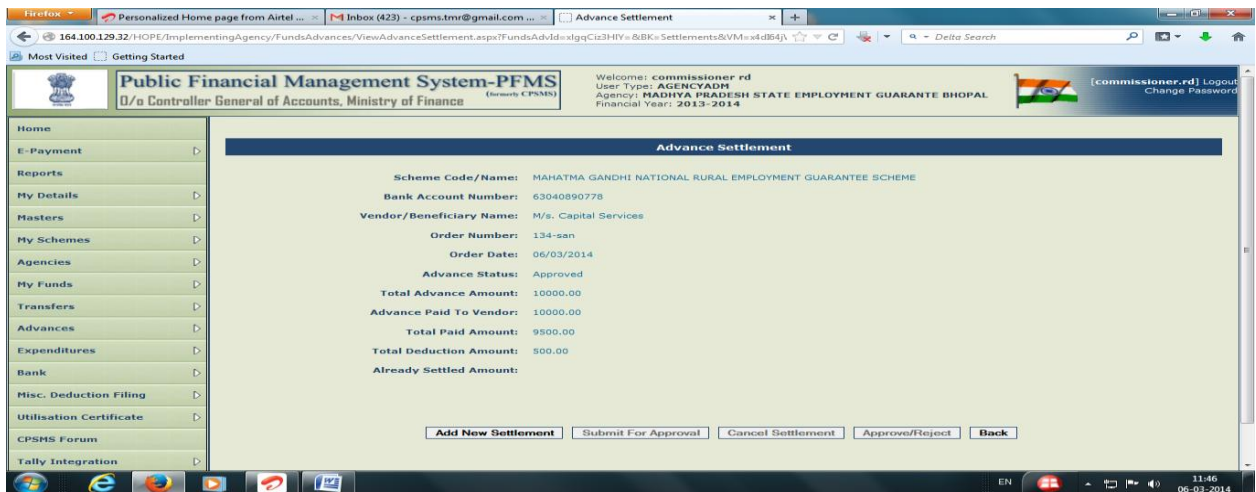
Figure 45: Verify Advance details

2.   Advance can be settled either by expenditure or return funds. There are two cases: **a)** If the expenditure done more than the advance taken, then settle the advance through selecting expenditure in settlement type and pay the remaining amount to the vendor by normal procedure of expenditure, so in a way two expenditures are created for this case. **b)** If the expenditure is done less than the advance taken then settle it through selecting Return funds in settlement type and select the bank account as CPA NPIU (central pool account). For this case, the institute need to submit a cheque of the return amount in the name of Central Project Advisor National Project Implementation Unit account to the bank.

3.   Select the appropriate type of settlement. Select the Bank Account No. of the agency, enter component, select Revenue or Capital as the form of expenditure, enter amount of settlement and click   on   add   button
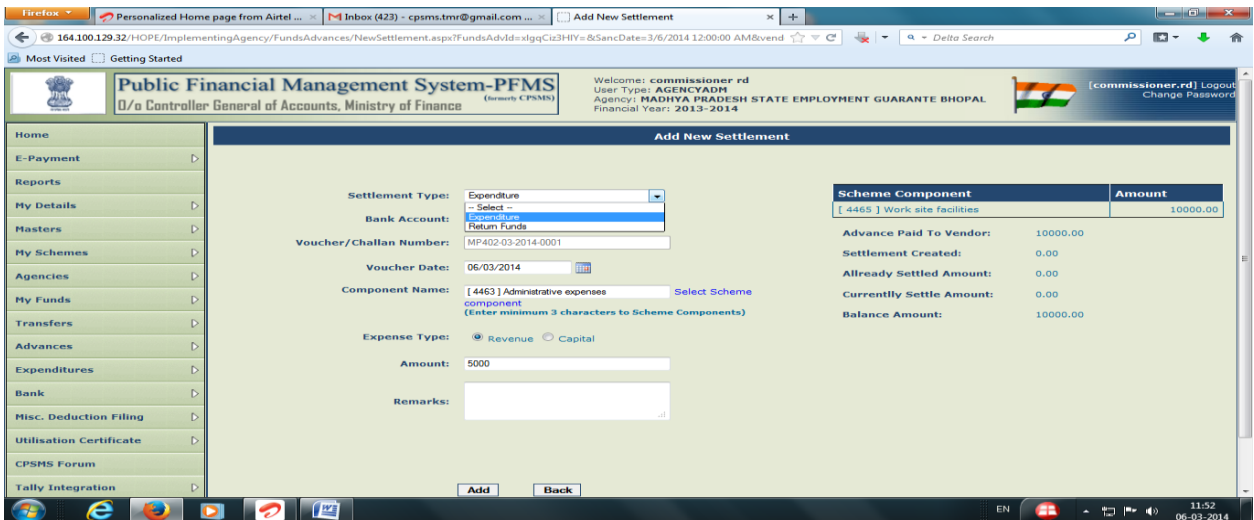
Figure 46: Advance settlement details

