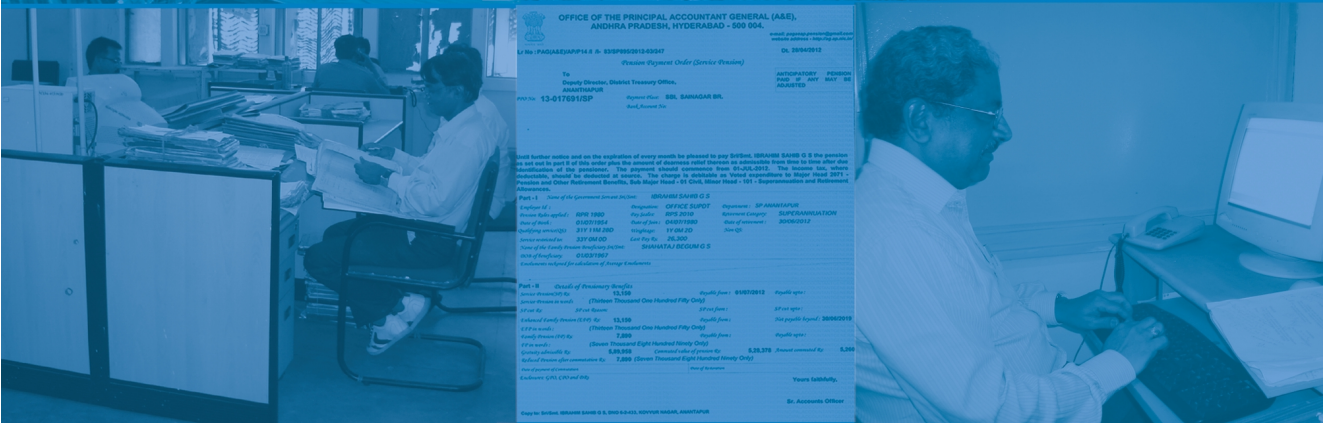




Innovations in Pension



PRINCIPAL ACCOUNTANT GENERAL
(Accounts and Entitlements)
Andhra Pradesh, Hyderabad

INNOVATIONS IN PENSION



PRINCIPAL ACCOUNTANT GENERAL
(Accounts and Entitlements)
Andhra Pradesh, Hyderabad

PREFACE

The office of the Principal Accountant General (A&E), Andhra Pradesh, Hyderabad, processes approximately 25,000 pension cases annually. Over the years, the ban on recruitments and staff shortages due to retirements, deaths and compulsory permanent transfers out of the office with no replacements, have levied a heavy toll on quality and output. To counter this undesirable trend, commencing from January 2010, we introduced a series of structural changes in the pension group. These changes have not only helped us to forestall the decline,

it has enabled us to improve even on the standards set in more favourable years. Consequently, there has been a noticeable increase in customer satisfaction as evidenced from the spontaneous feedback received from pensioners.

The purpose of this publication is to document this structural change so that it can serve as a record and guide to employees in this office and also facilitate replication in all offices of the Indian Audit and Accounts Department that authorise pensions of State Government employees.

As this document will show, the thread of quality control runs consistently through the entire restructuring process, from the stage of the application to the despatch of the authorisation and the transfer of the case file to old records for future reference and use. Another noteworthy feature is the constant feed-back to the pensioner to enable him to rectify defects in the pension application and to keep him informed of the stage of processing of his case.

Though the effort has been a collective one, significant contributions have been made by all the officials of Pension (Inward) section, Shri P.S.Nageswara Rao, Senior Accounts Officer and Shri Ch.Veerabhadra Rao, Assistant Accounts Officer. Shri A.V.S.S.Sarma, Senior Data Processor has been the prime mover, who has assumed all roles, from conceptualising to design. Shri A.V. Rajasekhar, IA & AS, as Deputy Accountant General (Pensions) provided the initial leadership and this has been most competently carried forward by his successor, Shri Dattaprasad S. Shirsat, IA & AS.

I would like to thank the Finance Department, Government of Andhra Pradesh, for the positive response and follow up to the innovations.

Comments and suggestions for improvement are welcome.

16th July 2012, Hyderabad.



V. Ravindran, IA & AS
Principal Accountant General (A&E)
Andhra Pradesh

INDEX

Sr.No.	Title	Page No.
1.	Introduction	4
2.	Previous procedures	6
3.	Innovations	12
4.	Results of Innovations	28
	a. Elimination / modification of earlier processes	29
	b. Post-Innovation processes	30
	c. Overall efficiencies achieved	31
	d. Time saved	32
	e. Pension Authorisations on pre-printed stationery - old method	34
	f. Pension Authorisations on A4 size security paper -new method	35
	g. Signatures and Initials by AAO and BO on the Authorisations	36

1. INTRODUCTION

Pension, which is an inalienable right, is usually incomplete or delayed

Pension has been long held by the Supreme Court and various Courts of Law to be an inalienable right of an employee. It cannot be denied, modified or postponed except through due process of law. Ideally, an employee should receive his pensionary benefits (comprising retirement gratuity, monthly pension and commuted value) immediately on retirement from service. Nevertheless, it is a fact that the pension and family pension of State Government employees is often incompletely authorised and unduly delayed, sometimes for years.

The Accountant General authorises pension of State Government employees

The Accountant General (Accounts and Entitlements) of the State performs some entitlement functions on behalf of the State Government. This includes authorising pensions (in the form of Pension, Commutation and Gratuity payment orders) based on sanctions issued by the Heads of Department who function as Pension Sanctioning Authorities (PSA) of the Government servant.

Departments rarely verify Service Books

Under the rules, entries in the Service Book are to be verified and certified by the Head of Office annually. However, since this is rarely done, there is no assurance that the service qualifying for pension and pay fixations during the service life of the pensioner were correctly calculated. Consequently, the Accountant General invariably verifies the Service Book from the beginning, which often leads to belated discovery of wrong fixations and non-qualifying service, which results in additional correspondence, delays and recoveries.

Pension Proposals rarely reach the Accountant General on time

Under the rules, the Government servant is required to apply for pension six months ahead of retirement so that he can receive his pension dues promptly. However, pension proposals are often initiated and forwarded late and reach the Accountant General after the retirement of the Government servant, with the result that pension is delayed.

Non-linking of General Provident Fund Accounts, Loan Accounts and Pension entitlements

In addition to authorising pension entitlements, the Accountant General also usually maintains the General Provident Fund (GPF) balances and long term advances accounts (viz., House Building, Motor Car, Motor Cycle and Personal Computer advances) of the Government servant. On occasion, these accounts

show a minus balance, due to overdrawals of GPF balances and non-accounting (missing credits) of long term advances. Though these over payments and under recoveries are to be withheld recovered from gratuity, the Accountant General fails to link the accounts with the pension case, resulting in non-recovery.

Absence of clear accountability levels and distrust of computer systems

The computerised processes within the Accountant General's office are usually mere electronic replications of the erstwhile manual systems, with no significant improvements in timeliness or quality. Also, inherent distrust of computer systems and nebulous definition of accountability of lower levels, invariably results in the Assistant Accounts Officer (Section head) and Accounts Officer (Branch head and authorising authority) duplicating the efforts of their subordinates and even rechecking the computer calculations on their calculators.

