

4.2 Delegation of Financial Authority

Policy Statement

It is the policy of the Province of Nova Scotia that only those with financial signing authority may authorize expenditures. Financial authority may be delegated within the business units of the government.

Definitions

FINANCIAL SIGNING AUTHORITY

The authority to approve, by way of signature, expenditures on behalf of the Province of Nova Scotia.

Policy Objectives

The purpose of this policy is to ensure that the requirements for financial authority are communicated to those who are granting financial authority to others and to those individuals who need to assess if authority has been given.

Application

This policy applies to all government departments and public service votes.

Policy Directives

Financial authority for government departments and public service votes begins with the appropriation of spending limits through the budgetary process in the legislature, thus creating the ministerial budget authority. The ministerial authority delegates financial signing authority to the deputy ministers within the departments. Further delegation usually occurs from the deputy to the applicable directors who then authorize/approve budgeted expenditures within their areas of responsibility.

Directors may further delegate financial authority within the applicable business unit. The delegation of this financial authority must be by way of formal documentation, which is held on file within the department. Signing authorities should be reviewed periodically to ensure that they are still valid. As staff changes are made, the signing authorities should be updated.

From time to time, the ministerial authority may issue specific directives limiting the financial authority for specific expenditure accounts. This limitation of financial authority will be communicated by way of memorandum and will override the general financial authority to approve budgeted expenditures.

Signing authority can be granted for specific purposes such as purchase requisitions, payment of accounts, casual and overtime payroll, government services, and/or journal entries.

CLASSES OF SIGNING AUTHORITY

Regular

No longer than three years.

Temporary

Authorized for a short period only, such as during a term of temporary assignment.

Acting For

Used when a person is assigned the authority for someone who is absent from the position. (All account numbers do not have to be listed, as they are in the incumbent's file.)

Accountability

Government Accounting is responsible for policy development and enhancement. Departments are responsible for policy implementation and compliance. Departments should retain current and proper signing authority documentation on file and ensure verification of signing authorities as an audit/control prior to processing accounting transactions.

Monitoring

Government Accounting is responsible for the development of financial policy and will monitor the policy's implementation, performance, and effectiveness.

Enquiries

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