

Financial Management and Audit

Cap. 5.

**FINANCIAL MANAGEMENT AND AUDIT
(FINANCIAL) RULES, 1971**1971/46.
1974/172.
1975/68.
1975/280.
1979/180.
1984/20.
1985/102.
1997/47.
1998/158.
2001/48.
2002/147.**Authority:** These Rules were made on 31st March, 1971 by the Cabinet under section 48 of the *Financial Management and Audit Act*.**Commencement:** 1st April, 1971.**PART I***Preliminary***1.** These Rules may be cited as the *Financial Management and Audit (Financial) Rules, 1971*.**2.** For the purposes of these Rules,"approved", when used in relation to a form, means approved by the Director; 1985/102.
1998/158.

"bank" means a bank licensed or established by virtue of any Act for the time being in force in Barbados;

"books of account" means any record of accounting and financial transactions compiled, maintained or stored whether manually or electronically; 1998/158.

"head of department" includes, in relation to a ministry, the Permanent Secretary of the ministry, and reference to a department includes reference to a ministry;

"local purchase order" means any order issued for the supply of goods and services prepared and issued whether manually or electronically; 1998/158.

"Registrar" means the Registrar of the Supreme Court;

6. Without limiting the generality of rules 4 and 5, it is the duty of each accounting officer to make arrangements to ensure that

- (a) a proper system of accounts is established and maintained in the department of which he is accounting officer, and that the accounts are faithfully and properly kept;
- (b) all public moneys collectable by any such department for the collection of which he is responsible are punctually collected;
- (c) all public moneys for which he is accountable are promptly brought to account under the proper heads, sub-heads, items and sub-items of the Estimates or other approved classifications;
- (d) proper provision is made for the safe keeping of public moneys, securities, payable orders, vouchers, stamps, stamp dies, receipt books, carbon copies and counterfoils of receipts, licences, electronic data, and other Government property entrusted to his care; 1998/158.
- (e) there is strict supervision over all officers under his authority entrusted with the receipt and expenditure of public moneys, and independent and efficient checks, including surprise inspections, are instituted against the occurrence of fraud, embezzlement, carelessness, waste or extravagance;
- (f) no payment is authorised or made which is not covered by proper authority expressed on the voucher relating to it;
- (g) all disbursements are promptly charged in his accounts under the appropriate heads, sub-heads, items and sub-items of the Estimates or other approved classifications;
- (h) all books of account and other accounting records are correctly posted and kept up to date;
- (i) where accounting systems and records are computerised, that appropriate security measures are put in place to safeguard the integrity and reliability of those systems and records. 1998/158.

7. It is also the duty of an accounting officer to

1985/102.
1998/158.

(a) report to the Director any apparent defect in the procedure of revenue collecting, or apparent waste or extravagance in expenditure, which comes to his notice in the course of his duties;

(b) check all cash and stamps in his charge and verify the amounts with the balance shown in the books of account;

(c) promptly bring to account as a receipt any cash or stamps found in his charge in excess of the balances shown in the books of account;

1985/102.
1998/158.

(d) reply promptly to any queries addressed to him by the Director, Accountant-General or Auditor-General, giving fully the particulars or information required;

(e) render for audit the accounts of the department of which he is accounting officer and prepare the necessary financial statements and returns.

8. (1) If an accounting officer disagrees with a Minister on a matter of importance affecting the financial administration of the department within the Minister's portfolio, it is the duty of the accounting officer to represent his objection promptly to the Minister.

1998/158.

(2) An accounting officer referred to in paragraph (1) shall place on record his disagreement with any decision or proposed course of action which he finds difficult to defend as prudent administration or which he regards as inconsistent with his obligation to see that the administration of such department is carried out with due regard to the avoidance of waste or extravagance and to the propriety of the proposed course of action, and he shall set out the reasons for his disagreement.

2001/48.

(3) If the Minister adheres to his decision, he shall communicate that decision in writing to the accounting officer, who shall accept the decision and carry it into effect.

9. (1) If the matter which is the subject of the accounting officer's objection involves his personal liability for the funds of the department of which he is accounting officer or the question of the regularity or propriety of payment, the accounting officer shall not only set out in writing his objection to the proposed expenditure and his grounds for it, but he shall only authorise or make the payment upon a written instruction from the Minister overruling the objection.

(2) After such payment is made, the accounting officer shall immediately inform the Director and the Accountant-General of the circumstances surrounding the payment and forward the papers to the Auditor-General. 1985/102.
1998/158.

(3) Notwithstanding paragraph (1), the Minister shall be personally liable for any loss, wastage or improper use of public funds where he instructs the accounting officer, in writing, to incur expenditure even though the Minister has been advised by the accounting officer that by so doing he would be in a breach of these Rules. 1998/158.

10. On all technical matters affecting the accounts and on any matter of doubt relating to the propriety or regularity of any transaction, the advice of the Director or Accountant-General, as the case may be, may be sought. 1985/102.
1998/158.

