

COMPTROLLER OF ACCOUNTS CIRCULAR NO. 14 DATED OCTOBER 21, 2020

**TO:
PERMANENT SECRETARIES AND HEADS OF DEPARTMENT**

SUBJECT:

**ACCOUNTING ARRANGEMENTS TO BE ADOPTED IN VIEW OF RESTRUCTURING
OF MINISTRIES**

Your attention is drawn to the changes to the Ministerial portfolios which were published in the Trinidad and Tobago Gazette (Extraordinary) Vol. 158 No. 59 dated September 9, 2020. These changes entailed the dis-establishment of three (3) Ministries, the establishment of two new Ministries, changes to the name and portfolios of three (3) Ministries, Changes to the portfolios of four (4) Ministries and Change in name of one (1) Ministry.

2. Cabinet by Minute No. 289 of October 8, 2020 agreed inter alia:
 - i. to the interim adjustment to the staff establishment of Ministries in the Public Service, including the transfer of permanent and temporary offices;
 - ii. to the transfer of the contract approvals/positions with effect from October 01, 2020 to the end of their original contract period on the previous terms and conditions determined by/negotiated with the Chief Personnel Officer and to be approved by the relevant Ministries; and
 - iii. that the effective date of implementation of the staffing proposals with respect to the staff establishment at items (i) and (ii) above be October 01, 2020.
3. In accordance with Gazette (Extraordinary) Vol. 158 No. 59, the changes to the Ministerial portfolios took effect from August 19, 2020. However, Accounting Officers are reminded that no adjustments were made to the Appropriations for the period up to September 30, 2020 due to the cost, volume of work, effort required and the impact on the materiality of the accounts for the Financial Year (FY) 2020.
4. Ministries/Departments are advised on the impact of these changes as well as the administrative arrangements to be implemented for the transition to be effected smoothly. This Circular serves to provide guidance on the procedures to be followed in respect of the accounts and records of the affected Ministries.

Funding

5. For Financial Year 2021 all budget allocations were done in accordance with the new structure.

/2. **Transfer**

Transfer of Employees

6. Accounting Officers should examine the adjustments in Cabinet Minute No. 289 of October 8, 2020 and liaise with the Director, Public Management Consulting Division (PMCD), Ministry of Public Administration and Digital Transformation if there are any discrepancies.

7. Where positions have been transferred from one Ministry to another, the surrendering Ministry must carry out the following:

a) Establishment Positions

Identify the persons attached to the relevant positions and forward a recommendation to the Director of Personnel Administration (DPA) for the transfer of the officers to the new/restructured Ministries with effect from October 01, 2020.

b) Contract Positions

Identify the persons attached to the relevant contract positions and submit a list to the receiving Ministry. This Ministry will submit a Note to the Minister for a variation of the contract to reflect the change in Ministry and remaining contract term.

Preparation of Salaries

8. It is not possible to process the payment of salaries on the IGP/IhRIS System in the absence of the necessary authorizations to transfer employees to their new Ministries. In this regard, affected Ministries have been advised of the procedures to process their payroll.

- a) Where Positions/Units/Division have been transferred from one Ministry to another, the payment of salaries/wages to employees from the beginning of the financial year 2021 must be made by the receiving Ministry. As a result the Ministry must take steps to ensure that all employees under its establishment are transferred and paid.
- b) The former Ministry must forward to the Project Manager, IGP/IhRIS Office details of all officers to be transferred, including the authority and the name of the receiving Ministry. The new Ministry must update employees year-to-date totals held on the IGP/IhRIS System upon acceptance of the records.
- c) The IhRIS can be used to initiate the preparation of paysheets. This will have to be carried out by a designated Ministry on behalf of the new Ministry until the necessary authorities to transfer employees are in place. The Ministry responsible for payment must manually adjust the name of the Ministry on the paysheet as well as on any supporting documents, since the paysheets cannot be finalized on the System.

Transfer of Positions

9. The procedures to be carried out by the relevant Ministries after the IGP/IhRIS Office has implemented the transfers as mentioned above are as follows:

a) The Surrendering Ministry

- Forwards to the receiving Ministry: Salary Particulars (including year- to-date totals) of employees being transferred, together with copies of records necessary to effect salary payment such as Pay Record Cards, ledger cards etc. All documents must be sent under cover of a memorandum signed by the Accounting Officer;
- Where Ministries have ceased to exist, all original documents must be submitted to the receiving Ministry.

b) The Receiving Ministry

- Ensures that Salary Particulars and other relevant documents are received to facilitate the preparation of paysheets;
- Ensures that the necessary approvals for the transfer of all officers from the various Ministries are obtained before payment of salaries to employees;
- Follows up to ensure that all necessary approvals for the transfer are obtained from DPA;
- Maintains IGP Records, Pay Record Cards and supporting ledgers for all employees transferred;
- Deductions made from employees in respect of motor vehicle loans are to be credited to the Ministry's Advances Fund Sub-head and cross referenced to the previous Sub-head under which deductions were made.

