

## Expression of Interest (EOI)

for

**Selection of Bank(s) for providing Banking and Operational support services to Gujarat Council of School Education (GCSE), Samagra Shiksha (SS), Education Department, Government of Gujarat for implementing Public Finance Management System (PFMS) for Centrally Sponsored Schemes (CSS) upto the Implementation Agency (IA) level**

Samagra Shiksha

Gujarat Council of School Education (GCSE)

State Project Office, Sector-17, Gandhinagar, Gujarat.

<b>Date of Publication of Eoi</b>	<b>11/06/2021</b>
<b>Last date &amp; Time for submission of Eoi at Gujarat Council of School Education (GCSE), Education Department</b>	<b>15/06/2021 up to 1700 hours</b>
<b>Authorized Contact Person</b>	Finance & Account Officer Gujarat Council of School Education State Project office Samagra Shiksha Sector-17, Gandhinagar Email ID: <a href="mailto:faossagujarat@gmail.com">faossagujarat@gmail.com</a>
<b>Date, Time &amp; Venue for Presentation cum Demonstration (Online meeting link can be obtained from GCSE)</b>	<b>16/06/2021, 1200 hours onwards</b> <b>Venue (Physical/Online)</b>

## 1. **Background**

Department of Expenditure, Ministry of finance, Government of India vide their Office Memorandum F. No. 1(13)PFMS/FCD/2020 dated 23.03.2021 has instructions to all states regarding the procedure for release of funds under the Centrally Sponsored Schemes (CSS) and monitoring utilization of the funds released. For better monitoring of availability and utilization of funds released to the States under the Centrally Sponsored Schemes (CSS) and to reduce float, the Department of Expenditure has issued modified procedure for release of funds under CSS with all the State governments and Ministries/Departments of the Government of India through the Single Nodal Agency (SNA) of the respective CSS in the state.

Gujarat Council of School Education (GCSE) is the Single Nodal Agency for the CSS - Samagra Shiksha under Ministry of Education in the state of Gujarat. As SNA, GSSE-SS invites EoI for implementing banking & operational support services for implementation of Public Finance Management System (PFMS) for Central Sponsored Schemes (Samagra Shiksha) upto the last mile field-level offices Implementation Agencies across the Gujarat state.

Interested banks (agencies) can download this EoI and its further amendments, if any, published and available on **[www.ssagujarat.org](http://www.ssagujarat.org)** and submit their responses **Physically /Online** at Samagra Shiksha Gujarat on or before due date & time of the EoI.

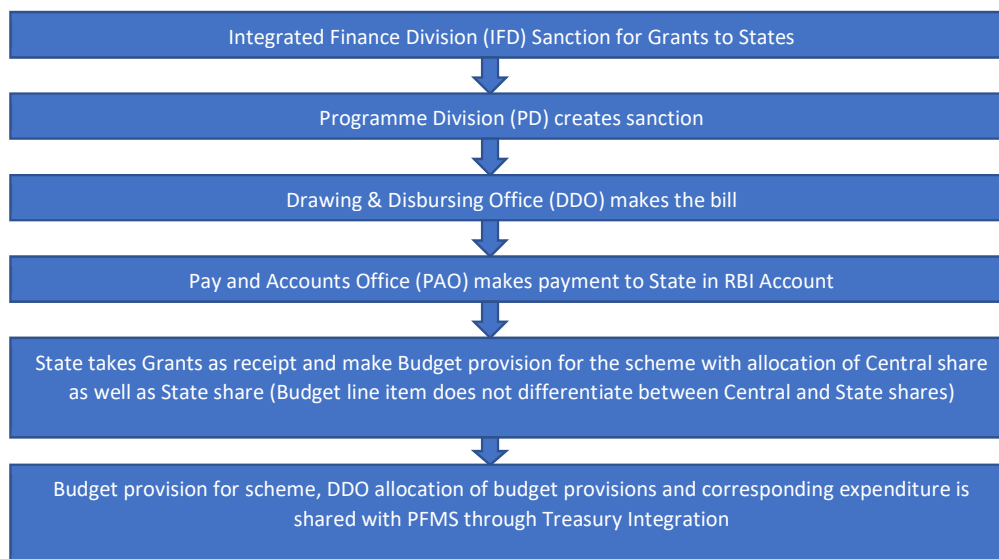
Gujarat Council of School Education (GCSE) is a State Implementing Society (SIS) formed under Education Department. GCSE is implementing Samagra Shiksha (SS), a CSS, in the state of Gujarat. GCSE through its State Project Office is supported by various field level offices at District level, Block Level, Cluster level & School Management Committees (SMCs) at School level. Other state-level bodies that compose the administrative structure and provide technical and academic input at the state level are the Gujarat Council of Educational Research and Training (GCERT) along with its District outfits- District Institute of Education and Training (DIETs).