4. The advance settlement details will be shown in a grid. Verify and select the check box to save the details.
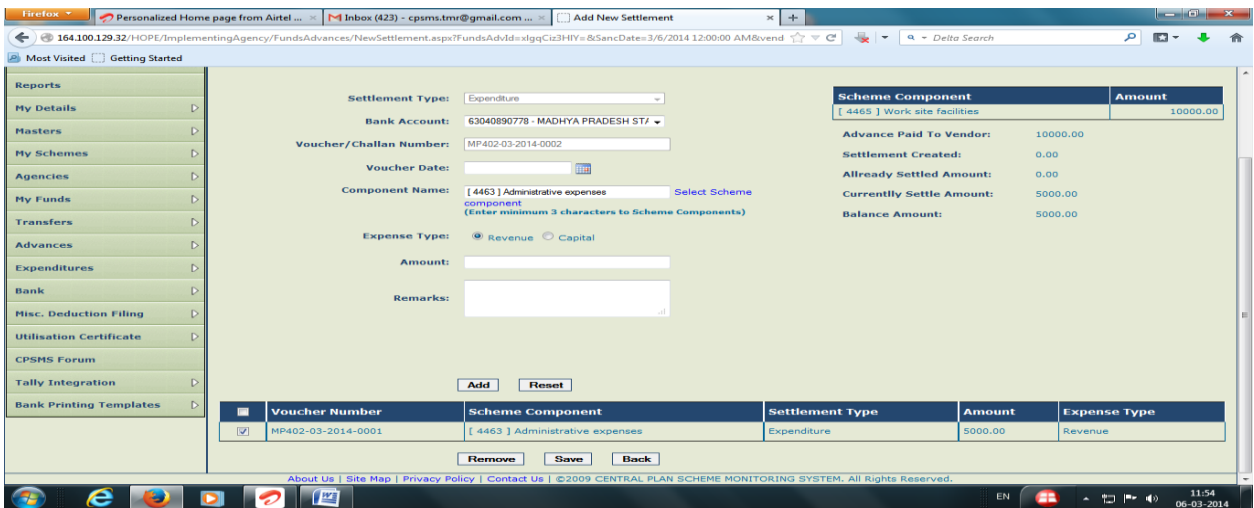
Figure 47: Save the details

5. After saving the details go to Advances>Advance Settlement again and click on Sanction No. for submitting the settlement amount entered for approval
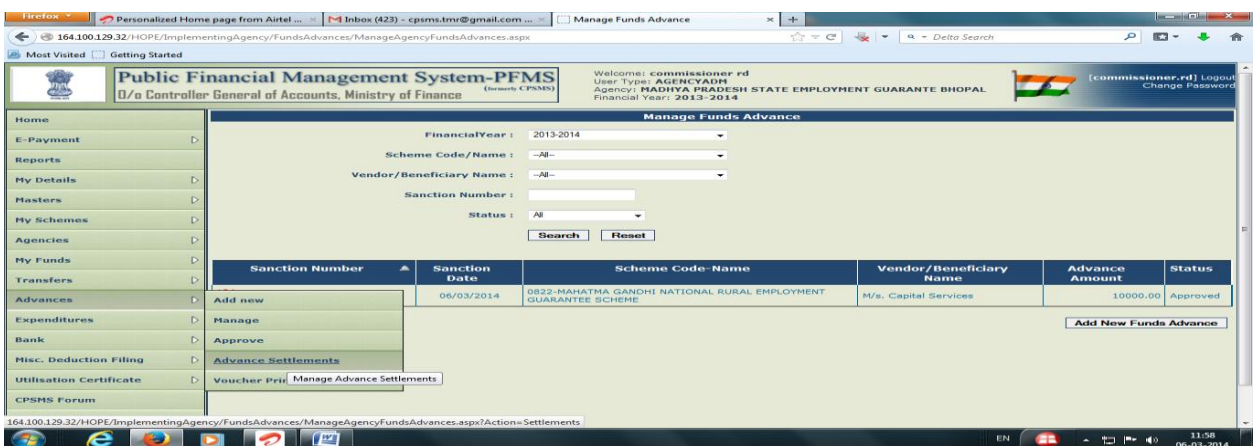
Figure 48: Submitting the settlement amount entered for approval

