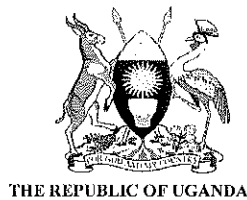


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In any correspondence on
this subject please quote No. BPD 103/155/01

6th February, 2018

All Accounting Officers (Central Government and Local Government)

PAYROLL MANAGEMENT AND PROCESSING OF PENSIONS AND GRATUITY UNDER THE DECENTRALIZED SYSTEM

1. As you are aware, in FY 2014/15 the processing and payment of Pension and Gratuity was decentralized to individual Votes where the employee retires from, and it is the responsibility of each Accounting Officer to ensure that files are processed and funds paid timely to the beneficiaries.
2. However, it has come to my attention that decentralization of pension payments is being delayed by the lengthy processing of pension files which is hindering the progress of the reform. You will recall that it had been agreed that these files should be approved within one month after submission to Ministry of Public Service, but this is currently not the case. These delays lead to shortfalls and thus create arrears.
3. Furthermore, several Pensioners especially from Local Governments, individually submit their files to this Ministry and the Ministry of Public Service instead of Accounting Officers or their representatives.
4. There have also been numerous concerns of Pensioners dropping off the pension payrolls without any explanation. These Pensioners are then referred by their respective Votes to this Ministry and that of Public Service for assistance yet Payroll management was decentralized.
5. It has also been reported that Primary Teachers and Primary Health Care workers who were decentralized are being referred to Ministry of Education and Sports, and Ministry of Health respectively yet their files are with the Local Government Accounting Officers.
6. The purpose of this letter therefore is threefold;

- i. Request you to ensure that the processing of files is expedited to allow timely payment of beneficiaries;
- ii. Ensure that all submissions are endorsed by Accounting Officers and those that will not be from the respective Accounting Officer will be rejected; and,
- iii. Investigate cases of individuals irregularly dropping off the payroll without explanation.


Keith Muhakanizi
PERMANENT SECRETARY/ SECRETARY TO THE TREASURY

Copy to; The Head of Public Service and Secretary to Cabinet
 The Auditor General, Office of the Auditor General
 The Principal Private Secretary to H.E The President
 The Permanent Secretary, Ministry of Public Service
 The Permanent Secretary, Ministry of Local Government
 The Permanent Secretary, Ministry of Education and Sports
 The Permanent Secretary, Ministry of Health
 The Accountant General, MOFPED
 Ag. Internal Auditor General, MOFPED