

GOVERNMENT OF ANDHRA PRADESH  
FINANCE (TFR) DEPARTMENT

**Memo. No.268/15154-A/TFR/2002**

**Dated: 18.05.2002**

Sub:- Norms for public finance accountability before releases & drawal of funds – Video Conference conducted on 8.5.2002 – Further instructions issued – Regarding

Ref:- 1) G. O. Ms. No. 391, Finance (TFR) Department., Dt: 22.3.2002.  
2) G. O. Ms. No. 506, Finance (BG) Department, Dt: 10.4.2002.  
3) G. O. Ms. No. 507, Finance (TFR) Department, Dt: 10.4.2002.

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In the G. O. 2<sup>nd</sup> and 3<sup>rd</sup> read above, detailed instructions have been issued to all the Treasury Officers/Pay & Accounts Officers to enforce the norms of Financial Accountability before release of funds and acceptance & audit of claims under scheme/programme.

During the course of Video conference held on 8.5.2002, by the Principal Finance Secretary, based upon the interactions with the Treasury Officers/Pay & Accounts Officers, the following Operational instructions are hereby issued for strict compliance.

**i. Replies to pending Audit Paras up to 2000-20001**

The Treasury Officer/Pay & Accounts Officer shall not admit any kind of claim without furnishing certificate (Refer Annexure-I of G. O. Ms. NO. 507, t: 10.4.2002) by the DDO. There is no need to insist on the copy of reply. Certificate prescribed is enough to be produced. There is no need to look into the authenticity of the information furnished as reply to Accountant General. It is for the administrative Department to verify the replied and send to the Accountant General.

**ii. Abstract Contingent Bills:-**

The outstanding AC Bills up to 31.3.2002 have to be settled according to the previous procedure. Regarding simplification of procedures to settle the outstanding AC Bills, revised procedure mentioned in G. O. 3<sup>rd</sup> cited shall be followed. In other words, for all the outstanding bills, countersignature of the higher authority is dispensed with including the AC bills pending before 10<sup>th</sup> April, 2002. But regarding the condition that third AC bill will be admitted only when the first AC bill is settled shall only be applicable for the AC Bills to be admitted with effect from 10<sup>th</sup> April, 2002. In other words, third AC Bill shall not be admitted until and unless the first AC bill admitted after 10<sup>th</sup> April is not settled. Treasury Officers shall not stop admitting AC Bills on the plea that AC Bills pertaining to the period prior to 10<sup>th</sup> April, 2002 are pending.

But, at the same time it shall be the endeavor of each Treasury Officer to ensure that the Departments are motivated to settle their AC Bills pending before 10<sup>th</sup>

April, 2002 specially now when the procedure for submission of DC bills without the counter –signatures of the higher have been prescribed and further simplified.

**iii. Reconciliation of Accounts by the DDO with the Treasury Officer:-**

- a. The Treasury Officers/Pay & Accounts Officer are requested to allow reconciliation of all kinds of receipts and expenditure without any exception both at Sub-Treasury and District Treasury level, where ever the transactions took place.
- b. The Treasury officers/Pay & Accounts Officers shall open Reconciliation Watch Registers in the proforma enclosed, allotting separate pages for each DDO.
- c. The Treasury Officer/Asst. Pay & Accounts Officer shall not permit the DDO to draw any amount after 10<sup>th</sup> of the month, until and unless the reconciliation of accounts upto previous month is completed as per proforma.
- d. For ensuring reconciliation by the DDO with the Treasury before 10<sup>th</sup> of succeeding month the following changes shall be effected by the Treasury Officers/Pay & Accounts Officers in the Accountant compilation.
  1. Bill/Cheque wise Checklists for cash and adjustments bill routed through Treasury shall be given to Auditors concerned for verification and correction before payment, while dispensing lot wise/Auditor wise checklist.
  2. Day wise checklist for direct cheques shall be given to the Auditors concerned for verification, correction an returned on the next day for updation in the computer.
  3. The Treasury Officers/Pay & Accounts Officers shall constitute Central checking Section (CCS) headed by STO Accounts and Main Accountant with 4 – 5 Accountants having full knowledge of classification.
  4. Day Wise Receipt Checklist shall be verified and corrected and returned on the next day for validation in the computers by CCS Staff.
  5. Budget authorization entry shall be done by CCS Staff. They must affix rubber stamp on Budget authorization currents after entry in the computers, that they have entered the authorized budget in the computer and send to the Auditors concerned for posting in the Budget Control Registers. The Sub Treasury authorizations are also to be entered by them in the computer in a similar fashion.
  6. while issuing Deposit cheque Books, DDO Code & complete Head of Account must be entered on the cheque book by the Treasury for the new & existing cheque books with the DDOs, with a rubber stamp.
  7. After printing the Main Account and Sub Accounts no corrections in the Accounts shall be allowed except through Ams which will be reflected during the next month's accounts through AM Report. Any manual corrections in the Accounts will be viewed seriously.

