

PART 12 – MINOR PROCUREMENT

DIVISION 1 – DIRECT PROCUREMENT PROCESS

1. Procurements with a value up to K100,000 and for which no "Whole of Government" contracts exist, are undertaken within the Department, in accordance with the Public Finances (Management) Act, Regulations, and this Financial Instructions.
2. The Central Supply and Tender Board (CSTB) publish a list of "Whole of Government"(WOG) contracts every six months. Where such contracts are established, and supply is available within the province, procurement must be upon the basis established within the "Whole of Government" contract. Detailed information in relation to "Whole of Government" contracts will be promulgated separately to Departments.
3. The fundamental principles of procurement outlined in Part 11, Division 1 also apply to minor procurements.
4. Departmental officers are to ensure that requisitions, purchase orders, and contracts are not split as per Division 3 of Part 11.
5. Authorised Departmental Officers are responsible for obtaining quotations on material and / or services that are valued up to K100,000 in accordance with the Table below:

Value	Process	Detailed Reference
Less than K5,000	Verbal Quotation	Part 12, Division 2.
K5,000 up to K100,000	Written Quotation	Part 12, Division 3.

DIVISION 2 – VERBAL QUOTATIONS (for Purchases less than K5,000)

6. Three verbal quotations will be obtained for purchases valued at less than K5000.
7. Quotations are to be recorded in a Quotations Register, that includes the following (minimum) information:
 - a. Date of quotation
 - b. Brief Description of the Goods, Services or Works required
 - c. Price Quoted
 - d. Name of each Company providing quote

- e. Name of each Company's representative from whom the quotation is obtained.
- f. Name of Departmental Officer obtaining the quotation.
- g. Company selected to supply the goods, works or services
- h. Reason for selection of the successful Company
- i. General Comments – relating to the quotation.

Each minor purchase is to be ruled off, so that anyone inspecting the Quotations Register can easily determine which quotations relate to a particular purchase.

- 8. The Quotations Register is to be legible and is to be made available for auditing purposes.
- 9. Where 3 suppliers are unable to provide a quote, for example when proprietary brand items are required and there is only one supplier, the reason for this is to be recorded in the "General Comments" section of the Quotations Register.
- 10. The Departmental officer should provide answers to technical questions from suppliers arising during the quotation period. All potential suppliers should be provided with the same information.
- 11. The Departmental officer is to ensure that the goods or services proposed by potential suppliers will meet any relevant technical, delivery and other legitimate requirements of the Department.
- 12. The contract is to be awarded to the company that:
 - a. Meets the relevant technical, delivery and other legitimate requirements of the Department, and
 - b. Provides the lowest cost arrangement.
- 13. Once a supplier is selected, requisitions are to be placed using the process outlined in Division 5 and 6 of Part 5 of this Part of the Manual.

DIVISION 3 – WRITTEN QUOTATIONS (for Purchases valued from K5,000 and less than K100,000)

- 14. Three written quotations will be obtained for purchases valued between K5000 and under K100,000.
- 15. Quotations are to be requested from potential suppliers in writing. The Department is to provide the potential suppliers a complete "Description of Requirement", including, but not limited to, quantity, description, delivery requirement, timings, specifications, standards, drawings, and special conditions etc.

16. Prices are to be recorded on a Quotations Register, that includes the following (minimum) information:
- a. Date of quotation
 - b. Brief Description of the Goods, Services or Works required
 - c. Price Quoted
 - d. Name of each Company providing quote
 - e. Name of each Company's representative from whom the quotation is obtained.
 - f. Name of Departmental officer obtaining the quotation.
 - g. Company selected to supply the goods, works or services
 - h. Reason for selection of the successful Company
 - i. General Comments – relating to the quotation.
 - j. All 3 written quotations received, and the detailed "Description of Requirement" are to be attached to the relevant page in the Quotation Register.

Each major purchase is to be ruled off, so that anyone inspecting the Quotations Register can easily determine which quotations relate to a particular purchase.

