

Part: **Public Money and Property**
 Section: **General Revenue Fund and Revolving Funds**
 Subsection: **Payments from the GRF**

Number: **3100**
 Date: **2020-12-15**
 Page: **1 of 3**

Payments from the GRF

Role of the Ministry

The permanent head is responsible for delivering ministerial activities within established spending limits. As the senior officer, the permanent head is also responsible to the Executive Council (i.e., Cabinet), through the minister, for the integrity of the entire financial process within the ministry.

Authorities

Before initiating an expenditure and requisitioning payment, ministries are responsible to ensure that there is sufficient authority in an Act for the ministry to undertake the activity which will result in the charge to the appropriation. Funds must also be appropriated for the purpose for which a requisition is issued before a payment may be made. This is part of the Legislative Assembly's control of public money.

Administrative control over the payment process is established under *The Financial Administration Act, 1993* (FAA) by requiring permanent heads of ministries to authorize payments against their budgets. This payment control feature is referred to as financial signing authority or spending authority. For practical reasons, legislation permits this financial authority to be delegated to officials. Such delegations must be outlined in writing.

Payment Requirements

Section 29 of the FAA requires all payments out of an appropriation to be requisitioned.

The FAA provides that requisitions for payment must be made in any manner or by any method that the Provincial Comptroller directs or approves (subsection 31(2)).

The requisition may involve an electronic approval of a payment request, signing an invoice, or signing an invoice register printed from the Government's central financial system. It can also be another means designated by the Provincial Comptroller. The permanent head or delegate is to make the requisition for payment (subsection 31(1)).

No payment is to be made out of an appropriation unless the minister or the permanent head, or delegate of the permanent head, certifies that goods and services are received and payment is in accordance with the contract or is reasonable, or the payee is eligible for or entitled to the payment as outlined under the FAA section 30.

Part: **Public Money and Property**
 Section: **General Revenue Fund and Revolving Funds**
 Subsection: **Payments from the GRF**

Number: **3100**
 Date: **2020-12-15**
 Page: **2 of 3**

The permanent head or delegate, in exercising authority to charge an appropriation, must certify the lawfulness, propriety and accuracy of the proposed payment and the allocation of the related charges (section 31(3)). Also, no requisition for a payment out of an appropriation is to be authorized that: would not be a lawful and proper charge; would result in an expense in excess of the appropriation; or would reduce the balance available in the appropriation so that it would not be sufficient to meet the commitments chargeable against it (section 31(4)).

The Provincial Comptroller may authorize measures, put in place by the permanent head, to assure the certification requirements in sections 30 and 31 are met (subsection 28(2)).

Payment Lawfulness

Under the FAA, the Provincial Comptroller is to establish procedures considered necessary to be satisfied that payments are lawful and proper charges against an appropriation (section 32(3)).

Appropriation Control

The FAA also directs the Provincial Comptroller to control disbursements from the General Revenue Fund (GRF), to maintain appropriation accounts of the GRF (section 10), and to ensure no payment is made in excess of an appropriation (section 32(2)).

Provincial Comptroller Directives

The Provincial Comptroller may issue, amend and rescind directives as outlined in the FAA (e.g., regarding the manner payments are made under section 28).

Payment Processes

All GRF payments must comply with the requirements outlined in [Section 3101 GRF Payment Responsibilities](#). The main payment process is direct payment to the payee via direct deposit or cheque through the Government's central financial system. Refer to the [Accounting Manual, Appendix H Central System Processing](#). Other mechanisms involved in making GRF payments include the following:

- [Section 3105 Imprest Bank Accounts](#);
- [Section 3110 Petty Cash and Cash Register Floats](#);
- [Section 3120 Payroll Payments](#);
- [Section 3130 Air Billing Accounts](#);
- [Section 3132 Advances to Individuals](#) (e.g., for travel, business, relocation);
- [Section 3134 Travel Cards](#); and
- [Section 3154 Purchase Cards](#).

Part: **Public Money and Property**
Section: **General Revenue Fund and Revolving Funds**
Subsection: **Payments from the GRF**

Number: **3100**
Date: **2020-12-15**
Page: **3 of 3**

Policies and Directives The following are Treasury Board policies and Provincial Comptroller directives which are specific to payments from the GRF:

- [Section 3112 Petty Cash and Cash Register Float Losses;](#)
- [Section 3122 Salary Payments for New Employees;](#)
- [Section 3136 Travel Expense Statements;](#)
- [Section 3142 Timing of Grant Payments;](#)
- [Section 3150 Timing of Supplier Payments;](#)
- [Section 3152 Interest on Late Supplier Payments;](#)
- [Section 3156 Taxes on Goods and Services;](#)
- [Section 3158 Telephone Services;](#)
- [Section 3160 Mail Services;](#)
- [Section 3162 Workers' Compensation Board Assessment;](#)
- [Section 3180 Association Dues and Professional Fees;](#)
- [Section 3182 Education Expenses;](#)
- [Section 3186 Garnishments and Demands for Payment;](#) and
- [Section 3188 Payments Due Deceased Persons.](#)

References

[3101 GRF Payment Responsibilities](#)

[Accounting Manual, Appendix H Central System Processing](#)