



Government of Sindh Finance Department

Medium Term Budgetary Framework (MTBF 2010-13)

Guidelines & Budget Call Circular 2010-11

**(Irrigation & Power Department,
Education & Literacy Department)**

URGENT / IMMEDIATE



No. FD/B&E-1/4-1/59/BCC/2010-11
GOVERNMENT OF SINDH
FINANCE DEPARTMENT
Karachi, dated the 25th November, 2009

From: Dr. Fazlullah Pechuho
Secretary to Government of Sindh

To:

1. The Additional Chief Secretary, Government of Sindh, Planning & Development Department.
2. Secretary Irrigation & Power, Government of Sindh
3. Secretary Education & Literacy, Government of Sindh
4. All Heads of Attached Departments / Chief Engineers, Irrigation & Power Department
5. All Heads of Attached Departments, Education & Literacy Department
6. All District Coordination Officers in Sindh

Subject: **MEDIUM TERM BUDGETARY FRAMEWORK (MTBF):
GUIDELINES AND BUDGET CALL CIRCULAR 2010-11 FOR PILOT
DEPARTMENTS, i.e. IRRIGATION & POWER AND EDUCATION &
LITERACY.**

Sir,

1. I am directed to refer to the subject cited above and to state that the **Finance Department has initiated reforms under Medium Term Budgetary Framework (MTBF) beginning FY 2010-11. The reforms will be implemented in Pilot Departments of Irrigation & Power (I&P) and Education & Literacy in the Province during this year.**
2. Technical Assistance for pilot implementation is provided by PFM Consulting (Pvt.) Ltd. (PFMC) through Economic Reform Unit (ERU), Government of Sindh. Since the MTBF envisages an approach different from the one followed under conventional budgeting, a separate set of guidelines and budget preparation forms have been developed to facilitate the pilot departments and their related spending units for smooth transition.
3. This change carries within itself the potential of transforming governance in the two departments and places at their disposal a more flexible budgeting system that can help them align operations with policies over a three-year frame work.

4. Pilot Departments are being provided indicative ceilings for the next three years for both Current and Development budgets. These ceilings are provided as guidance only. Budget review meetings would be held involving the Finance Department, Pilot Departments and Planning & Development Department in which final budget ceilings would be agreed.
5. Some preliminary work has already been done to facilitate the transition. Finance Department will continue to provide all possible assistance to facilitate the switchover to the new system.
6. The Pilot Departments will prepare budget estimates for next 3 FYs using MTBF Forms annexed.
7. Issuance of this Budget Call Circular (BCC) will be followed by a series of workshops and subsequent technical support for the budget and accounts staff of the two departments and their spending units over the coming weeks.
8. The Guidelines and BCC in the following pages explain in sufficient detail the concepts involved and provide guidance for conversion to the new system.
9. MTBF Forms along with form filling instructions are included in this document. In addition, MTBF BCC includes the following forms as annexure:
 - i. Budget Calendar for the year;
 - ii. Format of Receipts Estimates to be filled by the Pilot Departments / Attached Departments, with instructions relating to the completion of this formats according to New Accounting Model;
 - iii. Proforma for indicating details of Posts / Employees;
 - iv. Format for Supplementary Budget Statement;
 - v. Format for Budget Re-appropriations Statements;
 - vi. Format for Budget Surrender Statement; and
 - vii. Format for Performance Targets.

In addition to providing estimates of Receipts for 2010-11, the Pilot Departments will also provide projections for two additional years, i.e. 2011-12 and 2012-13.

10. The Provincial Level Departments (Non-devolved departments) may send Revised Estimates 2009-2010 and Budget Estimates for 2010-2011 Drawing and Disbursing Officer wise to the Section Officer (B&E) / Section Officer (Res) / Section Officer (Dev) concerned, Finance Department, Sindh Civil Secretariat, Karachi. It is requested that:

- a) The Budget Calendar dates must be strictly adhered to.
- b) Administrative Departments must scrutinize the budgets (Expenditure & Receipts) of the attached departments/ sub-ordinate offices and prioritize it before forwarding to Finance Department.
- c) Current financial year expenditure must be indicated on actual basis rather than estimated basis to avoid any distortion.

- d) POL and Telephone estimates must be accompanied by detailed statement indicating Rank of officer, Entitlement of Vehicle / Telephone, and Ceilings for making budgetary allocations.
 - e) Departments must carry out a detailed exercise to assess their needs for the next financial year instead of referring matters for supplementary or additional grants sanctions at the outset of financial year.
 - f) While formulating budget estimates, the Administrative Departments may determine performance targets for their field offices / attached departments to work out budgetary requirements.
 - g) The need for recurring budget for the Project that is likely to be completed during current financial year must be finalized by December 31, 2009 and may be sent to Finance Department alongwith PC-IV and handing / taking over certificate.
 - h) The Budgetary allocations for development schemes transferred to non-development side shall be temporary for one year and shall be merged with regular budget subject to necessary pruning.
 - i) The Budget Call Circular shall be prepared by the DDOs both in the case of Budget for Current Expenditure and Development Expenditure as per the instructions provided.
11. Finance Department observe that while submitting SNE (New) proposals, the following details/information are not generally furnished by the Administrative Departments with the result that difficulties are being faced in the SNE meetings:
- i) Details of existing vehicles with year of purchase and those purchased during last three years from Development and Non-development Budgets as well as designation of officers to whom such vehicles have been allotted.
 - ii) Condemnation Certificate of existing vehicles for purchase of new vehicles in replacement thereto from Motor Vehicle Inspector.
 - iii) Details of existing sanctioned strength of posts and those created during last three years with sufficient justification for establishment of new offices and financial implication PUA-wise.
 - iv) Details of existing Physical Assets (other than vehicles) such as Hardware, Machinery and Equipments, Furniture and fixtures etc. with year of purchase and those purchased during last three years indicating budgetary provisions of Development and Non-development Budgets.
 - v) In case of SNE Proposals in respect of District Governments for creation of posts and other expenditure;

- a) Commitment from respective District Governments that expenditure involved would be borne by such District Governments from their own budget/resources.
- b) Certificate that expenditure from a Fund of a Local Government on new posts or filling of existing vacant posts or total establishment expenditure, as the case may be, in a financial year shall not increase more than ten percent in total from the actual establishment expenditure of the previous year. as per Section, 109 (5) of SLG02001.”
- c) Copy of the PC-I (each Scheme) duly approved by the competent forum along with copy of administrative approval duly authenticated by the Finance Department.
- d) PC-IV of the completed Schemes duly cleared by the P&D Department. Govt. of Sindh, Karachi.
- e) NOC from D.C.O./ E.D.O. (F&P) to bear the expenditure from District Government Budget (Scheme wise).
- f) Demand of Vehicles (if any) along with procedure adopted by the Department as provided under Staff Car Rules.
- g) SNE (New) proposal (if any) on the above lines -n respect of all Schemes.

12. SNE (New) proposals for District Based Educational Institutions should invariably contain following supporting documents / information for scrutiny in Finance Department.

- a) Notification issued by the competent authority regarding up-gradation of Primary to Middle, Middle to High and High to Higher Secondary Schools
- b) Criteria for up-gradation of schools.
 - i. Primary to Middle Schools.
 - ii. Middle to High Schools.
 - iii. High to Higher Secondary Schools.
- c) Enrolment of schools (Class-wise) before up-gradation and after up-gradation.
- d) Construction of shelter less Primary Schools:
 - i. No. of Class Rooms.
 - ii. Enrolment (class-wise)

13. Finance Department shall make necessary budgetary allocations depending on the resource availability as well as overall commitments of Government of Sindh and not on the basis of Budget proposals forwarded by the Administrative Department. Finance

Department may reduce existing appropriations or delete an appropriation if the Departments do not meet the target dates.

14. The time-schedule has been fixed for the submission of Revised Estimates 2009-10 and Budget Estimates 2010-2011 in respect of Expenditure and Receipts of the Provincial Government. Administrative Departments are requested to coordinate in preparing the estimates of the different estimating authorities (DDOs) according to the existing format and submit verified split (DDO-wise) and consolidated estimates to Finance Department.

15. I would personally request Principal Accounting Officers / Administrative Secretaries of the Pilot Departments to support this reform initiative and do not hesitate to contact the Budget Wing and MTBF Cell at ERU of the Finance Department for clarification and assistance.

