



Finance Circular No. 22/ 1383
Dated __ June 2004 (__ Jawza, 1383)

Subject: Reporting on salary payables for end 1382

This finance circular instructs line ministries and provincial mustofiats to report on salary payables as of end-1382.

There is evidence suggesting that salaries to some government employees have not been paid in full amount before end-1382. The Ministry of Finance regards this situation unacceptable, given that there has been no shortage of funds to ensure salary payments in full amount.

The Ministry of Finance invites all line ministries and provincial mustofiats reporting for the amounts of salary payables incurred by the end of 1382 to allow making adequate steps for settling salary arrears incurred in the past.

1. Assessing the amount of salary payables

Salary payables shall be determined as the amount of salary earned by employees and not paid until the day for which the report (form attached) has been prepared.

Salary earned shall be determined based on completed and verified M41 payrolls consistent with tashkeel and allotment, based on entitlements, attendance, and work effort of employees as required by due laws and procedures of the Government of Afghanistan guiding employee compensation. Only those M41 payrolls due for payment during 1382 shall be counted as salary payables for 1382.

Salary expenditure shall be determined based on actual payments and consistent with M23 expenditure reports.

Salary payables outstanding at the beginning of 1382 should be determined as the amount of M41 payrolls and M16A request for payment submitted for payment to administration units of line ministries and central government agencies, their provincial units, and provincial mustofiats but not paid from the budget funds of 1382.

Salary payables outstanding at the end of 1382 shall be determined as follows:

- Outstanding salary payables at the beginning of 1382
- + Salaries earned during 1382
- Salary expenditure during 1382
- = Outstanding salary payables at the end of 1382

2. Entering data into the forms and submitting reports to the Treasury

The data on salary payables shall be entered into the tables according to the rules explained in the section 1 of this circular.

The budget for salary expenditures shall present the amount of funds allocated for the salary expenditures for 1382 with all adjustments made during the fiscal year. The indicator is included as a reference to assess the budget compliance of individual budget entities.

Central government ministries and agencies are required to complete the ministry form of the survey of salary payables. The head of administration and head of accounting shall sign the form certifying that the data entered truly represents due amounts and is consistent with the documents and accounting records kept in the ministry and its subordinated units.

Similarly provincial mustofiat are required to complete the province form of the survey of salary payables. The mustofee and head of accounting shall sign the form certifying that the data entered truly represents due amounts and is consistent with the documents and accounting records kept in the mustofiat and budget entities located in the province.

Duly completed survey shall be submitted to the Treasury Accounting and Reporting unit on or before 20 Saraatan, 1383 (July 10, 2004). The Ministry of Finance will assume that there are no outstanding salary payables as of the end of 1382, if the report from ministries and provinces is not received in the Ministry of Finance by close of business on 20 Saraatan, 1383.

The Ministry of Finance reserves the right to audit these statements and to impose penalties on officials misreporting on outstanding salary payables.

Salutation

Dr. Ghani
Minister of Finance