11. Accounting officers shall furnish to the Director at such times as the Director may direct 1985/102.
1998/158.

- (a) Estimates of revenue and expenditure for the succeeding financial year; and
- (b) revised Estimates of revenue and expenditure for the current financial year.

PART IV

Control and Classification of Expenditure

16. The Estimates form the basis of the accounts of the year to which they relate, and the classification and sub-division of the accounts of revenue and expenditure shall accord with the detail of the Estimates.

17. (1) In every charge against an item of a head of expenditure, the funds shall be applied to the purpose or purposes for which such item is intended, and the charge shall be made to the item under which provision for the expenditure was made.

(2) The claim that certain expenditure was necessary and justifiable is not a sufficient reason for charging it to an item which was not intended to carry such expenditure.

(3) Expenditure shall not be incurred unless appropriate provision is made in the Estimates or in Supplementary Estimates. 1998/158.

(4) Any expenditure incorrectly charged may result in the officer who authorised the expenditure being surcharged or being subject to other disciplinary action. 1998/158.

18. (1) The authority for expenditure conveyed by an Appropriation Act or a resolution lapses at the end of the financial year to which it relates, and if further expenditure is necessary for the completion of any service it must be provided for in the Estimates or in Supplementary Estimates for the year in which the sum will actually be expended.

(2) The authority conveyed by warrants lapses on the last day of the financial year in which the warrants are issued. 1998/158.

19. (1) Payments shall not be made in advance for the purpose of utilising an anticipated saving on any item, nor may the unexpended portion of any item be drawn to meet impending payments or be carried to a deposit or suspense account. 1998/158.

(2) On the other hand, expenditure properly chargeable to the account of a given year shall, as far as possible, be met within the year and shall not be deferred for the purpose of avoiding an excess on the amount provided in the Estimates.

(3) Revenue due and collected in any one year shall not be placed on deposit or held in suspense with the object of transferring it to revenue in the following year.

20. New heads or items shall be opened for items of revenue or expenditure not properly falling within any of those already appearing in the Estimates.

PART V

Accounting for Public Moneys

21. It is the duty of the Accountant-General to

- (a) supervise generally the collection and receipt of public revenue;
- (b) supervise generally the disbursement of public funds and, in case of any apparent extravagance, to call the attention of the Director in writing to the matter;
- (c) bring promptly to account under the proper heads and items all moneys, whether revenue or other receipts, paid to him or accounted for to him;
- (d) charge promptly to the proper accounts all disbursements from public funds, whether expenditure or other payments;
- (e) see that proper provision is made for the safe keeping of all public moneys, stamps, securities, and valuable documents in his department, and supervise generally the provision made by accounting officers for the safe keeping of public moneys, securities, stamps, stamp dies, receipt books, carbon copies and counterfoils of receipts, licences and other Government property entrusted to their care;

(f) supervise the receipt and payment of public moneys by his department, take precautions and institute and maintain efficient checks, including surprise inspections, against the occurrence of fraud, embezzlement or carelessness.

22. All forms used pursuant to the Act and these Rules shall be in the approved form. 1998/158.

23. (1) Collectors of revenue, accounting officers and other persons responsible for the receipt of public moneys shall keep 1998/158.

(a) a cash book and a ledger if necessary, and the cash book shall be balanced and the cash physically verified on a daily basis; and

(b) subsidiary records.

(2) The pages of all account books and other records shall be numbered. 1998/158.

(3) All manually maintained accounting records shall be written in permanent ink, typescript or printed. 1998/158.

(4) All accounting records shall be carefully preserved and shall not be destroyed except with the prior approval of the Auditor-General. 1998/158.

(5) Each accounting officer shall keep a vote control book in the approved form which shall show at any time in respect of each vote for which the accounting officer is responsible

(a) the total amount of expenditure sanctioned for the service of the year;

(b) the detailed amounts of expenditure charged;

(c) any further known liabilities or commitments in respect of the service of the year;

(d) the available balance remaining on the vote; and

28. Facsimile signature stamps may with the approval of the Director be used in signing cheques; and signatures may also be electronically affixed. 1998/158.

Imprests

29. (1) Where it is more convenient for a department to make payments at the time when the expenditure is incurred, the Minister may authorise the Accountant-General to issue an imprest in such sum not exceeding \$1 000 as is sufficient to meet the requirements of the holder. 1998/158.

(2) Imprests shall be reimbursed as required during the year and at the end of each financial year. 1998/158.

30. (1) Every imprest holder shall keep a cash book in which all receipts and disbursements shall be recorded.

(2) An imprest holder is personally accountable for the total amount of his imprest.

31. Imprests shall be retired to the Treasury by payment to the Accountant-General of the full amount of the imprest when 1998/158.

- (a) an imprest is no longer needed; or
- (b) the ministry or department is abolished.

32. Application for imprests shall be made to the Accountant-General, and shall state the amount and the purpose for which the imprest is required.