Yours sincerely

(ABDUL QADIR)
Section Officer (B&E – I)
For Secretary to Govt. of Sindh
Ph. 021-99206520

No. FD/B&E-1/4-1/59/BCC/2010-11

Karachi, dated the 25th November, 2009

A copy is forwarded for information and necessary action to:-

1. The Secretary to Chief Minister Sindh
2. The Additional Secretary (Staff) to Chief Secretary Sindh
3. The Accountant General, Sindh, Karachi.
4. The Director General , PIFRA, Karachi.
5. The Director General, Audit, Sindh Karachi.
6. The Director, Local Fund Audit, Sindh, Karachi
7. All Officers in Finance Department, Government of Sindh.
8. All District Accounts Officers/Treasury Officers in Sindh

(ABDUL QADIR)
Section Officer (B&E – I)

Glossary of Terms

Activity	A set of specific tasks undertaken to achieve a specific output (See <i>Output</i> below).
ADP	Annual Development Plan
AO	Accounts Officer
Baseline Budget	Baseline Budget for the purpose of these guidelines is defined as three-year projections of current and development budget estimates assuming that there is no change in 'policy'. Policy means that inputs / resources / initiatives available to the Department are at a constant level, except for unavoidable increases on account of inflation, or staff salary enhancements, or changes envisaged in PC 1's under implementation and further there is no change in projected strategy or approaches to service delivery or business of the Department. Baseline Budget assumes that no new programs are established.
BCC	Budget Call Circular
BE	Budget Estimates
BPOs	Budget Preparing Officials
Core Team	Team (of officials) established in the MTBF Departments to oversee MTBF implementation
DDO	Drawing & Disbursing Officer
E&L	Education & Literacy
ERU	Economic Reform Unit
FD	Finance Department
FE	Foreign Exchange
FY	Financial Year
Goal	Goal is a summary of overall objectives to which a Department is aspiring.
Indicative Budget Ceiling	Budget ceilings as given in this Budget Call Circular.

Input	Resource required to undertake an activity that ultimately contributes to an output. For example, personnel engaged, equipment and material used in relation to an activity/output.
I&P	Irrigation & Power
LCY	Local Currency
LD	Line Department
MTBF	Medium Term Budgetary Framework: The new concept of budgeting as explained in these guidelines
MTBF BCC	Medium Term Budgetary Framework Budget Call Circular
MTBF Cell	A Cell established in FD to support MTBF implementation. Separate MTBF Cells also exist (with dedicated MTBF Team members) at the MTBF Departments.
MTBF Department(s)	Line Departments of Government of Sindh which have switched over to MTBF mode of planning and budgeting namely Education & Literacy Department and Irrigation & Power Department.
MTBF Team MTFF	Consultants working to assist in implementing MTBF Medium Term Fiscal Framework
Other Departments	Line Departments of Government of Sindh who have not switched over to MTBF mode of planning and budgeting (all Departments <u>other than</u> Education & Literacy Department, Irrigation & Power Department)
Outcome	A result. Some results are immediately measurable and can be directly related to an output. Other outcomes come about after long periods of time and may be the result of other influences. A drop in incidence of childhood diseases as a result of immunization program is an outcome. Similarly, an increase in crop productivity as a result of better irrigation practices is also an example of outcome.
Output	A measurable or quantifiable target that is expected to be achieved through utilization of funds in a specific period. For instance delivering immunization to 1 million children in 12 months is an output.

P&DD	Planning & Development Department
Regular Budget Call Circular	Budget Call Circular other than MTBF Budget Call Circular
S-1, S-2, S-3	Forms included in this Call Circular for preparing MTBF estimates 2010-13. (“S” for ‘Spending Unit’)
SNE	Schedule of New Expenditure
Sector	Jurisdiction assigned to a Department
Rapid Sector Review	A structured analysis of a Sector that takes into account the past trends and future requirements of funds. A Rapid Sector review with support from GoS will be conducted by the MTBF Departments.

Government of Sindh

Finance Department

Section I

Medium Term Budgetary Framework Guidelines

I Purpose of the Guidelines

1. The purpose of these Medium Term Budgetary Framework Guidelines (the Guidelines) issued by the Finance Department (FD) is to facilitate and guide those Departments of Sindh Government which are switching over to a Medium Term Budgetary Framework (MTBF). At this stage the Guidelines are being issued to the two pilot departments under a Technical Assistance through ERU, Government of Sindh..
2. The Provincial Departments which will be covered in the Pilot Implementation of MTBF comprise of Irrigation & Power (I&P) and Education & Literacy. A MTBF Team has been raised to assist these Departments on smooth transition. Core Team has also been nominated separately in these Departments. This team will work closely with all the stakeholders to achieve the desired goal.
3. MTBF reforms are also being undertaken at Government of Pakistan under which selected federal ministries and Divisions are already preparing their budget estimates on MTBF format. These estimates are developed using a detailed process and methodology that define specific steps to be performed at specific stages in the budget cycle. The MTBF process and methodology have also been consulted for developing Guidelines for the Provincial MTBF.

II What is MTBF?

4. MTBF, as the term itself implies, involves increasing the length of the budgetary cycle to more than one year, normally three years, but can be four to six years. The basic question is why is this time frame increased? The answer to this question holds the key to MTBF reform. The multiyear budget horizon provides Departments the space and flexibility they need to formulate, plan and implement policies that focus on service delivery or ‘outputs’.
5. To be an effective instrument of financial management, the government budget must in the first place be credible. To be credible, the expenditure program must be sustainable at least over the medium term. Moreover, the budgeting system

should provide a strong link between government policies and the allocation of resources through the budget and, because most policies cannot be implemented in the short term, a multi-year fiscal perspective is necessary

III How is MTBF different form traditional budgeting?

6. Before making an attempt to implement MTBF, it is crucial for all levels of an implementing Department to understand the basic difference between the existing system of budgeting and the changes that should be part of the MTBF reform.
7. Traditional Budgeting in vogue in the Province has the following features:
 - a. Budgeting is for one Financial Year (FY);
 - b. Budget is split into a current component and a development component;
 - c. For current budget the basis of estimation of costs is historical or purchase costs which are estimated item by item leading to line totals comprising of a number of items e.g. salary estimation of an office is based on rates of different allowances (items) multiplied by the number of people drawing each allowance, all such items being totaled up;
 - d. For Development budget the estimates are developed in PC-1 format and resource needs are worked out over a 3-5 year period depending upon the requirements of project implementation. The quality of estimation varies from project to project. However, actual annual budget allocations may not necessarily follow PC-1 estimates;
 - e. The process of cost estimation is largely on incremental basis;
 - f. The focus is on what resources are needed by the organization or on 'inputs'.
8. Traditional budgeting is very common and has the following strong points:
 - g. It is simple to understand, apply and remains well embedded in our system;
 - h. It is control oriented and provides a basis for the management to control its resources;
 - i. It is easy to focus on one year for planning and estimation;
 - j. Employees, especially those assigned the duty to prepare budget documents, are very familiar with it;
 - k. It works well with cash basis accounting systems.
9. In recent years the following factors have been viewed as being serious enough to outweigh the advantages of traditional budgeting:
 - l. Public organizations are increasingly expected to clearly define services that they provide to the public;
 - m. Organizations should therefore plan in terms of outputs they will deliver and how they will deliver them. Inputs or budgeted resources are the means to deliver outputs;
 - n. Since expectations are many but resources are limited, organizations must have clear-cut polices about what services they would provide. This calls for prioritization between different options and the development of strategic plans;

submit budget estimates for the year 2010-11 and forecast for 2011-12, 2012-13 to Finance Department.

14. The following clarifications may be made to explain the nature of the work being undertaken through the MTBF in collaboration with the two pilot departments:
 - a. The MTBF is in implementation phase only in the two pilot departments. The budget of the other departments of Sindh Government will remain on annual basis till such time that a decision is taken to extend the application to certain other or all departments.
 - b. The Constitution of Pakistan expects that budgetary estimates be brought before the Provincial Assembly for approval for one year. This does not, however, prevent the Provincial Government to estimate the expenditure for 3-5 years and lay that information before the Provincial Assembly for information purposes only, while seeking authorization only for one year;
 - c. Following (b) above, the Pilot Departments will prepare estimates for 3 years (2010-13) which will be presented to the Provincial Assembly as additional information. The Assembly will, however, be requested to approve the estimates for 2010-11 in respect of pilot departments along with other departments.

V Budget Call Circular

15. At this point it is also important to clarify that regular Budget Call Circular is being issued to all Departments other than I&P and Education & Literacy (the Pilot Departments). These Pilot Departments shall prepare the budget estimates (FY 10-11, 11-12, 12-13) using the guidelines provided in this document. The figures for FY 10-11 so arrived will 'feed in' into the Schedule of New Expenditure of the Annual Budget (2010-11) and printed in the Annual Budget Books. The three-year estimates developed by the Pilot Departments will be printed as additional material.

