

GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT

Norms for Public finance Accountability on Chief Controlling Officers and Subordinate Controlling Officers to be enforced by DTA/PAO/Treasury, before authorization, release and drawl of funds – Further Instructions – Issued.

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FINANCE (TFR.II) DEPARTMENT

**G. O. Ms. No. 451**

**Dated:9-10-2003**

Read the following:-

1. G. O. Ms. No. 507, Fin (TFR) Dept., Dt: 10-04-2002.
2. Circular memo. No. 7061-A/99/TFR/03, Fin(TFR) Detpt., Dt: 17.2.03.
3. Circular memo. No. 1276/452/TFR/03, Fin(TFR) Detpt., Dt: 6.9.03.

**ORDER:**

In the G. O read above, detailed instructions have been issued regarding norms of financial accountability that have to be scrupulously followed by the Drawing and Disbursing Officer and to be enforced by the concerned treasury/PAO/works PAOs at the time of further releases and admission of claims.

2. Even though there is substantial improvement in the fields like submission of DC Bills for Ac Bills drawn, Reconciliation of Departmental figures between the DO and Treasury, submission of utilization Certificates, Audit of Local Bodies etc., due to strict enforcement of Government Order cited by the Treasury /PAO, yet it is noticed that there is a need to improve and strengthen the accountability norms to be adhered to by the Chief Controlling Officers (CCOs) an Subordinate controlling Officers (SCOs) particularly the maintenance of accounts. It is imperative that the CCOs/SCOs should also be made more accountable for proper and efficient use of public funds allotted to them by following proper accounting procedures.

3. As per the Budget Manual, the CCOs/SCOs are responsible for estimating the budget requirements of coming financial Year and re-adjustment of current financial year's requirement based on Actuals incurred so far, release and utilization of funds, watching the Budget control and regularization of excess expenditure and receipts. The role of Treasury/PAO is to facilitate the drawls for implementation of various schemes provided the basic requirements are fulfilled viz., availability of sufficient budget, financial powers, administrative sanction etc. Hence there is a greater need to enforce accountability on maintenance of accounts.

4. Accordingly, Government after careful consideration, have decided that the following norms of accountability regarding maintenance of accounts shall be scrupulously followed by each CCO/SCO and enforced by the Treasury/PAO Offices.

**(i) Maintenance of Register of Actuals:**

As per para 19.3.1 of AP Budget manual, each CCO and SCO has to maintain a Register of Actuals to know the progress of expenditure and to see that the expenditure under each unit of appropriation (Detailed head) is within the Budget allotment. But many of the CCOs are not maintaining the Register of Actuals resulting in booking of excess expenditure by their subordinate DDOs. Therefore the Government hereby order that the Pay & Accounts Officer shall insist for a Certificate (Annexure-I) stating that the Register of Actuals is maintained and there is no excess drawl of funds under any Unit of appropriation. The spirit of the instructions is that the registers of actuals should be maintained up to date every month. However, allowing for teething troubles in restoring the monthly cycle, a lead period of 3 months is given in the first instance. The CCOs and SCOs must complete the registers of actuals up to September, 2003 before presenting the bills to PAO for the month of January, 2004. After getting over the initial backlog, actuals register certification should be given at least for one month preceding the month of presentation of bills failing which the bills will not be entertained by the PAO.

**(ii) Reconciliation:**

Reconciliation of both receipts and expenditure by the SCO with the DTO/PAO and the CCO with the Accountant General, AP, Hyderabad is in arrears over a long period of time. The CCO has to obtain the particulars of expenditure from subordinate units, consolidate such figures, reconcile with the Accountant General in all receipts and expenditure heads. The Accountant General, AP, Hyderabad time and again has been pointing out the delays and huge arrears of reconciliation work with the Accountant General, resulting in wrong booking/ misclassification and leading to presentation of inaccurate accounts. To strengthen the process of reconciliation with the DTO/PAO and Accountant General, AP, Hyderabad, the following further instructions are issued.

a) All the Drawing and Disbursing Officers shall reconcile figures of expenditure with those booked in Treasury/PAO on or before 20<sup>th</sup> of each month for the expenditure incurred in the previous month. After such reconciliation each DDO should forward the reconciliation of expenditure/receipt figures to the SCO who in turn after compilation of those figures should forward them to the CCO.

