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Plot 2-12, Apollo Kaggwa Road  
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Kampala  
Uganda

In any correspondence on  
this subject please quote No MET.50/268/01

THE REPUBLIC OF UGANDA

02<sup>nd</sup> October, 2015

All Accounting Officers

## SECOND QUARTER EXPENDITURE LIMITS FOR WAGE, NON-WAGE RECURRENT AND DEVELOPMENT EXPENDITURE FY 2015/16

1. Please refer to the Budget Execution Circular dated 10<sup>th</sup> July 2015 in which I communicated the annual cash plan and the administrative guidelines for execution of the Budget of FY 2015/2016. This is therefore to communicate the Expenditure-Limits for Wage, Non-Wage Recurrent and Development for the period October - December 2015 as attached in Annex 1.
2. The Q2 projections communicated in the Budget Execution Circular have been adjusted taking into account the prevailing macro - economic conditions. Accordingly, we have not been able to allocate Expenditure Limits in line with your work plans except salaries that have been based on quarterly payroll projections. As emphasized last quarter, net Salaries and deductions must be paid at once to improve on the reconciliation and performance of the Wage Bill.
3. In order to avoid creation of arrears, the Q2 Expenditure Limit allocations have protected the following areas i.e. Salaries, Utilities, Pensions and Gratuity. These have been fully provided for based on quarterly projections. It is, therefore, the responsibility of the Accounting officer to ensure that payments are made accordingly.
4. To avoid delays in payment of Pension and Gratuity as experienced in the first quarter, you are advised to work closely with Ministry of Public Service in under taking the payroll verification exercise, which should be concluded in a timely manner. Shs.94,192,728,697 has been provided for pension and gratuity as indicated in the schedule. Please note that no reallocation is permitted from pension to any other category.

A handwritten signature in black ink, appearing to be the initials 'M' followed by a stylized flourish.

Mission

*"To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to achieve the most rapid and sustainable economic growth and development"*

5. In Quarter 1, Pension and Gratuity Expenditure limits were issued but a number of you warranted less than the programmed amount leading to non-payment to pensioners. You are expected to make good the expenditure limits for Pensions that were diverted against your non-wage Expenditure limits for Quarter 2.
6. In line with the previous practices, funds' released to schools have been aligned with the school calendar and the relevant institutions are advised to ensure that release projections are harmonized in time and releases effected as per timeframe in the guidelines.
7. You should submit a request for a single warrant for Wage, Non-wage and Development Expenditure limits to my Ministry by Thursday 8<sup>th</sup> October 2015.
8. The Sectors which have conditional grants to Local Governments are reminded to urgently submit release advice to Local Governments by the Wednesday 7<sup>th</sup> October 2015 to enable timely release of funds.
9. In order to ensure operational efficiency under the Development Expenditure; you are required to prioritize ready Certificates and those which will fall due in the quarter in distributing the Expenditure Limits. Accordingly, projects with ready Certificates should be given first priority within the Development Expenditure Limits.
10. A total of Shs. 30,701,457,045 has been provided for tax payment to facilitate timely execution of Government Contracts. You are informed that no reallocation whatsoever is permitted from tax expenditure to any other category
11. The annual balances for Rent, Rates and capital development for Missions Abroad have been provided in order to minimize the loss in poundage- see Annex 2.
12. By copy of this letter, the Accountant General is requested to issue Accounting Warrants equal to the levels indicated in the Expenditure Limits schedule attached in Annex 1.



