

Accounting Systems at the PostsPresent system

There are two accounting systems in use at the posts - one used by posts not served by Regional Treasury Offices, the other used by posts served by such Treasury Offices.

Posts not served by a local Treasury Office are financed through a letter of credit revolving fund or working capital advance. As a post requires funds, it draws them from the local bank against a letter of credit and deposits these funds as a credit to a post bank account. The post normally will draw funds twice a month and can draw up to a predetermined maximum established by the Finance Division. The bank is reimbursed semi-monthly by the Chief Treasury Officer in Ottawa and the reimbursement charged against the working capital advance.

Post expenditures are controlled by the limitations imposed by various regulations and by specific or blanket authorities issued by headquarters divisions. Each item of expenditure is logged against the appropriate expenditure authority by the accounting staff of the post. In addition, each post records its expenditures during the month on a statement known as the post "Financial Statement".

Two copies of this statement, which when accompanied by supporting vouchers is commonly called the "post accounts", are forwarded monthly to the Chief Treasury Officer for ~~pre~~-audit prior to the vouchers being processed. After the vouchers have been processed, the appropriate allotments are charged and the working capital advance is credited. Thus, any delay in the processing of the vouchers has the effect of increasing the working capital advance required.