b) As per para 19.5 of the AP Budget manual, each SCO (District Level Officer) is required to submit the figures of receipts and expenditure to the CCO (Head of the Department) duly compiling the figures received from the DDOs under his control and reconciling them with the Treasury every month. But it is noticed that the reconciled figures of receipt and expenditure figures are not received in the office of CCO and if received, they are with delays from 2 to 6 months. It is a serious lapse on the part of the SCO. Due to this, the CCOs are not able to reconcile the Departmental figures with Accountant General, in time and the whole exercise becomes futile. Therefore, Government hereby order that each SCO should submit the reconciled figures of receipt and expenditure of the previous month to the CCO before the end of every month, for the previous month and should furnish a certificate to the Treasury/PAO along with their bills to that effect in the proforma at Annexure-III. Treasury/PAO shall not admit the bills of the SCO (District Officer) without the

above certificate. The DTO/PAO shall insist the above certificate as on addition to the existent certificates as per G. O. Ms. No. 507, Dt: 10.4.2002.

c) The CCO shall consolidate the total of all SCOs including his own expenditure and reconcile his department's accounts with Accountant General's figures and issue quarterly reconciliation certificate to the Accountant General. No authorization of budget would be issued by the DTA without the certificate stating that the details of sub-head wise expenditure is reconciled with Accountant General up to the previous but one quarter. However, as one time relaxation, in the reference 3<sup>rd</sup> read above, instructions have already been issued for completion of entire pendency of reconciliation with the Accountant General up to March, 2003 by 31.12.2003 and in the event of non-completion of reconciliation work by the above mentioned date, the IV quarter Budget will not be released as a measure of control. The DTA/PAO shall not authorize/admit bills without such certificates from the CCO as shown in Annexure-II enclosed.

**iii) Maintenance of Budget control Register, Re-appropriation Register and Supplementary Estimates Register:**

The CCO/SCO has to maintain a Budget Control Register to know the exact allotments made by him to his subordinate units for each Quarter. They should also not the re-appropriations made under each unit and the savings received from units and final surrenders made to Government for resumption. Separate registers for the supplementary estimates have to be maintained by each CCO for the Budget received and released over and above budget estimates in relaxation of Treasury Control Orders and also for contingency Fund releases. These registers will enable the CCO to submit the proposals for supplementary estimates at the appropriate time. It is observed that many CCOs are not maintaining these registers resulting in allocation of funds to the units where there is not necessity and making un-necessary re-appropriations and non-regularization of excess expenditure through supplementary grants. Therefore, the Government hereby order that the PAO shall not admit the claims of the Department in the month of February (once in a year), without production of a certificate prescribed in Annexure-IV.

**iv) Maintenance of other Register:**

As per the provisions of AP Financial Code, AP Treasury Code and Government instructions issued from time to time, the CCO/CO/DDO shall maintain other registers like Cash book (in APTC Form-5), Un-disbursed Pay Register (in APFC Form-20), Permanent Advance Register (in APFC Form 89), Non-Government cash book (in APTC Form5), contingent Bills Register (in APFC form-7), Recoveries Watch Register/Loans and Advances Registers etc., for tracking down the claims and disbursements.

The Accountant General has raised many objections on the irregular maintenance of such registers in each Department. It is the primary responsibility of the CCO/CO/Unit Officers/DDO to maintain the above registers in the prescribed formats for the moneys drawn from Treasury. Therefore, the Government hereby order that the CCO shall furnish a certificate to PAO stating that necessary registers as mentioned above, are maintained and updated properly in the prescribed formats in

the proforma enclosed in Annexure-V once in a year at the start of Financial year i.e., April for the previous Financial Year.

7. A check list is also enclosed in Annexure-VI for the guidance of Treasury/PAO Officers to ensure that all essential requirements discussed above are complied with before any claim is admitted into audit by them. All the Treasury/PAO Officers are instructed to follow these instructions scrupulously.

8. All the Secretaries to Government/Heads of the Departments shall bring these orders to the notice of their Subordinate Officers and to take necessary action in the matter and issue required instructions to the DDOs under their control.