Keith Muhakanizi

PERMANENT SECRETARY/SECRETARY TO THE TREASURY

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*Mission*

*"To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to achieve the most rapid and sustainable economic growth and development"*

Copy: The Rt. Hon Speaker of Parliament  
The Rt. Hon Prime Minister  
The Hon Minister of Finance, Planning and Economic Development  
All Hon. Ministers and Ministers of State  
Head of Public Service and Secretary to Cabinet  
All Ambassadors and Consular to Missions Abroad  
Auditor General  
Inspector General of Government  
All LCV Chairpersons and Mayors  
All Resident District Commissioners  
Accountant General  
Managing Director, National Water and Sewerage Corporation  
Commissioner General, Uganda Revenue Authority  
Managing Director, Uganda Telecommunications Limited  
Managing Director, Uganda Electricity Distribution Company

Noo: The Permanent Secretary/Secretary to the Treasury  
Director Budget  
Director Economic Affairs  
The Commissioner/Financial Management Services  
The Commissioner/Public Administration Department  
The Commissioner/Infrastructure & Social Services Department  
The Commissioner/Macroeconomic Policy Department  
The Commissioner/Budget Policy & Evaluation Department  
The Assistant Commissioner/Public Administration Department  
The Assistant Commissioner/Social Services  
The Secretary/Cash Flow Committee  
Top Management file



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*"To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to achieve the most rapid and sustainable economic growth and development"*













Annex 1: Quarter Two Expenditure Limits for FY 2015/16

Vote	Vote Description	Approved Budget	Salaries (21101, 21104, 21105)	Statutory Wage	Contract Staff Sal	ow PAF	ow Protected	Statutory	o/w Pension	o/w Gratuity	ow Other	Taxes	Arrears	Total
236	Mission in Mombasa	100,000,000	-	-	-	-	75,000,000	-	-	-	-	-	-	75,000,000
	<b>Total Missions Abroad</b>	<b>17,884,600,000</b>	-	-	-	-	<b>11,482,650,000</b>	-	-	-	-	-	-	<b>11,482,650,000</b>
321412	Road Rehabilitation Grant	35,566,537,000	-	-	-	9,133,659,506	-	-	-	-	-	-	-	9,133,659,506
321417	General Hospitals Rehabilitation	8,200,000,000	-	-	-	2,110,421,597	-	-	-	-	-	-	-	2,110,421,597
321426	IGMSD (Former LGDP)	70,008,206,310	-	-	-	18,017,966,168	-	-	-	-	-	-	-	18,017,966,168
321428	Rural Water and Sanitation	60,372,434,000	-	-	-	15,537,962,023	-	-	-	-	-	-	-	15,537,962,023
321431	PHC Development	18,083,598,967	-	-	-	4,654,148,514	-	-	-	-	-	-	-	4,654,148,514
321433	Schools Facilities Grant (SFG)	54,198,838,550	-	-	-	13,949,073,100	-	-	-	-	-	-	-	13,949,073,100
321432	Secondary School Construction	8,858,000,000	-	-	-	2,279,770,062	-	-	-	-	-	-	-	2,279,770,062
321471	Conditional Grant to LBDP	6,172,455,181	-	-	-	1,588,595,454	-	-	-	-	-	-	-	1,588,595,454
321449	Sanitation and Hygiene - Health Component	4,678,389,000	-	-	-	-	-	-	-	-	-	-	-	-
321465	Support to Municipal Infrastructure Development	68,420,000,000	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total Local Governments</b>	<b>394,558,279,009</b>	-	-	-	<b>67,291,536,423</b>	-	-	-	-	-	-	-	<b>67,291,536,423</b>
	<b>Total GouD Development</b>	<b>9,705,198,901,668</b>	-	-	-	<b>15,900,810,876</b>	-	-	-	-	-	-	-	<b>15,900,810,876</b>
	<b>Grand Total</b>	<b>23,972,251,056,872</b>	<b>608,346,226,437</b>	<b>37,157,111,943</b>	<b>69,573,188,085</b>	<b>759,775,897,102</b>	<b>432,537,864,438</b>	<b>1,793,059,252,443</b>	<b>65,665,390,849</b>	<b>28,527,337,848</b>	<b>61,267,282,186</b>	<b>30,701,457,045</b>	<b>21,628,849,162</b>	<b>3,906,259,857,539</b>

UPD  
S/O/HS

