

MINISTRY OF FINANCE AND ECONOMIC DEVELOPMENT

Circular No 9 of 2014

Our Ref: CF/40/30/63/A V4

01 October 2014

From: Financial Secretary

To: Supervising Officers-in-Charge of Ministries/Departments and Accounting Officers

FINANCIAL MANAGEMENT KIT (FM KIT)

Financial Instructions No 3 of 2014

Payment by Debit/Credit Card

As you are aware, Financial Instructions No 3 of 2013 - Payment by Debit/Credit Card took effect in January 2013. These Financial Instructions have put in place the framework to facilitate payment on behalf of Government by introducing Debit Card for Imprest Holders in Ministries/Departments and Credit Cards for use in overseas missions.

2. With a view to further facilitating payments in relation to Government financial operations and in line with Government objectives to promote e-services, the Financial Instructions have been amended to provide for all Accounting Officers or any senior officer designated by the Accounting Officer the possibility to use credit cards. You may wish to note that these instructions will supersede Financial Instructions No 3 of 2013.

3. In this context, please find enclosed Financial Instructions No 3 of 2014 - Payment by Debit/Credit Card for compliance.



D. D. Manraj  
Financial Secretary

Copy to:

- (i) Secretary to Cabinet and Head of the Civil Service
- (ii) Director of Audit
- (iii) Accountant-General
- (iv) Directors, Economic and Finance, MOFED
- (v) Director, Financial Operations
- (vi) Director, Procurement & Supply
- (vii) Director, Internal Control
- (viii) Officers-in-Charge of Financial Operations Unit, Procurement & Supply Unit and Internal Control Unit in Ministries/Departments
- (ix) Lead Analyst & SMSTs, MOFED

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Financial Instructions No 3 of 2014

Payment by Debit/Credit Card

1. The rules and procedures set out below regulate the use of debit cards by Imprest Holders of Ministries/Departments and credit cards by Accounting Officers and Overseas Missions.
2. Imprest Holders  
An Accounting Officer may authorize the issue of a debit card in the name of an Imprest holder operating a bank account. Such debit card can only be used for effecting payments allowed under the relevant Imprest Warrant.
3. Accounting Officers  
Subject to paragraph 4 below, a credit card may, with the approval of the Financial Secretary, be issued in the name of an Accounting Officer or any senior officer designated by the Accounting Officer. The approval of the Financial Secretary should also be sought in respect of the credit card limit.
4. Overseas Missions  
The Secretary for Foreign Affairs may authorize the issue of a credit card in the name of the Head of Mission or any other public officer designated by the latter.  
The credit card limit should be determined by the Secretary for Foreign Affairs.
5. The credit card should be used for the purchase of goods or payment for services where the use of cash or cheques is considered to be inconvenient, impractical or uneconomical.
6. **No interest should be allowed to accrue** under a credit card facility. Necessary instructions should accordingly be given to the relevant issuing bank for automatic settlement by direct debit to the relevant bank account.
7. Proper records, such as cash withdrawal receipts and payment slips, should be maintained in respect of each transaction effected by means of debit/credit card. Under no circumstances should an official debit/credit card be used for personal transactions or for making expenses not related to the activities of relevant Departments or mission for which the card was issued.
8. The general procedures regulating payments should be complied with. In particular appropriate entries should be made in the cash book in respect of card transactions and regular bank reconciliations should be carried out, indicating where relevant, outstanding credit card payments.