

## **PART 8 - ACCOUNTABLE AND ACCOUNTING OFFICER**

### **DIVISION 1 - ACCOUNTABLE OFFICERS**

#### **CHIEF ACCOUNTABLE OFFICER**

##### **1. Definition**

- 1.1 The Chief Accountable Officer is a Departmental Head whose responsibilities are specified in Section 5 of Public Finances (Management) Act. He is responsible, at least in financial matters, for the work and organisation of his Department. Finance is an inseparable element in all policy questions, that financial responsibility has wider implications for efficient management, and consequently financial administrative responsibility is concentrated in the Departmental Head.
- 1.2 The Departmental Head is answerable to the Public Accounts Committee for the efficient and economical conduct of his department and for the formal regularity and propriety of all appropriations administered by him.

##### **2. Responsibilities**

- 2.1 His duties involve the safeguarding of public funds and propriety and regularity of expenditure from the funds appropriated by Parliament to his department. Within this context, the Departmental Head is liable under the doctrine of personal accountability to make good any sum which the Public Accounts Committee recommends should be 'disallowed'.
- 2.2 He must ensure that financial considerations are taken into account at all stages in framing and reaching policy decisions and in their execution, for the efficient and economical operation of the Department as a whole. He must acknowledge the importance of 'management' on which effective control of expenditure and value for money depend. This comprises the preparation of the material supporting decisions; the technical efficiency of administrative operations, the cost-consciousness of staff; and the selection and training of competent staff.
- 2.3 It is obvious that the Departmental Head cannot himself perform, or even closely supervise, the manifold financial duties set out in the broad statement of his responsibilities. It is therefore one of his chief responsibilities to make sure that his department is organized and staffed on sound lines, particularly in the finance and establishment branches, to facilitate proper delegation of duties.

- 2.4 The Public Accounts Committee expects the Departmental Head to satisfy it that the policy approved by the Government has been carried out with regard to economy and to explain any indication to the contrary to which the Auditor-General has drawn attention.
- 2.5 The Departmental Head is responsible for the "regularity and propriety of the expenditure". Thus expenditure must be within the ambit of appropriation, and within the total sum authorized to be spent on the vote to which it is charged. It must be for the purpose set out in a programme, function, activity and item of expenditure. It must be supported by proper documentation expressing the performance of service, detail of payee and the period of account in which the expenditure is charged.
3. The relationship of the Departmental Head with the Public Accounts Committee and his Minister.

The Departmental Head is responsible to his Minister because he acts on his Minister's behalf and his actions commit the Minister for those activities undertaken by the department.

4. Advice to the Minister by the Departmental Head
  - 4.1 A Departmental Head has a particular responsibility in connection with the requirements of efficiency, financial prudence and economical resource use in the conduct of his department, and he will from time to time need to advise his Minister from this standpoint. It is for the Departmental Head himself to decide how and in what terms to give his advice. He should express his opinion clearly in writing to his Minister for any disagreement with any aspects of a proposal which he considers improper for prudent and economical administration.
  - 4.2 Alternatively the matter of the Accountable Officer's disagreement, and his representation, may be one which involves his personal accountability on a question of safeguarding public funds or the formal regularity or propriety of expenditure. In that case he should action or implement the Minister's decision only on a written instruction from the Minister overruling the objection and copies of his written opinion on disagreements should be sent to the Auditor-General and Department of Finance.
  - 4.3 Provided that this procedure has been followed, the Public Accounts Committee may be expected to acquit the Accountable Officer of any personal responsibility for the transaction.

**ACCOUNTABLE OFFICER****5. Definition**

Section 6 of the Act defines Accountable Officer as an Officer or any person who authorizes the collection or payment of public moneys or accounts for stores.

**6. Responsibilities**

6.1 An Accountable Officer is an officer or person appointed by the Chief Accountable Officer for the purposes of the Act and to ensure that all procedures in relation to the collection and payment of public moneys, are strictly observed and to account for stores under his control.

6.2 An Accountable Officer has a dual role in both ensuring that public moneys are properly accounted for and the records and accounts are kept to facilitate preparation of monthly, quarterly and annual accounts for management and audit purposes.

**DIVISION 2 - ACCOUNTING OFFICER****THE ACCOUNTING OFFICER****7. Definition**

The Accounting Officer, who is also an accountable officer is a person appointed by the Chief Accountable officer to exercise prudent financial management in the expenditure decision making process and disbursement of funds in strict compliance with the Public Finances (Management) Act, 1995 and its Financial Instructions.

**8. Responsibilities**

8.1 It is the Accounting Officers responsibility to organise his Department, particularly in the Finance and establishment branches, to provide for proper delegation of his financial duties.

8.2 These responsibilities also include the establishment of properly organised Finance and Accounts Branch and provision of Internal Audit to ensure that public funds are properly disbursed and adequate internal controls exist to safeguard any mismanagement of funds.

8.3 The Establishment of these Units should be arranged in the following manner:

**Accounts Payable Branch:**

- 8.3.1 There will normally be a Accounts Payable Branch to which is delegated the duty of making day to day financial decisions or recommendations after critical examination of expenditure proposals.

The Accounts Payable Branch will be responsible for the formulation of Estimates and their justification to the central agencies responsible for budget preparation. It will also be responsible for the general oversight of the progress of expenditure in relation to the amounts specified in Estimates for particular programmes, functions, activities, projects and items of expenditure. A further duty of the branch will be to ensure that control and accounting mechanisms exist to safeguard public moneys and property relative to revenue collection and expenditure. In addition it will also be responsible for reviewing, coordinating and responding to the queries raised by the Auditor-General with the cooperation of the respective branches or divisions.

- 8.3.2 If any query from the Auditor General is subject to Public Accounts Committee scrutiny, it should be referred to the Departmental Head immediately for his assessment and appropriate action.

- 8.3.3 The Finance Branch should be under the control of a senior officer. The senior officer is responsible for the critical examination of all expenditure proposals, collection of revenues and obtaining goods and services for value of money.

**Accounts Branch:**

- 8.3.4 The Accounts Branch is an integral part of the Finance Branch, has some or all of the following responsibilities:

- (i) The maintenance of an adequate system of books and accounts forming the basis of annual Public Accounts, Trust Accounts, any monthly accounts and statements required to be rendered to the Department of Finance or for the use of other branches of the department.
- (ii) The calculation and payment of salaries, allowances and wages on the basis of rates and entitlements notified by the Personnel Branch; the making of day to day payments authorized by other branches, and the bringing to account of receipts. The payment function will extend to scrutinizing the financial regularity of items submitted for payment.
- (iii) The internal control mechanisms in relation to receipts and payments of public funds are in order to prevent fraudulent transactions or physical loss.

- (iv) To provide regular reports to Finance Branch on the progress of expenditure under each Activity.

8.3.5 Additionally, senior officers of Accounts Branches may be called upon to give advice in connection with the practical aspects of policy decisions affecting expenditure or the receipt of money, and to assist in the formulation of procedures for carrying them out.

**Safeguarding of Public Property:**

8.3.6 Safeguarding public property comprises the selection of suitable officers to carry out and record cash and store transactions; and the setting up of procedures and methods designed to protect the balances in the department's hands.

8.3.7 Surprise inspections of cash in the hands of officers at headquarters and at out-stations are essential. It is a specific duty of Accounting Officers to ensure that independent and effective checks are made without regard to personal considerations.