

SIXTIETH REPORT

OF THE

SALARIES REVIEW COMMISSION

OF THE

REPUBLIC OF TRINIDAD AND TOBAGO

March 27, 2001.

SIXTIETH REPORT OF THE SALARIES REVIEW COMMISSION

Review of the Terms and Conditions of Service of the Office of Deputy Comptroller of Accounts

By letter dated November 27, 2000, the President of the Republic of Trinidad and Tobago conveyed his approval for a review of the salary and other terms and conditions of service of the office of Deputy Comptroller of Accounts, Treasury Division, Ministry of Finance. This office was placed within the purview of the Salaries Review Commission by virtue of Legal Notice No. 249 dated September 26, 2000.

2. In our deliberations, we noted that in its response to the many reform initiatives which have been ongoing in the Public Service system, the Treasury Division found it necessary to re-examine its processes and the way it delivers its services in order to achieve a more effective system of financial management for the State. In this regard, a fundamental priority was a review of its organizational structure to ensure enhanced delivery of its core functions as provided in law and to cope with added responsibility; more importantly, to achieve a new professional conceptualisation of the Division befitting its role as the Government's chief financial agency. The office of Deputy Comptroller of Accounts was created as part of a revised Senior Management structure for the Treasury Division.

3. The duties and responsibilities of the Treasury Division which are heavily concentrated on accounting, devolve from Chapter 8 of the Constitution of the Republic of Trinidad and Tobago which treats with public finance, the Exchequer and Audit Act, Chap. 69:01 which provides for the control and management of public finances and the several Public Service pension Acts. The Division's main responsibility is to manage the accounting system in the Public Service. This system is based in the Exchequer and Audit Act and the Financial Regulations made thereunder, which provide for the control and management of the public finances of the Republic of Trinidad and Tobago and for the collection, issue and payment of public moneys.

4. The Division has prime responsibility for the integrity of Government's accounting work and the standard of accountability. In the course of its administration of the accounting systems and procedures, rules and regulations, principles and conventions, the Division issues instructions, provides advice, designs and installs accounting systems and liaises with the Auditor General and the Public Accounts Committee of Parliament.

5. Some of the other major functions of the Treasury Division include:

- maintaining the country's general ledgers;

- producing and submitting the statutory financial statements to the Auditor General, in accordance with Part V of the Exchequer and Audit Act;
- servicing the Public Debt as well as producing the Public Debt Statement;
- maintaining all ledger accounts in respect of foreign and local loans raised by Government;
- superintending and controlling all Central Government bank accounts;
- effecting payments on behalf of other Governments and Administrations;
- making overseas disbursements through the Central Bank, Crown Agents, Overseas Missions etc.;
- managing the loan portfolio of Government in respect of loans to travelling officers for the purchase, insurance and repairs of motor vehicles, loans for the purchase of computers, Cess Loans, Student Devaluation Loans and others.

6. We have also noted that another important function of the Treasury Division is the administration of superannuation and other terminal benefits to public officers and other beneficiaries based on the several pension laws and regulations and contracts of employment in the Public Service.

7. It is our understanding, further, that a major focus of the Treasury Division at this time is addressing the demands of financial management reform. Specifically, the Division is seeking to achieve a shift from the traditional model of cash based accounting to one of accrual accounting which is a far more useful model in today's context of strategic management and the need to furnish a variety of financial information to its stakeholders. A critical arm of the accrual based model is an integrated reporting system which allows for greater efficiency in the accounting function. It is appreciated that the installation of the Integrated Financial Management Information System throughout the Public Service would place considerable demands on the organizational capacity of the Treasury Division.

Deputy Comptroller of Accounts

8. The administrative head of the Treasury Division is the Comptroller of Accounts who manages the strategic operations of the organisation and at the same time carries the overall responsibility in the Public Service for superintending and controlling all Central Government bank accounts and for authorising the grant of credit on the Exchequer bank account. The office of Deputy Comptroller of Accounts was created to support that of the Comptroller of Accounts. Apart from strengthening the top management structure of the Treasury Division, this new office will enhance the succession process and also relieve the Comptroller of Accounts of most of the operational aspects of the

Division. It will also facilitate closer scrutiny of the information flow upwards from the three (3) main technical branches, namely, Financial, Treasury and Pensions Management.

9. We are advised that the Deputy Comptroller of Accounts will be responsible for the following activities in the restructured Treasury Division:-

- (1) Assisting in planning, organising, directing and co-ordinating the financial and accounting activities of the Division;
- (2) Assisting in the formulation of the Division's Strategic Plan;
- (3) Participating in the formulation of financial and accounting policies for Ministries and Departments;
- (4) Providing advice on financial and accounting matters to Heads of other Divisions of the Ministry as well as to Permanent Secretaries/Heads of Departments as requested;
- (5) Collaborating with the Comptroller of Accounts and senior management to give effect to financial and accounting policies;
- (6) Providing advice on more complex financial and accounting problems emanating from the Treasury, Financial and Pensions Management technical branches;
- (7) Ensuring that the activities of the Human Resource Management and Administrative Support Units are effectively managed;
- (8) Assisting in planning and executing training programmes for the development of human resources within the Treasury Division;
- (9) Serving as a resource person for training programmes in respect of financial and accounting procedures; and
- (10) Representing the Division on Committees, Boards and Commissions.

