



National Rural Health Mission gets visibility to fund utilisation and analyses spend using Tally.ERP 9

COMPANY BACKGROUND

The National Rural Health Mission (NRHM) (2005-12) seeks to provide effective healthcare to rural population throughout the country. The Mission is an articulation of the commitment of the Government to raise public spending on Health from 0.9% of GDP to 2-3% of GDP. The mission is headed by Ministry of Health & Family Welfare, Government of India.

NRHM Head Quarters releases the funds for each state based on the approved Programme Implementation Plan (PIP). In-turn the state offices release funds to their respective districts based on the approved District Action Plan (DAP); the districts offices release funds to their respective block offices and the blocks release funds to Primary Health Centres (PHCs), Community Health Centres (CHCs), Village Health Sanitation Committee (VHSCs) and Sub Centres (SCs).

Apart from these, funds are released to various NGOs operating at State & District level and for direct spending at State, District & Block level.

THE CHALLENGE

Tracking the utilisation of funds that were allocated at each level was a challenge. There was also a very minimal analysis of the amounts spent at the different levels and at different offices. Each health centre had to send its Fund Utilisation Certificate (UCs) to its Block level office that would consolidate the expenses including direct spending of all their blocks and send reports to the District office. The District office would in turn consolidate the expenses of all its blocks and send the report to state office at periodic intervals. The state would report district spend to NRHM Head Quarters.

Since most of the offices of NRHM are located in remote places, Internet connectivity was always an issue.

There was also very little maintaining of statement of accounts at each office of NRHM at State, District, Block, PHC, CHC level. All activities like funds received, advances released, expenditure incurred were to be recorded and statements like Cash Book, Bank Book, Receipts & Payments account, Income & Expenditure account and Balance Sheet were to be generated for statutory purposes.

THE SOLUTION

Tally.ERP 9 is deployed across all offices of NRHM to maintain double entry accounting and to generate MIS reports as per the NRHM guidelines.

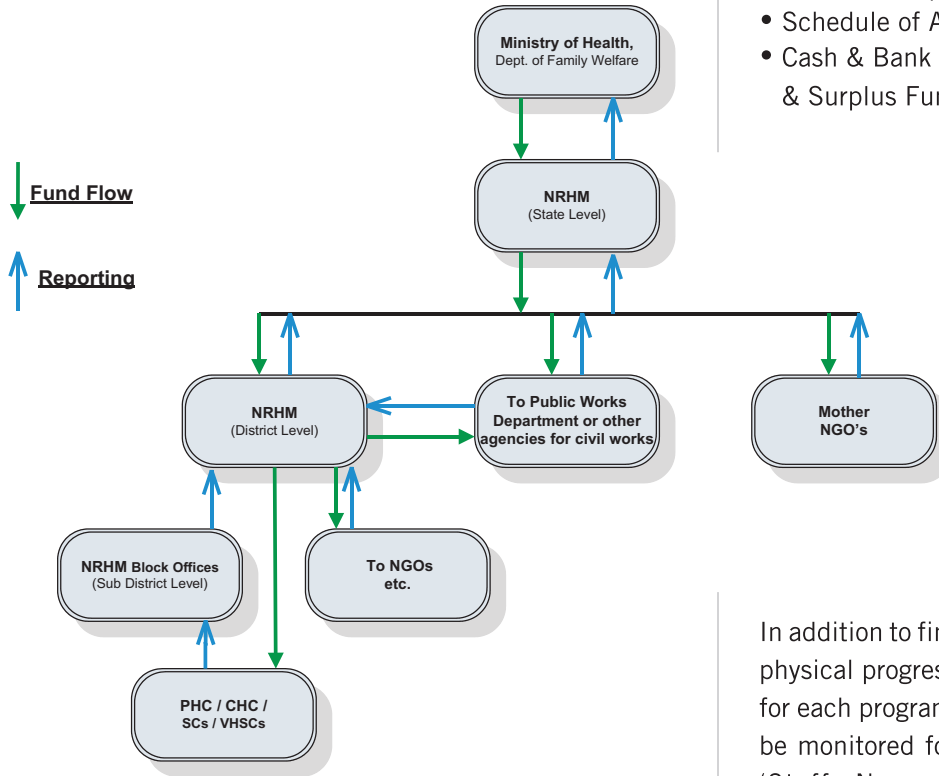
Heads of accounts are standardised and implemented across all locations to maintain uniformity.

Data entry is simplified to a great extent where the user provides minimum inputs to complete the accounting voucher by debiting and crediting the respective ledgers. The Tally learning curve is very minimal and one need not have an accounting background to use the software. The standard menus of Tally.ERP 9 are customised and redesigned as per the needs of NRHM which greatly enhances navigability.

To address the issue of occasionally connected environments, the solution is deployed locally and data is synchronised at specified intervals with offices which needs reports. This avoids the need for continuous connectivity. Data is pushed across to higher offices at the click of a button. In case of non-availability of Internet connection for longer durations, provision is made for the user to export the reporting data into an MS Excel file and send it to their reporting office. The reporting office can then import the data from the MS Excel file.

NRHM offices have been enabled to analyse activity-wise spending of each programme from the previous year's data, which will help in planning budget revisions and action for subsequent years well in advance.

Controls based on budgets alert departments when a predefined percentage of the amount is utilised.



- Programme-wise Cash Books & Bank Books
- Receipt & Payment Statements
- Income & Expenditure Accounts
- Balance Sheet
- Programme-wise schedules to Balance Sheet & Financial Management Report (FMR)
- Statement of Expenditure (SoE)
- Funds Position Report
- Details of Expenditure (Unspent Balances)
- Schedule of Advances
- Cash & Bank Balance, Schedule of Interest / Reserves & Surplus Funds

NRHM - National Rural Health Mission
 NGO - Non Government Organisation
 PHC - Primary Health Centre
 CHC - Community Health Centre
 SC - Sub Centre
 VHSC - Village Health & Sanitation Committee

Expenditure entries are restricted when fund is fully utilised, and entries can be passed only after budgets are revised. This enables better control over expenses and requests for fund revisions can be made on time.

Ageing analysis of advances released give better insights into utilisation pattern of funds at district / Block / PHC / CHC levels.

Few reports developed for NRHM which facilitate Statutory and MIS needs at all levels are:

In addition to financial data, provisions are made to capture physical progress of each programme. Activity-wise targets for each programme can be set and the actual progress can be monitored for a given period. For example, number of 'Staff Nurses Training' planned for the period (Monthly/Quarterly/Yearly) can be set and monitored with actual and percentage of variance. This enables NRHM to have physical and financial progress in a single report.

HIGHLIGHTS

- Accurate and consistent reports for analysis and statutory purposes
- Maintenance of structured Books of Accounts
- Visibility to Fund utilisation and balance available
- Multilingual capability
- Easy availability of information at state, district & block levels

RESULTS

- Improved analysis & monitoring of fund utilisation at every level
- Each office has visibility of funds received versus utilised, enabling better planning
- Improved maintenance of books of accounts thereby enabling generation of accurate financial reports for audit and other statutory purposes
- The multilingual capability of Tally.ERP 9 enables working in any Indian language
- Remote Access enables the State office to remotely login to any books of accounts belonging to Districts and Blocks