17. The Quotations Register is to be legible and is to be made available for auditing purposes.
18. Where 3 suppliers are unable to provide a quote, for example when proprietary brand items are required and there is only one supplier, the reason for this is to be recorded in the "General Comments" section of the Quotations Register.
19. The Departmental officer should provide answers to technical questions arising during the quotation period. All potential suppliers should be provided with the same information.
20. The Departmental officer is to ensure that the goods or services proposed by potential suppliers will meet any relevant technical, delivery and other legitimate requirements of the Department.
21. The contract is to be awarded to that Company that:
- a. Meets the relevant technical, delivery and other legitimate requirements of the Department, and
 - b. Provides the lowest cost arrangement.
22. Once a supplier is selected, requisitions are to be placed using the process outlined in Division 5 and 6 of Part 5 of this Manual.

DIVISION 4 – OTHER CLASSES OF EXPENDITURE

AIRLINE TICKETS

23. Issue of ILPOCS

- 23.1 ILPOC's for inland or overseas air travel by all Public Servants are to be raised in favour of Air Niugini except in the case of contract officers proceeding on Recreation Leave and Repatriation who can have the ILPOC's raised to travel agents of their choice.
- 23.2 Similarly, for air travel by those not in Public Service but whose travel cost is to be borne by the Government (e.g, consultants, official guests etc), ILPOC's should be made out to Air Niugini.
- 23.3 Contract officers proceeding on Recreation Leave will have to bear the excess over the approved cost themselves if they do not take the approved class or route or intend to travel to a destination other than the one specified on their ILPOC's, but no prior approval from the Financial Delegate is necessary.
- 23.4 All ILPOC's raised for airline travel must show specifically the nature of air travel, such as:

Duty Travel - Domestic

Duty Travel - International

Reunion fares

Repatriation fares

Transfer of Patients

and must bear the following message:

"Tickets non-convertible and refundable only to PNG Government".

- 23.5 Recreation Leave fares is entitlements of individual officers who partly contribute to the total cost of the airfares. ILPOCS for air travels should be made out to either Air Niugini or any other Travel agency and is convertible to MCO only.
- 23.6 Any alteration to the name of the supplier by a travel agent will invalidate the ILPOC.

24. Unused Airline Tickets

- 24.1 Under **agreement**, all refunds on unused airline tickets will be made by Air Niugini only to the Department of Finance or the Department

of Defence (for Defence ILPOC's only). All Departments other than Defence should therefore forward the unused tickets to the Expenditure and Cash Management, Department of Finance for actioning refunds.

24.2 When an ILPOC is raised for an approved travel, the Financial Delegate must ascertain whether the ticket was availed of and take the following action for unused tickets (other than in the case of Recreation Leave Travel):

- Any unused coupons may be used for other official duty travel within the same financial year with prior approval of the authorised delegate (S.32 Officer). Any tickets that cannot be used must be returned for full refund.

24.3 While Financial Delegates are required to review the use of airline tickets, those holding them are personally responsible for returning unused tickets to Financial Delegates promptly.

25. Re-Routing

25.1 If travel is extended to beyond the already-ticketed itinerary, further ILPOC's are to be raised (for difference in monetary value) and submitted to Air Niugini together with the ticket(s) so that a new itinerary, booking and ticket(s) may be issued.

25.2 If the travel itinerary is changed to different destination(s), but is not affected monetarily, a letter from the Financial Delegate to Air Niugini must be issued authorising the change of destination(s) but not the name of the passenger.

25.3 For an itinerary which is being reduced or shortened and no change of name has taken place, the residual value of travel must be submitted for refund or re-use.

25.4 Should another officer be requested or appointed to go in lieu of the first named one, a written authority from the Financial Delegate naming the replacement officer must be submitted to Air Niugini to re-issue a new ticket.

26. Alteration on ILPOCS

All alterations on ILPOC's should be endorsed under the Financial Delegate's full signature; otherwise the ILPOC is invalid.

27. Routes not Serviced by Air Niugini

Air Niugini's agency service should be used for purchasing airline tickets even on routes serviced by other airline companies.

28. Crediting of Revenue from Airline Refunds

- 28.1 Tickets submitted to the Department of Finance for processing must bear the expenditure Vote shown on the original ILPOC. This only applies to tickets which were paid for, and claimed for refund, during the same fiscal year. Only then will the refund be credited to an expenditure vote.
- 28.2 All other tickets which fall outside the current fiscal year, will be credited to 106 - 1 Revenue Vote " Recoveries from Former Year's Appropriation"; thus, it is to the individual Financial Delegate's advantage to submit all tickets as soon as travel is completed or when it is established that travel will not take place.

