

MINISTRY OF FINANCE AND PLANNING
30 NATIONAL HEROES CIRCLE
P.O. BOX 512
KINGSTON
JAMAICA

ANY REPLY OR SUBSEQUENT REFERENCE SHOULD BE
ADDRESSED TO THE FINANCIAL SECRETARY AND THE
FOLLOWING REFERENCE NUMBER QUOTED:-

Telephone No. 92-28600-15

November 15, 2002

Circular No.10

Ref.: File No. 107/022

Division: Public Expenditure Policy Coordination

Accounting Officers:

**Guidelines for Budgetary, Financial and Accounting Arrangements,
Consequent on the Changes in Portfolio Responsibilities of some Ministries**

Permanent Secretaries and Heads of Departments are hereby advised that consequent on the recently announced changes in portfolio responsibilities of some Ministries, there will be implications for the budgets of the ministries involved. Certain adjustments must therefore be made to the financial and accounting arrangements, of these Ministries listed below:

- Office of the Prime Minister
- Office of the Cabinet
- Ministry of Tourism and Sport
- Ministry of Finance and Planning
- Ministry of Justice
- Ministry of Labour and Social Security
- Ministry of Education, Youth and Culture
- Ministry of Industry, Commerce and Technology
- Ministry of Mining and Energy
- Ministry of Land and Environment
- Ministry of Water and Housing
- Ministry of Transport and Works
- Ministry of Local Government and Community Development

In order to ensure the smooth implementation of the changes, the under-mentioned guidelines are issued for your assistance:

1. BUDGET

ESTABLISHED MINISTRIES (Receiving Additional Portfolio)

- (a) Where an already established Ministry is receiving new portfolio responsibilities and the balance on the Head can accommodate the additional costs for the subjects assigned, that Ministry should advise the Ministry of Finance and Planning of the funding which will be utilized to facilitate the additional expenditure by November 25, 2002. Regularization of the expenditure incurred in this regard will be made in the First Supplementary Estimates for 2002/2003.
- (b) Where the balance on the Head cannot support the additional costs for the subjects transferred, the Ministry of Finance and Planning should be advised accordingly by November 25, 2002. Arrangements will then be made for the provision of the additional funding and regularization will take place in the First Supplementary Estimates. The Ministry of Finance and Planning (Public Expenditure Division) should, however, of the additional funds required.

ESTABLISHED MINISTRIES (Losing Subjects from Portfolio)

- (c) Those established Ministries which have had subjects transferred from their portfolios, should submit to the Ministry of Finance and Planning (Public Expenditure Division) their actual expenditure and commitments up to October 31, 2002 in respect of those subjects. This should be submitted to the Public Expenditure Division of this Ministry no later than November 25, 2002.

2. WARRANTS

Recurrent Warrants for the month of December 2002, will be credited accordingly to existing bank accounts. Ministries affected by the change shall continue to pay salaries and other payments including subventions in the usual manner up to December 31, 2002, but there should be no new commitment after January 1, 2003.

3. FINANCIAL/ACCOUNTING ARRANGEMENTS

(a) PAYMENTS

- (i) Payment of salaries and allowances for personnel transferred with the relevant subjects should continue to be met by the Ministry from which the subjects are transferred. The amounts paid to these persons, should be charged to an Advance Account and recovered from the receiving Ministry after regularization has taken place in the First Supplementary Estimates 2002/2003.
- (ii) A similar procedure should be followed in respect of other payments including subventions.

(b) BANK ACCOUNTS

The Bank Accounts operated by the former Ministry of Mining and Energy will cease to operate with effect from October 31, 2002.

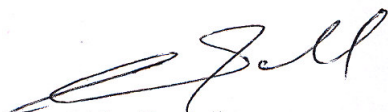
(c) FINANCIAL STATEMENTS

The new Ministry of Industry, Science and Technology will be expected to prepare Financial Statements and Appropriation Accounts for the period April 1, 2002 to October 31, 2002 in respect of Ministry of Mining and Energy.

(d) TRANSFER OF ASSETS

In keeping with the existing guidelines, assets including Motor Vehicles, Furniture and Equipment should not be transferred from one Ministry/Department to another without prior consultation with and approval of this Ministry in which the responsibility for Asset Management is vested.

Kindly ensure that this information is circulated to all the relevant officers in your Ministry.



Shirley Tyndall
Financial Secretary