Financial (1899) Department.

ORDINARY PRINTED.

G.O., No. 530

DATED 24-4-99

INDEXED.

24/24

[Despatch Abstract.]

contingent expenditure

Approving, with remarks, AG's consolidated circular in regard to the better checking & auditing of — in public Offices; and defining the position & respon of Collectors in the matter.

The Notes

in these Proceedings have been printed.

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

~~G.O.~~ Cir	No.	Department.	Date.	G.O.	No.	Department.	Date.
[illegible]	991	708 Fin 19-6-99					

Financial (189) Department.

CURRENT No. 3792

CHIEF SECRETARY
18 DEC. 1898
GOVERNMENT OF MADRAS

A.
Have Ct.: & unprinted enclosures (not the draft or) put into type - pro forma & bring file to me

Order put into type - pro forma & bring the file to me

Cml
2.1.99

20 Pres for [illegible]

Md
2-6-99

From The Accountant General
Madras

No. 6342

Dated 17th December 1898
Received 18th — do —
Registered 19th — do —
Enclosures 3.
Spare copies

SUBJECT.

Submitting for approval a consolidated circular on contingent expenditure.

BACK PAPERS

G.O.	No.	Department.	Date.
604:	14.7.98	sc consl	
552:	21-6. 98	mi	
834 Jud:	27-5. 98	"	
991:	30-11-97	sc consl	
309/10:	2. 5. 96	sc	
203 P.P.:	19. 5. 94	"	

FURTHER PAPERS.

G.O.	No.	Department.	Date.

No. 374. d/ 6-2-99.

To

Revenue, &c.

Hon

Hon'ble Mr. Winterbotham

18

Vide § 73

self to Govt. The
Financi as requested to
f his scheme.
rrison sub-
C. No. 3792. ollowing the
provinces,
es into

Note

Chapter 6 of the Civil Account Code, which deals with Contingent charges, allows the local Govt. great latitude in regard to the classification &c. of these charges.

G.O.No.292,Finl,dated 17/2-79. I

2. In 1879 the Accountant-General, Mr. Pro~~lyn~~byn - suggested, and Govt. approved of the creation of a new class of contingencies (1 b-contingencies admissible without detailed audit). A set of rules for sanction and check of contingent expenditure was then circulated. Contingencies were then grouped under two main heads.

I Office Contingencies
  (a) subject to regular audit,
  (b) to be admitted without detailed audit.

II Expenditure of a contingent character other than office contingencies.

As regards 1 b -contingencies, no details nor vouchers were required and only the lump amount was shown.

Letter No.5560,d/ 19-12-95 G
in G.O. No 309 d/ 2-5-96 Finl

3. In December 1895, the Accountant-General, Mr. Harrison, urged upon Govt. the desirability of improving

the system of controlling contingent expenditure. He pointed out that since the creation of 1(b) contingencies no change had been made in this Presidency, "whereas throughout India this system "has been so expanded so as to revolu"tionize the procedure formerly prevalent."

Para 5 of the letter

He pointed out various objections to the system prevailing in this Presidency,

Para 6

gave a brief sketch of the practice existing in other Presidencies and Pro-

Para 7

vinces, and stated that if Govt. was prepared to move in the matter, he would make practical suggestions.

4. It appeared from the sketch above referred to, that in other provinces contingent charges were generally divided into three classes, and that for one of them, viz. contract contingencies, an allotment was made once for all for three years. Govt.

G.O.No.309,Finl.,d/2-5-98. J

concurred in the views of the Accountant-General generally and directed the abolition from the 1st April 1897, of 1(b) contingencies. It also directed that contingent charges should be revised once for all under several main headings; that the classficiation in the finance accounts should be reconciled with the forms in departmental administration reports; and that charges peculiar to each department should be separately shown. The suggestion to grant lump allotment for contract contingencies once for all for three years did not commend itself to Govt. The Accountant-General was requested to work out the details of his scheme.

Letter No.3919,d/ 19-12-96 C
in G.O.No.991,Finl.,d/ 30-11-97

2P

5. This scheme Mr.Harrison submitted in December 1896. Following the practice obtaining in other provinces, he divided all contingent charges into three classes.

I Special contingencies.
II Regular ,,
III Contract ,,

Each class was again subdivided into

(a) Supplies and Services; and
(b) Contingencies.

Appendices exhibiting the details under each class of contingencies also accompanied the scheme. For special reasons certain departments were excepted from the operation of the scheme, but in their case also, the old system of showing lump amounts under 1(b) contingencies was to cease and, in lieu thereof, each charge was to be shown under the proper head.

Special contingencies

6. The first class of contingencies was defined as those which cannot be incurred without the previous sanction of proper authority. Amounts required for meeting this class of contingencies were to be drawn from the Treasury upon separate detailed bills, all sub-vouchers for individual payments in excess of Rs.10 being attached to the bills with the certificate prescribed in § 88 of the C.A.Code.

Regular contingencies

7. The second class of contingencies was to comprise items of expenditure regulated by definite scales or rates within which the disbursing officer could incur charges without further sanction. Detailed contingent bills were not to be required at the close of the month. The charges were to be drawn from the Treasury on detailed bills accompanied by the usual sub-vouchers and certificate.

