



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

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

September 24, 2003

CIRCULAR NO. 14
FILE NO. 107/022
DIVISION:

Permanent Secretaries
Heads of departments

Re: Operation of Imprests

The attention of Permanent Secretaries and Heads of Departments is invited to the following instructions regarding the operation of imprests.

1. Request for approval to operate Imprest Bank Account

- 1.1. Any bank account operated by a ministry/department or agency including its outstations that is funded from an expenditure clearing account for the purpose of meeting budgetary expenditure of a specific nature or for a specific office or geographic location is regarded as an **imprest bank account** and must be maintained at a fixed amount approved by the Financial Secretary.
- 1.2. Where an Accounting Officer or other accountable officer considers it necessary to operate an imprest bank account, prior written approval must be obtained from the Financial Secretary.
- 1.3. In applying for authority to operate an imprest bank account, the Accounting Officer or other accountable officer must, in addition to the statutory information required when seeking approval for the establishment of a bank account, state the

proposed amount of the imprest and the expenditure items to be met from it. (See MoF&P Circular # 9, File No. 107/110 dated October 3, 2002.)

- 1.4. All signatories to an imprest bank account are deemed to be imprest holders and as such must be accountable for the efficient and proper use of the imprest. Also, they must be jointly and severally liable for any loss or misappropriation of funds from the imprest bank account.

2. Request for approval to operate Petty Cash & other Imprests

- 2.1. An Accounting Officer or other accountable officer requiring petty cash imprest, stamp imprest, refund imprest, float or change imprest for cashiers must request the approval of the Financial Secretary stating the following: -

- (i) justification/need for the imprest;
- (ii) type of imprest requested (i.e. petty cash, float, stamp, etc.);
- (iii) source of funds to be channeled through the imprest;
- (iv) name and post of the officer(s) on the permanent establishment recommended as custodian of the proposed imprest. The imprest holder must not be a temporary officer or any officer who by virtue of the nature of his/her function(s) compromises the system of internal control;
- (v) location of the imprest;
- (vi) amount of the imprest; and
- (vii) average monthly projected expenditure for the imprest (NB. details of the projection must be provided)

- 2.2 In circumstances where the proposed imprest relates to a project the following additional information is required: -

- (i) period for which the imprest is required; and
- (ii) any special conditions relating to the project that will impact on the operation of the imprest.

3. Changes in Imprest

- 3.1 Where the Financial Secretary authorizes the operation of any type of imprest, the amount of such imprest must not be varied without the prior written approval of the Financial Secretary.

- 3.2 Where the need arises, for a change to be made to the imprest holder the Financial Secretary must be immediately advised.

4. Accounting for Imprest

- 4.1 An imprest is to be treated as an advance, hence the bills, vouchers, statements, etc. representing payments made from it must be checked and certified before reimbursement and/or clearance to expenditure.
- 4.2 Every imprest holder is required to keep a cashbook and must be held personally responsible for the unexpended balance of the imprest.
- 4.3 On each occasion of the recoupment of expenditure from the imprest or the handing over of the imprest to another officer, the cash book must be ruled off and balanced and the unexpended balance and vouchers, if any, should be reconciled with the amount of the original imprest.

5. Handing over of Cash

- 5.1. When an officer in charge of cash is handing over his duties to another officer his cashbook must be ruled off at that date and the balance brought down. The cash balance must be checked and certified by a senior officer to ensure that the cash balance agrees with the amount shown in the Cash Book. The officer taking over the duties of the outgoing officer is thereafter responsible.

6. Imprest at the end of the financial year

- 6.1. Authority for an imprest lapses at the close of the financial year and the imprest holder, where Boards of Survey are not appointed at the end of the year to check the imprest, must account for the imprest held in such a manner as may be directed by the Financial Secretary.
- 6.2. Accounting Officers may at the end of the financial year require any or all imprest balances to be surrendered to the relevant Expenditure Clearing Account or may direct that they be rolled over to the new financial year in situations where it is not practical to effect the surrender.
- 6.3. In the new financial year, all imprest amounts that have been rolled over must be surrendered to the Consolidated Fund as soon as funds become available.

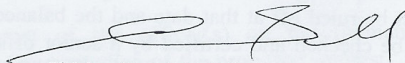
7. Procedure for termination of an Imprest

- 7.1. For termination of an imprest bank account the procedures relating to the closure of bank accounts must be followed (See MoF&P Circular # 9, File No. 107/110 dated October 3, 2002).

7.2. For termination of petty cash and other imprests, except bank imprests, the following actions must be taken:-

- a proper reconciliation between the reimbursable expenditure and the cash or valuables held, with the authorized imprest amount must be prepared;
- the Chief Internal Auditor must certify the reconciliation;
- the cash or valuables held must be surrendered to the source of funding;
- the Financial Secretary must be advised of the termination of the imprest and a copy of the certified reconciliation stating where the cash or valuables have been surrendered and the date the surrender was made must be submitted to the Financial Secretary within two weeks after termination of the imprest.

Please ensure that this circular is brought to the attention of all relevant officers in your ministry/department.



Shirley Tyndall (Miss)
Financial Secretary