8. The Reconciliation work shall start only on dispatch of Monthly Accounts to the Accountant General, AP., Hyderabad.
9. The Reconciliation to be completed before 9<sup>th</sup> of the month.
10. Trans-ID wise/Challan Number wise alteration Memorandum for the misclassifications pointed out during reconciliation to be effected on 10<sup>th</sup> of the month based on AM Register to be maintained by each Auditor and AMs proposed by the DDOs at Sub-Treasury as well as District Treasury level. The AMs for the month of March shall be effected during the same month.
11. The STO Accounts and Main Accountant shall maintain Auditor wise Misclassifications for each month and AMs effected.

**iv. Submission of statement of expenditure & utilization certificates for earlier draws:**

- a) The Treasury Officer/PAOs shall satisfy whether 75% of the amount released is already spent or credited back to the Treasury or not, basing on the information provided by the DDO as per Annexure-IV & V and also based on ledger balances.
- b) The Treasury Officer/PAO shall satisfy whether the bank certified the balances in all bank accounts in each scheme have been provided or not.
- c) The Treasury Officer/PAO shall not credit further amounts to the deposit accounts till both the documents i.e., Annexure IV&V for 75% of the amount earlier drawn is submitted.
- d) The Treasury Officers/PAOs are instructed to report to the Principal Finance Secretary /Secretary (BG) through the Director of Treasuries and Accounts, if there are huge balances unspent in the Bank Accounts/PD Accounts of the Deposit Administrators.
- e) Monthly report on the amount lapsed in 'PD Account and credited back to consolidated Fund should be intimated to DTA and DTA should compile and send to the Government by 15<sup>th</sup> of every succeeding month.

**v. Released to Local Bodies and Public Sector Enterprises and other Grants-in-aid Institutions:**

- a. The Treasury Officers/PAOs shall not admit cheques/issue LOCs without the prescribed certificate mentioned in Annexure-VI of G. O. Ms. No. 507 as to:
  - i) Whether the audit is completed for all the years upto 1999-2000.
  - ii) Whether the Accounts for 2000-2001 are maintained in revised C&AG formal or not.
  - iii) Whether the pending Audit Objections are cleared to the prescribed levels or not.
  - iv) Whether utilization certificate issued by the State Audit has been sent to the appropriate authority or not.
- b. The Treasury Officer/PAO shall not permit the Deposit Administrator to draw amounts unless the Deposit administrator submits Annexure-VI.

The Treasury Officers/PAOs shall report to the Principal Finance Secretary and Finance Secretary (Budget) through the Director of Treasuries and Accounts/DFA

as the case may be, wherever there are genuine problems relating to the implementation of the orders issued in the G. Os cited. The Treasury Officers/PAOs shall not exercise any discretionary powers in this regard and shall ensure that they facilitate the functioning of the administrative Departments while maintaining the fiscal discipline. These instructions are available on AP Government Website [www.ap.gov.im](http://www.ap.gov.im) and [www.andhrapadesh.com](http://www.andhrapadesh.com).

S.K. ARORA,  
PRINCIPAL SECRETARY TO GOVERNMENT.

To

The Principal Accountant General(Audit), AP, Hyderabad.  
The Accountant General(A&E).  
The Director, Treasuries & Accounts, Hyderabad.  
The Pay & Accounts Officer, AP, Hyderabad.  
The Deputy Financial Adviser (Works & Projects).  
All the Spl. Chief Secretaries/Prl. Secretaries/Secretaries to the Government.  
The Secretary to Government (GA-Services) Department.  
The Prl. Secretary to Governor of Andhra Pradesh, Hyderabad.  
The PS to CM and PS to all Ministers.  
All Departments of Secretariat.  
All Head of the Departments including Collectors and District Judges.  
The Registrar, AP, High Court, Hyderabad.  
The Registrar, AP Administrative Tribunal, Hyderabad.  
All the Directors of Accounts of projects.  
All District Treasury Officers.  
All the Chief Executive Officers of Zilla Parishads.  
All the District Educational Officers.  
The Secretaries of Zilla Grandhalaya Samsthas through the Director of Public Libraries, AP, Hyderabad.  
All the commissioners/Special Officers of the Municipalities/Corporations.  
All the Recognized Service Associations.  
The managing Director, APTS, Hyderabad.  
The Registrar of all the Universities.  
Copy to SF/SC.

**PROFORMA**

(For watching the reconciliation of Accounts by DDOs vide para 9 & 10 of G. O. Ms . No. 507, Dt: 10.4.2002)

Month & Year:  
DDO Code:

Department Name:  
DDO Designation:

<b>Sl.No</b>	<b>Complete Head of Account</b>	<b>Reconciled on</b>	<b>Signature of Try. Officer</b>
1	2	3	4