

GOVERNMENT OF RAJASTHAN  
FINANCE DEPARTMENT  
(G.F. & A. R. DIVISION)

No. F.1(4)FD/GF&AR/2006

Jaipur, February 04, 2019

**MEMORANDUM**

**Subject : Role, Functions, Responsibilities and Powers of Accounts and Finance Personnel.**

1. In a welfare state, government spends huge amount for the overall development of all the sections of the society. Economic and financial activities of the state should be in coherence with the ultimate objective of public good. The role of Finance & Accounts Officers emanates from the idea that public money should be spent with appropriate financial prudence.
2. The Accounts Officers are posted in the departments for attaining a reasonable high standard of financial administration. Their role runs across the administrative branches to ensure strong financial discipline. In the ever-improving realm of public financial management, a finance officer needs to play leadership role also to effectively oversee the financial system of a department/undertaking/autonomous body.
3. The State Government has been delineating the role and responsibilities of Accounts Officers from time to time. In the past, following memoranda have been issued on this subject :
  - (i) No.F.5(40)FD(F&A-I)/76 dated 07.01.1977
  - (ii) No.F.5(40)FD(F&AI)/76 dated 24.11.1977
  - (iii) No.F.5(40)FD(RRA&A)/76 dated 05.10.1984 Cir. No. 50/84
  - (iv) No.F.5(40)FD(RRA&A)/76 dated 05.10.1984 Cir. No.52/84
  - (v) No.F.1(4)FD(GF&AR)/93 dated 12.8.1994
4. The Finance department expects from each finance officer to strive for high professional competence by developing analytical approach, strong attention to details, learning new skill sets, good communication and problem solving skills, practical understanding of rules & guidelines with fair IT knowledge.
5. While the Finance Department is taking appropriate steps separately to improve the level of professional competence among accounts and finance personnel, the role envisaged for and the functions and responsibilities cast upon them are being clearly delineated and reiterated in ensuing paras.
6. In order to ensure financial propriety and proper accounts keeping, the position of the senior most accounts person i.e. FA/CAO shall be analogous to that of senior most member of the Department/Undertaking/organisation next to the Principal Head of Department, irrespective of the pay drawn by him. He shall directly report to the Principal Head of the Department and shall be completely independent in discharge of his functions. These officers shall function as :

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1. Representative of the Finance Department
2. Financial Advisor
3. Chief Controller of Budget
4. Chief Accounting Authority
5. Chief Internal Auditor

## 6.1 REPRESENTATIVE OF THE FINANCE DEPARTMENT

- 6.1.1 As representative of the Finance Department, he will be responsible for ensuring financial discipline and effective financial management and constantly identify areas of improvements, conservation, and proper utilization of resources, arresting wasteful expenditure and laying down of proper systems. While on the one hand he has to plug leakage of revenues and bring about economy in working of Department, on the other hand he shall identify sources of additional revenue generation working in tandem with departmental officers. He shall ensure strict compliance with the rules/notifications/circulars/orders issued by the Finance Department and the Government from time to time.
- 6.1.2 His opinion shall be incorporated in all proposals emanating from the Head of the Department to the Government bearing financial implications.
- 6.1.3 The Head of Accounts wing of a department shall **report to the Finance Department once a quarter through a D.O. letter to the Additional Chief Secretary/Principal Secretary, Finance regarding overall financial administration of the department** and improvements brought about by him during the quarter. Matters of serious financial irregularities and lapses requiring immediate attention of the Government shall be reported to Finance Department. Efforts made towards additional resource mobilization and bringing about savings and economy in the expenditure of the Department shall also be highlighted in this letter. This D.O. letter shall reach FD within 15 days after the quarter ends. Suggestive contents of this letter are annexed to this Memorandum.