33. Accounting officers are responsible for ensuring that imprests are necessary and that the amount stated in the application therefor is not in excess of the amount actually required.

- (a) in the case of general receipt, receipts books shall consist each of 100, 50 or 25 receipt forms with corresponding duplicates and triplicates as the case may be, and shall be machine-numbered; the receipt form shall be perforated at the margin so that it may be torn from the book for issue; when a receipt is to be issued from a receipt book, a sheet of carbon paper shall be placed between the receipt form and duplicate (and triplicate where necessary), and the receipts written by using ink or indelible pencil;
- (b) every receipt shall be prepared to show the date of payment, the name of the payer, the amount of money paid and the purpose for which the payment is made, and shall be signed by the officer authorised to receive the payment;
- (c) erasures shall not be made on a receipt, and amendments shall be initialled by the officer signing the receipt; when an error occurs in the statement of the name of the payer or the amount received, the form shall be cancelled and a new form prepared;
- (d) receipt forms, carbon copies and counterfoils of receipt forms are valuable documents and shall be taken care of and accounted for; in the event of the loss of a book or of a form from a book, the officer to whom the book is issued is liable to be surcharged in such amount as the Director may determine; an officer should therefore satisfy himself on the return of a book which has temporarily left his charge that the receipt forms are intact; 1985/102.
1998/158.
- (e) if a receipt form after being filled in is to be cancelled, the word "CANCELLED" shall be written across the face of the original, duplicate and triplicate, and the original pasted to the margin of the duplicate;
- (f) copies of official receipts shall not be issued, but a certificate of payment may be furnished upon application;
- (g) receipt books shall be obtained from the Government Printer 1998/158.
by requisition, which shall be prepared in quadruplicate by the officer making the requisition; and that officer shall forward

the original, duplicate and triplicate to the Government Printer who shall insert thereon the serial number of the books supplied and return the duplicate and triplicate requisition together with the receipt books to the officer making the requisition. After checking the stock received, the officer making the requisition shall sign the duplicate requisition and return it to the Government Printer, and the triplicate will be retained by the Ministry or department;

- 2002/147. (h) each officer responsible for the requisitioning of receipt books shall maintain a Stock and Issue Register of receipt books;
- 1998/158. (i) particulars of receipt books issued must be recorded by the ministries or departments, and requisitions shall be submitted at least 10 days before the books are required for use;
- (j) in order to exercise proper control over receipt books in their charge, collectors of revenue and accounting officers shall maintain a Stock and Issue Register in which they shall record the issue to the officers to whom individual books are issued and the subsequent return of such books on completion; where moneys have to be accounted for by different persons in a department, separate receipt books shall be issued;
- (k) collectors of revenue and accounting officers shall from time to time cause a check of the stock of books on hand to be made by an officer other than the one by whom the stock is kept;
- (l) receipt books shall be issued in their consecutive order and individual receipt forms in their numerical sequence; officers responsible for receipt books shall ensure that the numbers of the receipts and their duplicates and triplicates correspond and are in numerical sequence; any error discovered in the numbering shall be reported immediately to the supplying officer before the book is put in use;
- (m) receipt books sent by post, whether used or unused, shall be put in packages sealed with wax and registered;

- (n) collectors of revenue and accounting officers shall report to the Director, the Chief Supply Officer, the Accountant-General and the Auditor-General any loss of receipt books in their charge as soon as such loss is discovered, and shall cause a full investigation into the loss to be made forthwith; lost receipt forms or books may only be written-off on the authority of the Director, who shall notify the Chief Supply Officer, the Auditor-General and the Accountant-General accordingly. 1985/102.
1998/158.
- (2) Notwithstanding paragraphs (a) to (n) of paragraph (1), where the operations of a ministry or department have been computerised. 1998/158.
- (a) receipts and other forms may be issued using a computer generated form;
- (b) all forms approved for use in the computerised system shall be kept safely; and
- (c) all computer paper used must be supplied by the Chief Supply Officer, unless otherwise directed by the Director, and where applicable each sheet of computer paper shall be numbered.
- 40.** The Accountant-General shall report to the Director any failure on the part of an accounting officer or a collector of revenue to collect and duly account for any sums receivable by him; he shall also report any case in which he thinks that the revenue is falling unduly into arrears. 1985/102.
1998/158.
- 41.** All officers charged with the collection of revenue or other moneys due to the Government shall furnish to the Director, the Accountant-General and the Auditor-General returns showing the state of the arrears at the end of September and March in each year; all such returns shall be furnished within 2 months of the date to which they relate, and if there are no such arrears a nil return shall be furnished. 1985/102.
1998/158.
- 42.** Refunds of revenue shall be charged against the appropriate revenue heads and sub-heads.

applicable, a department register of dishonoured cheques shall be maintained and the register shall be examined at least once a month by the responsible supervisory officer to ensure that clearances are pursued and recoveries effected.