9. This order is also available on the AP., Government Web Site [www.ap.gov.in](http://www.ap.gov.in) and [www.andhrapradesh.com](http://www.andhrapradesh.com)

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

V. S. SAMPATH  
PRINCIPAL SECRETARY TO GOVERNMENT

To

The Principal Accountant General, AP, Hyderabad.  
The Principal Accountant General(Audit), AP, Hyderabad.  
The Accountant General(A&E), AP, Hyderabad.  
The Director of Treasuries & Accounts, AP, Hyderabad.  
The Pay & Accounts Officer, Hyderabad.  
The Deputy financial Adviser (Works & Projects).  
All the Spl. Chief Secretaries/Prl. Secretaries/Secretaries to the Government.  
The Secretary to Governor of (GA- Services) Department.  
Principal Secretary to Governor of Andhra Pradesh, Hyderabad.  
The PS to CM and PS to all Ministers.  
All Departments of Secretariat.  
All the Head of the Departments including Collectors and District Judges.  
The Registrar, AP, High court, Hyderabad.  
The Registrar, AP, Administrative Tribunal, Hyderabad.  
All the 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 Association.  
The managing Director, APTS with request to place the above G. O. in the Govt. website.  
The Registrars of all the Universities.  
Copy to SF/SC.

**ANNEXURE-I**

Proforma on Maintenance of Register of Actuals  
(see para 19.3.1 of AP. Budget manual)

**DECLARATION BY THE CHIEF CONTROLLING OFFICER/  
TO BE ISSUED TO THE PAY & ACCOUNTS OFFICER, HYDERABAD**

NAME OF THE DEPARTMENT	
DESIGNATION OF THE C.C.O	

I certify that the Register of actuals has been maintained and the entries have been made in that Register up to the month ----- and there are no excess drawl of funds under any unit of expenditure under my control.

Date:

Signature of Chief Controlling Officers

**ANNEXURE-II**

PROFORMA ON RECONCILIATION WITH THE ACCOUNTANT GENERAL,  
A.P. HYDERABAD.

DECLARATION BY THE CHIEF CONTROLLING OFFICER/  
(TO BE ISSUED TO THE PAY & ACCOUNTS OFFICER, HYDERABAD)

NAME OF THE DEPARTMENT	
DESIGNATION OF THE C.C.O	

I certify that the receipts and Expenditure figures of the Department received from the sub-ordinate offices have been reconciled with the Accountant General, AP, Hyderabad upto last but one quarter and a certificate to that effect has also been issued to the Accountant General, AP, Hyderabad vide this office Letter No. \_\_\_\_\_, Dt: \_\_\_\_\_.

Date:

Signature of Chief Controlling Officers

**ANNEXURE-III**

PROFORMA ON SUBMISSION OF RECONCILED FIGURES TO THE C.C.O  
BY THE S.C.O

(TO BE ISSUED BY THE S.C.O TO THE TREASURY/PAO ALONG WITH G. O.  
Ms. No. 507 CERTIFICATES)

DECLARATION BY THE SUBORDINATE CONTROLLING OFFICER

NAME OF THE DEPARTMENT	
DESIGNATION OF THE SUBORDINATE CONTROLLING OFFICER/SUBORDINATE CONTROLLING OFFICER:	

I certify that the receipts and Expenditure figures of the Department which have been reconciled with the Treasury Unit for the month ended \_\_\_\_\_ and a certificate to that effect has also been issued by the Treasury Unit has been sent to the CCO vide this office Letter No. \_\_\_\_\_, Dt: \_\_\_\_\_.

Date:

Signature of Subordinate Controlling Officers

**ANNEXURE-IV**

PROFORMA ON MAINTENANCE OF BUDGET CONTROL REGISTER,  
RE-APPROPRIATION REGISTER, AND  
SUPPLEMENTARY ESTIMATES REGISTER

DECLARATION BY THE CHIEF CONTROLLING OFFICER/  
(TO BE ISSUED TO THE PAY & ACCOUNTS OFFICER, HYDERABAD)

NAME OF THE DEPARTMENT	
DESIGNATION OF THE C.C.O	

I certify that the Budget control Register, Re-appropriation Register and Supplementary Registers are being maintained in the prescribed formats and necessary entries up to the end of previous month have been made in the Register.

Date:

Signature of Chief Controlling Officers



**ANNEXURE-V**

PROFORMA ON MAINTENANCE OF OTHER REGISTERS.

**DECLARATION BY THE CHIEF CONTROLLING OFFICER/**

NAME OF THE DEPARTMENT	
DESIGNATION OF THE HEAD OF THE DEPARTMENT:	
NAME OF THE C.C.O:	

I certify that the Registers of General Cash Book, un disbursed Pay, Permanent Advance, Non-Government Cash Book, Contingent Bills Register, Budget Watch Register, Loans and Advances Register and Long Term Loans Watch Registers and DDO Current Account Cash Book were maintained in the Department, in the prescribed formats, for the previous year ended 31<sup>st</sup> March.-----

Date:

Signature of Chief Controlling Officers