## 6.2 FINANCIAL ADVISOR

- 6.2.1 It shall be incumbent upon the Head of Department/organisation to consult the senior most Accounts Officer in the Department regarding :
- (i) All financial matters;
  - (ii) All budgetary matters;
  - (iii) All procurement matters and auction cases;
  - (iv) Important service matters;
  - (v) All pensionery matters;
  - (vi) Formulation of Schemes/Projects from the very beginning;
  - (vii) Creation, upgradation and abolition of posts;
  - (viii) Enforcement of economy measures;
  - (ix) Internal controls;
  - (x) Negotiations in the case of Externally Aided Projects;
  - (xi) Entering into an agreement/contract/MoU;
  - (xii) Evolving appropriate monitoring systems and
  - (xiii) Matters being referred to the Finance Department

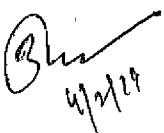
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- 6.2.2 It will be the special responsibility of the senior most Accounts personnel to identify the areas of economy in the Department. He shall take steps to prevent misutilisation of funds, wasteful and infructuous expenditure, over staffing, delay in rendition of accounts of advance, carrying out adjustments and to have an overall monitoring in proper application of financial and accounting procedures. He shall ensure that funds are utilised in accordance with appropriate sanctions and objectives, and that complete budgetary control over central assistance, state fund expenditure is maintained. He shall also identify the requirement of institutional finance and make arrangements for the same as and when required by the Department/Organisation.
- 6.2.3 During the course of his functioning, any defect in procedure which he has been able to detect or has been reported to him, should be brought to the notice of the Principal Head of Department first with suggested remedial measures and to Finance Department, if required.

### 6.3 CHIEF CONTROLLER OF BUDGET

As Head of the Finance & Accounts wing, he shall be over all incharge of the Budget section in the Department. He shall discharge duties and responsibilities with regard to budgetary matters as under :

- 6.3.1 To assist the Head of Department in matters connected with :
- (i) Scrutiny and compilation of budget estimates/revised estimates of receipts and payments (Central Assistance, State Fund, externally aided projects and C.S.S.);
  - (ii) Allotment of funds (Central Assistance, State Fund and other fund, if any);
  - (iii) Finalisation of Budget Estimates by BFC;
  - (iv) Re-appropriation;
  - (v) Re-distribution;
  - (vi) Control of expenditure;
  - (vii) Monitoring revenue receipts of the department and identifying additional sources of revenue;
  - (viii) Scrutiny of proposals for new service/new item of expenditure;
  - (ix) Scrutiny of proposals for supplementary estimates;
  - (x) To ensure that no Government money is kept out of the Consolidated Fund of the State and expenditure is incurred only by withdrawing funds from the Consolidated Fund through budgetary process and
  - (xi) To ensure that no money is kept by the department/undertaking in any fund/account without the approval/knowledge of the Finance Department.

A handwritten signature in blue ink, followed by the date '4/2/19' written below it.

- 6.3.2 To ensure that the departmental expenditure does not exceed the authorised grant.
- 6.3.3 To apprise the Head of the Department about excess against the budget provision and shortfall in receipts.
- 6.3.4 To submit to the Finance Department, a statement showing the anticipated flow of funds from the Government of India under central assisted schemes & external aided projects, on quarterly basis.
- 6.3.5 To prepare performance budget for submission to Legislative Assembly where prescribed.
- 6.3.6 To assist in ensuring implementation of instructions of the Government in relation to economy in expenditure.
- 6.3.7 To ensure submission of returns/statements to concerned authorities/organizations for timely reimbursement or release of funds under CSS/Externally aided projects/other schemes and monitor receipt of the funds.
- 6.3.8 To assist in preparation of replies to the Appropriation Accounts and Audit Reports.
- 6.3.9 To ensure maintenance of proper accounts and following of provisions in respect of aid funds or free material received from the GoI or other agencies.
- 6.3.10 To assist the Head of Department in identifying the areas of departmental activities for privatisation and financing of scheme activities from the resources other than budgetary support.
- 6.3.11 To ensure that receipt of aid in form of money or kind is properly accounted for in the government accounts.
- 6.3.12 He will be mandatorily associated with proposals for negotiating loan with external agencies.