VI Capacity Development

16. Issuance of Budget Call Circular will be followed by a series of workshops to be organized for budget and accounts staff of the Pilot Departments and their spending units in due course of time. Department wise schedules for the workshops will be drawn up and communicated through the Core Team to all concerned. The MTBF Team will provide critical assistance in this respect. This assistance will be further reinforced by visits of the MTBF Team at the respective spending units for hand holding purposes.

VII Indicative Budget Ceilings

17. FD in consultation with P&D will issue estimated indicative budget ceilings for Current and Development Budgets over the medium term (2010-13) for the two Pilot Departments.
18. It may be noted here that the ceilings as communicated are indicative only and would be adjustable in light of the baseline budgets submitted by the spending units / departments. This would be done in a sequence of steps to be followed under a specific process of MTBF implementation as explained in Para VIII below.

VIII Process for implementation of MTBF

19. The process of implementation of MTBF is visualized as a 3 Step process in which one step leads logically into the next step. The budget under MTBF will cover FY 2010-11 (Y-1), 2011-12 (Y-2) and 2012-13 (Y-3). This means that for next budget cycle the MTBF Pilot Departments will prepare and submit budget estimates for the FY 2010-11 and forecast for FY 2011-12 and FY 2012-13. The three Steps of MTBF process are defined as follows:

20. Step 1 Determination of Outputs and Baseline Budget² for FY 2010-13

- a. This step would be essentially a ‘bottom-up’ cum analytical phase of the process;
- b. Core Team with support from MTBF Team will conduct a Rapid Sector Review. This Review will be submitted to the top management of the Department and will help the management in informed decision making and determining the sector priorities in the medium term. An outline of this Review is prescribed in Annexure VI.
- c. Along with Rapid Sector Review, line Departments shall also work on developing budget baselines. MTBF Forms have been designed (which are named sequentially as S-1, S-2 & S-3) and will be used by the Spending Units for providing baseline estimates and key operational information of their respective organizations. The spending units will determine outputs (or services) that they plan to deliver over the medium term. These outputs will provide basis for developing budget estimates. At this stage, generic forms are given in the Budget Call Circular. (See Annexure IV). Once this Budget Call

² Baseline Budget for the purpose of these guidelines is defined as three-year projections of current and development budget assuming that there is no change in ‘policy’. Policy means that inputs / resources / initiatives available to the Department are at a constant level, except for unavoidable increases on account of inflation, or staff salary enhancements, or changes envisaged in PC 1’s under implementation and further there is no change in projected strategy or approaches to service delivery or business of the Department. Baseline Budget assumes that no new programs are established.

Circular is issued to the Departments, these forms are likely to be customized according to the nature and business of Department / spending units by the respective Budget & Planning Sections of the Departments in consultation with MTBF Team.

- d. Information gathered through MTBF Forms (S-1, S-2 and S-3) will be consolidated for determination of Baseline Budget. MTBF forms will be circulated to Budget Drawing and Disbursing Officers (DDOs) and Accounts Officers (AO's).
- e. For Current budget, estimates will be based on outputs planned in the medium term, prior spending trends adjusted for inflation and salary changes;
- f. For Development budget, projected expenditures according to PC-1s (Medium Term Development Framework) will be used as a 'guiding principle' for estimating expenditure;
- g. MTBF forms will also assist in creating budget and consequently spending with policy objectives over a three year period;
- h. The consolidated estimates developed from MTBF forms would constitute the 'Baseline Budget' for MTBF i.e. three years, 2010-11, 2011-12, and 2012-13;
- i. Baseline Budget shall provide a 'benchmark' against which the cost of new policy proposals/initiatives will be compared;
- j. Baseline Budget estimates will be submitted by the Departments to FD.

21. Step 2 Finalization of Agreed Budget Ceiling

- a. To crystallize 'Top-Down' concept of budgeting under MTBF, indicative budget ceilings are being provided to Line Departments as a ball park figure of resource availability. The objective of this Step is to describe the process that finalizes these 'indicative budget ceilings' into 'agreed budget ceilings' using the Baseline budgets developed and Rapid Sector Review.
- b. This would be an interactive phase involving the Pilot Departments, FD and Planning & Development Department. The interaction will not necessarily be restricted to one meeting but may involve a series of meetings;
- c. On the basis of Baseline Budgets (for 2010-11, 2011-12, and 2012-13) and Rapid Sector Review discussions will be held between the Departments, P&D and FD to determine whether indicative budget ceilings are adequate enough to meet the funding requirements of Departments. These discussions would provide both line Departments and central Departments to appreciate the needs and limitations of each other and enter into a constructive budget dialogue. The objective would be to provide the MTBF exercise a firm

grounding in reality both in terms of spending capability and funding constraints;

- d. Once the budget ceilings have been finalized, they would become the Agreed Budget Ceilings

22. Step 3 Finalization of MTBF estimates

- a. This will more or less be a mechanical phase;
- b. The decisions and agreements will be translated into budget documents in the prescribed formats and budget estimates will be prepared based on the Agreed Budget Ceilings;
- c. The figures and estimates arrived at by following Steps 1 to 2 shall be used for filling in Schedule of New Expenditure (2010-11) as prescribed in this MTBF BCC, which is part of this document;
- d. MTBF Statement will also be developed at the completion of the MTBF exercise. The necessary data for the Statement will be captured during Step 1 of the MTBF process. Basic format of the Statement is given in Annexure V.

MTBF Process is also presented diagrammatically in Annexure I & II.

IX MTBF Budget Call Circular & Budget Calendar

23. Budget Call Circular on MTBF format for the Pilot Departments is attached to these Guidelines (Section II). MTBF Cell established in the FD will provide all the necessary assistance and guidance in relation to completing BCC forms and providing explanation whenever sought by the MTBF Pilot Departments / spending units.
24. The Calendar of activities for the period between issuance of BCC and receipt of final response by FD is as follows:

TABLE 1: CALENDAR OF ACTIVITIES FOR PREPARATION OF THE MTBF ESTIMATES

No.	Activities	Responsibility	Completion by (Approx.)
1.	Issuance of MTBF Budget Call Circular to Pilot Departments	FD	25.11.2009
2.	Issuance of indicative Budget Ceilings for Current and Development Budget.	FD/ P&D	05.12.2009
3.	Identification of Sector Priorities (as part of Rapid Sector Review)	Core Team	05.01.2010
4.	Completion of meetings between FD, P&D, Pilot Departments/ DDOs and MTBF Team for preparation of MTBF Baseline Budgets.	Pilot Departments, P&D, FD	15.01.2010
5.	Submission of scheme-wise and preliminary MTBF Baseline Budgets by the DDOs / Development Schemes to the Pilot Departments	Spending Units	31.01.2010
6.	Consolidation of MTBF Baseline Budget proposals at the Planning Section of the Pilot Departments	Budget & Planning Sections of LD	31.01.2010
7.	Submission of Budget for 2010-2013 (Non-development) (Receipts and Expenditure) by relevant Administrative Departments to Finance Department on the prescribed forms	Pilot Departments	31.01.2010
8.	Submission of SNEs (Fresh) & Meetings	Spending Units/ Pilot Departments	10.01.2010
9.	Determination of MTBF Baseline Budget	Pilot Departments	15.02.2010
10.	Submission of scheme-wise and preliminary MTBF Baseline Budgets by the Pilot Departments to the P&D Department	Pilot Departments	15.02.2010
11.	Agreed Budget Ceilings	FD, P&D, Pilot Departments	25.02.2010
12.	Final List of Excesses and Surrenders (Including RE 2009-10/ All Proposals of Re-appropriation)	Pilot Departments	01.02.2010
13.	New Taxation Proposals and Review of existing Taxes/Fees through meetings with Administrative Departments.	FD & Pilot Departments	01-02-2010

