

Government of Pakistan
Finance Division
(Budget Wing)

No. 1(269) Dir (BC)/2024-3446

Islamabad, the 6th September, 2024


Subject: **Procedure for Opening of New Cost Centers and Re-appropriation of Funds During the Financial Year to a Cost Center with No Original Allocation**

Kindly refer to the subject noted above. It has been observed that there is no approved procedure for opening of new cost center in a Demand for Grant during the financial year. Moreover, cost centers to which budget have been allocated in the current financial year have been mapped and categorized but PAOs re-appropriate funds to already opened cost centers with no original allocation. In this case, final budget in mapped and categorized cost centers become less as compare to original allocation.

2. As per Section 2 (q) of the Public Finance Management Act, 2019, Principal Accounting Officers have been made responsible for exercising financial propriety in management of public funds and they will be directly accountable to Parliament for the economic, efficient and effective use of resources.

3. In order address above issues following procedure shall be adopted:

- i. Opening of a new cost center in Demand for Grant shall be made with the approval of concerned Principal Accounting Officer on the attached new form.
- ii. To capture cost centers (with no original allocation) in a financial year, re-appropriation to these cost centers will be made with the approval of Budget Wing, Finance Division.


(Gul Muhammad Shah)
Director (BC)

**Principal Accounting Officers/Secretaries,
All Ministries / Divisions**

Copy to:

1. The Controller General of Accounts, Islamabad with the request to circulate the above procedure to all accounting offices for implementation.
2. The Accountant General Pakistan Revenues, Islamabad.
3. The Web Master, Finance Division, Islamabad for uploading on the website.

FUND CENTRE/COST CENTRE OPENING FORM

1 FM Area

2 Fund Code

Desc:

3 Demand No.

Desc:

4 Attached Department Code

Desc:

5 Function

Desc:

6 Superior Hierarchy (Attached Dept) (Function)

7 Fund Centre District

District Code

8 Fund Centre Description

9 Mode of Payment

10 Category of Fund Centre/Cost Centre

(Please Tick Mark (✓) the Nature of Fund Centre/Cost Centre)

Interest Payment	<input type="checkbox"/>	Defence	<input type="checkbox"/>	Grants	<input type="checkbox"/>
Subsidy	<input type="checkbox"/>	Pension	<input type="checkbox"/>	RoCG	<input type="checkbox"/>
PSDP	<input type="checkbox"/>	Loan/Investment	<input type="checkbox"/>	Debt	<input type="checkbox"/>

11 Authorized signatory

Signature: _____

(Name) _____

Explanatory Note:

- 1 Kindly attach approval of Principal Accounting Officer (PAO). (Designation) _____
- 2 Please fill in all fields (**Mandatory**).
- 3 Mention District name where Fund Centre / Cost Centre is physically located.

OFFICE USE ONLY (FINANCE DIVISION)

Fund Centre/Cost Centre created in SAP System

Fund Centre/Cost Centre Description in SAP System	
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Opened By
Name: _____
Designation: _____
Signature _____

Reviewed By
Name _____
Designation _____
Signature _____