

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Works Accounts – Budget and Regulation of Expenditure – Introduction of LOC system and extension of P.A.O., Work System to all the Departments dealing with Public Works – Orders- Issued.

FINANCE AND PLANNING (FW.BG) DEPARTMENT

G. O. Ms. No. 60.

Dated: 30.3.2001.

Read the following

ORDER:

Broadly the accounts of the State are two types i.e., Civil accounts comprising of establishment, Office expense and other incidental expenses not coming under the purview of Works Accounts. The Civil Accounts are operated, controlled and accounted for by the Treasuries and Accounts Department, while the Works Accounts are operated by the Divisions of respective Engineering Departments viz., Roads & Buildings, Panchyat Raj, Public Health and Forest and accounts for by them directly to Accountant General,. Since, the Works Accounts of an engineering division are accounted for by the Executive Engineer to Accountant General, Govt. is not in a position to get the expenditure particulars in time and requiring it takes 3 to 4 months to get the consolidated expenditure figures from Accountant General. In respect of Irrigation sector which is under the payment control of Pay and Accounts Organisation the expenditure figures are available on weekly basis. Under, the Pay and Accounts System both Civil & Works Accounts are combined and bills are paid after cent percent precheck. The audit and accounting procedure was evolved in consultation with C&A.G., which has been updated and elucidated in the Pay and Accounts Officer (Works Accounts) Manual which is exhaustive and covers all the facts of Works Audit and Accounts.

2. The Organization of Pay and Accounts Office Works is also being computerized and likely to become operational from 1-4-2001. The package already developed and ready for use will help the Govt. to have day to day picture of the expenditure in relation to Budget and funds released.

3. In respect of other Departments dealing with public works there is no adequate system of preaudit and timely information of expenditure in relation to Budget and funds on the transactions made by them. In some Departments expenditure is being incurred much in excess over the budgetary provisions. The govt. have also been experiencing difficulty in collecting the expenditure particulars from the other works executing Departments.

4. In case of Irrigation and R&B Departments, the utilization of Budget and Regulation of Expenditure on works is regulated by way of authorization of LOC while in case of Panchyat Raj and public Health Departments the grants released by a sanction are operated through P.D., accounts and Deposit account and Cheques drawn directly through Banks. In Forest Department neither the LOC is issued nor payments are made through Treasury or Pay and Accounts Office Works. The expenditure is incurred by drawal of Cheques directly on Banks against the budget provision.

5. In order to bring about uniformity in preaudit and account keeping in all the Departments dealing with Public Works and to have effective computerized financial management in the areas of expenditure, Govt. after careful consideration of the matter introduce LOC system for release of funds & the payments in Roads & Buildings, Public Health, Engineering Wing of Panchayat Raj and Forest Department shall be made by Pay and Accounts Officer (Works) in Irrigation Department with effect from 1-4-2001. This order is applicable only for Works expenditure. The Civil Accounts i.e., Establishment claims of the above Departments will however continue to be with the treasury.

6. Finance and Planning (Projects Wing) Department will issue separate working instructions about the jurisdiction of the Pay and Accounts Officer/Assistant Pay and Accounts Officers. All the works payments from 1-4-2001 shall be made only against the LOC authorized by the Govt. from time to time. The detailed guidelines for authorization LOC and payments by the Pay and Accounts Officer Works will also be issued separately.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

S.K. Arora,
Principal Secretary to Government.

To,
The E.N.C, R&B Dept.
The All C.E's of R&B.
The ENC PH Dept.
The ENC PR Dept.
The All CEs of PR Dept.
The Prl. CCF, Forest Dept.
Copy to:
The P.S. To Secy to CM.
The PS to Minister (Finance and LA)
The PS to CS to Govt.
The Prl. Secy to Govt (TR) TR&B Dept.
The Prl. Secy to Govt. (Buildings) TR&B Dept.
The Prl. Secy to Govt.M.A. &U.D. Dept.
The Prl. Secy to Govt. (RD) PR & RD Dept.
The Prl. Secy to Govt. EFS&T Dept.
All Depts. Secretariat.
The PS to PFS/PFS (W&P)/PFS (FP).
The PS to Secy (IF)/Secy (R&E)
The PS to Addl. Fin Secretary.
The DFA & EODS to Govt (W&P)
The DTA AP Hyd.
The PAO Hyd.
The Director of Local Fund Audit.
SF/SCs

//Forwarded by Order//
Sd/-
Section Officer.