Incorrect and excess withholding of gratuity and non-release of withheld gratuity

The Accountant General normally withholds gratuity for the following reasons:

- When the department requests the withholding or recovery of a specific amount.
- When the Accountant General's Office notices missing credits under GPF or long term advances recoveries.
- When the rules provide for withholding a token amount towards non-enclosure of documents like the Last Pay Certificate (LPC), which is to be automatically released within three months of authorisation of pension even if the document is subsequently not received. However, since the pensioner is often unaware of this token deduction or does not pursue its release and the AG's office also does not follow up, the amount usually remains undisbursed.
- When, while processing the pension case, the Accountant General detects wrong fixations and consequent excess drawal of pay. In such cases, the entire gratuity is routinely withheld, pending confirmation of the exact amount of overpayment. This practice violates numerous pronouncements of the Supreme Court that, over-drawal of pay not attributable to the Government servant should not be recovered.

Grievance redressal mechanisms are virtually defunct

The pensioner often finds that the Accountant General's telephonic Interactive Voice Response System (IVRS) is non-functional or merely records the complaint without feed-back and that his letters and personal visits to the Accountant General's office and grievance cell yield minimal or no response. The consequential increase in legal cases, RTI Act applications and personal visits divert the time and attention of the Accountant General. ■ ■ ■ ■

2. PREVIOUS PROCEDURES

I. Forwarding of proposals to the Accountant General

Since departments do not stock pension application forms, the pensioner has to either get them typed or procure them from private vendors. Consequently, the forms are of non-standard sizes and contain typographic errors and omissions.

The pensioner or family (in the event of death in service) is required to submit applications (five sets) to the Pension Sanctioning Authority (PSA), along with photographs, through the Head of the office where the pensioner worked. The PSA completes the remaining portions of the application form, indicating periods of service not qualifying for pension, pension payable, government dues to be withheld or recovered, signs the form (with seal) and sends the papers to the Accountant General along with the Service Books.

Applications for superannuation pension are required to be submitted six months in advance of retirement. In such cases, the Accountant General initially issues a Verification Report (VR) and the pension is authorised only after the department intimates the fact of retirement. However, if the application is received late, the Accountant General straightaway issues the VR and Pension authorisation together. Consequently, a late applicant is likely to receive his pension ahead of one who applies on time.

II. Receipt of proposals in the Accountant General's Office

The proposals are diarised on computer system of the Inward (Dak) section of the AG's office. The proposals are then sent to the EDP (Pension) section, which acknowledges receipt of the proposals to the applicants, keys in basic details from the application on the system and sends the proposals to the concerned section responsible for handling the pension of the specific department. (Work in the Pension sections is distributed department-wise, on the ground that rules pertaining to some departments have specific differences; the EDP section distributes the pension proposals accordingly.)

Since receipt of proposals is acknowledged by the EDP section and not the Inward (Dak) section, the pensioner is informed about the receipt of the application after a time lag.

III. Processing of pension proposals

The four tiers involved in pension processing are: Section Clerk, Dealing Hand (Clerk / Accountant/ Senior Accountant), Assistant Accounts Officer (Section Head) and Accounts Officer / Senior Accounts Officer (Pension Authorising officer). There are usually four Dealing Hands and one Diarising Clerk in a pension section.

Proposals received from the EDP (Pension) section are diarised by the Section Clerk of the pension section and submitted to the Sectional Head, who then distributes them among the Dealing Hands.



Due to shortage of computer systems and non-integration of the Administration (Dak) package with the Pension computer package, the case is, essentially, diarised twice in the office.

If the proposal is for revision of pension already authorised or for family pension (where the deceased employee was in receipt of pension) or where the AG had earlier issued a Verification Report, the original pension file is requisitioned from the Old Records section. Otherwise, the Dealing Hand opens a new file.

The original pension file is kept in 'stitched' condition in the Old Records section. The Dealing Hand, therefore, has to break the stitches to add new proposals and correspondence to the case file.

Due to pressure of work the Dealing Hand may take up the case after more than a month of its receipt in the office. There is therefore considerable delay in returning incomplete or incorrect proposals to the department.

While submitting the file to the Section Head, the Dealing Hand scrutinises the pension application and the Service Book, as under:

- Where the proposals are incomplete (e.g., where signatures of applicant or PSA are missing), the Dealing Hand drafts the forwarding letter returning the pension papers to the department.
- Where the proposals are in order, the Dealing Hand prepares an input sheet containing all details required to calculate the pensionary benefits and submits the file.
- Where the proposals, though incomplete, can still be processed (e.g., where Last Pay Certificate or No Dues Certificate are missing), the Dealing Hand records this fact on the input sheet and submits the file.
- Where the proposals can be processed, but only the Verification Report can be issued, the Dealing Hand records this fact on the input sheet and submits the file.
- Where the VR has been issued earlier and the department has now requested authorisation, the Dealing Hand submits the letter along with the pension file.

Since departments rarely perform the periodic verification of Service Books as required and rules do not prescribe the extent of checks to be exercised by the three verification levels in the AG's office, the Dealing Hand, Section Head and Accounts Officer each scrutinise the Service Books exhaustively, taking significant time.

Due to inherent distrust of the calculations by the computer programme, all three levels independently verify the calculations also, thereby wasting time.

If the proposals are to be returned to the department, the Section Head submits the draft letter along with the file to the Accounts Officer, who approves and returns it along with the case to the Dealing Hand. The fair copy is now typed and resubmitted to the Accounts Officer and after approval, the Dealing Hand returns the proposals along with the Service Book to the department through Outward Despatch.

By this time the two months time prescribed for authorising pension under the citizen's charter of the Accountant General would normally have elapsed. In other words, when the proposal is resubmitted by the department, the Accountant General will take a further two months for authorisation.

IV. Printing and approval of authorisations and Verification Reports

The Accounts Officer approves the input sheet and sends it along with the file to the EDP (Pension) section for printing the authorisation. The Pension authorisation comprises five sets of documents, with copies (as required) to office file, pensioner, department and treasury. The five sets consist of the covering letter (four copies), VR (three copies), PPO (six copies), GPO (four copies) and CPO (four copies). The EDP (Pension) section prints each of these sets of documents on two/three ply carbon sheeted computer stationery. The printing process involves using a line printer to print multiple pension authorisations batch-wise. Since each authorisation consists of five sets of documents, on completion of each batch, the stationery pertaining to that set is removed from the printer and that pertaining to the next set is inserted for printing and so on, till all the five sets relating to an authorisation are printed. The authorisations are then sent to the pension section along with the file.

The authorisation printed by the EDP section indicates the date of print as date of despatch. This is not only misleading, since the authorisation may be despatched much later, it could lead to situations where authorisations could be misplaced in the office without feedback.

The Section Clerk removes the carbon sheets, tears the print-outs along the perforations into 21 separate pages, segregates the print-outs into distinct authorisations pertaining to individual pension cases, links the five sets of each authorisation and these with the appropriate documents (treasury copy with the descriptive roll containing the photographs; department copy with the Service Book; office copy with the pension file; and pensioner's copy) and hands them over to the Dealing Hand.

The Dealing Hand checks if the papers are correctly linked and submits file to the Section Head after putting initial in the office copy.

The Section Head verifies and initials at 13 places and signs in full at 8 places and sends the file to the Accounts Officer.

The Accounts Officer approves the authorisations by initialling in 3 places and

signing in full in 9 places and returns the file to the Section Clerk. In all, 16 initials and 17 full signatures are affixed.

Since the Accounts Officer has to sign in full at 9 places for each case, sometimes, one or more signatures are omitted by oversight, resulting in the treasury returning the authorisation to the AG.

