



BUDGET CALL CIRCULAR

2019-20

(ENTITIES OF NEWLY MERGED
AREAS/ERSTWHILE FATA & FRs)

GOVERNMENT OF KHYBER PAKHTUNKHWA, FINANCE DEPARTMENT

www.finance.gkp.pk

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TOP PRIORITY



GOVERNMENT OF KHYBER PAKHTUNKHWA FINANCE DEPARTMENT

Finance Department Civil Secretariat Peshawar

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No. BO.1/ FD/5-20/2019-20/BCC FATA

Dated Peshawar the 14/12/2018

To

1. The Additional Chief Secretary, Govt. of Khyber Pakhtunkhwa, P&D Department.
2. The Senior Member, Revenue & Estate Department, Govt. of Khyber Pakhtunkhwa.
3. All Administrative Secretaries to Government of Khyber Pakhtunkhwa.

Subject: - BUDGET CALL CIRCULAR FOR YEAR 2019-20 – NEWLY MERGED AREAS / ERSTWHILE FATA & FRs

Dear Sir,

In pursuance of this Department's circular letter of even number dated 29/11/2018 on the subject noted above, I am directed to invite your kind attention towards 25th Constitutional Amendment Act, 2018 whereunder erstwhile FATA has been merged with Khyber Pakhtunkhwa. The erstwhile FATA is being funded under the Federal Budget for current financial year (2018-19). Nevertheless, one of the preconditions for financial integration is to extend the GoKP Budgetary Framework to the entities of these newly merged areas. In this backdrop, this department as part of the annual budget preparation cycle for next financial year i.e. 2019-20 aims to assess and consolidate the fiscal/budgetary requirements of entities working in these newly merged areas.

2. I am therefore directed to enclose herewith the Budget Call Circular which includes guidelines, formats, and timelines to facilitate the Departments in preparation of budget estimates for FY 2019-20 in respect of the entities of newly merged areas.

3. The receipt of this letter may kindly be acknowledged. The Budget Call Circular 2019-20 can also be accessed via the web portal of Finance Department: www.finance.gkp.pk.

Yours faithfully,


(SAEED AHMAD KHAN)
BUDGET OFFICER.I

Encl: as above

Endst: No. and Date even:

Copy forwarded to:-

1. The Additional Chief Secretary, Merged Areas Secretariat (Erstwhile FATA Sectt:), Khyber Pakhtunkhwa.
2. The Accountant General, Khyber Pakhtunkhwa.
3. The Principal Secretary to Governor, Khyber Pakhtunkhwa.
4. The Principal Secretary to Chief Minister, Khyber Pakhtunkhwa.
5. The Registrar, Peshawar High Court, Peshawar.
6. All Heads of Attached Departments in Khyber Pakhtunkhwa.
7. All Divisional Commissioners, Khyber Pakhtunkhwa.
8. All Deputy Commissioners, Tribal Districts, Khyber Pakhtunkhwa.
9. All District Controllers of Accounts/Accounts Officers in Tribal Districts, Khyber Pakhtunkhwa.
10. The Budget/Section Officers (II-XI/PFC I-III, Coord/PAC/Fund & Loan, Resources, Dev), Finance Dept.
11. PS to Minister for Finance, Khyber Pakhtunkhwa, Peshawar.
12. PSs to Finance Secretary/Special Secretary Finance.
13. PAs to all Additional Secretaries, Finance Department.
14. Advisor (PFM), Finance Department.
15. PAs to Deputy Secretaries (Budget/Dev:,PFC/PAC/Resources//NFC), Finance Dept.


BUDGET OFFICER.I

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GUIDELINES

1) PREPARATION OF BUDGET ESTIMATES

1.1. Budget Estimates 2019-20 shall be prepared at the level of spending DDO both in the case of Current/Development Expenditure and Estimates of Receipts, on prescribed format (**FORM.I**).