#### **6.4 CHIEF ACCOUNTING AUTHORITY**

It will be his responsibility to ensure that :

- 6.4.1 Accounts related records in Head office and subordinate offices are maintained as prescribed in the various Accounts Codes/Rules.
- 6.4.2 Accounts and records relating to appropriation, timely preparation of financial statements, Proforma accounts, Profit and Loss Accounts as prescribed are rendered to State Government/Government of India/Accountant General.
- 6.4.3 Cash Books, Store and Stock ledgers are maintained as per prescribed procedure and timely verifications are done.
- 6.4.4 Recovery and payment of all type of loans, advances, refund of unspent balances, timely adjustment of temporary advances is carried out.
- 6.4.5 Proper monitoring is exercised for timely preparation of pension cases.

  
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- 6.4.6 He will be consulted in all pay fixation cases, procurement cases (from the beginning i.e. assessment of demand, deciding terms & conditions of bid, scrutiny etc.). He will monitor cases of theft, fraud, mis-appropriation and apprise HoD of the progress..
- 6.4.7 He will ensure that the material suspense account, cash settlement suspense account and advances are cleared regularly and the payment of purchases made through GeM are made promptly.
- 6.4.8 He will ensure that the monthly accounts are sent by the Department in time and consolidated figures of receipts and expenditures are intimated to the Director, Treasuries & Accounts in time.

## 6.5 CHIEF INTERNAL AUDITOR

As Chief Internal Auditor of the Department, he shall arrange regular and surprise inspections of subordinate offices through internal check parties. He will also carry out such inspections himself. Brief of such inspections should be an item of his quarterly D.O. letter. In case of engineering, works and forest department, divisions and sub-divisions will be inspected from time to time to ensure that facts incorporated in various registers and accounts books are correct and make assessment of proper working of offices and judicious incurring of expenditure. His test checks will include surprise check of collection of revenue, cash balance, store articles, labour payment, imprest cash account etc. He will also ensure that :

- 6.5.1 Accounts of subordinate offices are regularly checked through internal audit parties as per check list prepared and reports mentioning serious irregularities are brought to the notice of Principal Head of Department.
- 6.5.2 Draft paras, Audit Reports, matters relating to Public Accounts/Public Undertaking Committees, A.G. & C.A.G. are attended in time.
- 6.5.3 Pre-audit of bills, wherever such system exists, is carried out effectively.

## 7. POWERS :

### 7.1 Transfers of AAO-II and Junior Accountant :

FA/CAO shall be competent to transfer AAO-II/Junior Accountants within the Department at the same station in consultation with Director of Treasuries and Accounts, Rajasthan, Jaipur subject to the observance of the general policy of transfer of accounts personnel and restrictions imposed by the Government from time to time.

  
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7.2 Approval of programme of Internal audit parties :

Four programmes of the internal audit parties of the Department will be approved by him and he will ensure that parties are fully utilised in carrying out regular checking of the accounts of the Department and subordinate offices.

7.3 Writing of Annual Performance Appraisal Report of CAO/Sr.AO/ AO:

FA/CAO shall be reporting officer with regard to APARs of Sr.AO/AO posted in the Department. If they are posted in subordinate offices the report will be written by Regional Officer where they work and reviewed by FA/CAO. APARs in both the cases will also be reviewed/countersigned by the Head of Department.

7.4 Review of APAR of AAO-I/AAO-II/Divisional Accountants/Junior Accountants:

The Head of office shall write APAR of AAO-I, Divisional Accountant, AAO-II, Jr. Accountant. The Head of the Finance & Accounts wing shall review these reports as per procedure laid down by Director Treasuries & Accounts and send APAR to the Director of Treasuries and Accounts, Rajasthan along with his remarks, if any.

7.5 Administrative Control over the staff dealing in accounts :

The Head of the Finance & Accounts will exercise general administrative control over the Accounts establishment and revenue collection staff viz. Assistant Accounts Officers, Divisional Accounts Officers, Divisional Accountants, Junior Accountants, Store Keepers, Ledger Keepers etc. posted in any branch of the Department to secure effective and efficient financial administration in the Department.

7.6. Distribution of duties :

The Head of the Finance & Accounts wing organisation in the Department shall distribute the work and assign the duties to all Accounts personnel in the Department/undertaking, autonomous bodies etc.