V. Despatch of authorisations

The Section Clerk fills in the purport and despatch registers, records the individual despatch number on the authorisations and sends the treasury, department and pensioner copies along with the despatch register to the Outward Despatch section. The Outward Despatch section despatches the treasury copy through registered post (RP), department copies (containing Service Books) through speed post and the pensioner copy through ordinary post (which is usually delivered late or not at all, resulting in complaints).

Speed post is fast and convenient and can be tracked on the Postal department's website, unlike RP. However, since the RP reference numbers with 4 digit numeric code are easier to enter in the system unlike the 13 digit alpha-numeric code for speed post, the Outward Despatch section prefers to send authorisations by RP.

VI. Preservation of records

The Section Clerk gets the office copy of the authorisation stitched along with the file, records the list of files to be sent and sends them to Old Records section.

Since stitching of files requires the services of a filer (who usually has a work back log), the files remain in sections for months and even years, attracting dust. Sometimes files are damaged, lost or misplaced.

Old Records section acknowledges receipt of the files and stores them in year-wise alphabet-wise order.

Due to heavy inflow, the storage process in Old Records takes a long time,



leading to delays when the sections re-indent the files for any reason (like processing pension revision applications, correspondence etc.)

VII. Post-payment process

Treasuries send the first payment vouchers to the Accountant General, who captures the details in the computer system. Unpaid authorisations are monitored and reported to treasuries periodically.

VIII. Revision of gratuity due to increase in Dearness Allowance (DA)

Pensioners who are entitled for retrospective increases in DA on pay periodically announced by Government are also eligible to have their gratuity revised accordingly. On receipt of their application through their department, the concerned pension section of the Accountant General will requisition their file from the Old Records Section, process the application and issue a fresh authorisation.

Since authorisation for revised gratuity is issued only on application, some pensioners may receive their increased gratuity late or only at the time of next revision of pension. Also, the issue of revised authorisations to individual pensioners increases the work of the AG Office.



3. INNOVATIONS

Innovation # 1

Just In Time (JIT) management

Integration of databases so that the Accountant General is aware of the impending retirement of the Government servant.

The Accountant General integrates the pension database with the following databases of his office:

1. The VLC (Voucher Level Computerisation) database containing electronic information downloaded from the treasury database and validated by the AG's in-house check of physical vouchers;
2. The General Provident Fund (GPF) database containing debits and credits in individual subscriber accounts; and
3. The database of Long Term (house building, motor car, motor cycle and personal computer) Advances (or LTA) containing details of advances availed of by Government servants and their repayments.

Since, some of the information contained in these databases, like the government servant's name, employee ID, date of birth and name of department are common, database integration facilitates simultaneous initiation and processing by the sections of the retirement entitlements of the government servant and enables recovery of overpayments etc.

In addition to the above, the Accountant General has also integrated the Human Resources Management System (HRMS) of the State Government which is used by the departments and treasuries to prepare and pass pay bills.

The following additional initiatives also enable the Accountant General to complete the information in his database:

1. The Accountant General has recently ensured that treasuries mandatorily incorporate employee ID details in the pay vouchers of March. These fill the gaps in HRMS.

2. The Accountant General's website containing annual statements of GPF and Long Term Advances can only be accessed after the Government servant enters his employee ID, date of birth, email address and mobile number.

Innovation # 2

Online application form

The Accountant General's website enables the retiring government servant to access an online form for Pension and GPF. This has the following advantages:

1. By automatically populating fields common to both pension and GPF (like employee ID, name, date of birth, department, address for communication etc.), the online form saves data entry effort for the pensioner, the department and the AG's office.
2. Joint photographs and signatures of the pensioner and spouse which are part of the descriptive rolls required by the treasury when paying the pension can now be electronically uploaded along with the application. The Accountant General prints the photographs and scanned signatures in colour on the pension authorisation, which dispenses with the need for the Accountant General to send the descriptive rolls to the treasury for verification of the identity of the pensioner.
3. The common Pension-GPF application form can be printed out as separate pension and GPF forms to be processed by the concerned wings of the AG's office.
4. The printed forms can be signed and submitted to the department, which can either:
 - a. Access the electronic form (by using the employee ID allotted by the Director of

The screenshot shows a web browser window displaying the 'Accountants' General, Andhra Pradesh' website. The page has a blue header with the organization's name and logo. Below the header, there are links for 'Home', 'Instructions', and 'Downloads'. The main content area is titled 'EMPLOYEE DETAILS' and contains a form with the following fields: 'Employee Id (7 digit)', 'Date of birth', and 'Date of joining'. There are two radio buttons: 'Applicant' and 'Pension Sanctioning Authority'. An 'OK' button is located below the radio buttons. At the bottom of the form, there is a note: 'Note: Party copy can be downloaded for online registered cases'.

Treasuries and Accounts (DTA) and which will be printed on the application); electronically fill in the portions pertaining to the department; and print out the completed form for signing and affixing the office seal; or,

- b. Make necessary entries on the printed form, carry out calculations manually and then sign and affix the office seal on the form.
5. The employee ID can subsequently be used by the pensioner to track the progress of his case in the AG's office. He can also pursue matters with the PSA in case there is delay in submission to the AG.
6. Printed application forms from the AG's database ensure that the forms contain standardised information and are of uniform size, thereby facilitating easier processing and eventual storage of forms by the AG.
7. Since the website is dynamically linked to the Accountant General's database, information typed in the online form is instantly captured on an interim database of the AG. Various sections in the AG's office are also electronically alerted: for instance, the Old Records section is alerted to retrieve the original pension files (in case the pensioner is applying for revision of pension); and the GPF and Long Term Advances sections are alerted to verify the GPF and long term advances accounts for missing credits and debits and take other preparatory action for expeditious closure of the accounts immediately on receipt of signed application forms and in case, the missing credits and overpayments of GPF cannot be reconciled, to alert the pension database to arrange for recovery from gratuity.
8. The dynamic linking of the AG's website with its database ensures that once the signed pension application reaches the AG's office, it can be verified against the electronic copy of the application available on the AG's interim database and finally integrated with minimum data entry.

Innovation # 3

Single Source of Truth

Ensuring that no data entry occurs more than once in the entire chain.

1. This is ensured by integrating all the external (treasury) and internal

(Accountant General) databases to the extent possible. The State Government is in the process of introducing a Comprehensive Financial Management System (CFMS) which when completed, is expected to share information with the Accountant General's databases linking the State Government's databases to the relevant databases of the Accountant General and the Reserve Bank of India.

2. The integration of the databases ensures that if the pensioner and department use the online web application process, then, the Inward (Dak) section, the Inward (Pension) or Inward (GPF) section, the Section Head of the concerned pension section, the Accounts Officer authorising the pension, the EDP (Pension) section, the Old Records section and the Outward Despatch section can populate their computer screens automatically and perform verifications through a check box or with minimal data entry.

Innovation # 4

Accountability levels have been established with one checking level and one verification level. This has been reinforced through appropriate checklists.

Accountability levels

1. The Section Head of the Inward (Dak) section is solely accountable for all data entered on the system by his section.
2. The Section Head of the Inward (Pension) section is solely accountable for all data entry and processing work done in the section.
3. The Section Head of the pension section is solely accountable for: all data entry and calculations on the system; movement of files in complete and timely manner from the section to the Accounts Officer.
4. The Section Head of the EDP (Pension) section is solely accountable for ensuring that authorisations approved by the Accounts Officer are accurately printed and sent to the Accounts Officer.
5. The Accounts Officer is accountable for: verifying the work of the Section Heads of the pension sections under his charge by using a system generated checklist; monitoring the performance of the Multi Tasking Staff (MTS) attached to him; signing the treasury copies of the authorisations; and,

ensuring that the approved authorisation with enclosures are sent to the Outward (Despatch) section and the concerned pension section appropriately.