Contract contingencies

8. Contract contingencies were to be made up mainly of items formerly comprised under 1(b) contingencies. An annual lump sum was to be granted within which an officer was to be permitted to spend without further sanction. But these charges, instead of being billed and accounted for in a lump as heretofore, were to be shown under appropriate heads. The grants were to run by major heads. for each department. Details of the expenditure were not to be required, the totals being merely distributed in the bill according to the detailed headings given therein for the purpose of classification in the accounts. No sub-vouchers were required except for certain specified items.

9. Rules regarding vouchers, registers, distribution of grants &c. were also submitted.

G.O.No.991,Finl.,d/30-11-97. A

Para 14 of his letter No 3919/19-12-96 C in G.O. No 991 Finl d/ 30-1-97

38

10. Govt. generally approved of the scheme submitted by the Accountant-General, but thought that full details under contingencies should continue to be exhibited for major as well as for minor heads in the Civil Estimates and desired that the Accountant-General's scheme might be modified accordingly. The Accountant-General had suggested that definite, or at any rate maximum, rates should be fixed for certain items properly coming under Regular contingencies, for which at present amounts are drawn on countersigned bills. While approving of this suggestion, Government thought that it would be desirable to lay down rules as regards the renewal of furniture, clocks &c., items falling under contract contingencies. The Accountant-General was desired to submit, in consultation with heads of departments, a consolidated circular,* and it was further pointed out that it would be convenient if the Accountant-General could arrange to issue, on receipt of final orders, in a separate volume all the existing regulations relating to contingent expenditure and the powers of heads of departments in connection therewith including the "excepted" departments above referred to.

G.O.Nos. 552,d/21-6-98 Finl.,and K
604,d/14-7-98 ,, E

11. The proposal to lay down an uniform scale of charges for the diet of wounded persons (an item falling under regular contingencies) and to prescribe the minimum period for renewal of articles of furniture &c. in public offices (items falling under contract contingencies) was, however, subsequently abandoned.

12. With the current under disposal the present Accountant-General, Mr. Biggs, submits a consolidated circular on contingent expenditure as desired in G.O. No.991, dated the 30th November 1897. The scheme sketched out by Mr. Biggs varies very little from that proposed by Mr. Harrison. The main lines of his scheme are M N A

(1) Concurring in the view expressed by Govt. that full details should be exhibited under each class of contingencies, Mr. Biggs proposes to do away with contract contingencies altogether. This will, he states, simplify procedure and reduce work. The idea that the grant of lump amounts for contract contingencies ensures economy has, he points out, not been ~~h~~ justified by the experience in Bengal. Instead therefore of three classes of contingencies as proposed by Mr. Harrison, Mr. Biggs proposes only two classes and groups contingent charges under two heads viz:-

(a) "countersigned" and

(b) "audited".

The first class of contingencies include those under the direct supervision of a controlling officer, which require departmental check and for which monthly detailed countersigned bills are necessary. "Audited" contingencies Mr. Biggs defines as those which are not countersigned, but are directly audited by the Accountant General without the necessity of any departmental check. The bills paid at the Treasury are complete in themselves with sub-vouchers and no monthly detailed bills need therefore be sent for them to the Accountant-General or the controlling officer. O

(2) Two appendices accompany the draft circular. Appendix A exhibits separately under the two classes of contingencies above described the charges generally incurred by officers in the various departments. Appendix B shows the sanction required for expenditure and the particulars to be given in the bill. For purposes of reference every detailed head in the first appendix is connected by a number with appendix B. P

(3) A list of permanent advances has been added to make the circular complete. Q

(4) The suggestion of Govt. that definite scales should be laid down for certain charges has been complied with as far as practicable.

(5) Mr. Harrison suggested that the bills of divisional officers should be countersigned by the Collector before payment. This proposal Mr. Biggs says, appears to be opposed to the orders of the Comptroller General. The contingencies of the departments under the control of Collectors have therefore been treated as "countersigned" and no change has

Please see note below
cvcs

Letter No.567, d/18-2-97 L
in G.O. No 991, d/30-11-97

Letter No.623, d/28-7-94 F
in current

has been made in the present practice

(6) Except the Forest Dept. for which rules are prescribed in the Forest Manuals, the "excepted" departments referred to by Mr. Harrison have been included in Mr. Bigg's appendices.

(7) Mr. Biggs suggests the merging into ~~a~~ one head of several similar detailed heads and points out that this chage can ~~be~~ be made without loss of control or efficiency. These changes are set out in para. 14 of the current and all appear to be useful. M

NA
19.1.99
For the CS.

10. The classification of contingent expenditure proposed by Mr. Biggs appears to be appropriate. It is simpler than that suggested by Mr. Harrison. Mr. Biggs' ~~the~~ "countersigned" contingencies are really "1 (b) contingencies but with one great difference, viz. that? the charges brought under these contingencies will be shown in contingent bills in detail instead of in lump as formerly, the controlling officer being held responsible for checking the expenditure on this class of contingencies. The "audited" contingencies will be directly under the Acct. Genl's control.

