



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

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DIVISION: PUBLIC EXPENDITURE POLICY CO-ORDINATION DIVISION

Permanent Secretaries
Heads of Departments

Control of Deposits

The attention of Permanent Secretaries and Heads of Departments is invited to the following procedures relating to the operation and control of deposits. These procedures must be put into effect immediately.

1. Definition of Deposits

- 1.1 Deposits are sums of money received by a ministry, department or agency from a member of the public, a public agency or from any other organization for some specific purpose such as undertaking works on their behalf, payment to a third party, retention until some condition is fulfilled, etc.
- 1.2 Moneys on deposit do not belong to the ministry, department or agency. The ministry, department or agency holds such funds as trustee in very much the same way that a bank holds deposits on behalf of its customers.

2. Types of Deposits

2.1 Deposits are categorized according to their purpose and are divided into the following categories:

- (4.1) A. Revenue Deposits - deposits held which upon the occurrence of some event, will become payable to General Revenue either wholly or in part.
- B. Refundable Deposits - deposits to be refunded to the depositor or some authorised third party at a stipulated time or upon the occurrence or non-occurrence of some event, e.g. contractor's retention, security deposits.
- C. Works Deposits - deposits held to conduct some work, project or activity on behalf of the depositor.
- D. Other Deposits - any other deposits held for miscellaneous purposes.

3. Deposit Bank Account

- (3.1) A ministry, department or agency must where necessary establish with the approval of the Financial Secretary a single bank account for all deposits held.
- (3.2) Deposit bank accounts must not be closed at the end of each financial year, but must continue from one financial year to another.
- (3.3) Accountable Officers must ensure that deposit bank accounts are not overdrawn.
- (3.4) Deposit bank accounts must be reconciled monthly and reconciliation adjustments must be cleared up promptly.

- (3.5) Deposit funds must not be borrowed or used to provide temporary budgetary support to the ministry, department or agency. Deposit Funds must be used solely for the purpose for which they were received.

4. Deposit Financial Controller

- (4.1) Accounting Officers shall assign an appropriate officer as 'Deposit Financial Controller' with overall responsibility for the ministry/department/agency's deposit portfolio with the following functions:
- (i) Direct and supervise the activities of all Deposit Managers within the ministry/department/agency ensuring that:
 - (a) all deposits are promptly lodged to the bank account;
 - (b) proper deposit subsidiary accounts are kept and reconciled regularly;
 - (c) the purpose of the deposit collection is duly discharged and repayment where required is made correctly and promptly.
 - (ii) monitor and control all individual deposit accounts;
 - (iii) issue instructions concerning deposit procedures;
 - (iv) maintain deposit account codes;
 - (v) issue financial statements where necessary to depositors concerning their account, particularly in the case of Works Deposits.

5. Deposit Manager

- (5.1) A Deposit manager is any officer charged with the direct responsibility of administering a particular deposit subsidiary account with the primary responsibility of ensuring that the purpose of that account is fulfilled.

6. Unclaimed Deposits

- (6.1) Any deposit which is unclaimed for six years shall be paid over to the Accountant General for credit to the Consolidated Fund. The Financial Secretary must be advised promptly of all such payments and must be provided with a list of the unclaimed deposits included in each payment.

- (6.2) Unclaimed deposits refer to any deposit subsidiary account with a credit balance which has been dormant for a minimum of six (6) years.

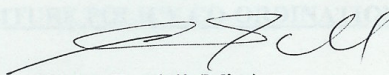
7. Deposit Financial Statements

- (7.1) The following deposit financial statements must be submitted for each month by the 14th day of the following month to the Auditor General and the Financial Secretary:

- FS 1 - Deposit Trial Balance
- FS 3 - Deposit Bank Reconciliation Statement
- FS12 - Deposit Receipts & Payments Statement
- FS13 - Summary of Deposits
- FS14 - List of Deposits

Conclusion

Permanent Secretaries and Heads of Departments must ensure that this circular is brought to the attention of all relevant officers.


Shirley Tyndall (Miss)
Financial Secretary

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