10. We have been informed that in the long term, the office holder will have overall responsibility for the supervision of all branches and units of the Treasury Division, excluding the Internal Audit and the Information Systems Sections, and direct responsibility for the heads of those branches and units. It is also our understanding that in the short term and until the Human Resource Management Unit of the Division is restructured and staffed with officers with the relevant competencies, the Deputy Comptroller of Accounts will assume direct responsibility for that Unit. Additionally, during the implementation of the Integrated Financial Management Information System, the office holder will be required to lead that process and to work closely with the Financial Management Unit.

11. With respect to the educational qualifications and experience necessary for the office, we have been advised that the incumbent will be required to possess extensive experience (eight years or more) in professional accountancy work, as well as considerable experience in an administrative capacity and

training as evidenced by a professional qualification in Accountancy which is acceptable to Government.

12. In our deliberations on an appropriate compensation package for the office of Deputy Comptroller of Accounts, we viewed the portfolio of duties and responsibilities as one which places the office holder in a major supporting role to the executive head of the Treasury Division and one which contributes to the delegation of managerial responsibility. We note that in its professionalization thrust, the Treasury would be faced with the need to attract, retain and motivate a suitably qualified and competent individual to fill this position. As previously indicated, the scope of duties for the office embraces a mix of professional financial and accounting work as well as managerial, supervisory and advisory responsibilities for the internal organization itself, the Ministry of Finance and the wider Public Service. On this basis, we consider that the office bears close comparability with those at the level of Deputy Director of Personnel Administration and Deputy Chief Personnel Officer in Group C of Top Managers in the Public Service.

Recommendations

13. In the light of the foregoing, we hold the view that the office of Deputy Comptroller of Accounts should be placed at the highest level in Group C of the Top Managers group.

14. We, therefore, recommend the following remuneration arrangements for the office:

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| Salary | - | \$14,000 per month. |
| Transport Facilities | - | (i) A maximum loan of \$125,000 at a rate of interest of 6% per annum repayable over a period of six (6) years to facilitate the purchase of either:

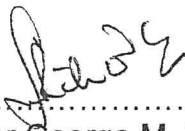
(a) a new motor vehicle with exemption from Motor Vehicle Tax limited to the amount payable on a vehicle with an engine capacity of 1999cc and exemption from Value Added Tax to a maximum of \$25,000; or |

- (b) a used motor vehicle with exemption from Special Registration Fee or Special Motor Vehicles Tax (whichever is applicable) to a maximum of \$15,992 and exemption from Value Added Tax to a maximum of \$25,000.
 - (ii) A loan to cover the cost of Motor Vehicle Insurance premium at a rate of interest of 6% per annum.
 - (iii) A maximum loan of \$10,000 at a rate of interest of 6% per annum repayable over a period of three (3) years to effect repairs to a motor vehicle.
 - (iv) A Transportation Allowance of \$1,800 per month.
- Subsistence Allowance -
- (i) \$60 per day when travelling on official business beyond a radius of sixteen (16) kilometres from official headquarters and when in Tobago, \$75 per day.
 - (ii) For travel abroad on official business, US\$50 per day.
- Housing - A Housing Allowance of \$1,900 per month.
- Entertainment - Actual expenses incurred for entertainment to be met from an official Entertainment Vote under the control of the Ministry of Finance.
- Vacation Leave - Thirty (30) calendar days per annum.
- Telephone - The cost of telephone rental and other charges, including Value Added Tax, related to official business to be met by the State.

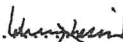
- Medical Benefits - Entitlement to medical attention/treatment and prescribed drugs at any health care facility under the Regional Health Authorities, with the exception of the Eric Williams Medical Sciences Complex (EWMSC). Where such medical attention/treatment is not available at such health care facility, the office holder is required to seek approval from the Permanent Secretary of the Ministry of Finance to have the costs met at the EWMSC or, for costs to be met at any other hospital, institution or nursing home in Trinidad and Tobago where the medical attention/treatment is not available at the EWMSC.
(Medical attention/treatment excludes optical and dental treatment/services. Prescribed drugs exclude drugs which are obtainable without a prescription.)
- Pension/Gratuity - Entitlement to pension benefits in accordance with the provisions of the Pensions Act, Chap. 23:52.

15. We recommend further that the effective date of implementation of the remuneration package should be the date on which the office holder assumes duty.

Dated this 27th day of March, 2001.



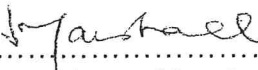
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Professor George M. Richards



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Edward Collier



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Keith Ortiz



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