[illegible] As regards the question of the contingencies of departments under the control of Collectors, the present system

5P

system is that officers subordinate to a Collector, when it is necessary to recoup their permanent advances, draw sums from sub-treasuries on ~~ab~~ abstract bills (i.e. bills without details) submitting detailed bills at the close of the month to the Collector and ~~the~~ Dt. Magte. for countersignature. Mr. Harrison proposed that the abstract bills in these cases should be done away with altogether and that detailed bills for contingent expenditure drawn by Divisional officers, Tahsildars etc. should be countersigned by the Collr. before payment. Mr. Harrison recognized that a too rigid adherence to this rule would lead to inconvenience owing to the distance of some stations from headquarters, and he suggested that Divisional officers might be ~~tel~~ allowed, when an immediate payment is unavoidable or eminently desirable and cannot be made without exhausting the permanent advance, to cash bills without the Collector's signature, his countersignature however being obtained, whenever possible, before the voucher is despatched to the Acct. Genl's office, and an explanation of the causes which led to the non-observance of the usual procedure being invariably furnished to the Collector; L [vide his letter No.567, d/18th Feb. 1897, on page 28 of G.O.No.991 Finl., d/30th November 1897.] As stated above,ˣ Mr. Harrison's proposal is opposed to the

× Para 12(5)

the Comptroller General's orders which are contained in his letter of the 28th July 1894, No.625, (on page 5 of the current) and the present Acct. Genl. points out that when in 1893 a procedure similar to that advocated by ~~the~~ Mr. Harrison was adopted, numerous complaints on the score of delay and inconvenience caused thereby arose and it was abolished in 1894 [please see on this point Board's proceedings No.205 Land Rev., d/19th May 1894.] Mr. Higgs' proposal under this head may, it is submitted, be approved with the concurrence of the Revenue Dept.

F

B

The Acct. Genl's circular seems to be complete, but perhaps might be made more so by printing as an appendix the form of reappropriation statement referred to in para 18.+ He does not state what action he has taken in regard to the forms of registers. Those at present in use are, as the expe~~o~~rience in this office shows, very cumbrous and really not adapted for account purposes.. They are of such a nature that no business man would ever use them. The appendix to the circular, showing the list of permanent advances sanctioned for heads of offices, is arranged by budget heads; but this is not apparent on first sight, and the point might be made clear by entering each budget head in its proper place. It is not quite clear why the contigent registers in Govt. offices should not

+ of the circular.

Ⓐ to next page

X

[be made ~~el~~ much more simple on the system of having a ledger and a cash book The Acct. Genl's attention might be specially drawn to this point.]

Here comes Ⓐ

20.1.99

Please see note attached.

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There can be no doubt that to systematise and classify contingent expenditure as is done in this circular is very highly desirable. It enables considerable check to be applied to the expenditure to have it uniformly classified and posted in the several districts and to call for explanations of any differences; and so far as this was Mr. Harrison's object, no exception~~s~~ could be taken to it; but his scheme had another result which seemed to me at the time and seems still in this scheme to call for amendment. Except in regard to Local Funds, audit of all expenditure is made in the Accountant-General's office. His office has been built up on these lines and he has the establishment for the purpose. Now a very trouble-some part of the audit of Public expenditure is contingent expenditure. It is so both because its vouchers are for small sums, are difficult to make out, and are in very large numbers. It is therefore out of all proportion dangerous. Hence it struck the Acctt. Genl.'s office that it would be a good thing to shunt all this trouble on to other shoulders, either Heads of Depts. or Collectors. This could be done by a stroke of the pen. Call a Collector for example a Countersigning Officer instead of a disbursing officer and the thing was done. So Mr. Harrison did it.

part

it. The result of this was that the Collr. became responsible for the audit of all sums below 100 Rs, i.e. practically the whole audit of contingent expenditure. A Collr. of course could get this audit done if he were given the machinery but Mr. Harrison proposed nothing of the kind. On the contrary, he insisted that the Collr. should spend a very material portion of his time making in person this whole audit and Mr. Harrison also was careful to point out to him that he was personally responsible for any money lost, though the officers under him were the real disbursers whom he was in no better a position to check than the A.G. himself; ~~but~~ not content even with this Mr. Harrison went further and insisted that the Collr. should take the responsibilty of both disbursing and countersigning officers and it will be seen from the A.G.'s telephone that he maintains this position still.

Mr. Biggs's present proposals ignore all the above facts equally with Mr. Harrison's and in my opinion till it is settled how all this work newly thrown on Dept. Heads is to be carried out, this scheme should not be sanctioned. I know that in a Collr.'s office it is necessary that a thoroughly trustworthy auditor~~s~~ for this expenditure should be appointed and that it is necessary that the audit of the bills should be imposed on the Treasury officer in the first instance. It is in my opinion absurd to make an

This is absurd. Govt. does not want to employ its great officers – such as Collectors – on petty trifles of this sort. A.L.

