

**Guidelines for presentation of request
for Finances for the Fiscal Year 2009**

My No: NP/09/BD/2008
Provincial Treasury,
Northern Province,
Trincomalee.
5th March 2008.

Provincial Treasury Circular No:PT/08/2008

Secretaries,
Deputy Chief Secretaries,
Heads of Departments,
Northern Province.

ASSESSMENT OF FINANCIAL NEEDS
FOR THE FISCAL YEAR 2009

Finance Commission has sent a Guide Line for the above and requested to comply with its instructions.

1. This Provincial Council solely depends on the Grants received from the General Treasury for its smooth functions. Hence it is the responsibility of Secretaries and Heads of Departments to justify the needs of the sectors so that Finance Commission will be able to recommend the required amount to the General Treasury.
 - 1.1 Preparation of Revenue Estimate will not arise as this Provincial Council does not collect Revenue.
2. Expenditure Estimate has to be prepared for the following two categories:
 - 2:1. Recurrent Expenditure
 - 2:2. Capital Expenditure

2:1. Recurrent Expenditure

2:1:1. Staffing and Personal Emoluments

2:1:2. Other Recurrent Expenditure

2:1:1. Staffing and Personal Emoluments

2:1:1:1. Salary of Provincial Council Staff

2:1:1:2. Salary and Reimbursement of Local Authority Staff

For the above a set of Forms have been introduced by the Finance Commission. Copies of which are annexed herewith.

2:1:1:1. Salary of Provincial Council Staff

Based on the Approved Cadre this estimate should be prepared. Details of Approved Cadre will be distributed in due course before preparing the Draft Estimate. It is being justified by the Finance Commission now. Once it is approved by the Management Service Department we will be able to prepare the Draft Estimate. Until such time you are requested to collect the data of the Living Cadre in the annexed formats.

2:1:1:2. Salary and Reimbursement of Local Authority Staff

This Estimate has to be prepared into following three categories:

2:1:1:2:1. Positions approved by Management Service Dept. and salary reimbursed by the Government.

2:1:1:2:2. Positions approved by Local Authority and Salaries paid by the Local Authority.

2:1:1:2:3. Positions approved by Management Service Dept. on the basis that the Local Authority pays the salary.

2:1:2. Other Recurrent Expenditure

2:1:2:1. Maintenance Expenditure

We have to justify the maintenance expenditure of the following in the annexed format (Form FI).

- 2:1:2:1:1. Road Maintenance
- 2:1:2:1:2. Building Maintenance (All Sectors)
- 2:1:2:1:3. Tank Maintenance

2:1:2:2. Transfer Expenditure

It is being prepared based on the beneficiaries. In case the Road Maintenance comes under Authority, estimate is being prepared under object code 1503. In this Provincial Council Road maintenance is under Road Development Department. Hence it is not necessary to estimate under 1503 for Road Maintenance.

2:1:2:3. Expenditure on Supplies

It is being prepared based on No. of employees and No. of persons entitled.

2:2. Capital Expenditure

This estimate is being prepared under the following categories:

- 2:2:1. Provincial Specific Development Grant
- 2:2:2. Criteria Based Grant
- 2:2:3. Matching Grant

In determining the capital expenditure needs of the sector the Secretaries and Heads of Departments shall follow the need analysis steps that were followed last year. Initially the Five Year Development Plan of the sector be updated according to the guidelines given. In line with the **Strategic Result Areas** determined for the Provincial Administration, the respective sector shall appropriately identified their **Key Result Areas** and services to be provided under each Key Result Area and this can then be appropriately presented in the format proscribed by the Finance Commission.

2:2:1. Provincial Specific Development Grant

After assessing broader needs resources available and identifying activities that could be accommodated under any other source of funds, determine the activities that have to be carried out under PSDG. As you are already aware, the need for any new services and expansion of services should be carefully determined in deciding the activities under PSDG. Specimen format for this purpose is annexed herewith.