HOUSING MAINTENANCE AND RENTAL

29. Categories of Houses

- (a) Reserved houses are those houses occupied by Ministers, Governors, Heads of Departments and Provincial Administration with the exception of contract officers. Contract officers are accommodated in units least from private real estate companies.
- (b) Institutional buildings and associated housing are those buildings and houses which are clearly identified as part of a national institution.
- (c) All other houses are pool houses.

30. Responsibility for Maintenance and Management

- 30.1 The National Housing Corporation is responsible for management and maintenance of pool housing. Housing maintenance is limited to emergency maintenance on electrical, water, and sewerage supplies only and no replacement furniture or any other maintenance is to be carried out.
- 30.2 The Department of Transport and Works is responsible for maintenance of reserved and institutional housing. Reserved housing in the Provinces is the responsibility of Provincial Governments.
- 30.3 The National Housing Corporation or its agent is responsible for the allocation of all reserved housing, to raise the necessary tenancy variation advice and to have them actioned through staff sections of the respective departments.
- 30.4 The controlling department will be responsible for the management of institutional buildings and associated housing.

31. Finance for Maintenance and Accounting Procedure

- 31.1 Cost codes for payroll rental deduction:-

Rent deducted from the pay

of officers occupying	Cost Code on PVA
• Pool houses	RG
• Reserved houses	RR
• Institutional houses	RO

31.2 Institutional Houses

Rent deducted and cost coded under RO - Institutional housing must be credited to revenue head of each Department.

31.3 Rental recovery for Pool Houses

- (i) The National Housing Corporation processes the tenancy variation advice and forwards it to the respective staff sections for the production of PVA's for action by the Management Information Systems (MIS) (Cost Code RG under the payroll system).
- (ii) 65% of the recoveries made under the payroll system will be paid over to the National Housing Corporation fortnightly by the Department of Finance (Payroll Section) through the Accounts Section.
- (iii) 35% of recoveries made under the payroll system will be credited to the revenue sub-head of the Department of Finance

31.4 Reserved Houses

Rent deducted under cost code RR is credited to the revenue sub-head of the Department of Finance.

32. If Contract Officers and Volunteers occupy reserved or institutional houses, economic rent estimated under head of each activity of a Department (Rent of houses occupied by Contract Officers and Volunteers) is to be debited to the expenditure item and credited to revenue head by Journal Entry. The Journal Entry will be originated by the contract officers/volunteers' Department and submitted to the Accounting Frameworks and Standards Division of the Department of Finance for inclusion in monthly financial statements.

33. Maintenance Responsibility for Reserved Houses

33.1 Reserved houses are divided into two sub-categories, viz

- Reserved (Executive) - allocated and occupied by Ministers, Ministerial staff, Departmental Heads and those officers accorded Departmental Head status.

- Reserved (permissive occupancy) - allocated to, and occupied by, officers other than those included under the Reserved (Executive) category.
- 33.2 All Reserved (permissive occupancy) houses are maintained by the Department of Transport and Works at pool housing standards as set out from time to time (This procedure relates to NEC Decision No. 21/82).
- 33.3 Reserved (Executive) houses will continue to be maintained at standards set by the National Housing Corporation.
34. Houses sold under Sale or Mortgage Scheme to Public Servants
- 34.1 These houses are not eligible for maintenance at Government cost and the National Housing Corporation should ensure that they have been deleted from maintenance schedules.
- 34.2 Recovery of instalments under Sale or Mortgage schemes through the payroll system should be cost-coded (HO, HM, or HS) on PVA's. The responsibility for raising the necessary advice for commencing or ceasing deductions would be that of the National Housing Corporation. Where the full purchase price has been paid by a public servant, the National Housing Corporation will initiate action, on advice from the State Solicitor to cease further deduction from his salary.
- 34.3 The recoveries under this scheme (cost code HO, HM, or HS) are to be credited to the relevant Revenue Sub-Head of the Department of Finance (Salary Section) through the monthly Journal Entries.
- 34.4 Where, for any reason, over-recovery has been made, the National Housing Corporation will advise the staff section concerned to authorise refund by raising TVA's (and NOT PVA's)
35. Maintenance and Payment of Rent for Lease-Back Houses
- 35.1 Houses leased back come under the control of the National Housing Corporation. The Department will advise the Department of the officer occupying the lease-back house of the economic rental to be paid and the Department will pay the rent from the relevant expenditure vote.
- 35.2 Maintenance of the above houses or replacement of furniture is the responsibility of the intending buyer and not of the Government. In cases where maintenance work has to be carried out in order to facilitate immediate occupation, the National Housing Corporation will request the Department of Transport and Works to carry out the maintenance work under written advice to the intending buyer and recover fully from the economic rent payable to him. In case of any