6. The MTS is required to: attach the DRs to treasury copies and SBs to department copy of the authorisation, obtain signatures of Accounts Officer on treasury copies, hand over the prints in Outward section, sort the cases as per the list given by EDP (as fully issued / partly issued / VR issued); send the completed cases to Old Records section and cases where action is still incomplete to the Pension Library.
7. The Section Head of the Outward (Despatch) is accountable for ensuring that the approved authorisations are correctly linked with the concerned enclosures, that the Accounts Officer has signed at appropriate places in treasury copies etc.
8. The Section Head of the Old Records section is accountable for the receipt of records in their custody, and timely supply to the sections, when requisitioned.

Composition of the Inward section in the AG's office

The Inward section now has two parts:

1. The Inward (Dak) section, which is manned by general staff without subject area expertise under a Section Head; and,
2. Inward (Pension) and Inward (GPF), which are manned by Dealing Hands and Section Heads who have subject area expertise of pension and GPF processing work respectively: these constitute the technical staff of the Inward section.

Task of the Inward (Dak) section

Receives and registers all letters and pension proposals. The pensioner's name, employee ID, department, address, mobile number and email address are either captured from the electronic version of the application downloaded from the AG's website or entered manually. The system generates Short Message Service (SMS) and email acknowledgements to the pensioner and department. Inward letters are sent to the centralized correspondence sections and pension



proposals to the adjacent Inward (Pension) section. From this stage onwards, the pensioner is able to track the progress of his case by accessing the AG's website.

Innovation # 5

Online tracking of pension processing

Innovation # 6

Immediate return of incomplete proposals

Innovation # 7

Extensive use of Checklists that are part of the computer system

Task of the Inward (Pension) section

1. To return immediately the entire proposals, along with a standard printed forwarding letter signed by the Section Head:
 - a. When the Service Books do not contain the mandatory certificate from the department that, entries in the Service Books have been updated, verified and corrected.
 - b. When the pension proposals do not contain the mandatory signatures of the pensioner and the Pension Sanctioning authority (with seal).

2. The Dealing Hand uses checklists to scrutinise the proposals and thereby:
 - a. Verifies if all the documentation and information is complete. If not, a standard printed letter is sent to the pensioner and department after approval of the Section Head.
 - b. Flags corrections on the printed copies of the online generated application forms for verification by the Section Head.
 - c. Where the pensioner and the department have only used the physical application forms and electronic data is partly or wholly unavailable, the Dealing Hand gets the details on the application form captured on the system by Data Entry Operators (DEO) posted in the Inward section and prints and verifies them before submission to the Section Head.
3. The Section Head does the following with the use of a checklist and makes necessary changes in the system:
 - a. Checks the pension proposals and approves the draft letters submitted by the Dealing Hand for returning incomplete Service Books and unsigned proposals and calling for wanting documents and information.
 - b. Verifies the electronic application form with the physical form along with corrections flagged by the Dealing Hand.
 - c. Verifies the printouts of the input by the DEO with the pension application.
4. After the Section Head presses the key to "Accept" the case, the system uses the round robin method to identify the pension section which will be responsible for processing the pension case. However, revision cases are sent to the same section that authorised the case originally. The system generates printouts of the captured information and these are attached to the case sent to the concerned pension section.

Innovation # 8

Distribution of cases through round-robin method ensures equitable workload. Where the pension case is to be processed differently due to

department specific variances, the concerned section uses electronic checklists to guide the process.

Important!

The Inward (Pension) section essentially verifies the accuracy of data in the pension application form, whereas the pension section essentially verifies the accuracy of data in the Service Book. However, if the Inward (Pension) section can be strengthened to include the task of verification of the Service Book also, then all the Dealing Hands in the pension sections can be diverted elsewhere and the pension process work of the sections can be handled exclusively by the Section Heads and Branch Heads.

Task of the Pension Section

Innovation # 9

Due to incorporation of system-driven diarising, changes in work processes, and authorisations on A4 security paper, the post of Sectional Clerk has become irrelevant and has been abolished.

Innovation # 10

The detailed check of service books by the AG's office has been dispensed with.

1. At the instance of the Accountant General, the State Government has reiterated to all departments the existing instructions on periodic verification of Service Books.
2. Similarly, the State Government has directed that all Service Books forwarded to the AG for pension authorisation invariably contain a certificate that the entire Service Book (including pay fixations) has been verified and found correct.
3. Pension proposals received in the AG's office without the above certificate are returned to the department at the Inward (Dak) stage itself.
4. The Internal Test Audit (ITA) wing of the AG office verifies pension cases randomly and any instances of incorrect certification by the departments

are brought to the notice of the Head of Department through a demi-official letter from the AG. This acts as a deterrent for casual verification of Service Books by the departments.

5. Field audit parties have been instructed to conduct test checks of Service Books in all offices that they visit for audit.

Important!

At the instance of the Accountant General, the State Government has issued orders:

1. Reiterating the primary duty of Heads of Offices to verify Service Books;
2. Approving the AG's proposal not to withhold amounts from gratuity towards overpayments of pay and non receipt of Last Pay Certificate (LPC) etc., and,
3. Refunding amounts earlier withheld.

Innovation # 11

Verification of non qualification service by the AG's office has been dispensed with. This was the result of post-facto scrutiny of the over one lakh pension cases processed by the AG between 2007 and 2012, whereby it was established that, after incorporating the benefit of five years additional service provided by the State Government, in no case did modification of non-qualifying service by the AG's office lead to modification of pension finally authorised.

Innovation # 12

Unnecessary withholding of gratuity has been dispensed with. Gratuity is now withheld only at the request of the department or when the GPF and LTA sections of the AG's office intimate the exact amount of overpayment.

Innovation # 13

Except when the department specifically requests the AG's office to issue Verification Reports, in all other cases authorisations are straightaway issued, with a direction to the treasury officer (in respect of advance cases) to pay only after retirement.

Innovation # 14

The processing and verification at various levels is captured by the system, dispensing with the need to affix initials in different places.

Innovation # 15

The carbon-backed three-ply computer stationery contained 21 pages in all, requiring 17 full signatures of the Section Head and Accounts Officer. This has been replaced by A4 sized security paper from the India Security Press, containing six pages, on which only three signatures of the Accounts Officer (and no signature of the Section Head) are required. This has resulted in enhanced security, considerable saving of stationery, non-omission of essential signatures, abolition of the post of Section Clerk, lesser work for the Dealing Hand, quicker despatch and ease of filing.

Processing of the pension cases by the Pension Section

1. The Dealing Hand uses a checklist for the following:
 - a. Comparing the printouts generated by the Pension (Inward) section with the Service Book entries and flagging discrepancies for perusal of the Section Head.
 - b. Checking the Service Book for accuracy of the latest pay fixation and recording it in the Input Sheet. In respect of revision cases, linking the original file (received from Old Records section) with the present proposal.
 - c. Where the system, as recorded by the Inward (Pension) section, indicates that documents like LPC and No Dues Certificate (NDC) are missing, see whether the documents have since been received and make appropriate changes in the Input Sheet for incorporation in the system by the Section Head. Otherwise, the system will automatically generate, in the printed authorisation, a specific direction to verify these before payment.
2. The Section Head uses a checklist to verify the output of the Dealing Hand and incorporates on the system the changes flagged by the Dealing Hand on the printouts and Input Sheet and submits file to the Accounts Officer.