7.7 Powers of FA/CAO/Sr.AO/AO to waive objections or to forgo recovery of irregular expenditure :

The FA/CAO/Sr.AO/AO posted in the Department shall have powers to waive objections or to forgo recovery of irregular expenditure upto the amount and restrictions mentioned in the delegation of financial powers.

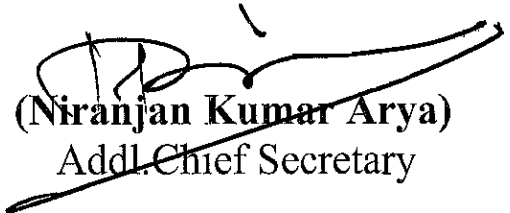
7.8 He may disallow payment detected in internal check/audit of the department as unauthorised and direct the Drawing and Disbursing officer and the concerned Treasury Officer to recover the amount from the government servant and refuse to pay it in future till authorised.

7.9 As Treasury Officer, he shall discharge duties and responsibilities as per provisions of Rajasthan Treasury Rules and directions issued by FD/DTA from time to time.

**Note :** The term Accounts Officer includes FA/CAO/Sr.AO/AO and where more than one officers are posted, the above contents and instructions shall be applicable to the senior most accounts officer only, who alone shall be regarded as Head of the Finance and Accounts wing of the Department and all other accounts personnel shall function under his control.

Above mentioned role and functions will supplement the duties and responsibilities mentioned in Appendix-4 of GF&AR Part I and various other circulars issued by the Finance Department from time to time.

Encl : Annexure

  
(Niranjana Kumar Arya)  
Addl.Chief Secretary

**Copy forwarded for information and necessary action to:**

1. P.S. to Hon'ble Governor/C.M./All Ministers/State Ministers.
2. P.S. to Chief Secretary/All Addl.Chief Secretaries.
3. P.S. to All Principal Secretaries/Secretaries/Special Secretaries.
4. Chairman/CMD/MD/Heads of all PSUs/Boards/Corporations/Autonomous Bodies.
5. Secretary, Rajasthan Legislative Assembly, Jaipur.
6. Secretary, Lokayukta Sachivalaya, Jaipur.
7. Secretary, Rajasthan Public Service Commission, Ajmer.
8. All Joint Secretaries /Deputy Secretaries/ Sections of the Secretariat.
9. Registrar, Rajasthan High Court, Jodhpur/Jaipur.
10. Principal Accountant General (Accounts/ Entitlement/ Civil & Acctt./ Audit) Rajasthan, Jaipur.
11. All Heads of the Departments/ All Divisional Commissioners/ Collectors.
12. Director, Treasuries and Accounts, Rajasthan, Jaipur.
13. All FAs/CAOs/Treasury Officers.
14. All officers of Rajasthan Accounts Service.
15. Registrar, Rajasthan Civil Service Appellate Tribunal, Jaipur.
16. Technical Director, Finance Department to publish this Memorandum on FD website.

  
(Ushaspati Tripathi)

Joint Secretary to Government

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Suggestive contents of quarterly D.O. letter

- Position of Funds' Management in the department :
  - expenditure vis-a-vis budget allocations
  - collection of revenue vis-a-vis targets
  - recovery of outstanding dues, advances
  - identification of additional resources of revenue
- Comments on overall financial health/position of the department as the representative of the Finance Department.
- Status of observance of Acts/Rules/Orders/Circulars etc. of the Finance Department (mention deviation, if any).
- Mention if you have not been consulted in any financial/accounts related matter.
- Any reported case of fraud, mis-appropriation, loss etc.
- Position of Internal Audit of subordinate offices.
- Any major irregularity observed or reported and action taken thereon.
- Inspections, field visits done.
- Position of vacancies of Accounts related staff viz. AOs, AAOs, Jr. Accountants etc.
- Any important matter of department pending in FD.
- Any Innovation initiated (which can be replicated elsewhere also).
- Any other issue/suggestion/problem.

  
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