Officer like a Collector waste his time in checking contingent expenditure from an audit point of view for two reasons: 1st, that he can not do the arithmetic &c nearly as well as a Native clerk and 2nd it takes him to a very material extent, from other duties which he alone can do. To require him to sign forms in three or four different places with certificates difficult to understand and of fearful import scattered freely about them defeats its own object for in many cases he is bound to sign in the hope that all is right as it was when he examined the point before. If the bills are first audited by the Treasury Officer, the Collr. can be required to scrutinise, criticise and check them from the point of view not of rates but of propriety. As I said above, I think steps should be taken to provide the requisite machinery ~~and~~ to carry out these suggestions.

of course. A.L.

I quite agree
H.S. 28-3-99

I don't understand this H.S.

I suppose it means "when on some former occasion he went into the details to make sure." A.L.

Exactly
7/18/4

I should object to any change wh. wd. throw account work on Collrs or Divl. officers. ~~In~~ In the interests of good government we want to free them from ~~this~~ not give them more. The A.G.s think nothing so important in government as accounts. It is quite natural & their métier; but unfortunately they are wrong. A.L. 8.4.99

560

98

90 991/30-11-97 A.

para 3 of the AG's letter No 6342/17-12-98 M

Revenue Department.

Financial U.O. Ref. No.374 dated 6th February 1899.- Re.- Contingent Expenditure.

- * -

To the UNDER SECRETARY.

With a view of the better checking and auditing of contingent expenditure in public offices, the Acctt-Genl. was asked by the Govt. to submit a consolidated circular for issue to all Collectors, Treasury Officer, Heads of Depts. &c. He has now submitted a draft Circular and requests the sanction of Govt. for its issue.

2. Mr. Biggs classifies contingent expenditure under two heads:-

(a) "Countersigned", and

(b) "Audited".

"Countersigned contingencies" are those which are under the direct supervision of the controlling officers, and for which monthly detailed bills have to be submitted to them for departmental check and countersignature, such Officers

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officers being held responsible for checking expenditure of this class in accordance with the rules contained in Chapter VI of the Civil Account Code-Vol. I. "Audited Contingencies" are those which are under the direct audit of the Accountant-Genl's office for which the bills paid at the treasury are complete with sub-vouchers attached to them and for which no monthly detailed bills have to be sent to the controlling officers or to the Acctt-Genl. ---- Appendix A to the draft circular submitted by the Acctt-Genl. details the nature of the charges generally incurred by the officers of the various depts. and the items which require countersignature and those which are under the direct audit of the Acctt-Genl.

3. The Accountant-Genl's proposal regarding the contingencies of the Departments under the control of Collrs. is referred by the Financial Dept. to this Dept. for remarks. Prior to 1893 the

Vide Office Note p. 10

87

B.P. 203
19-5-94

para 4(b) on page 2.
R B.

10 P

the practice in regard to the preparation and payment of the contingent bills of the Taluk ~~ane~~ and Divisional offices varied in different districts. In some districts where the system of pre-audit obtained the Taluk officers prepared detailed bills in form No.12 prescribed in the Civil Account Code and submitted them to the Treasury Dy. Collr. along with the vouchers in support of the charges for the recoupment of the permanent advance placed at their disposal. These bills were checked in the Huzur treasury and returned to the taluks duly passed for payment and the paid bills were sent to the Huzur with the daily cash sheets. In other districts where the system of pre-audit was not in force the Taluk and Divisional officers prepared bills in the same form whenever their permanent advance was running short, got them paid at the sub-treasuries on their own authority and sent the paid bills with the vouchers for all the items to the Treasury Deputy Collr. for check. At the end of the month consolidated bills were prepared in the Treasury Dy. Collr's Office -- from the bills received from the subordinate offices including the divisional offices one for each major head such as Revenue, Magisterial, Stamps &c, and submitted to the Acct-Genl. signed by the Treasury Dy. Collr. or the Collr. as the disbursing officer and with the disbursing officer's certificate required by article 88 of the Civil Account Code. All the vouchers under 1(b) "Contingencies admissible without detailed audit" and such of the vouchers under 1(a) "Contingencies subject to detailed audit" as related to sums below Rs.10 except in the -- case of service postage and State telegrams were retained in the Collr's office and the rest were attached to the consolidated bills and forwarded to the ~~Acctt-Genl.~~ The Acctt-Genl. thought that the practice of submitting consolidated

para 4 (c) on p. 3 of B.P. 203/19-5-94. B.

(The distinction between 1(a) & (b) has been done away (All items are now subject to detailed audit) vide para 2 of G.O. No 309 F.S. d/ 2-5-96. J.

para 3 (1) of the B.P.

U P

sub-para under 4(b) on p. 3 of the B.P. (1st)

+ This statement is erroneous. If they were drawing officers they w'd be shown in Appendix C to this very circular

+ really He had to take the responsibility of both drawing & countersigning officer.

consolidated contingent bills instead of the original bills on which payments were actually made should be discontinued. With the sanction of the Comptroller-Genl., he issued in 1893 & 1894 a series of circulars the result of which was that Tahsildars and Dy. Tahsildars as well as Divisional officers were constituted drawing Officers, and the Collr. the countersigning officer. + The subordinate officers were authorized to draw sums from the sub-treasuries on detailed contingent bills to recoup their permanent advance whenever it was about to run short. The paid bills were then sent to the Collr's office for check and countersignature. The Collr. had to + countersign all the bills, sign the countersigning officer's certificate on all of them, and to forward them in original to the Acct-Genl.'s office with vouchers for sums exceeding --- Rs.100 and all vouchers for service postage stamps and State telegrams. All the vouchers relating to the items falling

1st subpara under 4(c) on p. 3 of the B.P.