3. The Accounts Officer performs the following tasks:
 - a. Verifies the work of the Section Head by using a checklist.
 - b. Approves the authorisation on the computer system.
 - c. Signs the treasury copy of the authorisation (there are normally three sets: pension, commuted value and gratuity; the system records his facsimile signature on the department and pensioner copies).
 - d. Monitors the work of the MTS attached to him.
4. The EDP (Pension) section is responsible for printing out the treasury, department and pensioner copies of the authorisation and sending them to the Accounts Officer for signature and despatch.

Task of the MTS attached to the Accounts Officer

Collect prints from Pension (EDP) and approved pension cases from Branch Officer, and hand them over to despatch accountant of the section concerned.

Task of Despatch Accountant in section:

1. Put the cases in despatch mode (i.e., office copy with Pension Proposals, Service Book with department copy, Descriptive Rolls with Pension Payment Order etc.,) and make entry in service book.
2. Send the cases to Branch Officer for signatures
3. Receive the cases with signed prints from Branch Officer
4. Send the prints to Outward Section for despatch to pensioner, department, treasury and send fully issued cases to Old Records Section or to Pension Library (if it is partly issued or if only VR has been issued).

Task of Pension Library:

1. Preserve the cases received from despatch accountant in section and name order.
2. Process indents received from Correspondence Cell for cases.

Innovation # 16

The pension file is maintained in a box cardboard file and is not stitched, saving considerable effort by all concerned.

Task of the Outward (Despatch) section

To despatch the pensioner's copy by ordinary post and the treasury and department copies (with enclosures) by speed post. Since multiple authorisations (including GPF authorisations) pertaining to the same treasury are consolidated (to save postal costs), the system generates a covering letter containing the names of all the pensioners whose cases are enclosed. The post-office collects the speed-post letters and transmits them to their sorting office. The AG's office provides an electronic copy of the addresses to the postal department to avoid manual entry of addresses at their end.



Innovation # 17

Introduction of bar code scanners has ensured that the 13-digit speed post numbers are effortlessly captured on the system in an error free manner. These numbers are uploaded on the AG's office website with a link to the postal department's website to facilitate easier tracking of delivery by pensioners.



Innovation # 18

Since the Pension Payment Order (PPO) number is the key link used to access the database of pension cases and their despatch, the pension authorisation contains the PPO number in both, normal and bar code format, thereby facilitating its scanning by the Outward (Despatch) section and its linking with the speed post number.

Innovation # 19

The computer system specifies the order in which Old Records section wishes to receive the pension files. This list is printed by EDP (Pension) section and used by the MTS while sending the pension files to Old Records section.

Task of Old Records section

1. When the pensioner or family pensioner uses the web-based pension application for revision of pension, the Old Records section receives an alert, following which old files are retrieved and transmitted to the concerned pension section.
2. On completion of the despatch of authorisations, the Pension (Despatch) section sends the pension files to the Old Records section in the order defined by the electronic list generated by EDP (Pension) section. The Old Records section, for convenience, stores the files in bundles of 20 and records the details electronically.

Innovation # 20

This office maintains the records of all pension cases processed since 1965. Computerized data of over 2,50,000 pension files pertaining to the period 1997 onwards are available. Hence bar coding of all these files has been taken up to ensure easier storage, access and retrieval.

Communication of pensioner's copy

Innovation # 21

Since pensioners' copies of authorisations are sent by ordinary post and are often delayed or not received, Treasuries have been directed not to insist on the pensioner producing his copy and to act on the treasury copy alone. Pensioners can also download authorisation copies from the AG's website.

Post authorisation release of differential gratuity

Innovation # 22

Single authorisation to Director of Treasuries to release differential gratuity.

Periodic Government orders enhancing payment of Dearness Allowance to its employees are also applicable to pensioners who were in service during the

effective period. Previously, on receipt of the pensioner's application, the AG's office would issue differential gratuity orders. Now, the AG's office computer system automatically calculates the differential gratuity payable to each eligible pensioner and the EDP (Pension) section prints a combined authorisation letter to the Director of Treasuries, which is sent after approval by the designated Accounts Officer, for payment through the treasuries or banks as the case may be.

Innovation # 23

Once the security of the treasury Virtual Private Network (VPN) and database is assured, manual printing of authorisations will be dispensed with and the treasury will receive the authorisation through the VPN and the copies of the department and pensioner will be sent by email.

Post payment process

Innovation # 24

Electronic integration of authorisation details with first payment of pension.

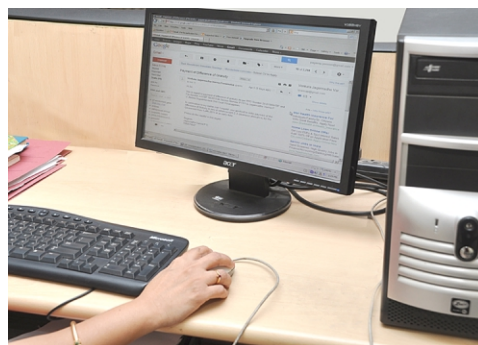
This is done in the following manner:

1. Details regarding pension authorisations are transmitted daily from the AG's database to the Director of Treasuries (DTA) through the treasury VPN.
2. This information is integrated on the treasury database.
3. At the time of making payment, treasuries access and upload payment details onto the treasury database.
4. Payment details are provided to the AG Office daily from the DTA database.
5. AG integrates the information into the pension database.

Innovation # 25

*Efficient grievance
redressal mechanism*

This is done in the following manner:



1. An exclusive email ID has been created for pension related queries. An officer of the rank of Assistant Accounts Officer with pension processing experience downloads the emails daily, accesses the pension database and if de-



tails are available, immediately furnishes replies to the pensioner. Otherwise, the mail is printed and sent to the sections with the Principal Accountant General's remarks, if any, for disposal.

2. An Assistant Accounts Officer has been designated as Public Grievances Officer and provided with a mobile phone. This information is available on the office website and in the premises of the grievance cell. Calls from pensioners are responded to immediately (if made during office hours) and on the next working day (if made after office hours).
3. The status of pension cases is also posted on the office website.
4. Pensioners can register their mobile number by sending SMS to a designated number and the system generates and sends a status update through SMS.
5. In addition to the above, the Grievance Cell with dedicated team redresses the grievances of pensioners who visit the office of the Accountant General.

Innovation # 26

Efficient management of correspondence received

A centralized correspondence cell manned by two Assistant Accounts Officers and a dedicated team was formed in the pension group to handle the

influx of enquiry letters and complaints from pensioners. This has ensured that the Dealing Hands in pension sections are able to concentrate on the speedy and efficient authorisation of pension cases.