Funds are being allotted by the State Education Department to GCSE based on which GCSE will draw funds from the treasury into its bank account. Subsequently, the funds will flow from GCSE to 33 District Project Offices through District Project Coordinator (DPEO/DEO) along with supporting staff of GCSE, Block and Cluster Resource Centres (BRCs/CRCs), and SMCs/SMDCs (schools). Similarly, GCERT along-with its District level counterparts (33 DIETs) disburses the grants in similar workflow. Under GCSE-SS is the SNA for all these CSS – Elementary Education (EE), Secondary Education (SE) and Teacher Education (TE) integrated under Samagra Shiksha. Currently, the summary of Implementing Agencies for Samagra Shiksha under GCSE, State Project Office are as under:

- 37 District & Corporation offices,
- 264 Block level offices,
- 3247 Cluster level offices &
- 35035 SMCs/SMDCs (Schools)

The existing & modified procedure for flow of funds is shown below:

**Existing Procedure for flow of funds**

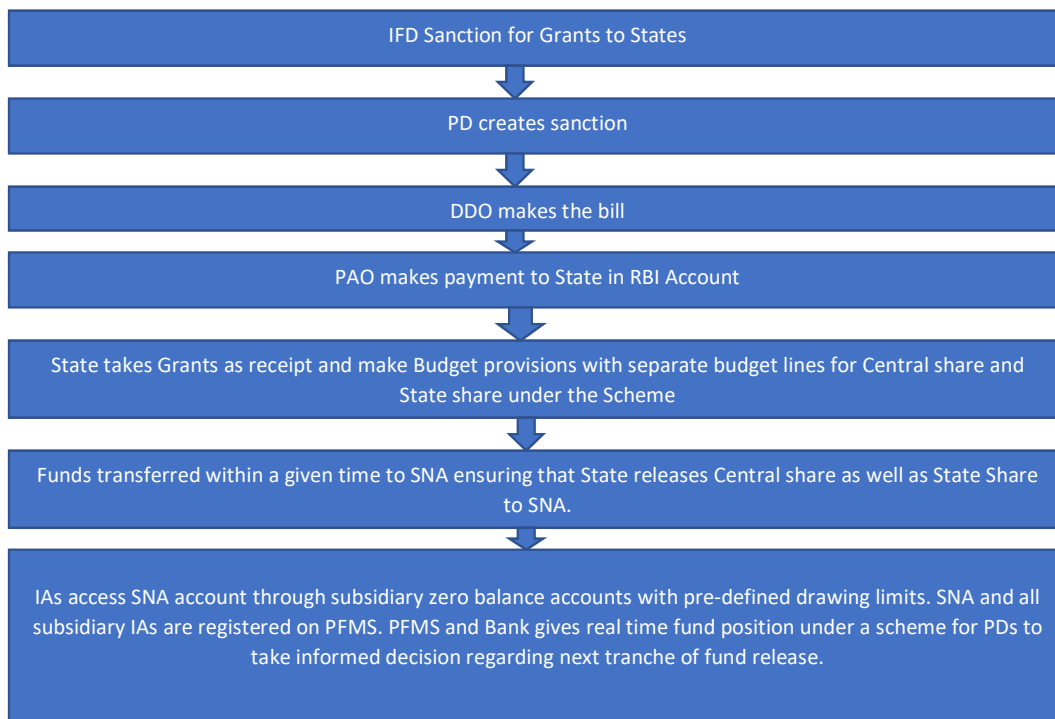


**Modalities under modified procedure for release of funds under CSS:**

The main objective of modified procedure for release of funds under CSS is to have more effective cash management and bring more efficiency in the public expenditure management. Hence the States are expected to comply with following procedure regarding release and monitoring utilization of funds under CSS:

1. Gujarat Council of School Education (GCSE) is Single Nodal Agency (SNA) for implementing each CSS i.e. Samagra Shiksha. The SNA will open a Single Nodal