6.   Verify the details and select check box and submit for approval of settlement. A message "Settlement Submitted Successfully" will be shown.

Figure 49: Verify the details

7.   The approver will log in and go to Advances>Advance Settlement and click on sanction number to open Advance Settlement Approval page.
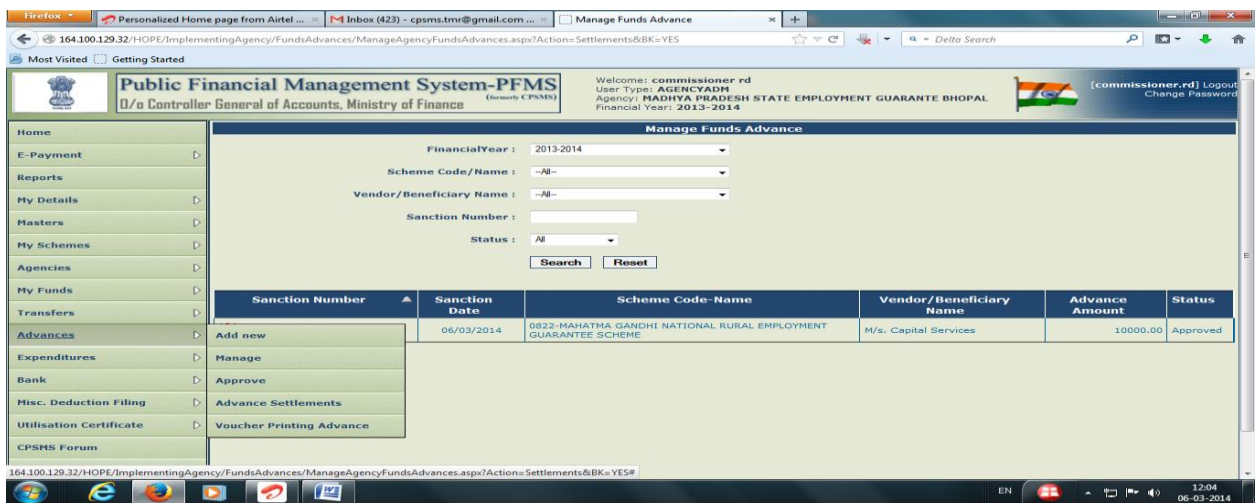
Figure 50: Open advance settlement approval page

8.   Select the check box and approve the settlement amount.

Figure 51: Select the check box and approve the settlement amount

9.   A message showing 'Settlement Details Approved Successfully' will appear. This will complete the process of advance settlement. Advances once settled will form part of expenditure. The current status of advance can be viewed by going to Advances-Manage menu.

13) FAQ (Expenditure)

Expenditure

1. What is the procedure for income tax/service tax/GST deduction?

Ans: Tax includes two types as mentioned in the questions i.e. IT or GST/ST. The separate response is as below:

IT: IT is always deducted at source, whether it is for contract staff drawing remuneration/ honorarium or the service provider giving service beyond certain amount as per laws prevailing. For, the rates of deductions, institutions are advised to consult appropriate advisor. The institutes shall deduct the taxes and pay the remaining amount to the vendor/ contract staff as expenditure via the normal procedure of expenditure in PFMS. Also write in Tax Deduction as "NO". Now Tax deducted is to be taken in the institute account (as advance) for further paying to the concerned authorities and issue the certificate of tax deduction to the vendor/ contractual staff. The tax paid receipt shall then be booked as an expenditure for settlement of advance in PFMS.