Payment of Arrears (Increment, acting allowance etc.)

10. The receiving Ministry is responsible for payment of all arrears of salary/wages and related allowances. You are reminded that where allowances are to be paid to employees holding substantive positions in other Ministries, amended Salary Particulars must be requested. **Failure to observe this instruction can result in unauthorized payment/overpayment of salary and the responsible officer may be surcharged in accordance with Section 27 of the Exchequer and Audit Act, Chapter 69:01.**

Payment of Gratuities for completed Contracts

11. The processing and payment of Contract Gratuities for completed Contracts prior to October 01, 2020 is the responsibility of the surrendering Ministry, except in the case of:

- a) The Ministry of Communications - the receiving Ministry will be responsible; and
- b) The new created Ministry of Sport and Community Development which will be responsible for processing and paying gratuities for contracts completed under the former Ministry of Sport and Youth Affairs and Ministry of Community Development, Culture and the Arts.

Transfer of Personnel Records

12. Where the functions of one Ministry have been transferred to another in the form of Business Units/Departments, the Human Resource Unit of the surrendering Ministry must ensure that the Pension and Leave Records are updated and all files e.g. Registry, Personnel and Policy, relating to those Units/Divisions, are transferred to the receiving Ministry. An audited copy of the Pension and Leave Records must be sent to the Pensions Management Branch of the Treasury Division.

Changes in Ministerial Portfolios which affect Receivers of Revenue

13. Where the changes in Ministerial Portfolios affect Receivers of Revenue, the Ministry of Finance (Budget Division) should be advised by the surrendering Ministry.

Statements detailing the documents that are to be handed over

14. In all cases where records (including Personnel records) have to be surrendered, it is the responsibility of the Accounting Officers of those Ministries to ensure that these records are properly documented. Ministries are therefore required to prepare statements in quadruplicate, detailing the documents that are to be handed over. These statements are to be distributed as follows:-

- Original – Receiving Ministry together with the documents;
- Duplicate – Treasury Division (Financial Management Branch);
- Triplicate – Auditor General;
- Quadruplicate – Surrendering Ministry.

All relevant Registers must be updated to reflect the handover and takeover of documents.

Handing Over of Cheque Stock

15. In the case of unused cheque stock on hand, the surrendering Ministry must liaise with the Head of the Accounting Unit of the receiving Ministry to arrange for the transfer of cheque stock.

The process for handing over of cheque stock is as follows:

- a) Prepare a transfer memorandum detailing the number of cheques and stock numbers being handed over to the receiving Ministry;
- b) The cheque stock must be verified by both Ministries in the presence of a witness (Internal Auditor) of receiving Ministry;
- c) All parties must sign the transfer memorandum certifying the transaction, and
- d) The surrendering Ministry must notify the Counterfoil Unit, Treasury Division of the transaction and attach a copy of the signed memorandum.

Handing Over of Purchase/Invoice Order Stock

16. In the case of unused Invoice Order stock on hand, the Administrative Officer of the surrendering Ministry must liaise with the Administrative Officer of the receiving Ministry in accordance with the process outlined at paragraph 14 above.

Appropriation Accounts for the Financial Year 2020

17. Only one Appropriation Account is to be submitted for each Head of Expenditure. Appropriation Accounts are to be prepared, certified and submitted in the normal manner as guided by Comptroller of Accounts Circular No. 10 dated August 13, 2020.

18. For Ministries affected by the realignment, the Accounting Officer as at September 30, 2020 is responsible for certifying the Accounts. This includes Ministries that ceased to exist and Ministries that retained the same Head of Expenditure but whose name was changed. Where an Accounting Officer who was responsible for a Ministry as at September 30, 2020, has since been reassigned, this officer is still required to certify the Accounts.

19. In the cases described above, the Accounting Officer will sign the certificate at Section E of the Appropriation Accounts as **“Permanent Secretary as at September 30, 2020”** and date same on the day the Appropriation Account was certified.

20. Where an Accounting Officer, may have retired after September 30, 2020 the current Accounting Officer of the Ministry to which the majority of Business Units were re-assigned, will certify the Accounts.

Deposit Accounts

21. Ministries and Departments should ensure that all Deposit Accounts are in accordance with Financial Instructions 1965, Paragraphs 211-214 as amended by Minister of Finance Circular No. 7 dated November 18, 2009 which requires all Accounting Officers or Heads of Departments responsible for Deposit Accounts to prepare and submit statements, reconciling the balance on each Deposit Account.