Subpara under para 5 on p. 4 of the B.P.

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Letter No 1541/6-6-94 H

falling under 1(B) and those for items under 1(a) for sums less than Rs.10 except service stamps and State telegrams were retained by the subordinate offices while vouchers relating to 1(a) contingencies for sums exceeding Rs.10 but not exceeding Rs.100 except service stamps and State telegrams were retained by the Collr's office, the rest being sent to the Acctt-Genl. with the countersigned bills. Under the new system instead of countersigning a few consolidated bills Collrs. had to countersign a large number of bills after auditing and checking all vouchers for sums above Rs.10 and below Rs.100 except service postage stamps and State telegrams. On the representation of certain Collectors that the new system was inconvenient and increased the work of Collrs. and Treasury officers the Board requested the Acctt-Genl. to obtain the sanction of the Comptroller-Genl. for reviving the old practice of submitting to the Accountant-Genl. the consolidated bills with vouchers for over Rs.10 in the case of 1(a) contingencies and for service stamps and State telegrams. The Accountant-Genl. accordingly addressed the Comptroller-General suggesting three possible remedies:-

i. To permit subordinate offices to recoup their permanent advances by drawing money from the treasury on abstract bills which should be forwarded to the Acctt-Genl's office as the paid vouchers with the list of payments, a consolidated monthly bill being submitted by the Collr. in adjustment of the abstracts cashed by himself and his subordinates.

ii. To permit subordinate officers to draw on abstracts submitting detailed bills at the close of the month to the Collr. for countersignature.

iii. To legalise and reintroduce the former system.

The Comptroller-Genl. accepted the

Letter from the C G. No 623/28-7-94 pl F second remedial measure proposed by the Acctt-Genl. He observed:-"This is the regular procedure laid down in the Civil Account Code and while it would not entail a large amount of personal work on the Collr. it would enable him to exercise an effective check over the expenditure of his subordinates as it would be necessary for him to examine and countersign once a month a detailed bill of every subordinate officer in independent charge".

para 3 of the letter pl F

It will be seen from the above that under the existing system officers subordinate to a Collr. are drawing officers and the Collr. is the countersigning officer. They draw sums from sub-treasuries on abstract bills whenever it is necessary to recoup their permanent advance, submitting detailed bills at the close of the month to the Collr. for countersignature who has to retain all vouchers for sums above Rs.10 and below Rs.100 (except

If this be definitely declared it will simplify clear the ground [illegible] this further [illegible]

Where is the [illegible] for them and [illegible] the Collr to do it without [illegible]

para 3 of letter from Mr Harrison, No $\frac{567}{18-2-97}$ on page 28 of GO $\frac{991 Fin}{30-11-97}$ pl L.

para 5.

vide ¶9-10 of final Note.

pl E

service postage stamps and state telegrams) after auditing and checking them. Mr.Harrison proposed that the abstract bills in these cases should be done away with altogether and that detailed bills for contingent expenditure drawn by Divisional officers, Tahsildars &c. should be countersigned by the Collr. before payment. He suggested, however, that in certain exceptional cases the Divisional officers might be permitted to cash bills without the Collr's signature, his countersignature being however obtained, whenever possible, before the despatch of the voucher to the Accountant-Genl's office. Mr.Harrison's proposals being opposed to the Comptroller-Genl's orders contained in his letter of the 28th July 1894 Mr.Biggs proposes to treat the contingencies of the depts. under the control of Collrs. as "countersigned" and to make no change in the present practice. Collrs. will be disbursing officers in some cases [redacted], and countersigning officers in others. Vide Appendix A to the draft circular. Only in cases in which they are disbursing officers, receipts for items below Rs.100 but -- above Rs.10 must accompany their bills; in other cases they will have to audit those vouchers after subjecting them to departmental check. Vouchers for - Rs.100 and above [redacted] and those for service postage stamps and service telegrams will be sent to the Acctt-Genl. in all cases.

Vide telephone from the Acctt. [illegible] 8/27-1-99-

4. The Chief Secretary considers that the present scheme like the one formulated by Mr. Harrison has a very serious defect, inasmuch as it throws on the Collrs. and other Heads of Depts. the duty of auditing bills of contingent expenditure, which is a very heavy work for such officers. He is of opinion that the new scheme should not be -- sanctioned

p 12-14 of final Note

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sanctioned until it is settled how all the work newly thrown on Dept. heads is to be carried out. He observes that a trustworthy auditor -- should be appointed in the Collr's - office to audit this expenditure and that the audit of the bills should be imposed on the Treasury officer in the first instance, the Collr. being required "to scrutinize, criticise and check them from the point of view, not of rates, but of propriety". A similar proposal was made by [redacted] Mr S Cottes in 1894 as the Collr. of Salem.