difficulty the matter **should be referred to the State Solicitor for advice.**

35.3 The cost of maintenance will be recovered by debiting the appropriate Departmental Vote and crediting the relevant revenue sub-head by the Department of Finance through Journal Entry to be initiated by the National Housing Corporation. The National Housing Corporation will withhold payment of economic rent to the intending buyer until the cost of maintenance is fully recovered.

36. Transfer of Maintenance Funds

36.1 Maintenance funds have been transferred with maintenance responsibility to the following Departments to enable them to exercise total control over their own maintenance requirements:- Education, Health, Correctional Services, Police, Provincial and Local-Government Affairs and Office of Civil Aviation.

36.2 General Guidelines

The Departments will be responsible for:

(a) Building Architectural Maintenance

This vote covers the maintenance of all buildings within the department including offices, workshops, stores, kitchens etc., and embraces all architectural items including plumbing, drainage, electrical reticulation and all items which are an integral part of the fabric of the building. Funds allocated are to be apportioned to allow for routine maintenance as well as cyclical maintenance including painting.

(b) Maintenance of Institutional Housing

Institutional housing is housing located on allotments for which the Department holds the Certificate of Occupancy and includes all accommodation located within the grounds of Departmental institutions. It also includes, according to NEC Decision NG21/82, houses occupied by officers employed by the National Government for duties within Provincial Governments and living on provincial institutions grounds.

Example:- Teachers employed to work at Provincial High Schools and occupying houses located within the grounds of the school. The same principle applies in the case of other departments. The maintenance of housing includes the maintenance of all architectural components including all plumbing, drainage and electrical reticulation and fittings, including the clearing of drains and the emptying of septic tanks.

All other items associated with houses are also to be maintained inclusive of water pumps, water heaters and domestic fittings provided by the State but excluding those items provided by individual occupants for example air conditioning units and fans.

The maintenance of housing expressly excludes any structural alterations and extensions and the provision of additional security fittings, fencing and gates for which a Minor New Works application must be submitted by each Department.

(c) Furniture Replacement

Funds provided under replacement are for the replacement of unserviceable items of furniture and equipment including cookers and fridges but excluding the provision of new items of furniture.

(d) Maintenance by Private Contractors

Work by private contractors requires the client Department to follow the prescribed tender procedures under the **Public Finances (Management) Act and financial instructions and execution of formal contracts**.

Both pre-tender and post-tender responsibilities must be performed by the respective Departments who are to administer the contract. Project specifications and tender documents are to be prepared prior to requesting the Tender Board to call tenders for a particular contract.

When a tender has closed, it is evaluated and this evaluation is to be carried out by the Department responsible for maintenance works.

Draft Letter of Acceptance is to be prepared and recommendation made to the Tenders Board. It must be pointed out here that the Tenders Board is NOT responsible for pre and post tender preparation of a project.

36.3 When maintenance Jobs are undertaken, it is necessary to:

- (a) estimate the quantum and scope of maintenance to be carried out; and
- (b) certify on completion that the job has been completed satisfactorily and the account to be paid is correct.

It is stressed that the above points including evaluation of tenders require a high degree of professional and technical competence and if the Department does not have suitably qualified personnel, it will

have to rely on the Department of Transport and Works personnel to provide the requisite assistance. In all cases, the onus is on the department to ensure that the responsibilities for maintenance are handled under the guidance of competent technical personnel.