1.2) Administrative Departments are required to finalize/submit their Budget Estimates 2019-20 respect of the entities of erstwhile FATA by carrying out a detailed exercise entailing the following information in order to assess the actual needs for the next financial year and to avoid seeking supplementary or additional grants at the very onset of the financial year 2019-20:

- i) Detail of vehicles and year of purchase as well as the names of the officers to whom such vehicles have been allotted.
- ii) Condemnation Certificate of existing unserviceable vehicles for purchase of new vehicles.
- iii) Detail of existing sanctioned strength of posts with sufficient justification fulfilling formalities for establishment of new offices/creation of posts, if any.
- iv) Detail of existing Physical Assets such as Hardware, Machinery and Equipment, Furniture and Fixture etc. with the year of purchase indicating budgetary provisions.
- v) Detail of Assets & liabilities i.e. loan, debt etc., if any.

1.3) POL and Telephone estimates must be accompanied by detailed statement indicating the Designation of Officer, entitlement of vehicle/telephone and ceiling for proposed budget estimates. In this regard, the policy of the Establishment & Administration Department, KP circulated vide letter No.DSA(G)S&GAD/6-2/98, dated 30/5/1998 regarding ceilings of Telephone/P.O.L may be kept in view.

1.4) The SNE (Fresh) proposals in respect of completed developmental scheme on its transfer to current side, all relevant information shall have to be furnished by the Administrative Departments, on the set format (**FORM.II**), accompanying with all relevant documents i.e (i) Administrative Approval (AA), ii) PC-IV,(iii) Handing/Taking Over Certificate, (iv) Inspection report from DO (F&P) concerned, (v) Mutation Deed and in the case of non-settled district, Transfer deed on judicial stamp, duly registered, (vi) Site Plan, (vii) Electrification Certificate, (viii) Sanction/Up-gradation orders of School etc, (ix) BM.9/Explanatory Memo: and; (x) Certificate in place of PC.IV, by concerned executing Department duly countersigned by respective Heads of Department, in case of 75% completed developmental schemes. On completion of such scheme the Department concerned shall provide PC.IV to Finance Department.

2) BUSINESS PROCESSES

2.1) CURRENT EXPENDITURE - SALARY BUDGET

2.1.1) The salary component of Budget Estimates (Current Expenditure) 2019-20 is to be prepared as per actual on the prescribed format (**FORM.III**). This Form shall be prepared at the level of spending DDO, and submitted to Finance Department, duly verified by the concerned Accounts Office i.e. AGPR or Agency/District Accounts Office concerned.

2.1.2) Administrative Departments have to support their proposals for creation of new positions, if any, on prescribed format providing full justification on the need and manner in which such a creation contributes to the overall performance of the Department.

2.2) CURRENT EXPENDITURE - NON-SALARY BUDGET

2.2.1) Non-Salary Budget, other than the items of expenditure covered by budget guidelines/yardsticks, may be prepared on the prescribed format, referred to at para 1.1 above, on the basis of average of past three year's actual expenditure, with due consideration of ceilings/entitlements as per prevailing rules/instructions.

2.2.2) For allocation of budget for purchase of physical assets i.e Machinery & Equipments, Hardware etc and repairs & maintenance the demand must be accompanied with elaborate procurement plans in accordance with the provisions of KP PPRA Act, 2012 and KP PPRA Rules, 2014.

2.3) ESTIMATES OF RECEIPTS

2.3.1) Each Administrative Department is required to submit its consolidated Estimates of Receipts on prescribed format, quoted above, to Finance Department within the stipulated time period as per budget calendar.

2.3.2) The Provincial Tax Enforcement Departments are required to duly consider revenue arrears and potential of each tax while formulating forecasts/targets for the period 2019-20, where applicable. Annual targets are to be furnished on prescribed format duly supported by a statement depicting the spread of annual targets around 12 months, where applicable.

2.4) DEVELOPMENT EXPENDITURE

2.4.1) The P&D Department based on the policy aspirations of the Government has to distribute the resources, based on commitment of Federal Government to be received in due course of time, at sectoral level and to communicate the same along with the ADP Guidelines

2.4.2) Each Administrative Department and P&D Department is required to capture the spread of throw-forward at least for two outer years. This is a requirement under medium term planning and budgeting and needs adherence.

2.4.3) Administrative Departments shall have to provide indicators and targets, where applicable, to reflect the policy/plan, for tackling challenges posed by **climate change**. For example, number of ADP schemes having components related to climate change resilience, enhancement in water storage, capacity to tackle floods, number of universities providing degree / postgraduate courses in climate change,% age reduction in Co2 emissions,etc.