GST/ ST: The bill including GST/ ST shall be paid to the vendor as an expenditure through PFMS, writing in Tax Deduction as "NO".

2. If we have one approval/ order for one activity (i.e. attending/organizing training workshop/ conference/ meetings) and in such activity, there will be more than one vendor's payment. So, can we use the same approval/order number for uploading expenditure data for each vendor's payment on PFMS web portal? As it is one particular activity for one person or group of people.

Ans: Yes it is allowed to make payment to different vendors in the same office order, just make sure to edit the name of office order every time keeping the same upload file in every transaction.

3. What are the documents to be uploaded with sanctioned/approval letter while inserting expenditure details on PFMS web portal. (There is a limit upto 4MB to upload a file).

Ans: The sanction/approval order which clearly indicates the details of payment/advance & payee, approved by the competent authority. As far as file size limit is concerned the scanning may be done using low DPI which will result in small size for same file having more pages.

4. I have taken advance from TEQIP III funds. How do I settle it?

Ans: The advance is settled through the advance settlement in PFMS. The advance amount should be settled within one month of giving advance.

The procedure is as follows:

(a)If the expenditure is more than the given advance amount:

(Example: advance = 5000; Expenditure = 6000)

In such case, the advance amount (5000) would be settled as "Expenditure", in the advance settlement option and the extra amount incurred (1000) by the vender would be given to him via the normal procedure of expenditure booking in PFMS in same component.

(b)If the expenditure amount is less than the given advance amount:

(Example: advance = 5000; Expenditure = 4000)

In such case, the advance would be settled in two steps

1. The amount against which expenditure is done (4000), would be settled as "Expenditure" in the advance settlement option.

2. The remaining amount (1000) would be transferred to NPIU's "Central Pool Account" through cheque in favour of **"Central Project Advisor, National Project Implementation Unit"** and the institute would settle that amount as "Refund", in the advance settlement.

5. How do I make petty cash payments under TEQIP III?

Ans: For giving petty cash the institute would draw an advance amount to personal account and give cash to the concerned person from its personal account. Later on, the payments would be settled through "Advance Settlement" as mentioned above.

NOTE: Petty cash should be a small amount given to a vender (not more than Rs. 5000) who does not have an account. However, the institute would try to avoid it in normal circumstances.

6. How would we know the beneficiary/ vendor has received the reimbursement/payment at their bank account?

Ans: By reflection in institute's bank account.

7. What are the precautions one should have to take before uploading an expenditure/advance details on PFMS web portal from our institute's end to avoid any delay and further queries in this whole process.

Ans: All the procedures indicated in different modules and detailed by NPIU have been strictly followed. While approving the entry the details must be cross verified with the hard copies/file approval. The details of vendor/beneficiary should be mentioned as are in bank, otherwise may result in delay/rejection of payment.

8. While adding a new expenditure, after adding details, the option to add payee details was shown. There in the dropdown option to select the instrument type the option for e-payment using digital signature was not showing.

Ans: It means that the vendor details have not been verified by the bank. It can be viewed from the admin account by going to masters> vendors> manage. There the bank status of the vendor can be viewed. It should "Success in bank" for further procedures.

9: Approver has approved the payment, but it is not reflecting in E-payment for digital signature.

Ans: Check the following steps:- a. Account Activation E-payment, b. Signatory Configuration

10: Signatory Configuration has been done, still payment is not reflecting in E-payment for digital signature.

Ans: Signatory Configuration might have done on own bank account in place of Parent (NPIU's) Bank account.

11: All pre-requisites for enrolment of DSC have been completed, even PFMS portal shows error as Please Insert the DSC dongle, though actually the dongle is plugged in.

Ans: There might be an issue with the driver of DSC. Driver of the DSC may be installed by selecting the DSC drive from my computer and running the installer.

12: Vendor details are showing incorrect/not showing while proceeding to payee details.

Ans: The Bank details may be pending/not verified for such vendor in PFMS. Please ensure the bank details in PFMS are showing "Success in Bank" before proceeding for payment to any vendor.