PART VII

Payment of Public Moneys

47. Subject to the *Financial Management and Audit (Supplies) Rules, 1971*, all claims against public funds for work done or services rendered or for supplies shall be presented for examination to the accounting officer or to the officer authorised to act on his behalf; before signing the certificate on any voucher for payment, the accounting officer or the officer authorised to act on his behalf shall satisfy himself

- (a) that all claims made in pursuance of a contract are in strict agreement with the terms of the contract and that the charges in respect of all other claims are reasonable and proper;
- (b) that the computations, castings and validity of all such claims have been verified;
- (c) that the information furnished on the claim is correct in all particulars and that the supporting documents have been certified by the officers concerned;
- (d) that the claim is an appropriate charge against the head and item or account quoted on the voucher and that funds are available.

48. (1) A claim shall not be certified by the accounting officer or by an officer authorised by him under rule 47, but shall be certified by an officer authorised by the accounting officer for the purpose, which officer is in this rule referred to as "the certifying officer".

- (2) The certifying officer shall ensure that
 - (a) the services specified have been duly performed;

(2) For the purposes of these Rules, a payable order is an order addressed to the Accountant-General signed by 2 officers authorised for the purpose requiring the Accountant-General to pay the person named in the order the sum specified therein.

(3) Payment for goods and services may be made by direct transfer of funds to a bank or other financial institution for the credit of a payee's account with that institution upon authorisation from the supplier. 1998/158.

51. Payment shall be made only to the person named in the voucher or to his authorised agent.

52. When payment is to be made to a person other than the person named in the voucher, the authority under which the payment is to be made shall be registered at the department and noted on or attached to the voucher.

53. Where the payee is unable to write, the mark in acknowledgment of receipt of payment shall be witnessed by 2 officers of the department of issue, and where 2 officers are not available by one officer and some other responsible person.

54. Before payment is made, the paying officer shall require the payee, unless he is personally known to him, to give proof of his identity.

55. (1) All payments shall be made in such manner as the Accountant-General directs. 1998/158.

(2) Where charges are made by the Chief Supply Officer in respect of the heads of expenditure of ministries and departments, the Chief Supply Officer shall dispatch a statement of those charges made to the ministries and department by the 10th day of each month following the month during which the charges were made. 2002/147.

(3) Accounting officers shall inform the Chief Supply Officer within 7 days of receipt of the statements where there is an objection to the amount charged. 1998/158.

(3) No cheque, payable order or voucher in replacement of the original may be prepared without the approval of the Accountant-General and the accounting officer, and such cheque, payable order or voucher shall contain a notation stating such particulars as may adequately identify the original; in the case of the loss of a cheque or payable order, a "Stop Payment" notice shall immediately be issued to all banks and to the Accountant-General.

(4) Bearer cheques shall not be used.

61. The signatures of authorised officers certify to the accuracy of every detail on a cheque, payable order or voucher. 1998/158.

62. (1) An accounting officer or his authorised representative is responsible for the assignment of a suitable officer for the paying of salaries and wages.

(2) If it is found to be impossible to distribute the whole of the money advanced for the payment within 7 days, the amount which remains undistributed shall be refunded to the Accountant-General with a Treasury receipt voucher showing the details of the refund.

63. All claims shall be processed in time for payment to be made within the financial year to which they relate.

64. Adjustments in the accounts shall be made by adjustment voucher, which shall be prepared in triplicate; all copies of the voucher form must be signed by the accounting officer of the creditor and debtor departments. 1998/158.

PART VIIA

2001/48.

Credit Card Facilities

64A. For the purposes of this Part, "card" means a credit card that authorises procurement of goods or services of an amount not exceeding \$20 000 that is issued to the head of a department by a bank or other financial institution licensed under the *Financial Institutions Act*. Cap. 324A.

1998/158.

64B. (1) Where the head of a department determines that it is necessary to acquire a card, he shall apply to the Director for approval to acquire the card.

(2) The use of a card acquired under paragraph (1) shall be restricted to such officers in the department as the head of that department determines.

64C. The head of the department to which approval for the acquisition of a card has been given shall ensure that

- (a) it is used only with his express authorisation; and
- (b) it is kept in a secure place within the department.

64D. (1) A card may be used

- (a) to guarantee overseas hotel accommodation for an officer or an official representative of a department who is travelling on the business of the Government;
- (b) to reserve travel tickets by an officer or an official representative of the government in respect of travel on the business of the Government;
- (c) to make deposits in respect of a reception or other official function hosted by the department; or
- (d) for the purchase of books, magazines, periodicals or software and the payment of subscriptions and course fees.

(2) The use of a card to purchase goods or services other than those specified in this rule must be approved by the Director.

64E. A monthly statement shall be prepared for the purpose of reconciling the credit card statement balance with departmental records.

PART VIII

Custody of Public Moneys

65. All cash, stamps, revenue counterfoil books and security documents shall be kept in strong-rooms or safes or, if kept on computer, shall be protected by password. 1998/158.

66. (1) All cash received by public officers shall be deposited as soon as possible in the safe or strong-room provided for the purpose, until paid into the Treasury or a bank.