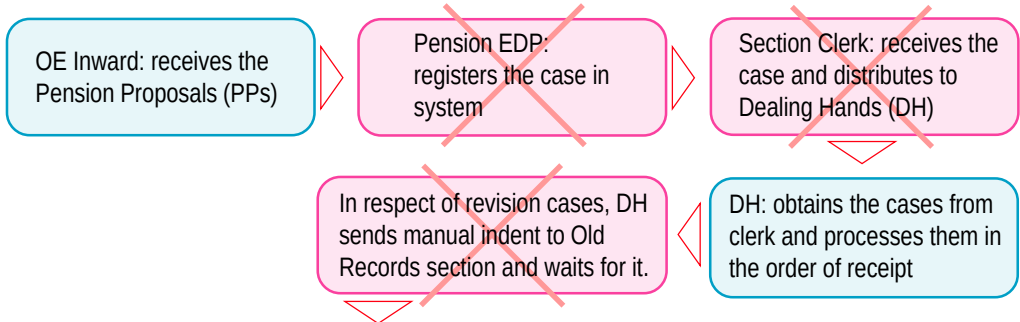


4. RESULTS OF INNOVATIONS

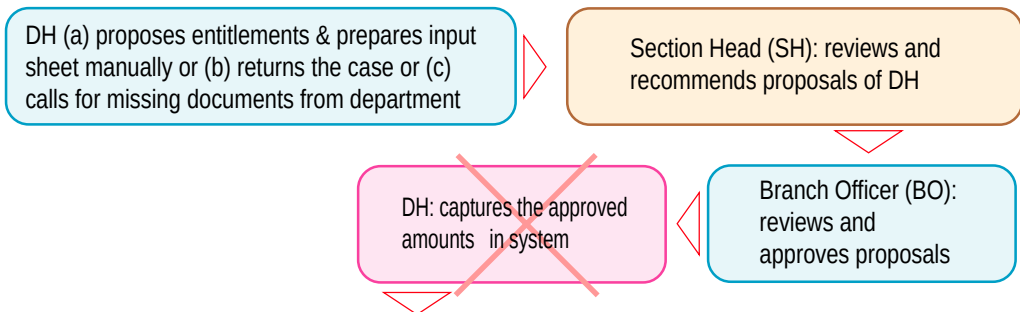
Under the Citizen's Charter approved by the Comptroller and Auditor General of India, the Accountant General should authorise pensions within two months of receipt of applications complete in all respects. This time frame has been a challenge (mainly on account of submission of incomplete proposals by the PSA), which has now been overcome as a result of the innovations. Consequently, the average time taken for authorisation has come down from 65 days in August 2011 to 39 days in April 2012. This has been due to eliminating redundant processes and streamlining the remaining, such that the number of processes has come down from 16 to 9. For instance, the earlier method required five different print stages covering 21 printed pages on three/ two ply pre-printed computer stationery for each case; this has been reduced to one print stage covering six pages of A4 sized security paper. This, in turn, has resulted in the considerable saving of labour involved in the tearing, removing the carbon paper and segregating the pre-printed stationery.

4 a. Elimination / modification of earlier processes

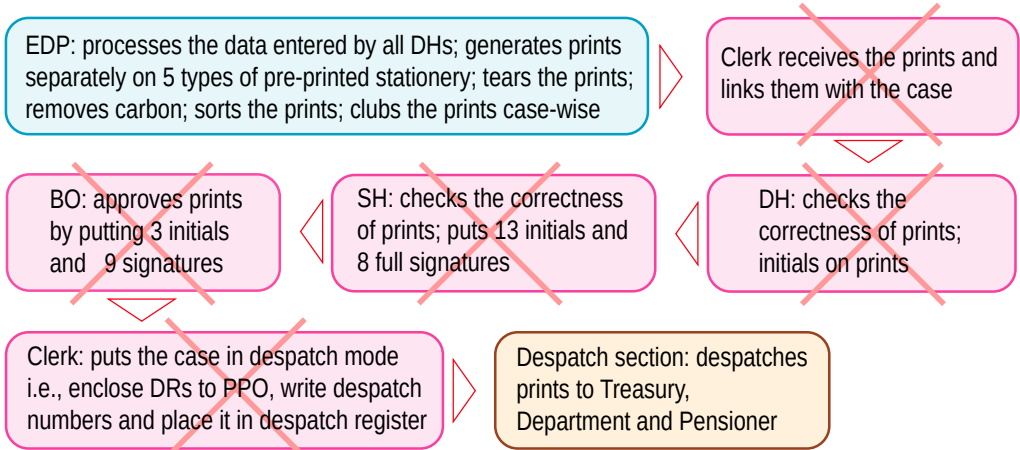
Stage I - Receipt of the Pension Proposals



Stage II - Processing and Authorizations



Stage III - Finalisation and Despatch of Entitlements



indicates processes dispensed with



indicates processes modified



indicates processes unchanged

Total processes: 16

Processes dispensed with: 9

Processes modified: 5

4 b. Post-innovation processes

Stage I - Receipt of the Pension Proposals

OE/Pension Inward: receives the PPs, registers the case in system, verifies the PPs with the help of checklists, proposes (a) to issue entitlements and generates input sheet through system or (b) return the case or (c) calls for missing documents; generates and sends a list of revision cases registered to Old Records section.

DH: Simultaneously obtains cases from Inward section and old files from Old Records section.

Stage II - Processing and Authorizations

Branch Officer (BO): reviews the proposals of SH, approves the entitlements in system, and retains the file.

Section Head (SH): reviews, make changes in the system if necessary, and recommends the action of DH.

DH verifies only the SBs and if necessary, prepares changes to be made in the system in respect of entitlements.

Stage III - Finalisation of Entitlements and Despatch

EDP: processes the data approved by all BHS; generates prints case-wise on A4 size security paper

Accountant in Despatch section collects the prints and cases from BOs, puts them in despatch mode and sends to BO for signatures

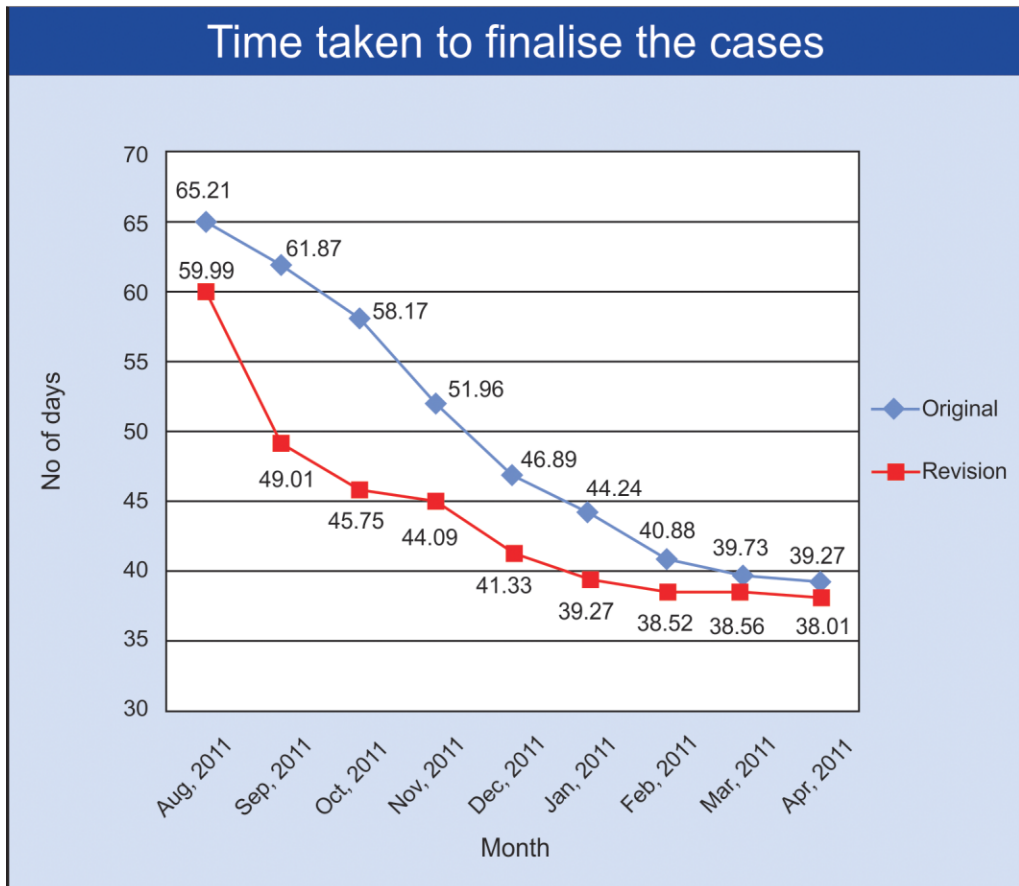
BO: approves prints by putting 3 signatures

