



HIRSHABELLE STATE OF SOMALIA

Public Financial Management Law 2018

Applicable from

31 March 2018

**Instruction A –
Delegation of Authorities**

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1. Authority, Purpose & Scope

1.1 This Instruction is issued pursuant to Section 20, Paragraph 2 of the Public Financial Management Law, 2018

1.2 The purpose of this Instruction is to formalize the policy and process for delegation of authorities for any or all functions related to the execution of the budget from the Minister for Finance to a Designated Official within the Ministry of Finance. This Instruction also authorizes the Designated Official who has received the Delegation of Authorities Letter from the Minister for Finance to further delegate specific tasks, as deemed essential, to employees within the Departments of the Ministry of Finance, for efficiency of execution and to ensure there is sufficient segregation of duties for all aspects of budget execution (see Appendix 1, paragraph 2c of Template, for what are considered “specific tasks” contemplated by this Instruction).

1.3 This Instruction is also directly applicable to the delegation of authorities as provided to the Ministers and Heads of budgetary institutions and agencies, other than the Ministry of Finance, pursuant to Section 20, Paragraph 4. All delegation of authority by entities, other than the Ministry of Finance, must be consistent with the provisions of Section 20, Paragraph 2, which is detailed in this Instruction.

2. Delegation

2.1 Delegation of authority by the Minister will be implemented via issuing a *Delegation of Authorities Letter* (Letter).

2.2 The Letter will be addressed to the recipient of such delegated authorities and will explicitly and clearly set out the authority that has been transferred that relates to execution of the budget.

2.3 The Letter may be amended as determined by the Minister, but all Letters issued subsequent of the first Letter must clearly state that the previous letter has been revoked and is replaced by the current Letter. All Delegation of Authority Letters must contain a unique serial number so it can be referenced in subsequent amendment Letters.

2.4 See Appendix 1 for the *Delegation of Authorities* Letter template to be used by the Minister. Note, this Letter does not divest the Minister of overall responsibility or to the exercise of any power thereunder the Law.

3. Redelegation

3.1 Upon change of Minister for Finance, the new Minister must revoke any *Delegation of Authorities* Letter issued by the previous Minister for Finance and reissue Letter under their own authority pursuant to Section 20, Paragraph 2 of the Public Financial Management Law, 2018

4. Entry into Force

4.1 This Regulation is deemed to have entered into force on date issued of **31/03/2018**

Mr. Mohamed Mohamud Abdulle

Minister of Finance and Economic Development

Hirshabelle

State

of

Somalia



Appendix 1 – Delegation of Authorities Letter Template from Minister

LETTERHEAD OF THE MINISTER FOR FINANCE

Letter reference No.

Date:

Name

Permanent Secretary/Director General

Ministry of Finance

Subject: Delegation of Authorities Letter

Dear [Name],

Pursuant to the powers given to me under Section 20, paragraph 2 of the PFM Law 2018, I, the Minister for Finance, hereby delegate the following authorities to you, as it specifically relates to the execution of the yearly Appropriation Act (hereafter referred to as “budget”).

DELEGATIONS

1. You are hereby granted the authority to further delegate these duties within the Ministerial departments, as you determine, to ensure there is an adequate segregation of duties to meet international financial management standards and efficient execution of budget. You must note that any further delegation of these duties by yourself does not divest you of the responsibilities I have given you with this Letter.
2. You are hereby delegated:
 - a. The role as the **Ministry’s Authorizing Officer** to enter into all commitments for the Ministry of Finance.
 - b. The role as one of two signatories for all government bank accounts, be it the Treasury Single Account (TSA) or any TSA sub-account.
 - c. The responsibility to ensure the Ministry of Finance maintains an adequate segregation of duties as it relates to the budget execution process, specifically maintaining a matrix of signatories, along with signatory samples, updated as and when required, that indicates primary and alternate signatories for the following specific positions as it relates to budget execution documents:

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Ministry of Finance -- Expenditure Approval and Signature Matrix										
Responsible Officer	Document									
	Commitment and Payment Order (CPO)		Payment Order Salaries and Allowances (POSA)		Purchase Order		Cheque			
	Commitment Authorization	Payment Approval	Payment Approval	Payment	Approval	Receiving	Sig #1 Main	Sig #1 Alt	Sig #2 Main	Sig #2 Alt
Requesting Officer, Admin Officer, Ministry Contact	Name(s)		Name(s)		Name(s)					
Authorizing Officer	PS/DG &									
Approving Officer			Name(s)		Name(s)					
Receiving Officer						Name(s)				
Certifying Officer		Name(s)								
Paying Officer				Name(s)						
Cheque Signatory							PS/DG	Name	Treasurer	Name

REVOCATION

I, the Minister for Finance, hereby revoke the Delegation of Authorities letter, reference no. XXXXX, dated DD/MM/YYYY, with effect from the date this letter take effect.

DATE THIS LETTER TAKES EFFECT

This delegation letter will take effect on and from DD/MM/YYYY

Yours sincerely,

Name

Minister for Finance

I acknowledge and agree to accept this delegation and understand the responsibilities associated with this delegation of authority

Signed

Name

Director General/Permanent Secretary

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