37. Control of Expenditure on Housing Maintenance

When repair or maintenance works (including minor new works) must be carried out, the scope of the work and its cost should be pre-determined. When the job is completed using day labour or contractor as the case may be, a completion certificate should be obtained from the occupier of the house and no payment should be made to a contractor except on the basis of satisfactory completion certificate signed by the occupier countersigned by the work supervisor. Only in exceptional circumstances (such as works done in vacant houses), the work supervisor shall waive the occupier's signature on the completion certificate.

DIVISION 5 – CONTRACT EXECUTION

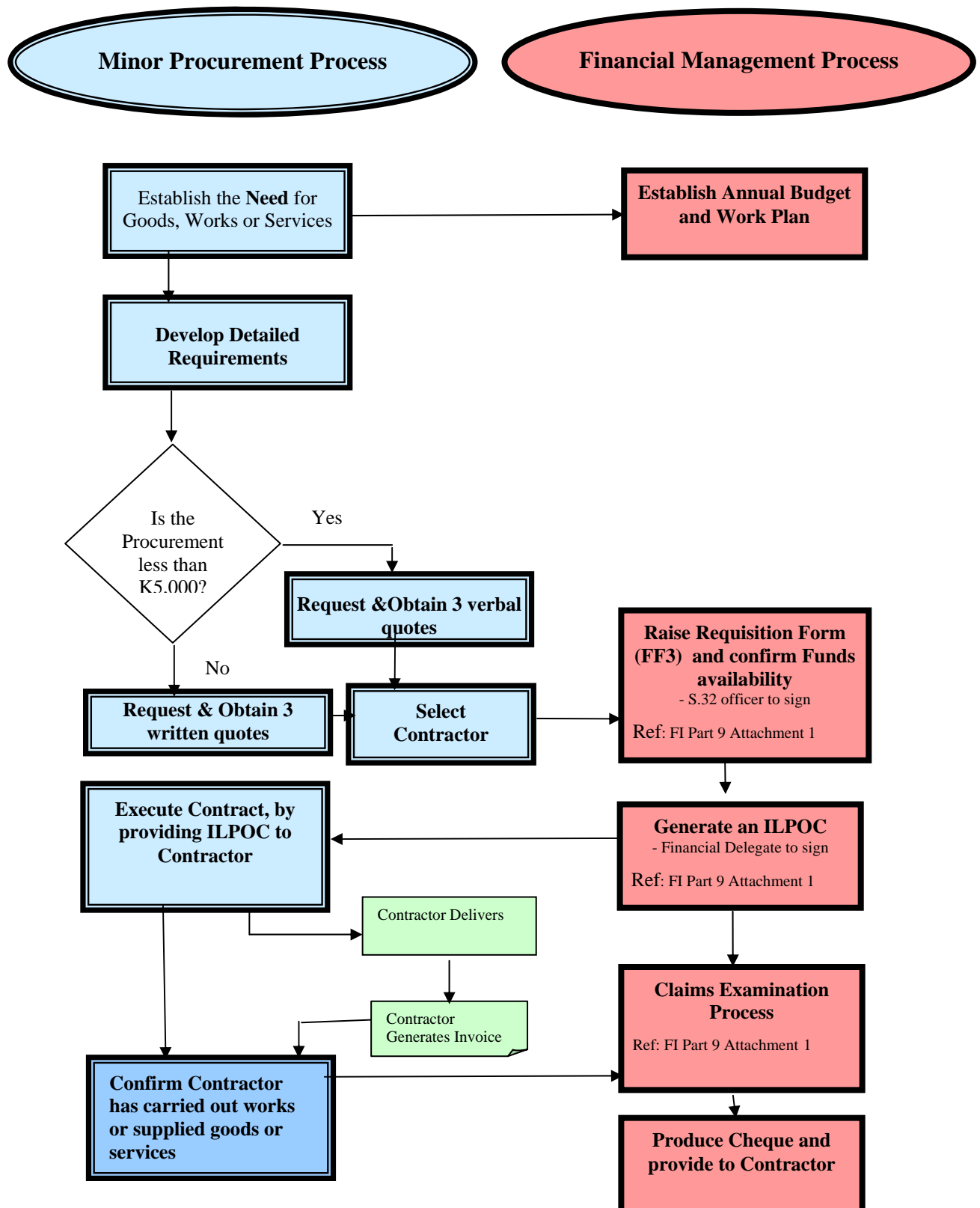
38. A minor contract is executed (and becomes legally binding) on all parties once the ILPOC has been provided to the Supplier and accepted.