14.	<ul style="list-style-type: none"> i. Review of Receipts and Recovery of Arrears through meetings with Administrative Departments. ii. Finalization of SNE (New) 	FD & Pilot Departments	15.3.2010
15.	Finalisation of Revised Estimates 2009-2010 and Budget Estimates 2010-2013.	FD	31.03.2010
16.	<ul style="list-style-type: none"> I. Finalisation of New Taxation proposals and Review of existing Taxes/Fees. II. Surrender of Savings to Finance Department (Where Supplementary Grant involved). 	FD & Pilot Departments	30.04.2010
17.	Finalisation of Development Budget under MTBF and ADP	FD, P&D, Pilot Departments	15.05.2010
18.	Surrender of Savings to Finance Department (Where Supplementary Grant is not involved).	Pilot Departments	15.06.2010
19.	Supplementary Budget approval by cabinet	Pilot Department	Before Presentation of Budget
20.	Completion of all Budget documents, schedules and summaries for cabinet etc.	FD, P&D	DO
21.	Presentation of Budget for the next year and MTBF Budget to Cabinet	FD, P&D	DO
22.	Preparation of MTBF Statement	FD, P&D	DO
23.	Communication of Budget Estimates 2010-2011 by Finance Department to Pilot Departments.	FD	10.07.2010
24.	Pilot Departments will distribute budget among their subordinate offices/lower formations.	Pilot Departments	15.07.2010

Section II

MTBF Budget Call Circular

X General

1. The MTBF Budget Call Circular primarily represents forms, form filling instructions and timelines to be used in preparation of budgets under MTBF mode for FY 2010-13. Whereas the MTBF Guidelines (2010-13) provides framework and necessary procedures in preparing budgets under MTBF for FY 2010-13.
2. MTBF Cell at the Finance Department shall provide necessary assistance to MTBF departments in filling out MTBF forms. All queries and clarifications should be addressed to:

Mr. Aijaz Ahmad Mahesar
Additional Secretary Finance (B&E) /
Focal Person for PIFRA
Finance Department
Government of Sindh,
Karachi.
Tel: 021-99203134

3. The Pilot Departments will prepare their budget estimates using the MTBF Forms attached. In case of Current Budget, no separate submissions are required on 'Regular' / 'Annual' budget format as this requirement has been done away with. However, Annual Development Program (ADP) Proforma for each Development Scheme of the Department that forms part of ADP reflecting funds which will be used under the Development Budget in 2009-10 will be submitted direct to P&D Department according to the usual prevailing procedures.

Note:

This Budget Call Circular is available at the following two websites:

➤ www.fdsindh.gov.pk

These websites can be used to download a soft copy of the BCC by DDO's / AO's/ Program Managers in other cities to make use of it.

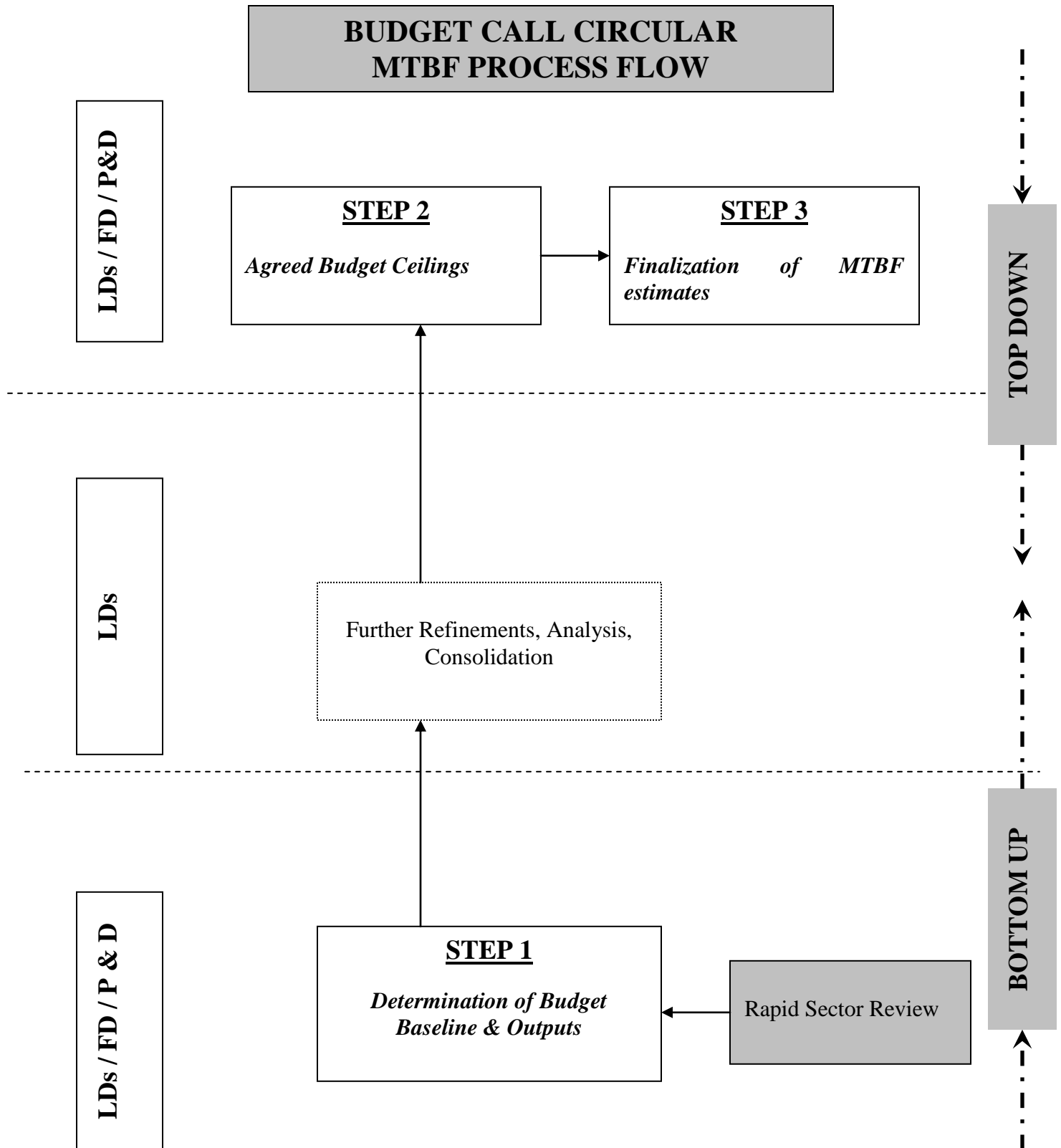
XI Sequence for filling MTBF Forms

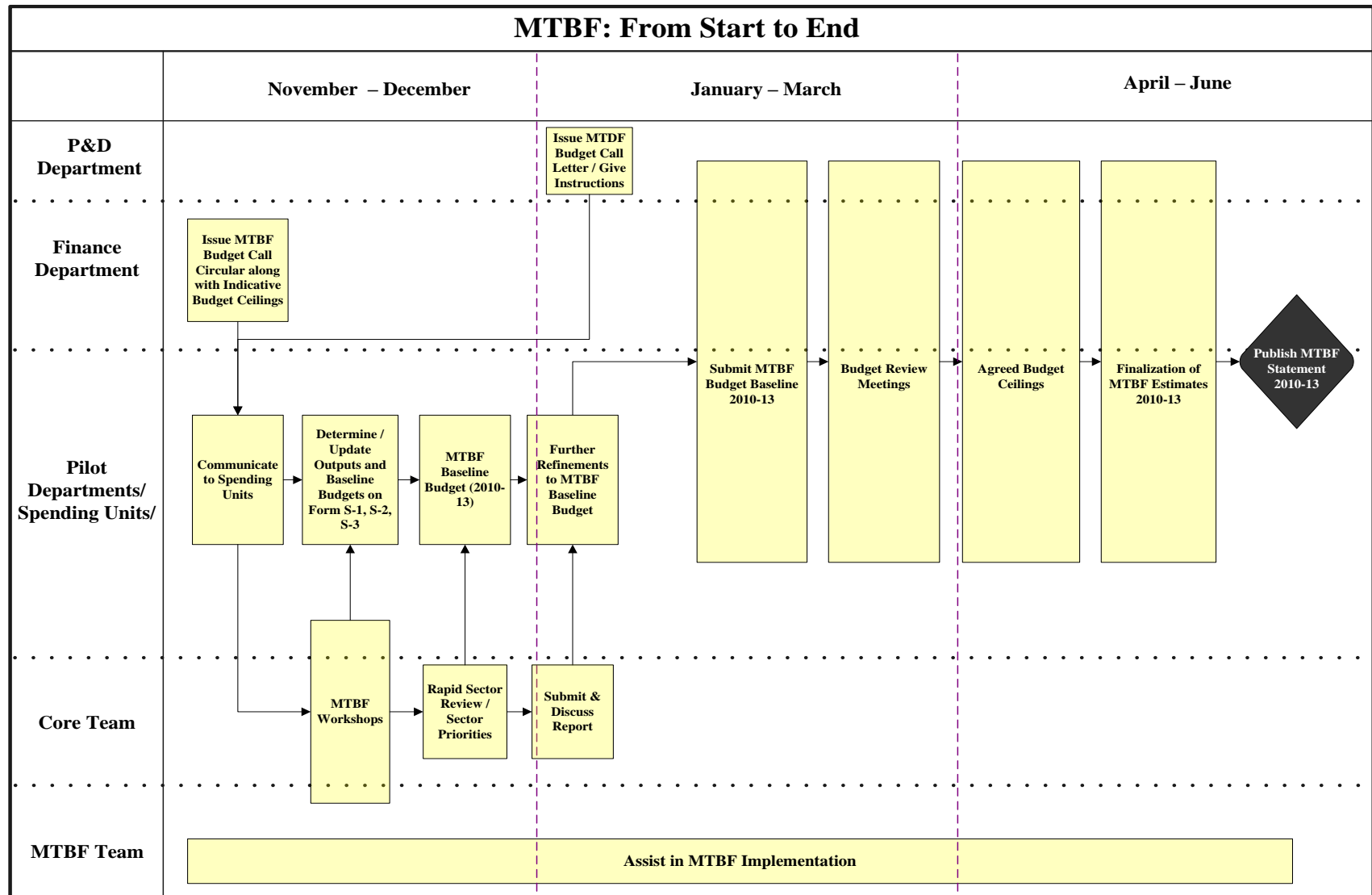
1. Begin by filling MTBF Forms. Guidelines for filling these forms are given in instructions;
2. From MTBF Forms and priorities determined in Rapid Sector Review, prepare Medium Term Budget Statements (2010-13);
3. From MTBF Forms prepare final SNEs 2010-11;
4. From MTBF Forms fill out ADP Proforma (2010-11) for each Scheme / Project.