2.4.4) Budgetary decisions including original budget, revised budget, re-appropriations, supplementary grants and releases by Finance Department will be subject to performance of the Departments.

2.4.5) Key budget documents such Budget White Paper, ADP, Budget Speech and OBB requires distinct set of information in narrative to highlight the key plans and achievements of each Department. Administrative Departments have to furnish this information on a standardized format as per the timelines stipulated by budget calendar.

FORM. I: ESTIMATES OF RECEIPTS & CURRENT EXPENDITURE

DDO Code _____ Department/Office _____

Major head / function Sub-head/ function and primary units of appropriation	Number of Posts		Accounts (Financial year just closed)	Budget Estimates (Current Financial year)	Revised Estimates (Current Financial year)	Budget proposed by the Head of Dept. for the coming financial year 2019-20
	Current Financial year	Next Financial year				
	2018-19	2019-20	2017-18	2018-19	2018-19	
1	2	3	4	5	6	7

FORM.II: SCHEDULE OF NEW EXPENDITURE

Department/Office Name _____

1	2	3	4	5
Fund Center	Primary Unit of Appropriation	Particulars of scheme	Amount to be spent during the year* 2019-20 (coming financial year)	Foreign Exchange Component, if any.
1	2	3	4	5

FORM.III: BASIC PAY AND ALLOWANCES OF THE OFFICERS/OFFICIALS For the Year 2019-20

Scheme/DDO Code: _____ Scheme/DDO Name: _____

1	2	3	4	5	6	7	8	9	10					11	
S #	Personnel No as per Payroll	Name	Designation	BPS	Sanctioned Pay of the post			Amount of provision for the coming FY at the rate as mentioned in column 8	Detail of Regular Allowances (A012-1) and Other Allowances (A012-2)					Total provisi on for comin g FY (Col.9- 10)	
					Minimum	Maximum	Actual Pay (Basic Pay) Due on 1st December of the coming FY		(i) HRA	(ii) Medical Allowance	(iii) Conve yance Allowa nce	(iv) Any other Regular Allowan ce (Give detail)	(v) Other Allow ances (Give detail)		
1.															
2.															

Note: - Department/Offices may update the information by providing the following information:

- Separate BM.6 may be prepared spending level i.e DDOwise as reflected in the budget books.
- BM.6, so prepared, may be forwarded to Finance Department, duly verified by concerned Audit Office.
- Details of vacant posts alongwith object-wise details of funds claimed in the Budget Estimates 2018-19.
- Additional columns may be inserted to show Regular and Other Allowances in detail.

Designation and Signature of Drawing & Disbursing Officer

BUDGET CALENDAR

S #	KEY ACTIVITIES	LEAD ROLE	DEADLINE (Last Date)
1.	Issuance of Guidelines	Finance Department	20 th December, 2018
2.	Submission Budget Estimates 2019-20 (Current Expenditure) to Finance Department	Administrative Departments	31 st January, 2019
3.	Issuance of ADP Guidelines alongwith Development Ceilings	P&D Department	8 th January, 2019
4.	Meetings of Budget Estimates 2019-20 (Estimates of Receipts)	Finance & Administrative Departments	7 th February, 2019
5.	Meetings on Budget Estimates 2019-20 (Current Expenditure)	Finance & Administrative Departments	20 th March, 2019
6.	Examination of B.Es 2019-20 & Forecasts 2019-21 to Finance Department (Current Expenditure including SNEs Fresh)	Finance Department	15 th April, 2019
7.	Submission of write ups for Budget White Paper, Budget Speech and OBB to Finance Department	Administrative Departments	30 th April, 2019
8.	Submission of ADP 2019-20 to Finance Department	P&D Department	6 th May, 2019
9.	Review & Consolidation of B.Es 2019-20,	Finance Department	10 th May, 2019
10.	Submission of Budget / BSP 2019-20 for approval of Provincial Cabinet	Finance Department	27 th May, 2019
11.	Submission of Budget 2019-20 to the Provincial Assembly	Finance Department	07 th June, 2019