**Proposed new procedure for flow of funds**



- Account for each CSS at the State level in a Scheduled Commercial Bank authorized to conduct government business by the State Government.
2. In case of Umbrella schemes which have multiple sub-schemes, as required, the State Governments shall designate separate SNAs for sub-schemes of the Umbrella Scheme with separate Single Nodal Accounts.
  3. Under SNA account of the scheme, zero balance subsidiary accounts for all IAs shall have allocated drawing limits to be decided by the SNA concerned from time to time and will draw on real time basis as and when payments are to be made to beneficiaries, vendors etc. The available drawing limit will get reduced by the extent of utilization.
  4. For seamless management of funds, the main account and all zero balance subsidiary accounts should preferably be maintained with the same bank.
  5. The bank should have a robust IT Systems and extensive branch network for opening the Single Nodal Account of each CSS. The bank should have the facility to open the required number of subsidiary zero balance accounts and a robust MIS for handling accounting and reconciliation at each level. The bank should also provide a user-friendly dashboard to officers at all levels (SMCs/SMDCs, Cluster, Block, Districts, State) to monitor utilization of funds by IAs.
  6. The bank's software system should be able to monitor the drawing limits of the IAs who should be able to draw funds on real time basis from the SNA's account as and when payments are to be made. The selected bank should ensure proper training and capacity building of branch managers and other staff for smooth operation of these accounts.
  7. The Ministries/Departments will release the central share for each CSS to the State Government's Account held in the Reserve Bank of India (RBI) for further release to the SNA's Account.
  8. Funds will be released to the States strictly on the basis of balance funds of the CSS (Central and State share) available in the State treasury and bank account of the SNA as per PFMS or scheme-specific portals fully integrated with PFMS in consonance with rule 232(Y) of the General Financial Rules, 2017.
  9. The SNAs shall ensure that the interest earned from the funds released should be mandatorily remitted to the respective Consolidated Funds on pro-rata basis in terms of Rule 230(8) of GFR, 2017. Interest earned should be clearly and separately depicted in PFMS, scheme-specific portals integrated with PFMS and in MIS provided by the banks.
  10. In the beginning of a financial year, the Ministries/Departments will release not more than 25% of the amount earmarked for a State for a CSS for the financial year. Additional central share (not more than 25% at a time) will be released upon transfer of the stipulated State share to the Single Nodal Account and utilization of at least 75% of the funds released earlier (both Central and State share) and compliance of the conditions of previous sanction. However, this provision will not be applicable in case of schemes where a different quantum of release has been approved by the Cabinet.
  11. After opening of Single Nodal Account of the scheme and before opening zero balance subsidiary account of IAs or assigning them drawing rights from SNA's account, the IAs at all levels shall return all unspent amounts lying in their accounts to the Single Nodal Account of the SNA. It will be the responsibility of the State government

- concerned to ensure that the entire unspent amount is returned by all the IAs to the Single Nodal Account of the SNA concerned. For this, the State Governments will work out the modalities and the timelines and will work out Central and state share in the amount so available with IAs. SNAs will keep a record of unspent balance lying in the account of IAs and the amount refunded by IAs.
12. Refund of balance amount by IAs and the amount available in the SNA's account should be taken into account by the Program Division of the Ministry/Department while releasing funds under the scheme. Concerned SNAs shall keep a record of the unspent amount lying in the account of IAs to be deposited in the Single Nodal Account while assigning drawing rights to IAs.
  13. Ministries/ Departments will ensure that releases under all CSS are made strictly as per the actual requirement on the ground, without resulting in any material float with the implementing agencies at any level.
  14. The State Government will transfer the Central share received in its account in the RBI to the concerned SNA's account within a period of 21 days of its receipt. The Central share shall not be diverted to the Personal Deposit (PD) account or any other account by the State Government. Corresponding State share should be released as early as possible and not later than 40 days of release of the Central share. The funds will be maintained by the SNA in the Single Nodal Account of each CSS. State Governments/SNAs/IAs shall not transfer scheme- related funds to any other bank account, except for actual payments under the Scheme.
  15. State Governments will register the SNAs and all IAs on PFMS and use the unique PFMS ID assigned to the SNA and IAs for all payments to them. Bank accounts of the SNAs, IAs, vendors and other organizations receiving funds will also be mapped in PFMS.
  16. Payments will be made from the zero balance subsidiary accounts up to the drawing limit assigned to such accounts from time to time. Transactions in each Subsidiary Account will be settled with the Single Nodal Account daily through the core banking solution (CBS) on the basis of payments made during the day.
  17. SNAs and IAs will mandatorily use the Expenditure Advance Transfer (EAT) module of PFMS or integrate their systems with the PFMS to ensure that information on PFMS is updated by each IA at least once every day.
  18. The State IFMIS should be able to capture scheme component-wise expenditure along with PFMS Scheme Code and Unique Code of the Agencies incurring the expenditure. State Governments will ensure daily uploading/sharing of data by the State IFMIS/Treasury applications on PFMS. PFMS will act as a facilitator for payment, tracking and monitoring of fund flow.
  19. Release of funds by the Ministries/Departments to States towards the end of the financial year should be avoided to prevent accumulation of unspent balances with States. Ministries/Departments will arrange to complete the release well in time so that States have ample time to seek supplementary appropriations from their respective legislatures, if required, and account for all the releases in the same financial year.
  20. In case of CSS having no State share and where as per the scheme guidelines, funds are released by the Central Ministry/Department directly to the districts/ blocks/Gram Panchayats/Implementing agencies, the requirement of notifying a single Nodal