Vide p. 8 of BP. 203/19-5-94

Attention is respectfully invited to the following remarks of Mr. Rawlins who was the then Acctt-Genl., as regards the audit and scrutiny of vouchers:- "There would be no special safety in attaching the vouchers to the countersigned detailed bills. My office can only determine whether the charges are admissible under rule, whether the vouchers have been signed and stamped by persons purporting to be the payees and

Letter No 609/1-3-94 on p. 10 of the BP (203/19-5-94) last para on the page and that the calculations when they occur are arithmetically correct. No check of rates can be applied, nor is it possible for the audit office to determine whether or not the best expenditure of money has been made so - that even if the bills are sent to my office the check in the Collr's office in these directions must be relied on". The present system under which Collrs. countersign the bills of subordinate officers and which it is proposed to continue under the new scheme has been in force for the last four or five -- years and the Collrs. do not appear to have applied for any extra aid on this account. Perhaps as the C.S. points out most Collectors sign in faith.

Submitted that the question may be referred if Finl does not object to the Board of Revenue (u.o.) for remarks.

Secy
17/2/99

C.R.
16/2/99

Yes: I think we shd have the views of the Bd. of Rev.
23/2/99

Finl Deptt

No objection in Finl
26/2/99

Rev Deptt

This may now go to B. of Rev. for favour of remarks etc. Will they kindly treat it as urgent.
27/2/99

Bd of Rev. etc.

I think that Mr Stokes' proposal was right. The present check is either unreasonable on the Colr or a temptation to perfunctoriness. I think it ought to be put to the Bd. the Finance [illegible] vide p. 4 of the [illegible] Papers [illegible]
4/3

Returned to the Revl. office with file & notes in original
Ld
7-3-99

Secy to Bd. Rev.

M. S. M.

There does not seem to be anything new in the present proposals which is calculated to impose additional work as compared with the system in force since 1895. No doubt Collrs do not — & cannot be expected to — personally check the items in the bills they countersign. I always thought this was done by the T. D. C's establishment, the Collr. merely satisfying himself generally as to the propriety & correctness of the bills — i.e. checking an item here & there & keeping an eye on the progressive total as compared with the allotment.

3-3-99

As the additional responsibility referred to by Mr. Stokes was thrown on collectors some years ago, and is not materially increased under Mr. Biggs's circular I think it might be treated on its own merits — and the question raised by Mr Stokes dealt with separately.

Collectors might be asked whether the check which they have been supposed to exercise for the last few years is a real check — and if so whether it has involved an undue strain on themselves or their offices.

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To the Under Secretary

Submitted for orders.

~~The views of the Hon'ble Mr Sturrock may be ascertained as? The file has to be circulated to Hon. Mr~~

C.R. 14/3/99.

Secy

The Bd apparently has no definite information as to whether the present system proposed to be continued by ~~Mr Biggs~~ A.G's circular entails too great a strain on Collectors or is ~~done~~ worked perfunctorily. The Hon'ble Mr Sturrock suggests that report shd be called for. The Hon Mr Lefanu (who as Collector since 1895 must have had actual experience of the system) agrees with the Hon the C.S.'s note & is in favour of the old system under which one consolidated bill for the whole District used to be sent up. The latter system certainly wd seem to save the Collector unnecessary work & wd not [illegible] real check he can exercise.

[illegible] now go back & [illegible]?

I quite agree with the C.S. as to the undesirability of saddling the Collector with the responsibility of auditing contingent expenditure; but am uncertain what the C.S. has in view when he recommends that "steps shd be taken to provide the requisite machinery" to relieve him.

The reference proposed by Mr. Sturrock would do no harm, but I imagine all Collectors will return one answer viz that they ought to be relieved of the task of audit.

By a reversion to the old system no really useful check would be lost I think.

H.S.
28-3-99.

Returned to Fin Dept

CHIEF SECRETARIAT
5 APR 1899
MADRAS

16

S.H.

Mr Biggs is very anxious to ~~[illegible]~~ out the Circular about contingent Expenditure & ~~[illegible]~~ he suggests that it might ~~[illegible]~~ with a remark that ~~[illegible]~~ [illegible] about charges proposed regarding Collectors ~~in [illegible] position & [illegible]~~ contingencies w. ~~[illegible] Collr [illegible]~~ this subject. Please see the papers & let me know if this is possible in the near future.

29/3/99

Mr Fisher has just told me it is in Rev. I dare say you can limit them.

29.3.99

R.

To the C.S.

Please see the last note of 20.3.99 on this subject. The file is with the Board to whom it was sent u.o. by Revenue. Submitted that ~~the~~ Revenue may be asked to get it back from the Board for reference.

C.M.B.
31.3.99

970

File C 379 C.7.4.89

To the C.S.

I have ~~[illegible]~~ obtained the file on loan from Revenue & it is linked. Subd. that orders might issue approving of Mr. Biggs's proposals this circular Except ~~[illegible]~~ as regards "Collrs' contingencies" ~~[illegible]~~ "further Enquiries regarding which will be instituted in the Rev. Dept." Rev. might, it is subd., be asked to accept a draft couched in these terms. The points noted at (X) on pages 10 and 11 of the Office Note in Financial might at the same time be brought to the AG's notice.

Cmd. 30.3.89

I do not approve of the course proposed at all. ~~[illegible]~~ Please get the papers back from Rev: and send the case to Mr. Arundel with the accompanying note.