- a) The surrendering Ministries affected by the changes, must reconcile their Deposit Accounts and close off these accounts and transfer the balances to Revenue where necessary;
- b) The new Ministries must request the opening of a new Deposit Account (if necessary) from the General Ledger Services Section, Treasury Division.

TD4s

22. All Accounting Officers are responsible for the timely and accurate preparation of TD4 Certificates.

- a) Where officers were transferred to other Ministries:
 - i. The information for the production of TD4 Certificates for the relevant period of the tax year (January 1, 2020 – September 30, 2020), is the responsibility of the surrendering Ministries, except in the case where Ministries ceased to exist, the receiving Ministry is responsible for the production of the TD4s.
 - ii. The information for the production of TD4 Certificates for the relevant period of the tax year (October 1, 2020 – December 31, 2020) is the responsibility of the receiving Ministries.
- b) All Pay Record Cards must be reconciled with the Personnel Emolument Statement before the employees' information is forwarded to the receiving Ministries;
- c) Ministries and Departments should liaise with the IGP/IhRIS Office to ensure that they received the correct "year-to-date" figures for those employees affected by the realignment of Ministerial Portfolios.

23. **Government Payment System**

- a) The Treasury Division must be notified immediately of any changes to be made on the Government Payment System.
- b) Ministries must advise of the changes to the digitized signatures and these must be submitted on the prescribed form in accordance with Regulation 18 (1) of the Financial Regulations to the Exchequer and Audit Act. It should be noted that the requirement for the signatures of the two most senior officers in the Ministry is still applicable.
- c) All replacement cheques will be done at the Treasury Division, Financial Management Branch, Level 19, Eric Williams Finance Building.

Special Bank Accounts for Projects

24. Where there are changes to Project Portfolio/s to Ministries affected by the realignment, the Accounting Officer must ensure that a reconciliation on the account balances held at the Central Bank of Trinidad and Tobago (CBTT) and Commercial Banks be done as to ascertain the correct balance on the account as at September 30, 2020.

- a) Where the account is no longer required, the necessary steps must be taken to have the account closed and balance transfer to the Consolidated Fund. A certified copy of the Bank Reconciliation Statement and a Statement of unrepresented /outstanding cheques must be submitted to the Treasury Division. A statement of balances on the account from the bank must also be submitted.

/7. b) Where ...

- b) Where the Project Portfolio has been reassignment to another Ministry, the surrendering Ministry must write to the Treasury for approval to transfer the account to the receiving Ministry;
- c) Where there is a name change to the Ministry the approval of the Treasury must be sought to amend the Title to the designated account;
- d) Where there are new signatories to the account the names of the authorized signatories must be communicated to the various banks. The specimen signatures of the signatories to these accounts must be submitted to the bank and copied to the Auditor General and the Comptroller of Accounts.

Government Fleet Card Facility

25. You are reminded that where there are changes to the Fleet Manager, the Permanent Secretary must provide notification of the change to the Card Co-ordinator, Financial Management Branch, Treasury Division. Please be also advised as follows:

- a) Where Government Vehicles are being transferred to another Ministry due to the realignment, the Fleet Card Co-ordinator must be notified in writing and the instructions as laid down in Minister of Finance and the Economy Circular No. 1 dated March 4, 2015 must be complied with;
- b) Where there are changes to name of the Ministry the relevant signage to the Government Vehicle must be changed;
- c) The Insurance Certificate and vehicle ownership must be in the name of the New Ministry;

The UNIMED Group Health Plan -List of Changes Statement for M&M Insurance

26. The Human Resource Unit (HRU) of the surrendering Ministries must prepare a '*List of Changes Statement*' to reflect all the employees who are being transferred to the receiving Ministries. This list must be prepared in triplicate, the Original forwarded to the General Manager, Employees Benefits, M&M Insurance Broking Services Ltd, one (1) copy for the Plan Administrator (CPO) and one (1) copy to be attached to the paysheet.

Storage of Documents

27. Accounting Officers of Ministries that are responsible for the preparation of Appropriation Accounts, arrears of salaries, TD4 Certificates etc. for surrendering Ministries are to ensure that the Accounting records are properly maintained and stored in a manner consistent with the Financial Instructions 1965. They must be available for scrutiny by the Internal Audit Units of the respective Ministries and the Auditor General's Department before being released for storage by the new Ministry. Proper documentary evidence must be kept so that these records can be accessed for future reference.

/8. All Accounting ...

28. All Accounting Officers, Permanent Secretaries and Heads of Departments must ensure that the contents of this Circular are brought to the attention of the relevant personnel in their Ministry.

CATHERINE LABAN
COMPTROLLER OF ACCOUNTS