2:2:2. Criteria Based Grant

It will be allocated in terms of Finance Commission Guideline FC/2/2004 dated 5th September 2003.

2:2:3. Matching Grant

This Provincial Council does not receive this grant as this Council does not collect any revenue. It is allocated against revenue collection. Hence it is not applicable to this Provincial Council.

Calendar for the presentation is annexed herewith.

S.Rangarajah
Chief Secretary

Copy to : 1. Hon.Governor, Northern Province. }
 2. Secretary, Finance Commission, Colombo. } For information pl.

CALENDER FOR PRESENTATION OF REQUEST FOR FINANCES

Serial No.	Document	Form No.	No.of Copies	Date of Submission
1	Estimate for Financial needs by Project	A	3	15.05.2008
2	Estimate for Financial needs by Programmes	AI	3	15.05.2008
3	Estimate for Financial needs by Heads	AII	3	15.05.2008
4	Recurrent Expenditure Summary By Head/Pro/Proj.	AIII	3	15.05.2008
5	Cadre Summary & Recurrent expenditure By Head/Pro/Proj	AIV	3	15.05.2008
6	Recurrent Exp. Summary By Head comp.with years	AV	3	15.05.2008
7	Recurrent Exp. Summary By Object comp. with years	AVI	3	15.05.2008
8	Employment Summary by Programme	B	2	15.04.2008
9	Employment Summary savings by retirement	BI	2	15.04.2008
10	Employment Summary - Other staff	C	2	15.04.2008
11	Personal Emoluments with Cadre by object	D	2	15.04.2008
12	Personal Emoluments Summary/ Cadre - Request 2009	DI	2	15.04.2008
13	Personal Emoluments Summary/ Cadre – Estimate 2008	DII	2	15.05.2008
14	Personal Emoluments Summary/ Cadre – Actual 2007	DIII	2	15.05.2008
15	Personal Emoluments with Cadre – Local Authority by Post	E	2	15.04.2008
16	Personal Emoluments with Cadre – Local Authority by Authority	EI	2	15.04.2008
17	Summary of Maintenance Expenditure by Head	FI	2	01.05.2008
18	Summary of Transfer Expenditure by Head	FII	2	01.05.2008
19	Summary of Expenditure on Supplies by Head	FIII	2	01.05.2008
20	Capital Expenditure Proposals – PSDG by Head	G	3	15.04.2008
21	Revenue Estimate by Revenue Head	H	3	15.04.2008
22	Imprest Reconciliation as on 31.12.2007	I	2	15.04.2008

Specimen Format

DRAFT ESTIMATE FOR 2009 - NORTHERN PROVINCE CAPITAL EXPENDITURE

Sector : **Agriculture**

Main Component (KRA)

1. Improve the productivity of crop lands

Activity Areas (Service)

1. Introduction of new Technologies
2. Crop zoning
3. Improve the knowledge of farmers and officers
4. Guarantee the availability of quality seeds and planting materials.
5. Protected agriculture.
6. Soil and water conservation.
7. Crop diversification.
8. Introduction of new systems and methods to cultivate abandoned lands.

Expected outputs

1. Farmers are using modern Technologies for farming.
2. Appropriate cultivations have been introduced by clusters and Zone wise.
3. Skillful and knowledgeable farmers are engaging with agriculture.
4. Good quality seeds and planting materials are available.
5. Properly conserved land and water system are available

List of Activities	Estimate Rs.	Source of Funds
New		
1. Farmer Training and awareness programme	xxxxxx	PSDG
2. Establishment of protected agriculture units	xxxxxx	
3. Distribution of plants and seeds	xxxxxx	
4. Provide assistance to nurseries and seeds produces	xxxxxx	
5. Assistance for soil conservation	xxxxxx	
Continuation		
1.	xxxxxx	
2.	xxxxxx	
Total Estimate	XXXXXX	