31/3/89.

H.E.

Send the blue file back to Revenue & ask them to return the case to Finl: as soon as possible. Then when it comes back add the note to the file & the letter put up below & circ: as directed.

Cmd 1.4.89

C.7.4.89
R.13.4.89

C.7.4.89
R.10.4.89

G.
25
20-20-8-98.

.... DEPARTMENT.

C. No. ....

SUBJECT.

~~HIS EXCELLENCY THE GOVERNOR.~~

(1) THE HON'BLE MR. ARUNDEL.

(2) ~~THE HON'BLE MR. WINTERBOTHAM.~~ Slit

Re. Contingent Expenditure.

FOR ORDERS

178

I don't understand. Explain to H.E. in person. ABS 18/4/89

What has to be done to put the audit of Collectors' contingencies on a proper basis is to alter the existing orders which make a Collr. a drawing officer. Let him be as the Comptroller makes him a countersigning officer only. and secondly to provide properly for the examination & check of all the vouchers above 10 and under 100 Rs. which if the arrangement first above referred to is carried out will be kept back in the Collr's office.

The Accountant General's office is the only audit office in this Presidency now but he repudiates anything responsibility for anything but the most superfici

22

Examination of these bills. The Collr's accountant establishment is organised only for its present work and can not do this audit work in addition. It seems to me therefore that the Collr's office must be strengthened to enable it to do this work properly and that Collrs. shd. be called on to report what they consider necessary in this matter. I think it is extremely unfair to put Collrs. in a position of danger without giving them also reasonable means of protecting themselves and it seems to me no argument to say that things have been going on somehow for some years past: when the fraud comes the Collr. will be condemned and called on to pay up without reference to any such consideration.

I do not think the Circular shd. be sent out without an ad interim order as suggested by Mr. Biggs. This will mean the shunting of this matter as far as Collrs are concerned. H

33

188

I agree to the reference. See also note on the Office note.

I think Govt. ought to relieve Collrs of the responsibility for the accuracy of the contingent bills & vouchers. The Govt. does not want an officer on Rs 2333 per month for this sort of thing but to rule a district.

Those forms in wh. the Collr has to certify that he has personally done this that & the other with regard to certain petty outlays & that he is personally responsible for the destruction or marking of certain vouchers &c. should if possible be done away. Let him certify as the C.S. suggests to the propriety of expenditure but not to its details. To require these certifs. is demoralizing to the Collrs & all his staff.

AHT
8.4.99

Seems to me of much more importance that Collrs. shd. be fairly treated than that Mr. Biggs' book shd. be published a week or so earlier.

H
31/3/99

P.T.O.

If the note of the C.S. is in answer to my remark on page 28, I still do not understand why he does not urge that the old system shd. be reverted to viz that the audit should be done in the Acct. Genl's Office —

I don't understand how by giving the Collector one or two more clerks the objections to making the Collr. responsible for the audit are at all lessened —

He will doubtless be able to sign the prescribed bills & certificates with more peace of mind, but I don't see that less time will be wasted —

I shd like to revert to the old plan of making the Acct Genl do the audit —

I have no objections to any reference that may be thought necessary

HS
12-4-89 —

Explained [illegible] in person. 18/4/89

Rev Dept

Secy

The draft below has been sent for council initials. It may be accepted?

M
22/10/89

CHIEF SECRETARIAT

Code Class. | INDIAN TELEGRAPHS. | Monthly Number.

To (Office) Telephonic | From (Office) Secretariat

Words.	Day.	Hour.	Minute.	Official Instructions.
	27	17	33.	

To (Person) Chief Secy | From (Person) Acct Genl

Collectors will be in some cases disbursing and in others countersigning officers. In cases in which they are disbursing officers only receipts for items below Rs 100. & those above Rs 10/- must accompany their bills

64 Word Form.

F C 2.

Recd. from I.N. At Hrs. Mts by | Sent to I.N. At Hrs. Mts. by | Telegraph Master.

G C P—No. 793 T—1 6 89—

68

Financial Dept:

Abstract.

Read again G.O.No.991, Finl., d/30th November 1897) Approving of the Acct. Genl's proposals for revising the system of audit and record of contingent expenditure and calling upon him to frame a consolidated circular embracing all rules and regulations connected therewith.

Abstract. -

Read again G.O.No.552 Finl., d/21st June 1898) Recording proceedings of the Judicial Department, No.834 d/ 27th May 1898, stating that, in view of the great divergence of opinion as to the maximum rate which should be fixed, the proposal to establish a uniform scale of charges for the diet of wounded persons sent to ~~Police~~ hospitals by the Police or the Magistracy must be abandoned.

Abstract - Directing

Read again G.O.No.604, Finl., d/14-7-98, ~~stating, with remarks,~~ that in future every charge for articles of furniture, clocks and other permanent articles falling under contract contingencies should be supported by a certificate signed by the head of the department showing the date of last supply and explaining the necessity for the renewed supply, or in the case of a new supply being required, the reason for the same; and requesting the Acct. Genl. to report to Govt. any cases in which he considers heads of departments have not exercised sufficient supervision in the matter.