Please refer to flow diagram at Annexure III.

Note:

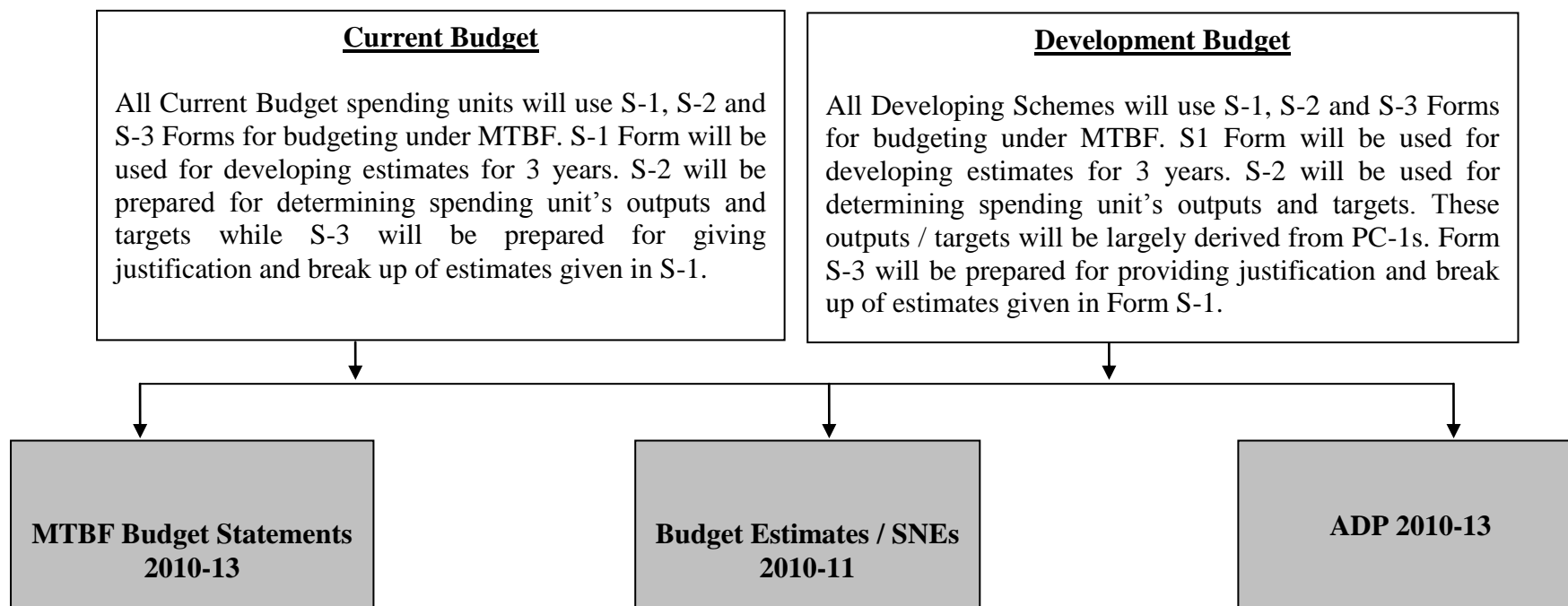
In case of any queries / problems with their filing in forms please contact MTBF Cell at 021-99207750.





Information flow of Forms

The Pilot Departments will identify their goal and draw up a statement of their mission and functions. They will also identify their departmental policy objectives along with outputs that they are expected to deliver over the medium term. Core Team at the Pilot Departments will undertake a Rapid Sector Review to determine sector priorities.



MTBF Forms and Instructions for Spending Units / DDOs (2010-13)

Guidelines for Spending Units / DDOs

Please read the following instructions carefully before filling the forms.

GENERAL INSTRUCTIONS FOR ALL FORMS:

- I. There are **THREE** MTBF budget forms S-1, S-2, S-3 for the spending units (“S” for ‘spending unit’) and have the following titles:
 - MTBF Form S - 1: Budget by Object Classification
 - MTBF Form S - 2: Operational Information Form
 - MTBF Form S - 3: Breakup and Justification of Budget Estimates
- II. Both Current budget and Development budget spending units will use the same forms for preparing MTBF estimates 2010-13. Separate space has been provided for providing information related to development schemes.
- III. Fill MTBF forms S-1, S-2 and S-3 separately for both Current and Development Budget Estimates. The following Example attempts to explain this further:

Example:

A College located in Karachi has allocation under current budget in year 2010-11. In addition it has allocations for 2 development schemes in the same year. These schemes are expected to be completed in 3 years time commencing July 2009. These are separately identifiable in the Provincial ADP 2009-10 and have separate PC-1s duly approved by the competent authorities.

For the purpose of preparing budget estimates under MTBF 2010-13, the DDO/budget preparing staff of the College will fill-in one set of Forms (containing all the three forms) for current budget and one set of Forms (containing all the three forms) SEPARATELY for each development scheme.

- IV. The DDOs will provide Functional Classifications, Object Codes and the related description on the Forms.
- V. The filled forms will be submitted by the spending units to relevant Sections of the Pilot Departments so that Form S-1 appears at the top, followed by Form S-2 and S-3.
- VI. In practice, before undertaking any budget estimation, the DDOs / budget preparing officials are expected to determine their departmental objectives, outputs (or targets) that they aim to deliver and the key inputs that would be used in relation to achieving those targets over the medium term. In other words, practically Form S-2 will be prepared first. Based on this, the DDOs will then prepare details and breakup of budget estimates for which purpose, they would fill in Form S-3 and finally summarize the estimates on Form S-1 against respective Object Code classifications.

- VII. Budget Estimates should be given in Rupees rounded off to the nearest thousand. For this purpose, provision up-to Rs 499 should be taken as zero and provision of Rs. 500 and above as Rs. 1,000.
- VIII. In case of Current Budgets, the estimates for various items falling under the head 'operating expenditure' should reflect likely effect of inflation (if any).
- IX. In preparing budget estimates for Development Schemes, PC-I should be used as the guiding principle. No material deviations should be made from financial phasing given in PC-Is unless such deviations have been approved by a competent forum or if it is felt that the project will fail to achieve its objectives.