(2) The officer concerned is personally responsible for any loss arising from negligence in this respect.

(3) No officer shall keep or allow to be kept in any Government safe or strong-room under his charge any moneys except public moneys or such as by virtue of his office he is bound to receive and account for; nor may any private money be included in any Government bank account.

67. Government bank accounts other than accounts referred to in Part III of the Act shall not be opened without the approval of the Director, who may issue such instructions to the bank or banks as are necessary regarding the opening and operation of such accounts. 1985/102.
1998/158.

68. (1) Cheques and payable orders drawn on Government bank accounts shall be signed by 2 officers, unless the Director otherwise authorises in writing. 1985/102.
1998/158.

(2) For the purposes of rule 65, cheques, payable orders, counterfoils and duplicates shall be regarded as security documents and shall be preserved for audit.

69. The balance of the bank account as shown in the bank pass-book or statement shall be reconciled with the balance as shown in the cash book at least monthly.

74. (1) When an officer in charge of cash is handing over his duties to another officer, the cash balance shall be checked and certificates prepared and signed by the officers concerned. 1998/158.

(2) The officer taking over the duties of the outgoing officer pursuant to paragraph (1) is thereafter responsible for ensuring that the cash balances agree with the amount shown in the cash book. 1998/158.

75. (1) A handing-over statement shall be prepared and retained on each occasion when cash, receipts or licence forms, cheque books, payable order books, safes and cash boxes are handed over from one officer to another. 1998/158.

(2) Cash handed over shall be checked in the manner prescribed for boards of survey.

(3) Receipt books, licences, cheque books and payable order books shall be carefully checked and recorded on the statement.

(4) All keys for strong-rooms and safes shall be recorded on the statement.

76. (1) The main stock of stamps shall be kept in the safe or strong-room. 1998/158.

(2) A stock book shall be kept in which shall be entered under each denomination the number of stamps received and issued; stamps shall be issued on requisition, and a receipt taken from the officer to whom they are issued.

77. Safes should as a general rule be embedded in concrete, in a wall or on the floor.

78. (1) Accounting officers are responsible for the proper care and security of safes, cash boxes and other places of custody in their charge.

(2) Cash boxes and despatch boxes are not regarded as safe repositories for keeping public moneys overnight, and when an 1998/158.

officer is not provided with a safe and receives cash on Government's account he shall pay such moneys to the Accountant-General or into the appropriate bank account without delay.

79. (1) Every accounting officer shall keep a register of the safes in the charge of an officer in his department, and such register shall contain a full description of each safe manufacturer's number and the designation of the officer in charge. The Accountant-General shall be furnished with the particulars contained in every such register and shall be notified whenever a safe changes location.

(2) Keys shall in all cases be forwarded by hand in envelopes sealed with wax and an acknowledgment shall be given from the officer authorised to take delivery of any key.

(3) A register shall be kept at each office or station in which shall be recorded the signatures of the officers in charge of the keys.

(4) Whenever a key changes hands, a dated entry shall be made and signed by both the delivering and the receiving officer.

80. Officers holding the keys of Government strong-rooms or safes are personally responsible for the safe custody of such keys and for the contents of such strong-rooms or safes.

81. (1) The keys of all strong-rooms, safes and other receptacles for public moneys or other valuables shall be guarded with the greatest care.

(2) Key holders shall not allow such keys to be out of their personal possession.

82. The duplicate keys and combination of all safes and strong-rooms shall be deposited by hand with the accounting officer; the key or combination for each safe or strong-room shall be enclosed in an envelope sealed with wax; and the following details shall be shown on the outside of the envelope:

Department

Office/Station

Description of safe or door.....

Manufacturer's No. of safe or door

Manufacturer's No. of key

.....

Accounting Officer

and an acknowledgment shall be given by the Accountant-General for each duplicate key or combination deposited with him.

82A. *Repealed by 1998/158.*

83. (1) In the case of a combination lock, the combination shall be set by the officer responsible for the safe and no other officer shall have knowledge of it.

(2) When the officer in charge of the safe is replaced, the combination must be changed by the incoming officer, and a copy of the new combination deposited with the Accountant-General.

84. (1) The accounting officer shall maintain a register of all safes and strongrooms and a record of all duplicate keys and combinations. 1998/158.

(2) The keys, combinations and records shall be kept in such a manner that individual keys and combinations can be readily obtained.

85. No duplicate key or combination in the custody of the accounting officer shall be issued without his personal approval, and such issue shall be noted in the record maintained by him. 1998/158.

86. The loss of the keys of any Government safe or strongroom shall immediately be reported to the accounting officer who shall authorise the issue of the duplicate key; the report shall state what precautions were taken to prevent the safe being opened by an unauthorised person; the loss of safe keys shall be reported immediately at the nearest police station. 1998/158.