Despatch section: despatches prints to Treasury, Department and Pensioner

Total processes: 9

4 c. Overall efficiencies achieved: commitment to citizen's charter

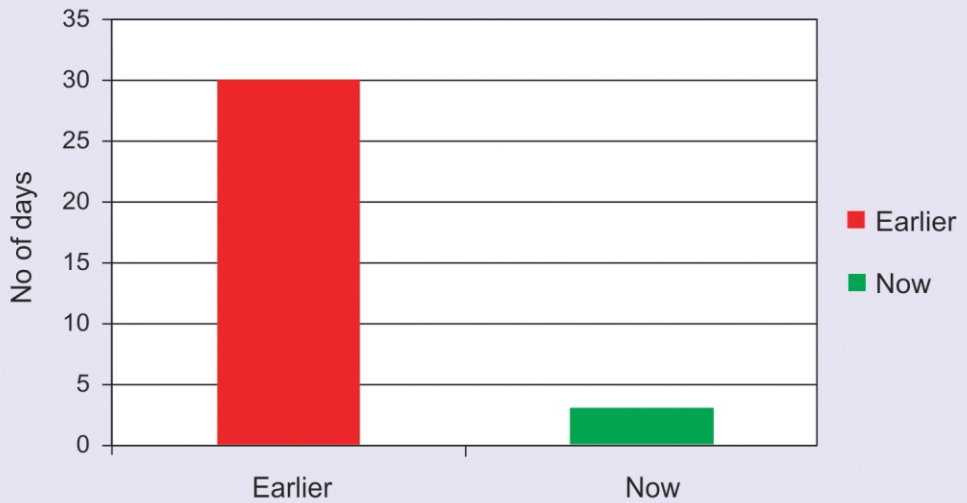
Though the initiatives started in January 2010, critical mass was achieved by August 2011 and significant results observed thereafter as the following table indicates.



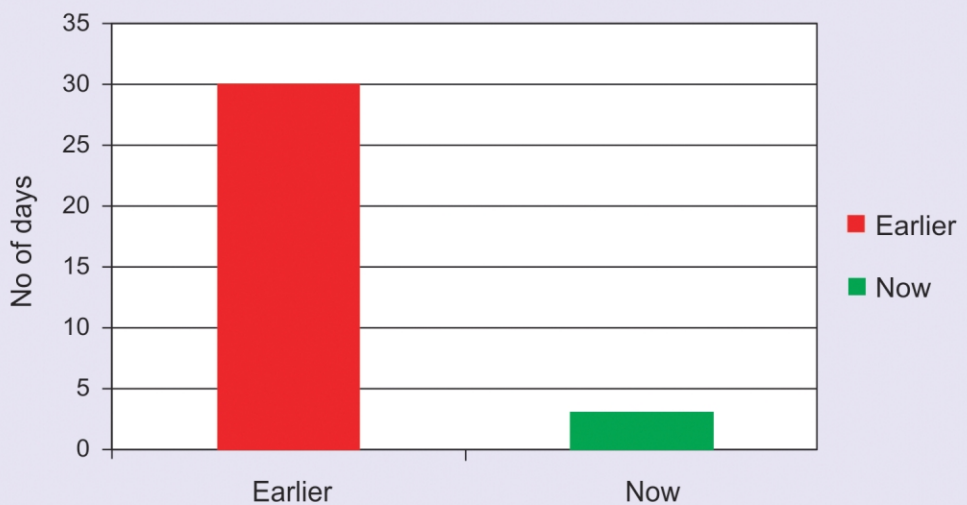
Note: On average, pension cases (both original and revision) are being finalized within 40 days, as against the bench mark of 60 days prescribed in the citizen charter.

4 d. Time saved

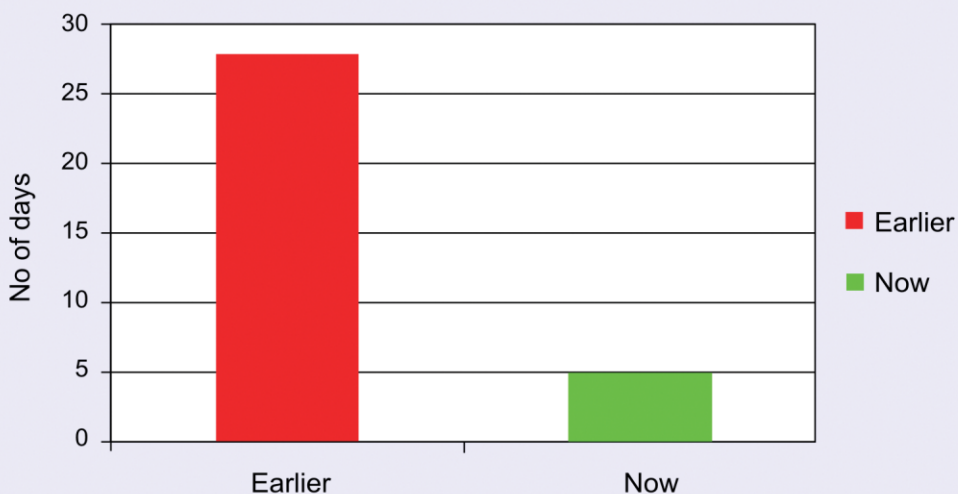
To scrutinize and return an ineligible case



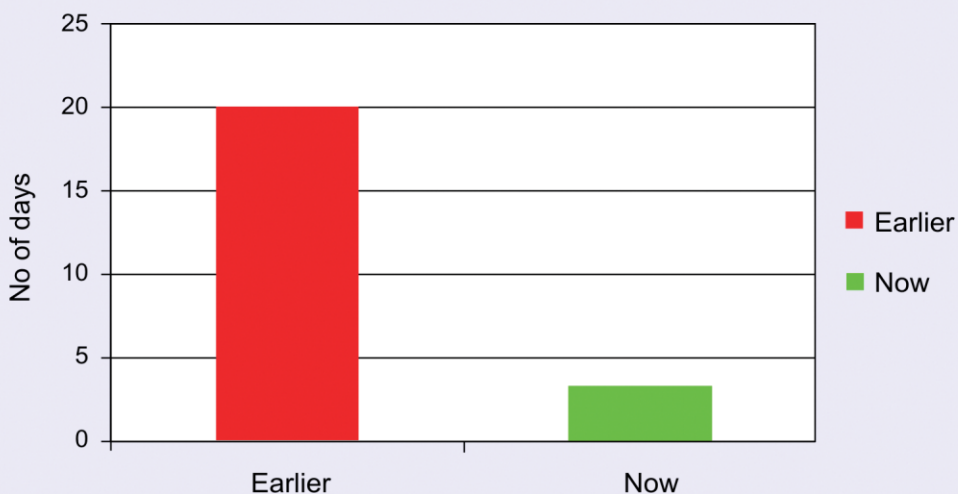
To communicate the missing information to department