**Government of Sindh
Medium Term Budgetary Framework (2010-13)
Budget By Object Classification**

Note: Sr. No. 1-7 to be filled in by both Recurrent & Development Spending Units

1) Department	_____			
2) Attached Department (Where Applicable)	_____			
3) Grant No. and Name	_____			
4) Fund Centre Code (DDO Code)	_____			
5) Functional Classification	_____			
6) Name of Spending Unit	_____			
7) Budget Type	Permanent / Regular		SNE	

Note: Sr. No. 8-20 to be filled in by spending units relating to Development Schemes

8) Name of Development Scheme	_____		
9) Sector / Sub-Sector	_____		
10) Scheme Code	_____		
11) Total Cost of Scheme as per PC-1	Total: (.....); FE: (.....); LCY: (.....)		
12) Type of Funding	Revenue:; Capital		
13) Commencement Date of the Scheme	_____		
14) Completion Date of the Scheme	_____		
15) Project Manager / Director Name	_____		
16) Annual Recurrent Cost (as per PC-1)	Rs. In Million	Year in which Recurrent Impact will start	
17) Actual vs. PC-1 Allocations	Actual Allocations Todate	PC-1 Allocations Todate	
18) PC-1 Approval Status	Approved / Un-Approved	Date of Approval	
19) Total Releases todate	_____		
20) Total Expenditure todate	_____		

(21) Object Code	(22) Object Classification	(23) Posts Data				(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)
		BFS NO	Male (M)/ Female(F)	No. of Posts		Actual Expenditure	Actual Expenditure	Budget Estimates	Budget Estimates	Revised Estimates	Budget Estimates	Budget Forecast	Budget Forecast
				2009-10	2010-11								
G.TOTAL:						-	-	-	-	-	-	-	-

(Signed) _____
 Name _____
 Designation _____
 Telephone No. _____

Instructions for filling MTBF Form S-1

The purpose of this Form is to present Budget Estimates of a spending unit under Medium Term (i.e. 2010-13). The Budget Estimates will be prepared at detailed expenditure level by providing respective Object Codes and description. Actual Expenditure, Original Budget and Revised Estimates (where applicable) will also be provided in this Form.

Specific Instructions:

- Serial Number 1: Give full name of the relevant Department (*e.g. Education & Literacy Department*)
- Serial Number 2: Identify **attached department** by giving both Code and the related Description
- Serial Number 3: Give relevant **Grant No.** and Grant Name
- Serial Number 4: Identify **DDO/Fund centre code.** (*e.g. LA4017*)
- Serial Number 5: Write **Functional Classification** (both Code and the related Description) according to the chart of accounts at detailed level, (*e.g. 093102 – Education Affairs & Services > Professional / Technical /University*)
- Serial Number 6: Identify the **spending unit** for which MTBF budget is demanded, (*e.g. Chandka Medical College Larkana*)
- Serial Number 7: State if the budget estimates are prepared as Regular budget or SNE. Tick off the relevant box. For each SNE separate set of forms should be used to facilitate approval from Finance Department.
- Serial Number 8: Identify **Development Scheme** as given in the relevant PC 1 (This Serial No. is applicable to Development Schemes only) (*e.g. National Program for Improvement of Water Courses in Pakistan*)
- Serial Number 9: Identify relevant **Sector / Sub-sector** in which the schemes falls
- Serial Number 10: Give applicable **Scheme Code.**
- Serial Number 11: Give **total cost of the scheme** separated between Foreign Exchange and Local Currency component as given in latest PC1.
- Serial Number 12: Identify type of funding (i.e. **Revenue and / or Capital**)
- Serial Number 13: Give **commencement date** of the Scheme as given in latest PC 1
- Serial Number 14: Give **completion date** of the scheme as per latest PC 1
- Serial Number 15: Give **Project Manager's / Director's** name

- Serial Number 16: Give **annual recurrent cost** after completion as per PC-1. Also mention **Year** in which the recurrent cost impact will start.
- Serial Number 17: Give total of **Actual allocations** as provided in the Budget Books. Also give total of yearly phasing as per PC-1 and identify the difference.
- Serial Number 18: Please mention whether the MTBF estimates are based on approved or unapproved PC-1. Also provide **PC-1 approval date** in case of approved PC-1.
- Serial Number 19: Give **Total** of budget releases todate
- Serial Number 20: Give **Total** of Expenditure incurred todate
- Serial Number 21: Fill object codes from latest version of Chart of Account (CoA) as issued by Project to Improve Financial Reporting & Auditing (PIFRA)/CGA. The object codes in this column will be supplied at detailed level (*e.g.A03201*)
- Serial Number 22: Identify description of relevant object code as given in CoA (*e.g. 'Postage and Telegraph 'for Object Code 'A03201'*).
- Serial Number 23: Write down the number of posts for 2009-10 and 2010-11
- Serial Number 24: Actual Expenditure for all the related account heads for 2007-08 would be filled here. This would be available from AGPR Reconciliation of June, 2008.
- Serial Number 25: Actual Expenditure for all the related account heads for 2008-09 would be filled here. This would be available from AGPR Reconciliation of June, 2009.
- Serial Number 26: Provide Original Budget Estimates 2008-09.
- Serial Number 27: Provide Original Budget Estimates 2009-10.
- Serial Number 28: Provide Revised Estimates 2009-10. REs are available after Department's mid-year/periodic review of budget estimates.
- Serial Number 29: Give object wise Budget Estimate for 2010-11. This would be based on spending units' outputs / targets planned to be achieved, as provided in MTBF Form S- 2. **Regular budget estimates for (current & development) 2010-11 shall be prepared on the basis of this column.**
- Serial Number 30: Give object wise Budget Forecast for 2011-12. This would be based on spending units' outputs / targets planned to be achieved, as given at Serial Number 5 of MTBF Form S- 2.

Serial Number 31: Give object wise Budget Forecast for 2012-13. This would be based on spending units' outputs / targets planned to be achieved, as given at Serial Number 5 of MTBF Form S- 2.

Government of Sindh
Medium Term Budgetary Framework (2010-13)
Operational Information Form

MTBF Form S-2

Note: Sr. No. 1-5 to be filled by both Recurrent & Development Spending Units

1)	Grant No. and Name	
2)	Fund Centre Code (DDO Code)	
3)	Functional Classification	
4)	Name of Spending Unit	
5)	Departmental Policy Objectives relevant to Spending Unit	

Note: Sr. No. 6-8 to be filled by Development Spending Units

6)	Name of Development Scheme	
7)	Sector / Sub-sector	
8)	Components of the Scheme	

Note: Sr. No. 9-10 only quantitative data required

9) Key Outputs / Services delivery by Spending Unit (identify component wise output in development schemes)

S. No. (A)	Outputs (B)	Indicators (Unit of Measurement) (C)	2009-10 (D)	Target 2010-11 (E)	Target 2011-12 (F)	Target 2012-13 (G)

10) Key Input Requirements

S. No. (A)	Particulars (B)	Indicators (Unit of Measurement) (C)	2009-10 (D)	Estimate 2010-11 (E)	Forecast 2011-12 (F)	Forecast 2012-13 (G)
1	Staff					
2	Computers					
3	Vehicles					

Instructions for filling MTBF Form S-2

The purpose of this Form is to identify and summarize Service Delivery (i.e. Output) Indicators and targets of a spending unit for MTBF period (i.e. 2010-13). This form will also enable the Department to review the linkages between the Departmental output and Spending unit's Outputs (service delivery). The Form will include 'quantitative' or 'operational' data of the spending unit and will NOT include any budgetary data. Once the required data is collected and summarized on this Form, it will then be used in budget estimation. Operational data will also be provided for year 2009-10 for comparison purposes.

Specific Instruction:

Serial Number 1: Give relevant Grant No. and Grant Name.

Serial Number 2: Identify relevant DDO code.

Serial Number 3: Write Functional Classification (both Code and the related Description) according to new chart of accounts at detailed level, (e.g. 093102 – Education Affairs & Services > Professional / Technical /University)

Serial Number 4: Identify the spending unit for which MTBF budget is demanded.

Serial Number 5: Mention Policy objective(s) of the Department relevant to the spending unit.

Serial Number 6: Identify Development Scheme as given in relevant PC 1

Serial Number 7: Identify Sector/sub-sector in which the scheme falls

Serial Number 8: Mention Components of the Scheme as given in PC-1

Serial Number 9: **Key Outputs / Service Delivery of the Spending Unit.** Mention from Sr. 9(A) to 9(G) Outputs that the spending unit would aim to deliver over the medium term (2010-13) including that planned for the ongoing year 2009-10. Please provide only key outputs.

Serial Number 10: Mention key inputs that would be used to achieve outputs targets for 2010-13 including that would be required for 2009-10. Please provide only key inputs (e.g. Staff, Vehicles, equipment, etc.)