95. If any shortage, loss or irregularity is discovered by a member of the Audit Department, the Auditor-General shall, if he considers the case to be sufficiently serious, inform the Director independently of the report made by the head of department, and shall also inform the accounting officer and the head of department concerned and the Accountant-General. 1985/102.
1998/158.

96. The Director shall cause such investigation to be carried out as he thinks fit, and, if necessary, report the matter to the Commissioner of Police if that has not already been done. 1985/102.
1998/158.

97. The head of department concerned shall make every effort to ascertain responsibility for the loss and, if possible, to effect recovery at the earliest possible time.

98. Where in respect of loss of Government funds or irregularity in Government accounts

(a) a criminal charge is preferred; or

(b) disciplinary proceedings under the *Service Commissions (Public Service) Regulations, 1978* are instituted against an officer, 1978/183.

then, in respect of paragraph (a) the Registrar, and in respect of paragraph (b) the Chief Personnel Officer, shall immediately notify the Auditor-General of the fact and of the consequence of any such charge or proceedings.

PART X

Boards of Survey

99. A Board of Survey shall be held between the close of business on the last business day of each financial year and the commencement of business on the first business day of the new financial year, and shall be appointed by the Director to examine the cash, bank balances, stamps and other valuables held by the Accountant-General. 1985/102.
1998/158.

106. If for any reason whatever the Board has to suspend the verification of cash or stamps, the safe or other repository into which the unverified portion of the cash balance or the stock is placed shall be sealed by the members of the Board, and the seal shall not be broken except in the presence of the Board.

107. (1) Any surplus disclosed as a result of a survey shall be brought to account immediately as surplus.

(2) In no circumstances shall any surplus be placed on deposit or reserved in any other way to meet possible future shortages.

108. When a Board is carrying out its functions under paragraphs (a) and (b) of rule 104, the officer concerned shall remain present until the survey is completed.

PART XI

Stores and Inventories

109. Every public officer is personally responsible for any Government property under his control or in his custody.

110. A complete record of receipts and issues of stores shall be kept, and such record shall be kept up to date and receipts and issues shall be supported by appropriate documents.

111. Notwithstanding the provisions of the *Financial Management and Audit (Supplies) Rules, 1971*,^{1971/47.} accounting officers may issue local purchase orders for services, the undertaking of work, and for supplies, of such total value as the Minister may approve.

Local Purchase Orders

112. (1) Manually prepared orders for articles required from local suppliers shall be made by a Local Purchase Order prepared in triplicate; such order shall consist of 3 sheets marked respectively "Original", "Duplicate" and "Triplicate" bound in books of 100 or^{1998/158.}

50 orders; the original and duplicate shall be detached and sent to the supplier, but the triplicate shall be left in the book; the original shall be returned by the supplier together with his bill, but he shall retain the duplicate.

(2) Subject to paragraph (4), the original purchase order shall be attached to the pay voucher, which shall also be supported by the supplier's bill or itemised statement, and in no case shall any such voucher be passed by an accounting officer for payment unless supported by the original purchase order; the number on the voucher, payable order and cheque shall be quoted on the triplicate sheet of the purchase order.

1998/158. (3) The use of local purchase orders need not be restricted to local purchase of supplies, but may conveniently include requisitions for services such as repairs to furniture and equipment.

(4) In any case where the original purchase order is not returned by the supplier or cannot be produced, a fresh purchase order shall be completed in triplicate; a note shall be made on the triplicate copy of the purchase order originally used to indicate the number of the new purchase order, which shall also be suitably endorsed on all 3 copies to indicate that it is issued in place of a previous purchase order, and if the articles have already been supplied, the endorsement shall include a statement to that effect.

1998/158. (5) For manual preparation of purchase orders, carbon paper shall be used as in the case of receipt books; and appropriate cross references shall be made between purchase orders and any letters or correspondence on which decisions are taken or instructions conveyed in regard to the purchase of supplies or requisitions for services.

(6) Proper arrangements shall be made to ensure that purchase orders are signed by the officer to whom this duty is properly delegated.

(7) Local purchase orders shall be obtained from the Government Printer by requisition, which shall be prepared in triplicate by the officer making the requisition. That officer shall forward the original

and duplicate to the Government Printer, who shall insert thereon the serial numbers of the books he supplies and return the duplicate together with the local purchase order books to the officer who made the requisitions.

1998/158.

(8) The main stock of local purchase order books shall be kept by the accounting officer, or the officer authorised by him for the purpose, and a Stock and Issue Register shall be kept for recording details of deliveries of local purchase order books from the Printer and the issues thereof. Unless the quantity of books being kept in stock justifies the maintenance of a separate stock register, the stock may be recorded in an appropriate place in the Receipt Book Register.

(9) Local purchase order books shall be carefully checked on the receipt thereof from the Printer, and any error, either in the numbering or in the quantity supplied, shall be reported immediately to the Printer with a view to having the error corrected.

(10) Local purchase order books shall be issued in their consecutive order, and individual order forms in their numerical sequence. Officers responsible for local purchase order books shall ensure that the numbers of orders and their duplicates and triplicates correspond and are in numerical sequence, and any error discovered in the numbering shall be reported immediately to the supplying officer before the book is put into use.