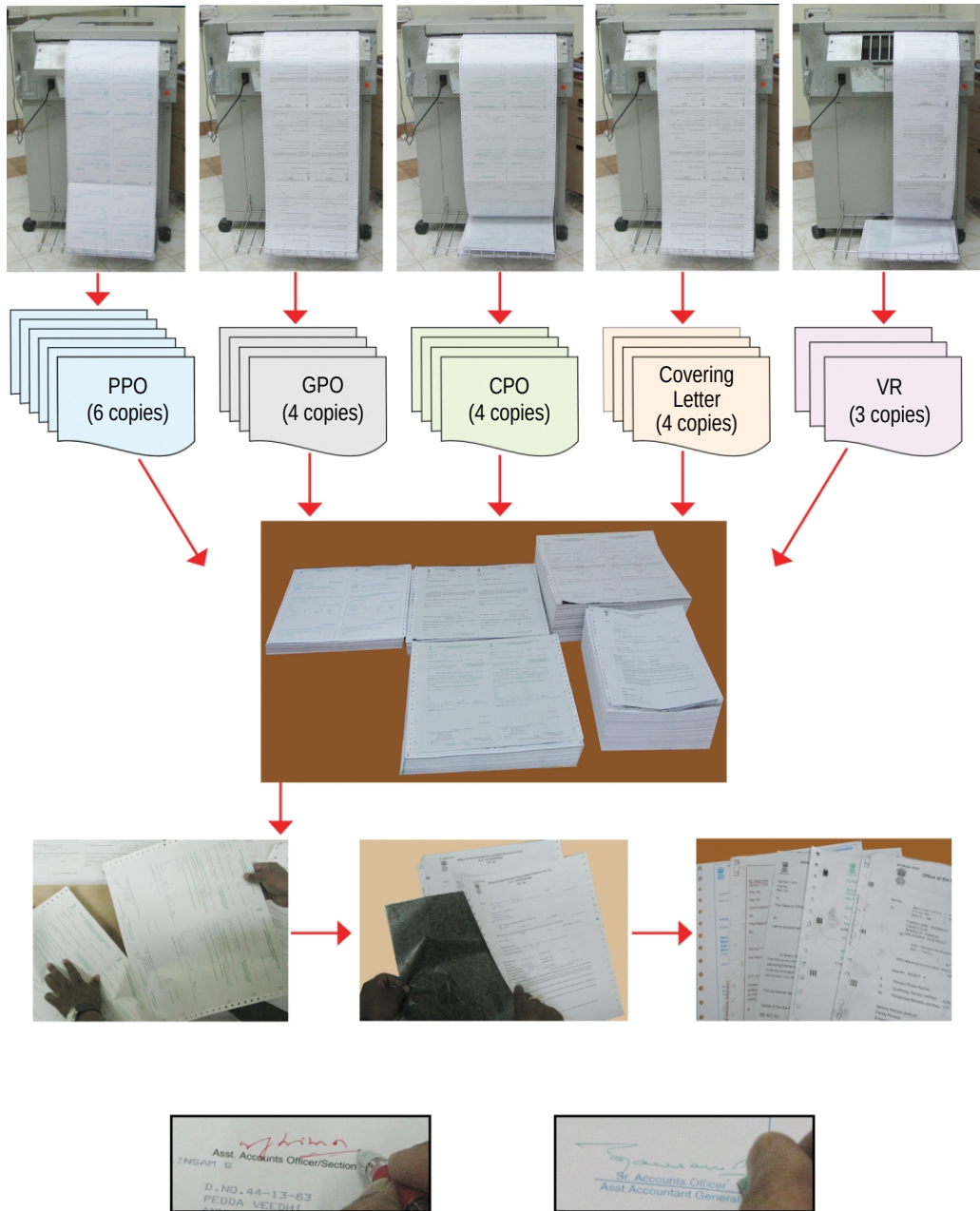
Time taken between generation of prints and despatch



Time to obtain old files from Old Record Section in respect of revision cases received



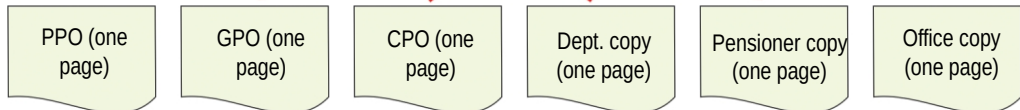
4 e. Pension Authorisations on pre-printed stationery old method



13 initials and 8 full signatures by AAO

3 initials and 9 full signatures by Branch Head

4 f. Pension Authorisations on A4 size security paper new method



Department's Copy

**OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (A&E),
ANDHRA PRADESH, HYDERABAD - 500 004.**

Lr No : PAGAR/AP/14 A A- 63SP8952012-62 249 To : THE SUPERINTENDENT OF POLICE, ANANTAPUR

Ref:- Your Lr No 356/A/2012, DATED 16-03-2012

With reference to your letter cited, forwarding the Pension/Gratuity proposals of Sd/Bmt. IBRAHIM SAHIB G S retired on 30-JUN-2012, I am to state as follows:

Employee's service details (From date applied - 01/03/1994 Date of Birth - 17/04/50 Weightage - 26,300 Last Pay Rs. 26,300 Name of the Family Pension beneficiary (if any) - SHAMATA / BEGUM G S Date of birth of beneficiary - 01/03/1997 Nonqualifying service details -	Emp. Grade - RPS 1980 Date of join - 04/03/1980 New UG - Retirement Category - SUPERANNUATION Qualifying service (Y) - 31Y 11M 00D Service rendered to - 33Y 04M 00D
---	---

Pension Payment details (CEN No - 13-617891/EP Service Pension (EP) Rs. 13,150 EP not Rs. - Enhanced Family Pension (EPF) Rs. 12,150 Family Pension (EPF) Rs. 7,890	Grant details (CEN No - 13-617891/EG Grant Rs. 5,240 Amount of Pension commuted Rs. 5,240	Grant details (CEN No - 13-617891/EG Grant Rs. 5,240 Amount of Pension commuted Rs. 5,240
--	--	--

Enclosed: Service Order
Remarks: AMOUNT OF NATIONAL INCREMENT ON 30.7.12, MAY BE NOTED IN SA UNDER PROPER ATTENTION. NOT PAYABLE BEFORE 01/01/2012, NOT PAYABLE BEFORE 01/01/2012

Yours faithfully,
Sr. Accounts Officer

Copy to: Sd/Bmt. IBRAHIM SAHIB G S, DHD-62-433, KODURU NAGAR, ANANTAPUR

Yours faithfully,

Sr. Accounts Officer

One signature on PPO

Yours faithfully,

Sr. Accounts Officer

One signature on GPO

Yours faithfully,

Sr. Accounts Officer

One signature on CPO

Signatures and Initials by AAO and BO on the Authorisations

On pre-printed stationery

S.No.	Name of document	No. of copies	AAO		BO	
			Initials	Signatures	Initials	Signatures
1	Verification Report	3	2	1	1	1
2	Covering letter of PPO	4	1	3	-	-
3	PPO	6	6	-	-	6
4	GPO	4	2	2	1	1
5	CPO	4	2	2	1	1
Total		21	13	8	3	9

On A4 size security paper

S.No.	Name of document	No. of copies	AAO		BO	
			Initials	Signatures	Initials	Signatures
1	Office copy	1	-	-	-	-
2	Department copy	1	-	-	-	-
3	Pensioner copy	1	-	-	-	-
4	PPO	1	-	-	-	1
5	GPO	1	-	-	-	1
6	CPO	1	-	-	-	1
Total		6	-	-	-	3