Agency and opening of a Single Nodal Account at the State level may be waived by the Secretary of the Central Ministry/Department concerned in consultation with the Financial Adviser.

21. Ministries/Departments shall undertake monthly review of the release of funds (both the Central and State Share) from the State treasury to the SNA, utilization of funds by SNAs and IAs and outputs/outcomes vis-a-vis the targets for each CSS.

## **2. Scope of Services:**

Gujarat Council of School Education (GCSE) intends to appoint a bank to provide following services:

1. Gujarat Council of School Education (GCSE) is Single Nodal Agency (SNA) for implementing CSS i.e. Samagra Shiksha. The SNA will open a Single Nodal Account for CSS at the State level in a Scheduled Commercial Bank authorized to conduct government business by the State Government.
2. The banks should be able to create & designate separate accounts for multiple sub-schemes under the Umbrella Scheme, as required, at the State level.
3. Under SNA account of the scheme, the bank shall open zero balance subsidiary accounts for all IAs having allocated drawing limits to be decided by the SNA concerned from time to time and shall draw on real time basis as and when payments are to be made to beneficiaries, vendors etc. The available drawing limit will get reduced by the extent of utilization.
4. For seamless management of funds, the main account and all zero balance subsidiary accounts may preferably be maintained with the same bank / associate banks or through required tie-ups with existing IA bank accounts for ease of operations.
5. The bank should have a robust IT Systems and extensive branch network for opening the Single Nodal Account of each CSS. The bank should have the facility to open the required number of subsidiary zero balance accounts and a robust MIS for handling accounting and reconciliation at each level.
6. The bank shall provide a Web portal / software to GCSE, which should provide following functionalities/features, but not limited to:
  - a. The bank should also provide a user-friendly dashboard to officers at all levels (SMCs/SMDCs, Cluster, Block, Districts, State) to monitor utilization of funds by IAs.
  - b. The bank's software system should be able to monitor & create the drawing limits of the IAs who should be able to draw funds on real time basis from the SNA's account as and when payments are to be made. The selected bank should ensure proper training and capacity building of branch managers and other staff for smooth operation of these accounts.
  - c. The bank's software system should be integrated with PFMS
  - d. Just in Time (JIT) release of funds
  - e. Monitoring of use of funds including ultimate utilization
  - f. Mapping of all relevant information of Schemes
  - g. Provision to Configure Schemes on PFMS
    - i. Configuring Scheme Components
    - ii. Identify and configure hierarchy of scheme

