

# **HIGHLIGHTS ON ACCOUNTABILITY FOR PUBLIC FUNDS**

**By**

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# Regulatory Framework

This Presentation is a summary of key Accountability procedures as extracted from relevant laws, policies and procedures that govern public financial management including but not limited to;

- Public Finance Management Act 2015
- Universities and Other Tertiary Institutions Act
- Treasury Instructions 2017
- Makerere University Financial Manual 2014 among others.

## Cont'd

- Section 10 paragraph 10.20.11 and 10.20.12 of the Treasury Instructions, 2017, requires all advances to be retired as soon as the necessity for their use ceases to exist or within sixty (60) days upon completion of the activity or by closure of business of the last working day of the financial year in which the advance was issued.
- The Makerere University Financial Procedures Manual 2014 under section 4.6.4 enjoins staff to account for all advances received within 14 days of the completion of the activity and in any case not later than 60 days.

## NOTE:

- ▶ Proper accountability should be preceded by proper planning and budgeting
- ▶ Requisitions for expenditure should be clear and well elaborated
- ▶ Funds should be used only for purposes for which they were requisitioned except with prior authorization to change the purpose.

# Categories of Advances

Staff advances are categorized into;

- ▶ Operational Advances
- ▶ Research advances
- ▶ Petty Cash

# ACCOUNTABILITY PROCEDURE

- ▶ Accountability shall be made in a prescribed form.
- ▶ Accountability documents are received by the Accounts Staff of the College and checked for completeness and compliance.
- ▶ Accountability documents are forwarded to Internal Audit/ Examination section, (depending on the amount), for verification and clearance.

# Procedure Cont'd

- Up on verification, the accounts office issues a Journal Voucher to staff who has accounted.
- Un cleared accountabilities are returned to the staff accounting and guided accordingly.
- Where it is not possible to account within the mandatory period, explanation is given to the unit head and authority for extension is granted in consultation with University Secretary / University Bursar.

## Procedure cont'd

- ▶ Partial accountability are admissible for on going activities whose advances have gone beyond mandatory period and permission has been granted for extension.
- ▶ Duty bearers (Admin/accounts) shall send at least 3 reminders to staff with outstanding advances before embarking on recovery measures.



# Accountability Checklist

1. Accountability made in a prescribed form
2. A copy of the payment voucher for the funds being accounted for.
3. A copy of journal voucher confirming clearance of the previous advance
4. Activity/physical performance reports confirming that activities were actually performed
5. In case expenditure is in a different currency, an exchange rate receipt should be attached

## Check list .....

6. Documents should be in original form or certified copies
7. For Travel accountability, original boarding passes is must
8. Accountability should be properly sanctioned by the designated officers
9. In case of refunds, prior authorizations to spend should have been obtained
10. Un spent balances should be refunded following the procedure for refunds

# CONSEQUENCES OF FAILURE TO ACCOUNT FOR FUNDS

- ▶ Withholding further advances;
- ▶ Disciplinary action according to the Law.
- ▶ Recovery from the payroll

# REFUNDS

## (CATEGORIES OF REFUNDS )

Refunds fall under two categories;

1. where staff have used their own money to facilitate University activities and need to be reimbursement
2. where part of the funds advanced have not been utilized and need to be refunded

# PROCEDURE FOR REFUNDS TO STAFF

- ▶ Staff must have got clearance from the accounting officer or designated staff to utilize their own money
- ▶ An accountability of the utilized funds must have been cleared by internal audit/examination following the accountability procedures
- ▶ The cleared documents submitted for payment following the payment procedures