



DEPARTMENT OF TREASURY
Office of the Secretary

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BUDGET CIRCULAR 3/2009

3 April 2009

CIRCULAR LETTER TO:

All Departmental Heads, Heads of Statutory Authorities and Provincial Administrators

2009 FIRST QUARTER BUDGET REVIEW (including the 2009 Quarterly Budget Review Timetable)

This Budget Circular advises National Departments, Statutory Authorities and Provincial Administrations (*agencies*) of their responsibilities in providing the Department of Treasury (Treasury) with performance, program, expenditure and revenue information for the first quarter of 2009 (i.e. 1 January to 31 March 2009).

The 2009 Quarterly Budget Review (QBR) Timetable is at Attachment A to this Budget Circular.

Key Dates

Action	Due Date
Agencies to have completed signed hardcopy and electronic copy First Quarter Review templates to Treasury	Thursday 14 May 2009

Background

The QBR process is conducted under the *Public Finances (Management) Act 1995* according to guidelines set out in *Section 36* of the Department of Finance's *Financial Instructions*. The Quarterly Budget Reviews allow the Government to:

- monitor progress in implementing the annual Budget, that is *to assess what results are being achieved from program spending*;
- identify spending trends that may lead to under expenditure or over expenditure of budget allocations; and
- update agency staffing profiles and advise of the steps being taken to bring those profiles in line with what has been funded through the annual budget.

It is important that all Budget-funded agencies participate in the reviews and report to Treasury on the 2009 first quarter to ensure the Central Agencies Coordinating Committee (**CACC**) has sufficient information to inform key decisions on implementation of budget funded policies.

Revised Quarterly Budget Review Process

As was the process for the 2008 QBR process (refer to Budget Circulars 3/2008, 6/2008 and 7/2008), Treasury will not be pre-loading information into the First Quarter Review templates. Agencies must therefore provide **all** of the information asked for in each of the First QBR templates.

All First QBR templates will be provided in electronic format on a floppy disk and are expected to be returned completed in electronic format (saved on disk) and in hardcopy. Two versions of the First QBR Templates (Attachment B) will be provided electronically. One version will be for completion by Government Departments and Statutory Authorities and the other will be for completion by Provincial Governments.

Action Required by Agencies

Agencies are to complete the appropriate 2009 First QBR Templates at Attachment B and the Recurrent Budget - Agency Staffing Level form at Attachment C and **return to Treasury by 14 May 2009**.

Agencies are to ensure that all completed templates are returned to Treasury in both signed hardcopy and electronic format. All First QBR templates are to be sent to Treasury marked for the attention of the '**First Assistant Secretary, Budgets Division**'.

Guidance to assist Agencies with the completion of all templates is provided at Attachment D.

All agencies are also requested to provide their expenditure reports for the First QBR from the Papua New Guinea Government Accounting System (PGAS) together with their completed templates for Treasury's reference. The PGAS report will provide the basis for Treasury's verification of information supplied on the Templates and performance assessment of all agencies hence the requested report must be attached as part of the First QBR report for all agencies.

Budget funded agencies failing to complete the templates satisfactorily and on time will be reported to Secretary of Treasury.

Review meetings

Agencies will only be required to meet with Treasury (and other Central Agencies) on an exceptions basis. Treasury will advise your agency if a meeting is required.

Those agencies that are required to attend meetings will be notified separately on the timing of those meetings, following analysis by Treasury of all First QBR returns. Treasury will pay particular attention in its analysis to the results achieved by program expenditure in the first quarter and to the staffing allocations of agencies.

Reporting Templates

All templates will be provided to agencies with this circular in hardcopy as well as in electronic format (saved to floppy disk). The relevant First QBR Templates at Attachment B will be provided electronically on floppy disk to each agency.

Further guidance to assist agencies with the completion of all templates is provided at [Attachment D](#).

Future Budget Review Dates

While further information on the 2009 QBR process for the Second and Third quarters will be provided in future Budget Circulars, all agencies should note the key dates outlined in [Attachment A](#).

Contacts

For further information or guidance please contact the officers below.

Recurrent Budget (Department of Treasury)

Economic Sector	Mr Ropit Botong	312 8781
Infrastructure Sector	Mr Ropit Botong	312 8781
Social Sector	Ms Ruth Veapi	312 8753
Law & Order Sector	Mr Ravu Paku	312 8438
Administrative Sector	Mr Rudolph Aigili	312 8737
Provincial Sector	Mr Lazarus Enker	312 8739

Development Budget (Department of National Planning & Monitoring)

Economic Sector	Mr Jeffery Yakopya	328 8333
Infrastructure Sector	Mr Gregory Ume	328 8559
Social Sector	Mr Igo Gari	328 8333
Law & Justice & Administrative Sectors	Ms Rose Koyama	328 8559
Police & Defence	Mr Willie Kumanga	328 8333
Provincial Sector	Mr Otto Tean	328 8333
Special Projects HIV/AIDS & Climate Change	Mr Napoleon Henry	328 8321

SIMON TOSALI
Secretary

Attachments:

- A: 2009 Quarterly Budget Review Timetable**
- B: 2009 First Quarter Budget Review Templates**
- C: Agency Staffing Level Form**
- D: Quarterly Budget Review Template Guidance Floppy Disk containing pre-loaded templates**

CC: All Government Chief Financial Officers