Seen by C.S. E

Issue. To be worked out of proof

[illegible] 26/4

(A) - Read also C.No. 3792 (in proof)

ORDER No. 550 d 26-4-99

A

The position and responsibility of a Collector towards contingen expenditure is not clearly defined in this Presy. He is in some respects a drawing officer and in others a countersigning officer, and an amount of personal scrutiny of petty items of contingent expenditure is in consequence imposed on him which he cannot adequately carry out and on which it is not expedient or necessary he should expend time which can be better given to more important matters. The Comptroller-Genl. has, however, laid down that the position of a Collector should be that of a countersigning officer as ~~laid down~~ prescribed in the Civil Account Code and H.E. the Governor in Council considers that this should be made clear in the Acct. Genl's proposed circular.

2. In this Presy. at present items of contingent expenditure below Rs.10 are not audited, ~~and~~ the rest of the contingent expenditure ~~is~~ being audited in the Acct. Genl's office. The change in the position of the Collector will in effect relieve the Acct. Genl's office of considerable responsibility in regard to items of contingent expenditure between Rs.10 and Rs.100, the proper scrutiny of which will now definitely devolve on the Collector and his establishment.

3. H.E. the Governor in Council considers that so far as is consistent with his undoubted responsibility for scrutinizing and checking the propriety and necessity of contingent expenditure and

and for checking fraud, the Collector should be relieved of all personal labour in connection with this expenditure as far as possible. In order that this may be the case, it will be necessary to lay down that the Treasury Dy. Collector will under the Collector be primarily responsible for auditing this expenditure and bringing to the notice of the Collector any bills calling for correction or objection on the ground that the charge ought not to have been incurred, but he will deal himself with all mere audit objections and he will initial the registers and countersigning officer's certificate before ~~its~~ their submission to the Collector.

4. The Acct. Dept. of the Collector's office however is now so overburdened with work that no additional duties can be imposed on it without assistance. To enable the contemplated change to be carried out, the Revenue Board will be asked to report, after reference to Collectors, what additional establishment will be required in ~~the~~ Collectors offices to deal adequately with the scrutiny and audit of items of contingent expenditure below Rs.100 other than service stamps and state telegrams.

5. Subject to the change referred to above in the position of the Collector, the Acct. Genl's proposals and his circular are approved by Govt. with the following remarks

(a)

(a) The reappropriation form referred to in para 18 of the Circular might be added as an appendix for facility of reference.

(b) The appendix to the ~~order~~ circular containing a list of permanent advances sanctioned for heads of offices, is arranged by budget heads; but ~~it~~ this is not apparent on first sight and the point might be made clear by entering each budget head in its appropriate place.

6. The Acct. Genl. has not stated what action he has taken in regard to the form of contingent registers. Those at present in use are cumbrous in size and exceedingly inconvenient to deal with. ~~His~~ The attention of the AG will be drawn ~~to~~ in this connection to para 8 of G.O. No.300 Finl., d/2nd May 1896, and he will be requested to consider the advisability of simplifying the registers at present in use and introducing, if possible, a system of ledger and cash book for contingent expenditure.

Remnant for C.i

To

The Acct. Genl. (with print of circ.)

" ~~Depts. of the Sectt.~~ Rev. Dept. (do)

" Board of Rev. (Land Rev) – (do)

don't print
[illegible]
3-5-99

despd
5-5-99.

Financial (1899) Department.

CURRENT No. 1746

CA

Please see G.O. 550 Finl 24.4.99. abstract of which is put up

Order

G.T.
5/5/99.

CHIEF SECRETARY
-4 MAY 1899
GOVERNMENT OF MADRAS

From

The Accountant General
Madras

No. J. 50 Ge.
1080

Dated 3rd May 1899.

Received 4 " "

Registered 5 " "

Enclosures –

Spare copies –

AC
M

See that the G.O. issues at once & return
[illegible]
3/5/99

H.C.

The G.O. was despatched to A.G. on the 5th instant. The original of the G.O. (550 d/24-4-99) is at Coby.
8/5/99.

To Finl ~~[illegible]~~ Refs
8/5/99

CA

Lodged.
for C.S.
11.5.99

SUBJECT.

Requesting that early orders may be passed on his letter No. 6342, d/17 Dec. 1898, regarding contingent expenditure.

To be stitched with G.O. 550 Finl 24.4

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

---

first copy sent to Pr

Returned for

Despat

CURRENT NO. 1746

Treasury Account Department.

Fort St. George,
Accountant-General's Off

No. T.50 Genl 1080 3rd May 189

From

W.H.DAWSON ESQ.,
Offg.ACCOUNTANT-GENERAL TO THE
GOVERNMENT OF MADRAS,

To

The Chief Secretary to Government,
Financial Department.

Sir,

550 T.D. 24.4.99 C

With reference to your telephone Message of the 27th March 1899, I have the honour to request that early orders may be passed on my letter No.6342, dated 17th December 1898 regarding contingent expenditure.

The Treasury Account Form is being ~~issued~~ revised and it would be convenient to incorporate the proposed changes in the revised form.

I have the honour to be,
Sir,
Your most obedient servant,

W.H.Dawson
Offg: Accountant-General.