



MINISTRY OF FINANCE  
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. 92-29600-15

January 11, 2012

**Circular No.1**

**File No. 107/022**

**Division : Public Expenditure Policy Coordination Division**

Permanent Secretaries  
Heads of Departments  
Chief Executive Officer

**Re: Guidelines for Budgetary, Financial and Accounting Arrangements Consequent on the changes in Portfolio Responsibilities of Ministries Departments and Agencies**

Permanent Secretaries, Heads of Departments and Chief Executive Officers are hereby advised of the budgetary, financial, management and accounting arrangements to be followed when changes have occurred in the portfolio responsibilities of ministries.

**1. Budget & Warrant**

- (1.1) The budgets of ministries, departments and agencies (MDAs) will be adjusted through the relevant Supplementary Estimates to reflect the changes in the reassignment of subjects and responsibilities.
- (1.2) Warrants will be issued based on the existing Estimates of Expenditure pending the passing of the applicable Supplementary Estimates. Funds therefore will continue to be transferred to ministries, departments and agencies based on the current year's Estimates of Expenditure as passed by the House.

**2 Advances - Payments on behalf of other ministries**

- (2.1) Ministries which have been making payments in respect of subjects that have been transferred to other ministries must :
  - (a) treat these payments as advances; and

- (b) submit a schedule to the new ministry to which they have been assigned for reimbursement as soon as the Supplementary Estimates are passed.
- (2.2) All ministries that are affected by the transfer of subjects to other ministries must submit to the Public Expenditure Division of this Ministry by the end of the first month of the change in portfolio, a schedule showing the advances made and to be made on behalf of other ministries.

### **3 Office Relocation**

- (3.1) Divisions, units and other entities that have been reassigned to other ministries or merged with another ministry, department and agency shall be physically relocated only where absolutely necessary to ensure integration and operational efficiency.
- (3.2) All relocation must be done in an efficient and economical manner. The cost for relocation and any consequential increase in operational cost must be absorbed within existing allocations. The Public Expenditure Division of this Ministry must be provided details of all relocation cost and any increase operational cost caused by the relocation.
- (3.3) In accordance with Regulation 124 of the Financial Administration and Audit Act Financial Management Regulations 2011, proposals for the transfer of assets (i.e. furniture, equipment, motor vehicles etc.) from one entity to another must be submitted for approval to the Public Expenditure Policy Coordination Division of this Ministry.
- (3.4) Divisions, units and other entities that continue to occupy office space of their former ministry, department or agency after the reassignment of portfolio responsibilities must share on an equitable basis, utilities, rental and other common costs incurred by their former portfolio ministry for the space which they continue to occupy.

### **4 Contracts**

- (4.1) Ongoing contracts entered into by entities that have been transferred shall remain in effect under the new portfolio ministry subject to review by that ministry to determine whether such contracts are still necessary.

### **5 Appointment of Accountable Officers**

- (5.1) Accounting Officers that have taken over new subjects must ensure that letters of appointments are issued to accountable officers and copied to the Ministry of Finance for all critical areas of their new portfolio responsibilities.


## **6 Organisational Restructuring**

- (6.1) Where, on account of changes in subject areas of responsibility, the work load and responsibility of a division, branch or unit has increased or has been reduced, the matter must be referred to the Office of the Cabinet for determination of an appropriate revised structure.
- (6.2) As far as possible common services such as Human Resource and Office Management should be shared among ministries on a corporate basis in order to optimize resources and minimize costs.

### **Conclusion**

Each Permanent Secretary, Head of Department and Chief Executive Officer is asked to ensure that this Circular is brought to the attention of all relevant officers in his/her ministry, department or agency.

In the event that there is a need for further clarification on the contents of this Circular, please contact the Public Expenditure Policy Coordination Division of this Ministry.

  
Wesley Hughes C.D  
Financial Secretary