(11) Forms in a book shall be checked by the officer to whom the book is issued before the book is put into use. Where a form is found missing, the officer concerned shall make suitable notes of the fact on the inside cover of the book and transmit a written report thereon to his head of department, who shall investigate the matter and report to the Auditor-General.

(12) An officer to whom local purchase order books are issued shall give acknowledgment therefor, and is personally responsible for the books.

(13) From time to time, accounting officers shall cause a check of the stock of books on hand to be made by an officer other than the one who keeps the stock.

(1A) Accounting officers, with the approval of the Director, shall condemn as unserviceable any article with an original purchase price of no more than \$5 000. 1998/158.

(1B) A list of the items condemned pursuant to paragraph (1A) shall be submitted to the Chief Supply Officer, the Director and the Auditor-General.

(2) Boards of Survey shall be appointed by the Director and may be convened at the request of any accounting officer to survey any articles which are considered to be unserviceable or obsolete, and which permission to write off is sought. 1985/102.
1998/158.

(3) Where practicable, Boards of Survey shall comprise at least 2 officers who are not associated with the operation of the stores during the year.

(4) Unserviceable articles to be sold shall be disposed of by public auction or in such other manner as the Director may direct. If such articles are unsuitable for sale, they shall be destroyed unless they can be utilised immediately or within a reasonable time for some service of the Government other than that for which they were purchased, but any condemned articles so retained shall be transferred to a subsidiary ledger for unserviceable or obsolete stores. 1985/102.
1998/158.
1998/158.

(5) Obsolete stores shall be disposed of in such manner as the Director directs. 1985/102.
1998/158.

118. (1) Accounting officers shall cause occasional checks to be made to see whether the balances of stores as shown in the records are actually in stock. 1998/158.

(2) A physical stocktaking shall take place annually of all articles of stores on hand. 1998/158.

(3) Any differences shall be investigated, and discrepancies of a serious nature shall immediately be reported to the Director and the Auditor-General. 1998/158.

126. Expenditure in respect of the supply of goods or the undertaking of works or services in excess of \$20 000 but less than \$100 000 may be arranged without tenders being invited. Written quotations shall be obtained by the accounting officer before awarding the contract, and a written agreement drawn up in a form approved by the Solicitor General or another legal officer in the public service nominated by him shall be entered into between the contractor and the accounting officer or the officer authorised by him for the purpose before any work under such agreement is commenced by the contractor. The agreement shall contain appropriate safeguards for the satisfactory completion of the work, and the officer making the contract is required to satisfy himself that it is the most economical method of getting the work done, having regard to all the circumstances.

1974/172.
1975/68.
1979/180.
1997/47.

127. Where the expenditure in respect of the supply of goods or the undertaking of works or services is in excess of \$100 000, tenders shall be invited by the department concerned, and a contract drawn up in a form approved by the Solicitor General or another legal officer in the public service nominated by him shall be entered into between the accounting officer or the officer authorised to act on his behalf and the successful tenderer.

1974/172.
1979/180.
1997/47.

128. (1) A register of contracts shall be kept in the department concerned, each contract being given an identifying number. Contract numbers shall be quoted on pay vouchers, to which shall be attached certificates that the payments are made in accordance with the contracts and that the work has been satisfactorily completed. Where payment is made on account, the certificate attached to the vouchers supporting such payment shall also state that the value of the work already completed is in excess of the payment made on account.

(2) Services shall not be divided in any way so as to reduce artificially the cost of any contracts below the limit of \$100 000.

1979/180.
1997/47.

129. (1) For the purposes of this Part, there shall be a Committee to be known as the Tenders Committee, which shall consist of

1979/180.

(2) The chairman or deputy chairman where he presides at a meeting shall, in the case of an equality of votes, have a second or casting vote.

134. (1) Subject to rule 135, tenders shall be invited from members of the public by the publication in one or more newspapers in Barbados of a notice containing the particulars required to be stated by rule 137.

(2) No such notice shall be published without the consent of the chairman, who may, in his discretion, fix a time and date to be specified in the notice by which tenders shall be submitted.

135. In the case of a contract for the supply of goods or materials or the undertaking of any works or services in respect of which the Committee is satisfied that there are not more than 7 contractors in Barbados capable of tendering for the supply of such goods or materials or the undertaking of such work or services to justify the publication of a notice required by rule 134, such notice need not be given; but in such case each of such contractors shall be invited by letter to submit a tender. ^{1975/280.}

136. The notice required by rule 134 need not be given if the accounting officer is satisfied that

- (a) the works to be executed or the goods or materials to be supplied consist of repairs to or parts for existing machinery or plants; but in such case a written quotation shall be obtained and approved by the accounting officer;
- (b) the goods or materials to be purchased are on sale at public auction.