DIVISION 6 – GENERAL CONDITIONS OF CONTRACT

39. Approved "General Terms and Conditions of Contract" are to provide the contractual basis of all minor procurement.
40. Copies of the General Terms and Conditions are available from the Central Supply and Tenders Board.

DIVISION 7 – INTERACTION BETWEEN THE MINOR PROCUREMENT PROCESS AND FINANCIAL MANAGEMENT SYSTEM

41. The minor procurement process parallels the financial management process throughout the procurement cycle. This interaction is outlined in the Diagram below.



ATTACHMENT 1 TO PART 12 – PROCESS FOR RAISING OF PURCHASE ORDERS**ILPOC****1. Use of Integrated Local Purchase Order and Claim Form (ILPOC) - FF4 A:**

Orders are placed, using this form, for purchase of goods and services including hotel accommodation, airline tickets, excess baggage, freight, and air charters. In all transactions, orders must be issued before receiving goods or services and NOT after their receipt.

Purchasing Officers must encourage suppliers to deal with the National Government through utilizing normal commercial trading arrangements in the procurement of goods and services. Orders should be issued to suppliers for goods and services including hotel accommodation, airline tickets, excess baggage and air charters and Purchasing Officers should also maintain close contact with suppliers to ensure their accounts are settled promptly and on commercial terms (normally 30 days after delivery of goods and services).

2. Suppliers refusing to accept ILPOCS:

There are some suppliers who require that they be paid first before they will deliver any goods or services. It is known that some Departments and provinces submit to these requirements and arrange for payment to the supplier prior to the goods or services being provided (claims from such suppliers or pro forma invoices cannot give rise to arrears, as no goods or services have been provided). The claims are generally processed using a General Expense form (FF4). This is an improper use of General Expense form. Payments in advance of receiving goods and services continue to be not allowed under the Financial Instructions. Departments (or provinces) and suppliers who enter into these arrangements should appreciate that even though there has been an exchange of price for goods and services delivered at a later time, the provisions of section 47C and 47D provide that these suppliers will not have an enforceable contract should a dispute later arise.

3. If a supplier refuses to accept an ILPOC, they must be told that the Government will no longer deal with them i.e. they must take their business elsewhere.
4. No cheques may be raised against pro-forma invoices from the date of this Instruction - only PGAS ILPOCs.
5. Other claims for payment cannot be accepted:
6. It should be emphasised that in all other circumstances, if suppliers or contractors lodge claims or invoices with any Department or province (for goods or services already supplied) without an ILPOC (form 4A) or APC, those claims or invoices will be returned to the supplier or contractor without any

further enquiries being made. Under the new provisions, these alleged suppliers and alleged contractors do not have an enforceable contract with the Government.

The Departments of Finance and Treasury will not consider or pay any claims that do not comply with these instructions. Under no circumstances should departments or provinces attempt to forward these claims or invoices to Department of Finance or Department of Treasury. It is the responsibility of each Head of Department or Provincial Administrator to discipline any of their own staff who may have arranged for supplies or services without first obtaining proper authority in the form of an ILPOC (Form 4A) or APC.

7. **Accountable Form:**

The ILPOC form is an accountable form and is produced as continuous stationery for computer applications.

The continuous stationery will be numbered (eight digits including three digit Division Number prefix) by the computer while raising the form. It should be given security consideration.

