

167  
GOVERNMENT OF ORISSA  
POLITICAL AND SERVICES DEPARTMENT.

OFFICE MEMORANDUM 3166

Bhubaneswar, the 21st March, 1960.

Subject:- Procedure to be followed by Government servants dealing with money collected from the public.

Non-official organisations engaged in public welfare activities sometimes approach the State Government with the request to permit Government servants to serve in honorary capacity as president, secretary or member of the said organisations as it is considered that the association of the Government servants with such organisations will promote success in their activities. Each such case is dealt with on its merits and permission is given in suitable cases subject to the provisions of the Government Servants' Conduct Rules which apply to the Government servants in question.

2. Government have of late received complaints from the public that in some such cases moneys collected by a Government servant or under his authority have not been regularly accounted for or properly utilised. There is a further general complaint that the public are kept in the dark about the total amount collected from them and the amount actually spent for the purpose which was in view. Government have carefully considered these complaints and have found that the lack of suitable instructions in the matter is mainly responsible for giving rise to these complaints. They have, therefore, framed the present instructions which prescribe the procedure to be followed by the Government servants dealing with money collected from the public to be spent on general welfare activities and at the same time meet the persistent demand made on the Government that the accounts of such transactions should be published for general information.

Instructions.

When a Government servant is permitted by Government to be an honorary president or honorary Secretary of any public welfare institution like School, College, Hospital, etc., and to collect subscriptions, etc., on behalf of such institution, he is responsible for proper maintenance and control of accounts of such institution. The following instructions should therefore be followed in such cases.

(i) Cash Book: A Cash Book should be maintained for recording all moneys received by him or his authorised agents on behalf of the institution by way of subscription, donation, etc. from the public and their subsequent disbursements. The Cash Book should be closed regularly and completely checked in order to ensure that all receipts collected are brought to account and all expenditure and disbursements are authorised, acknowledged and properly vouched.

(ii) Receipt and Expenditure:

(a) When the Government servant or his authorised agent receives money on behalf of the institution a receipt must be given to the payer duly signed by the Government servant himself or by his authorised agent, as the case may be;

(b) All receipts must be written in words and figures;

(c) Receipt Books in machine numbered printed forms should be used and before a receipt book is brought to use, the number of forms contained therein shall be counted and the result recorded in a conspicuous place in the book over the signature of the Government servant in charge. Unused receipt books and counterfoils of the used ones should be kept in safe custody and properly accounted for;

(d) A half-yearly statement of receipts and expenditure should be forwarded to the prescribed authority for its information;

(e) He shall cause proper accounts of the funds raised to be maintained by an official who shall act as treasurer;

(f) All moneys raised for the fund shall be promptly deposited in a bank (State Bank, Scheduled Bank, Cooperative Bank or Postal Savings Bank) lying nearby and no fluid money shall be left in the hands of the persons associated with the collection;

(g) Whenever money is required for expenditure, it may be drawn from the bank and expended;

(h) Moneys raised for the fund shall not be mixed up with Government cash.

(iii) Audit: On the close of the financial or calendar year or the period specifically fixed, as the case may be, the accounts should be got audited by a recognised auditor appointed by the organisation and the audited statements of accounts should be published in at least one of the news papers having circulation in the area for general information so that the donors may be in a position to know that their donations have been properly utilised.

Note:- The auditor may be either a Chartered Accountant or a member of the Audit organisation of the State Government. Special care shall be taken to see that the auditor is in no way connected with the organisation raising the funds or the purpose for which the funds are collected.

(iv) While forwarding a proposal to Government for necessary permission, the concerned authority shall also state the name and designation of the 'authorised agent' the 'treasurer' and the name of the Bank referred to in sub paragraph (ii) as also the name and designation of the 'Auditor' referred to in sub-paragraph (iii) of paragraph 3. While according permission Government will nominate the "prescribed authority" referred to in sub-paragraph (ii) of paragraph 3.

Sd/-A.K.Mazumdar,

Additional Secretary to Government

9  
237

80!  
Memo No 3167-(91) Gen., dated 21/3/60

Copy forwarded to All Departments of Government/ All Heads of Departments/ All Revenue Divisional Commissioners/ All Collectors for information.

2. These instructions may be brought to the notice of all the Government servants under their control.

*M. K. M. M.*  
18.3.60  
Deputy Secretary to Government.