



Finance Circular No. 8 / 1383
Dated

Subject: Provincial Salary Payment Procedures for 1383

As part of the financial management improvement initiative, the Treasury Department has introduced a new set of procedures for processing 1383 provincial salary payments in the provinces.

You are advised to follow the procedures below:

Budget Department/Ministries

1. Send salary allotments to all provinces no later than 7th of each month.

Salary allotments for all provinces will depend on the Ministry of Finance receiving budget information from the originating ministries for each province. If provincial budget information is received, quarterly allotment at 25% of annual budget will be issued.

Treasury Department

1. Transfer cash to all provinces (monthly requirement based on the above allotment) no later than 20th of each month.

DAB Bank

1. Transfer physical cash to all provinces based on the above cash transfer advice from the Treasury Department in time, no later than 25th of each month.

Provinces

1. Sub-budget organizations prepare M41 on the 15th of each month.
2. Process provincial salary payment on the 26th of each month.
3. Disburse salary payment to individual employee, and employees sign on M41 for acknowledgement no later than the first week of the following month.
4. Prepare Monthly Payment Report – M23 for provincial salary payments and non-salary payments.
5. Prepare Provincial Payroll Summary Report. Attached is a format of Provincial Payroll Summary Report.
6. Submit M23 report, Provincial Payroll Summary report and T8 to the Treasury Department by the 10th of the following month.

The Individualized Salary Payments (ISP) team of the Treasury Department has implemented ISP in various ministries in Kabul, and is planning to rollout ISP into some provinces in 1383. This Finance Circular will serve provinces as an interim solution for implementing provincial salary payments in the provinces until ISP is successfully implemented in their respective provinces.

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Deputy Minister