137. (1) Where in pursuance of this Part tenders are invited whether by public notice or letter, every such notice or letter of invitation shall

- (b) that are not normally available in Barbados; or
- (c) as a matter of extreme urgency,

the Cabinet may authorise the goods or services to be procured otherwise than by invitation to tender, and may direct that procurement be through direct open negotiations to be conducted under such arrangements as the Cabinet may direct.

138. Every written contract made under these Rules shall, without prejudice to any other matter or thing which it is deemed fit to include therein, specify

- (a) the materials, work, matter or things to be furnished, had or done;
- (b) the price to be paid, with a statement of the discounts or other deductions;
- (c) the time or times within which the contract is to be performed.

139. Sureties for the performance of a contract shall be required in respect of all contracts made under these Rules unless the contract is for the supply of materials or goods which will be received and examined or tested before payment is made.

140. When a surety is required in pursuance of rule 139, the tender, notice or letter of invitation shall state that the department concerned will require a surety

- (a) by way of a deposit with the Treasury of a sum of money or approved securities to the value of not less than 10 per cent of the contract price; or
- (b) by way of a bank or accredited insurance company, whose liability shall be not less than 10 per cent of the contract price; the cost of obtaining such a surety shall be the responsibility of the contractor, who need not specifically make arrangements for sureties unless and until his tender has been accepted; or

(2) The chairman and such other member of the Committee shall initial the tenders so found and shall cause a note to be taken of the number of tenders and such further information as the Committee may require.

145. After the tenders have been opened, the Committee shall at such time as may be necessary or expedient consider the tenders received.

146. After the closing date, the Committee may, if it thinks fit, seek from the appropriate department information or advice on any aspects of a tender.

147. The Committee may invite any person who has submitted a tender to attend an interview, and in all such cases the department concerned shall be represented by an officer at the interview.

148. (1) The Committee shall send its tenders and its recommendations thereon to the head of department, who shall submit the recommendations to the Minister responsible for that department. 1998/158.

(2) Where the Minister responsible for the department does not accept the recommendations of the Committee, the matter shall be referred to the Minister responsible for Finance, who shall submit the matter to the Cabinet.

149. When a tender has been accepted, the department concerned shall give written notice of its acceptance to the person who submitted the tender, and shall inform him by the said notice, where appropriate, that he is required to enter into a formal contract with the Government. A formal contract shall be prepared and shall be in such form and shall contain such terms, conditions and provisions as may be considered necessary.

150. Every public officer concerned in the administration of these Rules shall regard and deal with all documents and information relating to the functions and decisions of the Committee as confidential.

151. No member of the Committee is personally liable for any act done or omitted to be done in good faith in the course of the operations of the Committee.

152. For the purposes of this Part, a reference to the Committee shall include the Special Tenders Committee constituted under rule 129(2).

PART XIII

Miscellaneous

153. Letters, requests or authorisations from any officer to the Accountant-General shall be sent through the head of his department.

First
Schedule. **154.** (1) The minimum periods for which the various classes of accounting records shall be preserved are specified in the *First Schedule*.

First
Schedule. (2) Any accounting record which may be regarded as necessary or of historical value shall be permanently preserved. Destruction of any class of record specified in the *First Schedule* requires the prior approval of the Auditor-General.

Second
Schedule. **155.** The greatest care shall be exercised in the care and safe custody of those Security Documents listed in the *Second Schedule*, whether partly or completely used.

1978/183. **156.** (1) The provisions of the *Service Commissions (Public Service) Regulations, 1978*, in relation to the discipline of officers shall apply to an officer who contravenes any of the provisions of these Rules.

1985/102.
1998/158.
1978/183. (2) If a disciplinary charge is established against an officer, the Public Service Commission shall invite the recommendation of the Director as to the type of penalty to be imposed under regulation 32 of the *Service Commissions (Public Service) Regulations, 1978*.

FIRST SCHEDULE

(Rule 154)

<i>Class of Record</i>	<i>Period to be preserved</i>	
Cash books, ledger and journals	20 years	
Special ledger and records e.g. Savings Bank Deposits ledger Loan Registers	} 20 years after the final completion of the closing of the last account therein	
Abstracts and subsidiary records		7 years
Vouchers, other than salary and wages		
Vouchers required for pension purposes		7 years
Establishment and salary records including salary and wages vouchers required for pension purposes	20 years	
Counterfoils and duplicates of accounting records	2 years	

1998/158.
2001/48.

SECOND SCHEDULE

(Rule 155)

Abstracts
Cash Books
Cheque Books
Contracts, Bonds, Agreements or other Legal Documents
Credit Cards
Diskettes
Documents submitted for assessment and payment of Stamp Duty
Investment Registers
Ledgers in respect of payments made on behalf of other Governments and Administrations
Licences, Permits and fixed Fees Forms
Loan Registers
Magnetic tapes
Payable Orders Books
Principal and subsidiary Journals
Principal and subsidiary Ledgers
Receipt Books
Securities and Insurance Policies
Stores Ledgers and Stock Books