- h. Integration of PFMS with Scheme specific software application
- i. The Interest earned should be clearly and separately depicted in PFMS, scheme-specific portals integrated with PFMS and in MIS provided by the banks.
- j. There should be provision to maintain separate budget lines for Central and State Share under each CSS in their Detailed Demand for Grants (DDG) and make necessary provision of the State share in the State's budget.
- k. Also, there should be a provision of integration of bank's system with State's Integrated Financial Management Information System (IFMIS) to provide budget heads (Central & State) for the funds released to SNA and the same should be captured in PFMS through treasury integration.
- l. The registered SNAs and all IAs on PFMS shall use the unique PFMS ID assigned to the SNA and IAs for all payments. Bank accounts of the SNAs, IAs, vendors and other organizations receiving funds will also be mapped in PFMS & the same should reflect in bank's portal.
- m. The bank's portal should show all the payments /transactions made from the zero balance subsidiary accounts up to the drawing limit assigned to such accounts from time to time. Transactions in each Subsidiary Account will be settled with the Single Nodal Account daily through the core banking solution (CBS) on the basis of payments made during the day.
- n. The Expenditure Advance Transfer (EAT) module of PFMS shall be used mandatorily by SNAs and IAs or integrate their systems with the PFMS to ensure that information on PFMS is updated by each IA at least once every day. The bank's system should have provision for the same.
- o. It is expected that the State IFMIS should be able to capture scheme component-wise expenditure along with PFMS Scheme Code and Unique Code of the Agencies incurring the expenditure.
- p. The bank's system should have provision for ensuring daily uploading/sharing of data by the State IFMIS/Treasury applications on PFMS. PFMS will act as a facilitator for payment, tracking and monitoring of fund flow.
- q. The bank's portal should enable Ministries/Departments to undertake monthly review of the release of funds (both the Central and State Share) from the State treasury to the SNA, utilization of funds by SNAs and IAs and outputs/outcomes vis-a-vis the targets for each CSS.
- r. The bank's portal should also provide all the MIS reports at all levels- State, districts, blocks, cluster & SMCs/SMDCs
- s. The bank's portal should be able show user-wise (State/ district/ block/ cluster/ SMC/ SMDC) available budget heads with drawing limits with current balances in their respective user logins.
- t. The bank's portal should be customizable for any statutory changes required by central or State government & as required by GCSE and provide Continuous support for implementation
- u. The bank should have robust IT Systems & MIS System for reconciliation and Accounting and provide dashboard facility for monitoring at all levels.
- v. SNA- CBS system should be capable to settle daily transactions with SNAs and Subsidiary Accounts.

7. Selected bank shall also provide dedicated manpower for providing operational support services & required handholding support to GCSE & and its field offices for the banking transactions; for attending the review meetings as and when required.
8. Selected bank shall also provide Telephonic support services through a dedicated helpdesk tollfree contact number.
9. Selected bank shall provide user training to all the users at GSCE & its IAs i.e. district level, block level, cluster level, SMC/SMDC level

### **3. Evaluation methodology**

The interested banks will be evaluated on the basis of their Approach & Methodology for implementation of the proposed solution in the form of presentations. The presentation should mainly cover following points:

- a. The participating bank should be a Scheduled Commercial bank authorized to conduct government business by the State Government
- b. Bank CBS & IT portal integrated with PFMS
- c. The bank's network of branches (own / associated banks) at all levels from State > District > Block > Cluster > SMC level
- d. Bank's capacity for providing operational support services i.e. manpower support services upto the field-level
- e. Dedicated Helpdesk support (Telephonic, Web-based, Mobile-based, Chat-based etc.)
- f. The bank's offered IT solution (i.e. Web application and Mobile App software / portal)
  - o Model dashboard design
  - o Shall comply with all the requirement mentioned in this document & the referred correspondence of Department of Expenditure, Government of India
  - o Shall comply with RBI and PFMS norms, regulations, features including its integration with Central & State Government applications
  - o Ease of access as well as usage through user friendly interface (web / mobile)
  - o Need-based customization / modifications during the contract period
- g. Details of implementation of similar solutions for CSS or in other states
- h. Any additional value-added services offered by bank

**Note: The Bank shall submit the copy of presentation in physical/online to GCSE with covering letter. It may be noted that all the offerings made by bank during its presentation shall be binding upon the bank & form the part of contractual agreement.**

### **4. Other terms:**

- The cost of the preparation of EoI as well as arranging presentation cum demonstration should be borne by the agency only on No Cost No Commitment basis.
- An expert committee will be formed by GCSE, to evaluate the proposed solutions and to select the best proposals from all proposed solutions.
- GCSE shall enter into a contractual agreement / Memorandum of Understanding (MoU) with the selected bank. The contractual agreement / MoU shall include detailed scope of services, service level agreements, penalty terms in case of default on services, etc.
- This EoI does not commit any award of work / contract or engagement with any participating agency.



- Samagra Shiksha, GCSE reserves the right to accept or reject any or all proposals without assigning any reasons whatsoever. Samagra Shiksha, GCSE decision in this matter will be final.

**5. Proposal submission:**

As a part of EoI, banks will have to submit a detailed proposal / presentation of offered services which should include following:

- Covering letter
- Presentation on the offered services
- Technical solution write-up for offered IT services
- Details of implementation of similar solutions for CSS or in other states
- Details of any additional value-added services offered by bank

**6. Details of participating Agency:**

<b>Name of the applicant organization</b>	
<b>Name and designation of the Authorized signatory</b>	
<b>Registered Office Address</b>	
<b>Regional office address</b>	
<b>Contact person details</b>	
<b>Phone / mobile number</b>	
<b>Email address</b>	
<b>Year of establishment</b>	
<b>About the organization</b>	