Government of Sindh
Medium Term Budgetary Framework (2010-13)
Justification, Cross References and Basis of Budget Estimates

MTBF Form S-3

Note: Sr. No. 1-3 to be filled by both Recurrent & Development Spending Units

1)	Grant No. and Name	
2)	Fund Centre (DDO Code)	
3)	Name of Spending Unit	

Note: Sr. No. 4 to be filled in by Spending Units relating to Development Schemes

4)	Project Name
----	--------------

5) **References to Budget File**

5.1) **Attach details / breakup of all major expenditures which may fall under the following categories and which have been budgeted on MTBF Form S-1:**

Major Object	Account Head	Ref No.	Document Type
A01	Employee related Expenditure		Nominal Rolls/Detailed explanatory memo
A02	Project Pre-investment Analysis		Detailed Explanatory Memo with basis of estimation
A03	Operating Expenses		Detailed Explanatory Memo with basis of estimation
A04	Employee Retirement Benefits		Detailed Explanatory Memo with basis of estimation
A05	Grants, Subsidies, Write off Loans		Detailed Explanatory Memo with basis of estimation
A06	Transfers		Detailed Explanatory Memo with basis of estimation
A07	Interest payment		Detailed Explanatory Memo with basis of estimation
A08	Loans and Advances		Detailed Explanatory Memo with basis of estimation
A09	Physical Assets		Detailed Explanatory Memo with basis of estimation
A10	Principal Repayments		Detailed Explanatory Memo with basis of estimation
A11	Investments		Detailed Explanatory Memo with basis of estimation
A12	Civil Works		Detailed Explanatory Memo with basis of estimation
A13	Repair & maintenance		Detailed Explanatory Memo with basis of estimation
A14	Suspense & Clearing		Detailed Explanatory Memo with basis of estimation

5.2) **Check List for budget submission**

		Yes	No
	General		
1	Department/project specific information has been provided completely		
	Form S-1		
2	All the budget estimates on Form S-1 have been checked and recorded correctly		
3	Account Codes have been accurately filled in after checking them with Chart of Accounts		
4	Sub totals, grand totals have been correctly verified for accuracy. Formulas on excel worksheet have been applied correctly (Sum and multiplication formulas)		
5	S-1 Form has been signed and stamped by DDO		
6	Nominal Rolls/Payroll working has been accurately worked on, attached and accurately referred		
7	Explanatory memo have been prepared which is analytical, detailed and supported by necessary documents/workings		
8	Acquisition of Physical Assets (if any) is based on adequate details(where applicable), approved/prevaling market rates and departmental plans/PC-1s		
9	Repair & maintenance of physical assets has been worked out accurately		
	Form S-2		
10	Key outputs and inputs have been determined according to the goals and planned activities		
11	Relevant policy objectives are mentioned on Form S-2		

Instructions for filling MTBF Form S-3

The purpose of this Form is to provide detail / break-up of various Budget Estimates for the MTBF period. Justification for key expenditure items will also be provided on this Form.

Specific Instructions:

- Serial Number 1: Give relevant Grant No. and Grant Name.
- Serial Number 2: Identify DDO/Fund center code.
- Serial Number 3: Identify the spending unit for which MTBF budget is demanded.
- Serial Number 4: Mention name of Development Scheme as given in latest PC 1 (e.g. *Establishment of Services Institute of Medical College, Karachi*).
(Only applicable to Development Schemes)
- Serial Number 5: The Serials from 5.1 - 5.2 require cross references with budget file, breakups, justifications & basis of budget estimates given in MTBF Form S-1.

In Serial 5.1, provide reference numbers of documents where budget estimates have been prepared in detail pertaining to major budget estimates. The applicable account heads may vary from one spending unit to another. Some common account heads would include Employee related expenditure which should be budgeted on the basis of Nominal Roll. Demands for new posts should be identified separately and should be included only if approved by competent authority. The information for employee related expenditure may be provided on the format already in use.

Similarly, break up for other applicable expenditure heads should cover basis of calculation (rate per unit, etc.) and should be based on relevant policies/rules.

In Serial 5.2, a check list has been provided for in order to ensure that every budget estimate as shown in Form S-1 is duly supported and accurate. Please supply as much information as is relevant to the spending unit. Other explanatory note may also be appended where required.

Medium Term Budget Statements (2010-13)

1. Particulars of the Department

Name of the Department	
Name of the Principal Accounting Officer	
Number of current budgets	
No. of development schemes)	
Number of DDO's	
Staff strength	

2. Vision / Mission Statement/ Policy Objectives

3. Overview of the Sector

4. Organizational Structure and Functions of the Department

5. Planning & Budgeting Process

6. Budget Allocations vs. Provincial Budget

7. Priorities in the Medium Term

8. Medium Term Budget Estimates (2010-13)

	Budget Estimate 2010-11	Budget Estimate 2010-11	Budget Forecast 2011-12	Budget Forecast 2012-13
Current				
Development				
Total				

9. MTBF Allocations by Policy Objectives

Policy No.	Policy Objective	Budget Estimates 2010-11		Budget Forecast 2011-12		Budget Forecast 2012-13	
		Cur	Dev	Cur	Dev	Cur	Dev
	Total						

10. MTBF Allocations by Object Classification (2010-13)

Object Description	2010-11			2011-12			2012-13		
	Cur	Dev	Tot	Cur	Dev	Tot	Cur	Dev	Total
Total									

11. MTBF Allocations by Functional Classification (2010-13)

Function Description	2010-11			2011-12			2012-13		
	Cur	Dev	Tot	Cur	Dev	Tot	Cur	Dev	Total
Total									

12. MTBF Allocations by Cross Classification (2010-11)

Functional Classification	Object Classification								
	A01	A02	A03	A04	A05	A06	A09	A13	Total
Total									

13. MTBF Allocations by Cross Classification (2011-12)

Functional Classification	Object Classification								
	A01	A02	A03	A04	A05	A06	A09	A13	Total
Total									

14. MTBF Allocations by Cross Classification (2012-13)

Functional Classification	Object Classification								
	A01	A02	A03	A04	A05	A06	A09	A13	Total
Total									

15. Summary of Key Inputs, Outputs and Outcomes

S. No.	Key Inputs	Estimate 2010-11	Forecast 2011-12	Forecast 2012-13	S. No.	Key Outputs	Target 2010-11	Target 2011-12	Target 2012-13	Outcome

16. Recurrent Impact of Development Schemes

Description	2010-11	2011-12	2012-13	Beyond 2012-13

An outline of a Rapid Sector Review

The purpose of a Rapid Sector Review is to provide a strategic focus to decision making process. It also provides link between the Department's policy objectives and its budgets and expenditures. The Sector Review is undertaken in the context of budget preparation (or revision) as part of the annual budget cycle.

The Sector Review involves an assessment of how policy objectives are defined and monitored, for instance with clear indicators of improved performance. The core of the Review is an assessment of whether the Department's programs/projects and expenditures are supporting achievement of Department's policies. It covers both recurrent and development expenditures, looking at the composition of each and assessing the relationships between them.

In view of some time constraints involved, it is envisaged that the Core Team would be undertaking a rapid review of their respective Departments.

An indicative outline for such a review is given below:

1. Departmental overview

- a) Description of sector objectives e.g. sector policy and objectives, mission statement;
- b) Overview of key issues and challenges being faced by the sector (including projects/program) in the medium and long term;
- c) Relationship / Linkage with federal government vertical programs (if any) and activities;
- d) Monitoring: description of responsibilities for setting and monitoring outputs and the mechanisms that exist or are being developed for reporting this information; and
- e) Drawing on 3 (b) to (c) below, summarize budgets and expenditures for FY 2006-07 to 2009-10, disaggregated according to: current and development; and within major program, functional and economic classifications.

2. Departmental performance and monitoring framework

For each key policy area:

- a) Policy objective: a description of the policy area to be addressed and the specific policy objectives that are intended to be achieved over the MTBF period;
- b) Outcomes/outputs: a description of how progress is monitored against policy objectives. Assessment of monitoring indicators where they exist; and suggestion of indicators based on international experience where they do not.

3. Recent performance and budget/expenditure trends

For each key policy area:

- a) Describe current performance: summarize the current provision of services in the policy area including:
 - recent and present output levels;
 - demands on the program expectations according to sector strategy.
 - assessment of the extent to which required service levels are being met including the quality of service delivery; and
 - trends such as improvement/deterioration of infrastructure and human resources.
- b) Past expenditures: analysis of expenditure trends for 2006-07 to 2008-09 including comparisons of current to development expenditures, wages and salaries to non wage and salaries, the relation of expenditures to outputs;
- c) Analysis of budget implementation constraints by assessing the budget, release, expenditure process;
- d) Projection of future trends of recurrent and development budgets based on existing policies, i.e. already approved projects, the transfer of recurrent costs of projects on completion to the recurrent budget;
- e) Identify budgetary linkages with national and district budget activities (where applicable).