8. **How to raise an ILPOC Form:**

APPENDIX A to ATTACHMENT 1 – DETAILED FINANCIAL STEPS – MINOR PROCUREMENT

MAIN STEPS

i. BY REQUISITIONING OFFICER

- | | | |
|----|---|---|
| 1. | Obtain Quotations and enter in Register | Less than K5,000
3 verbal quotations |
| | | K5,000 to K100,000
3 written quotations |
| 2. | Prepare a Requisition. | For goods or services, travel and accommodation, etc. |
| 3. | Get Requisition approved | By authorised requisitioning Officer. |

MAIN STEPS

- | | | |
|----|--|--|
| 4. | Send Requisition to Financial Delegate | For pre-committal of funds and approval. |
| 5. | Send FF3 to Section 32 Officer | For approval and signature. |

ii. ACTION BY FINANCIAL DELEGATE - COMMITMENT CLERK

- | | | |
|----|---|---|
| 6. | If insufficient funds, REJECT requisition. | |
| 7. | If funds are available, enter commitment against vote. | IMPORTANT
Compare new progressive total with fund allocation |
| 8. | Enter CFC No. and Commitment No. (Line No.) on Requisition, and sign Requisition. | |
| 9. | Have ILPOC form raised | without delay. |

ACTIONS BY FINANCIAL DELEGATE AND OFFICER RAISING ILPOC FORM

- | | | |
|-----|---|---|
| 10. | Ensure Requisition is signed by:-

(a) Approving Officer: and

(b) Commitment Clerk and that it shows -

(i) CFC No.

(ii) Commitment No. | |
| 11. | Raise ILPOC form | Be sure to show Vote, CFC No., Commitment No., and reason for travel, freight or accommodation. Only a Financial Delegate can sign. |

MAIN STEPS

12. Enter ILPOC No. on Requisition.
13. Hand ILPOC form and Requisition to Financial Delegate for signature
14. Financial Delegate must ensure:-
 - (a) that the expenditure is within his vote.
 - (b) that the purchase is warranted in accordance with procurement procedures are as described in the **Public Finances (Management) Act and Financial Instructions**.
 - (c) that funds are available and pre-committal action has been taken.
 - (d) that the amount is within his power to approve under **Section 32 of the Public Finances (Management) Act** or, if not, that the approval of a competent Section 32 Officer has been obtained.
 - (e) that in respect of special classes of expenditure (e.g. Overseas travel engaging of consultants etc.), the prescribed requirements have been fulfilled.
15. Financial Delegate signs ILPOC form. He or alternate delegate must sign.
16. Send four (4) copies to purchasing Officer Without delay.
17. File Requisition Retain book-fast copy.

iii. ACTION BY PURCHASING OFFICER

Upon receipt of goods:-

18. Sign as Receiving Officer on all 4 copies of ILPOC form.

MAIN STEPS

19. (a) Hand original, duplicate and quadruplicate copies to supplier with one set of invoices Retain triplicate
NOT to Department
- (b) Inform supplier to forward original and duplicate with invoices direct to paying officer for payment.
20. Hand triplicate copy with one set of invoices to Commitment Clerk. IMPORTANT
21. Deliver goods, if any, to requisitioning officer.

iv. ACTION BY SUPPLIER

22. Supplier forwards original and duplicate copies of ILPOC form with one set of invoices to the Paying Office shown on the form.

v. ACTION AT PAYING OFFICE

23. **Registration Clerk:**
- (a) Register ILPOC form as usual. Enter Registration No. on ILPOC form.
24. **At the end of each day**
- (a) Complete payment particulars against the registered claims in the Registration Book by reference to payments processed during the day.

MAIN STEPS

At the end of the Month

- (b) Prepare listing of all claims outstanding for:
 - (i) Less than 30 days from date of registration
 - (ii) More than 30 days from date of registration but less than 60 days.
 - (iii) More than 60 days but less than 90 days
 - (iv) More than 90 days.

vi. EXAMINER

- 25. Ensure:-
 - (a) Both original and duplicate ILPOC form received.
 - (b) Claims bear:-
 - (i) Registration No. and date of registration.
 - (ii) Initial as "Not Previously Paid".
- 26. Compare signature of Financial Delegate with specimen on file. THIS IS MOST IMPORTANT. Accept only the signature/s of Financial Delegate/s using the CFC quoted. If unlike enquire.
- 27. Examine all other details, as usual If in order, initial claim as examined
- 28. Pass claim to Certifying Officer.

MAIN STEPS**vii. DATA ENTRY OPERATOR**

29. Process claim as usual. In addition: Stamp Consecutive No. on duplicate as well as original of ILPOC form.
30. Detach duplicate and file it until end of weekly period.
31. At end of the week and end of month, total ILPOC forms and FF'4s and check details of each ILPOC issued to the month end report.
32. Send ILPOC list and attachments to appropriate Financial Delegate.

