



**House of Assembly**

**Transfer of Funds Policy**

**Revised May, 2017**

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## 1.0 Approval

Under the authority of subparagraph 20(6)(b)(ii) of the *House of Assembly Accountability, Integrity and Administration Act*, the House of Assembly Management Commission established this policy respecting the transfer of funds.

## 2.0 Purpose

To provide a basis on which the Legislature may transfer funds between specified Main Objects and Sub-objects within Activities and between Main Objects and Sub-objects across Activities of the Legislature for the purpose of facilitating day-to-day operations and for monitoring and reporting purposes.

## 3.0 General

### 3.1 Principles

In considering and approving transfer of funds pursuant to this Policy, the Clerk, Statutory Officers and the Chief Financial Officer must ensure that:

- the transfer is necessary to enable the efficient delivery of ongoing services;
- the savings to be transferred, within the specified category, are intended to be of a permanent nature for the balance of the fiscal year; and
- the transfer is required for reporting and monitoring purposes.

### 3.2 Restrictions

The Clerk, Statutory Officers, and the Chief Financial Officer shall not:

- authorize transfers of funds from/to a Main Object in an Activity and subsequently authorize a transfer of funds to/from any Main Object within the same Activity;

- authorize transfers of funds to finance expenditures for new initiatives or expenditures for which no overall budget approval exists;
- authorize the transfer out of any Main Object for which supplementary funding has been approved by means of a Supplementary Supply or Special Warrant; or
- authorize the transfer of funds to or from statutory votes.

### **3.3 Other**

For the purposes of this Policy, the definition of Statutory Office includes the Statutory Offices as defined by the *House of Assembly Accountability, Integrity and Administration Act* and the Office of the Auditor General.

The Legislature may create a Main Object of Current or Capital Account Expenditure in an approved Activity in situations when necessary to properly charge expenditures against an appropriate main object.

The re-allocation of funds within the Allowances and Assistance Main Object (relating to Members' resources and allowances) for purposes of establishing funds control to ensure compliance with the Members' Rules is not subject to this Policy as these re-allocations are not transfers as contemplated by this Policy.

## **4.0 Policy**

### **4.1 Transfers Requiring Approval of the Clerk of the House of Assembly, Statutory Officer and Chief Financial Officer**

#### **4.1.1 Authorities**

Subject to the provisions of this Policy, the Clerk of the House of Assembly (Clerk) and the Chief Financial Officer (or designates) may jointly authorize transfers of funds between specified Main Objects and Sub-objects within or across Activities of the House of Assembly.

Subject to the provisions of this Policy, the Statutory Officer(s) and the Clerk (or designates) may jointly authorize transfers of funds

between specified Main Objects and Sub-objects within or across activities of that Statutory Office.

Subject to the provisions of this Policy, the Clerk, the Statutory Officer(s) and the Chief Financial Officer (or designates) may jointly authorize transfers of funds between specified Main Objects and Sub-objects across Statutory Offices or between the House of Assembly and a Statutory Office.

The Clerk, Statutory Officer(s) and the Chief Financial Officer (or designates) may jointly request the transfer of funds from Consolidated Fund Services, Department of Finance and Executive Council to the Legislature in accordance with the Supply Act 2007 and subsequent Supply Acts. This Supply Act provides for the transfer of funds from Consolidated Fund Services to government departments and the Legislature to facilitate expenditures for Ex-Gratia and Other Payments voted within Consolidated Fund Services; to facilitate expenditures for compensation, benefits and associated adjustments; to facilitate expenditures for financial assistance; and to facilitate expenditures for training and development within government.

#### **4.1.2 Current Account Expenditures - Specified Sub-objects**

The Clerk, Statutory Officer(s) and Chief Financial Officer (as applicable) may approve the transfer of funds within the following Sub-objects of Current Account Expenditure of an Activity or across Activities within the Legislature head of expenditure for the following Operating Main Object:

- Employee Benefits
- Transportation and Communications
- Supplies
- Professional Services
- Purchased Services
- Property, Furnishings and Equipment

These transfers are subject to the authorities identified in Section 4.1.1 and the restrictions identified in Section 3.2.

#### **4.1.3 Salaries**

The Clerk, Statutory Officer(s) and Chief Financial Officer (as applicable) may approve the transfer of funds from any Salaries Main Object across Activities within the Legislature into any of the Sub-objects identified in Section 4.1.2 above.

The Clerk, Statutory Officer(s) and Chief Financial Officer (as applicable) may approve the transfer of funds from one Salaries Main Object to another Salaries Main Object across Activities within the Legislature.

These transfers are subject to the authorities identified in Section 4.1.1 and the restrictions identified in Section 3.2.

#### **4.1.4 Capital Account Expenditures**

The Clerk, Chief Financial Officer and Statutory Officers (as applicable) may transfer funds among all Main Objects of Capital Account Expenditure within an Activity provided that such transfers are due to changes within the cost components of specifically approved capital projects.

### **4.2 Transfers Requiring Approval of the House of Assembly Management Commission**

#### **4.2.1 Current Account Expenditures - Specified Main Objects**

House of Assembly Management Commission approval is required to transfer funds to or from the following Main Objects of Current Account Expenditure of an Activity:

- Loans, Advances and Investments;
- Allowances and Assistance;
- Grants and Subsidies; and
- Debt Expenses

**Note:** The Clerk of the House of Assembly may authorize the re-allocation of funds within the Allowances and Assistance Main Object (related to Members' resources and allowances) for purposes of establishing funds control to ensure compliance with the Members' Rules.

#### **4.2.2 Salaries**

House of Assembly Management Commission approval is required to transfer funds from any Sub-object or Main Object (other than Salaries) into the Salaries Main Object.

#### **4.2.3 Capital Account Expenditures**

House of Assembly Management Commission approval is required to transfer funds from one capital project to another or to allocate block funding provided to specific capital projects subject to overall funding within the specified Activity not being exceeded.

House of Assembly Management Commission approval is required to transfer funds between current and capital account activities.

#### **4.2.4 Other**

House of Assembly Management Commission approval is required to transfer funds out of any Main Object for which supplementary funding has been approved by means of a Supplementary Supply or Special Warrant.

House of Assembly Management Commission approval is required when a transfer is made from any sub-object within the Operating Main Object of an Activity and a subsequent transfer is required to any sub-object(s) within the same Activity.

### **5.0 Delegation of Authority**

This delegation of authority applies to the transfer of funds as noted in Sections 4.2.

Where a Commission meeting can be scheduled in sufficient time before the transfer of funds is required, the transfer of funds will be approved at a meeting of the Commission.

If this is not practicable, Authority is delegated by the Commission to a quorum of four members (must include one member representing Government and one member representing a party in opposition to the Government) to approve the transfer of funds prior to processing of the transaction. The transfer of funds approval will be ratified at the next Commission meeting.