4. Recommendation of the Rapid Sector Review

- a) Based on the analysis, comment on the strategic orientation of expenditures and their fit with policy objectives and the outputs of the Department; and

Propose as an input to strategic budget discussions, options for high level reallocations which would be expected to increase the allocated efficiency of expenditure and align expenditures more closely with policies over the period 2010-13.

ANNEXURES VII to XIII

Other Budget Forms (2010-11)

(FROM ANNUAL BUDGET CALL CIRCULAR 2010-11)

**INSTRUCTIONS FOR FORMAT OF
BUDGETARY ESTIMATES OF RECEIPTS**

IMPORTANT

**THE DEPARTMENTS SHOULD READ THE FOLLOWING INSTRUCTIONS
CAREFULLY AND ALL ESTIMATES SHOULD INVARIABLY BE PREPARED IN
THE ENCLOSED FORMS**

GENERAL INSTRUCTIONS:

1. Departments/Attached Departments are required to submit details of their budgetary estimates pertinent to receipts.
2. No Column should be left blank. In case any column is not applicable it should state **N.A.**
3. There is no change as far as routing of Budget Estimates is concerned.

SPECIFIC INSTRUCTIONS:

- | | |
|--------------|--|
| Serial No. 1 | Pre-printed Budget/Financial year |
| Serial No. 2 | Enter the <i>Department code</i> and its Description . (Refer the Chart of Accounts / List of Codes Booklet). |
| Serial No. 3 | Enter the <i>Attached Department code</i> and its Description . (Refer the Chart of Accounts/List of Codes Booklet). |
| Serial No. 4 | This has been bifurcated in to four parts i.e. <ol style="list-style-type: none">a) Detailed Object Code. Space has been provided for this purpose. You are required to consult the New Chart of Accounts and fill the detailed object codes carefully. Reference can be made to the mapping documents (mapping of chart of classification codes with New Chart of Account Codes) provided in the DDO training manual. Also enter the relevant COA receipt head.b) Description Description of the object classification at the detailed level as per New COA.c) Budget Estimates / Actual Accounts Enter the information as required |

ENQUIRIES: If after going through the above instructions you need any clarification or additional information please do not hesitate to contact:

MR. AIJAZ AHMED MAHESAR
Additional Finance Secretary(B&E) /
Focal Person for PIFRA,
Finance Department,
Government of Sindh.
Karachi.

**INSTRUCTIONS FOR FORMAT OF
REGULAR BUDGET / SCHEDULE OF NEW EXPENDITURE**

IMPORTANT

**THE DDOs/DEPARTMENTS
SHOULD READ THE FOLLOWING INSTRUCTIONS CAREFULLY
AND ALL REGULAR BUDGETS/SNEs SHOULD INVARIABLY BE PREPARED IN
THE ENCLOSED FORMAT**

GENERAL INSTRUCTIONS:

1. DDOs are required to submit separately for every office,
 - a. Regular Budget
 - b. Revised Estimate and
 - c. Schedule of New Expenditure (SNE) – Fresh.
2. No Column should be left blank. In case any column is not applicable it should state **N.A.**
3. Shaded portions are NOT required to be filled in by DDOs.
4. There is no change as far as routing of Budget Estimates is concerned.
5. Other forms as in the Budget Manual specific to departments e.g. Forests, Works etc. shall be filled in as are being done by them currently.

SPECIFIC INSTRUCTIONS:

- | | | | | | |
|-------------------------------|---|--------------------------|---|----------------|--|
| Serial No. 1 | Pre-printed Budget/Financial year | | | | |
| Serial No. 2 | Tick the relevant document – Regular, Revised Estimate or SNE Fresh | | | | |
| Serial No. 3 | Enter the 7 digit Fund code e.g. SC12001 and its description (Demand/Grant) i.e. its nomenclature (Refer the codes booklet). | | | | |
| Serial No. 4 | Enter the 4 digit Attached Department and 6 digit detailed Function code and their Description . (Refer the Chart of Accounts/List of Codes booklet). | | | | |
| Serial No. 5 | Enter the 6 digit Fund Center/DDO code and its description i.e. its nomenclature. (Refer the Chart of Accounts/List of Codes booklet). | | | | |
| Serial No. 6 | Use this space for writing any other related information. Write N/A if it is not applicable. | | | | |
| Serial No. 7 | Enter the total budget amount. | | | | |
| Serial No. 8 | This has been bifurcated into four parts i.e. | | | | |
| A – Employee related expenses | <table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;">a) Detailed Object Code.</td> <td>Space has been provided for this purpose. You are required to consult the New Chart of Accounts and fill the detailed object codes carefully. Reference can be made to mapping document (mapping of Chart of Classification Codes with New Chart of Accounts Codes) provided in the DDO training manual. Also enter the relevant COA object head.</td> </tr> <tr> <td style="vertical-align: top;">b) Description</td> <td>Description of the object as per new COA</td> </tr> </table> | a) Detailed Object Code. | Space has been provided for this purpose. You are required to consult the New Chart of Accounts and fill the detailed object codes carefully. Reference can be made to mapping document (mapping of Chart of Classification Codes with New Chart of Accounts Codes) provided in the DDO training manual. Also enter the relevant COA object head. | b) Description | Description of the object as per new COA |
| a) Detailed Object Code. | Space has been provided for this purpose. You are required to consult the New Chart of Accounts and fill the detailed object codes carefully. Reference can be made to mapping document (mapping of Chart of Classification Codes with New Chart of Accounts Codes) provided in the DDO training manual. Also enter the relevant COA object head. | | | | |
| b) Description | Description of the object as per new COA | | | | |
| B – Other expenses | | | | | |

(and Posts)

- | | |
|---------------------------------|--|
| c) Sanctioned Posts
(A only) | Enter the Existing post Code, relevant designation and BPS grade for the employees for which budget is required. (which should be exactly supported by details in Annexure IV) |
| d) No. of Posts (A only) | Enter the no. of posts sanctioned |
| e) Budget/Revised Estimates | Mention provision of object item. |
| f) Actual Accounts | Same as (e) above. |

NOTE:

All officers signing Regular Budget /SNEs in the Administrative Departments are requested kindly to write down their *telephone number* clearly on every Regular Budget/SNE.

ENQUIRIES:

If after going through the above instructions you need any clarification or additional information please do not hesitate to contact:

MR. AIJAZ AHMED MAHESAR
Additional Finance Secretary /
Focal Person for PIFRA,
Finance Department,
Government of Sindh,
Karachi.



Supplementary Budget Statement

Annex-X

1 Budget Year **2009 - 2010**

2 Type of Document

Supplementary Grant

Regular

Technical

Token

Other

Code

Description

3 Fund (Demand No.)

4 Attached Department /

_____ / _____

Sub-Detailed Function

5 Fund Center (DDO)

6 Total (Supplementary) Budget Amount

7 Approval

Prepared by:

Name:

Telephone No.:

Designation:

Dated:

SHADED PORTION TO BE FILLED IN ONLY BY FINANCE DEPARTMENT

Diary Number

Revised Diary Number

Checked by



Budget Surrender Statement

Annex-XII

1 Budget Year

2009 - 2010

Code

Description

2 Fund (Demand No.)

3 Fund Center (DDO Code)

4 Attached Department /

_____ / _____

Sub-Detailed Function

5 Total Budget Surrender Amount

Justification

6 Approval

Prepared by:

Name:

Telephone No.:

Designation:

Dated:

SHADED PORTION TO BE FILLED IN ONLY BY FINANCE DEPARTMENT

Diary Number

Checked by

PERFORMANCE TARGETS**1) DEPARTMENTAL FUNCTIONS**

- i) _____
- ii) _____
- iii) _____
- iv) _____
- v) _____
- vi) _____
- vii) _____
- viii) _____
- ix) _____
- x) _____

2) SUMMARY OF BUDGET ALLOCATIONS FOR 2009-10 AND 2010-11

Major Head of Account _____

Minor Head of Account	(Rs. in million)			
	2009-10		2010-11	
	Allocation	%	Allocation (Proposed)	%
i)				
ii)				
iii)				
iv)				
v)				
TOTAL		100%		100%

3) **MINOR – HEAD WISE POSITION**

A-ACTIVITY _____

B-COST

(Rs. in million)

	Allocation for 2009-10	Utilization up to 31-10-2009	% Utilization	Proposed Allocation for 2010-11
- Establishment Charges				
- Operational Charges				
TOTAL				

C-TARGETS

Performance Measures	Performance Standard for 2009-10	Achievement upto 31-10-2009	% Achievement	Performance standard for 2010-11

4) **EXPLANATORY MEMORANDUM**