**viii. ACTION BY FINANCIAL
DELEGATE/COMMITMENT CLERK**

Upon receipt of triplicate copy from Receiving Officer:-

33. If amount is different from amount committed, make adjustment to Commitment Ledger.
34. **File Triplicate**

At the end of Weekly Period:-

Upon receipt from Paying Office of duplicates of ILPOC forms, FF4 s, JE's and credit details.

36. Enter details of payments and other debit and credit details "Payments" Section on Commitment Ledger. Make adjustments to ledger where necessary.

MAIN STEPS

37. Draw attention of Financial Delegate:
- (a) To possible shortage or surplus of funds and other undesirable features.
 - (b) Examine carefully any discrepancies noticed between the duplicates and data in the Commitment Ledger and if a fraud or any other irregularity is suspected draw Financial Delegate's attention immediately and carry out a thorough investigation.
38. Financial Delegate advises Paying Office on rejected charges against his votes. IMMEDIATELY. This is to enable corrective action to be taken without delay.

At the end of the month

39. Compare Commitment Ledger entries with postings on PGAS for each Vote at the Paying Office.
40. Tally all payments for the year to end of month as recorded in Commitment Ledger.
41. List all outstanding commitments to the end of the month.
42. Reconcile record of payments in Commitment Ledger with PGAS Expenditure Vote Summary Report at Treasury Office. IMPORTANT
43. Financial Delegate satisfies himself that reconciliation is correct, signs and files reconciliation.
44. Financial Delegate examines Commitment Ledger for:-
- (a) Correctness
 - (b) State of Funds. If in danger of over-or under commitment, take necessary action.

MAIN STEPS

45. Financial Delegate initials against the last entry for the month for each vote.
46. Financial Delegate instructs Commitment Clerk, as necessary.
47. Financial Delegate prepares and forwards reports to Departmental Headquarters showing state of funds for each Vote, as follows:-
 - (a) Total funds allocated
 - (b) Total payments
 - (c) Total outstanding commitments
 - (d) Balance of funds available
 - (e) Reason for variation (between total commitment and pro rata allocation) and action taken.

9. Distribution of ILPOC Copies:

The distribution will be as follows:

- a. First Three Copies - To Supplier
- b. On completion of supply, the supplier will send the first three copies to the Receiving Officer (i.e. one who received the goods or services ordered) with two sets of his invoices.
- c. The Receiving Officer after satisfying himself that the details are true and accurate, will complete the forms and sign the appropriate certificate and return:

Third Copy (with one set of invoices) - to Financial Delegate

First and Second copies, with the second set of invoices) - to Supplier.

- d. Supplier will present First and Second Copies to the Paying Office and the Paying Office will forward the Second Copy of both ILPOC and invoice to the Financial Delegate who will compare the second and third copy of the ILPOC form to confirm that goods and services ordered were actually received.

When a claim or an account subject to discount is received in a paying office, an "**URGENT**" tag should be attached so that it is processed without

delay. Any statement of terms on the supplier's account should be marked clearly to draw the attention of other officers to it, in order to avoid loss of discount by delay in payment.

10. Alterations on the ILPOC Form:

The form should be completed with care because corrections and alterations are liable to invalidate the claim and hold up payment unless authenticated by the Financial Delegate's signature.

11. Quantities Actually Supplied by the Supplier Being Less Than Those Ordered:

- a. If the Supplier requires payment for part supply, he may submit the forms for processing for payment, in which case he would need a fresh ILPOC form to supply the remaining quantity. Otherwise, he should wait till he supplies the entire quantity ordered.
- b. The Receiving Officer should specify the actual quantities received and the appropriate amount on the form itself before signing the certificate. He must also then amend suitably the break-up by Vote to agree with the amount payable, under his signature, and on occasions this might require a reference to the Financial Delegate and when it is so required, it should be done as quickly as possible.

12. Use of General Expenses Form - FF 4:

This form is to be used for payment of:-

Utilities or other charges for which suppliers may, by standing arrangement, render accounts or bills after the close of each month or periodically, for example electricity charges and consultant's fees, arising from contracts and personal payments like mileage allowance, advances, and compensation payments.