



Australian Government

**Office of the Australian Building and
Construction Commissioner**

Finance Direction 19

Appropriation and Drawing Rights

Process Owner: Chief Financial Officer
Version Number: 2.0
Effective Date: 22/8/2011



Change History

Update the following table as necessary when this document is changed:

Date	Nature of Change
June 2007	Procedure Drafted
August 2011	Procedure Updated for New Organisational Structure

Table of Contents

1. Commissioner’s Instruction (CI)	1
2. Introduction & Objectives	1
3. Supporting Information	1
3.1 Related References & Pronouncements	1
3.2 Responsible Officers and Contacts	1
3.3 Definitions & Terms.....	1
4. Guidelines	2
4.1 Drawing Rights.....	2
4.2 Special Public Moneys.....	2
Appendix A – Issuance of Drawing Rights	3

1. Commissioner's Instruction (CI)

A Delegated Official is responsible for issuing appropriation drawing rights.

2. Introduction & Objectives

The purpose of this procedure is to ensure accountability, transparency and public defensibility in relation to appropriation and drawing rights.

This procedure is applicable to the issuing of drawing rights to staff who perform payment functions.

3. Supporting Information

3.1 Related References & Pronouncements

FMA Act 1997:	Sections 26-27, 48 & 49
FMA Regulations:	N/A
Related Finance Directions:	Finance Direction 2 - Delegations
Other References:	Finance Circular 2006/09 'Drawing Rights: Payments and Debiting Appropriations

3.2 Responsible Officers and Contacts

Position/Title	Level	Responsibility
Commissioner	POH	Issue of drawing rights in accordance with delegations
Chief Financial Officer	SES1	Administration of drawing rights

3.3 Definitions & Terms

Term	Definition
Appropriation	An Authority under this Act or any other law to draw money from the Consolidated Revenue Fund, whether or not the law concerned uses the word 'appropriation' or 'appropriated.'

4. Guidelines

4.1 Drawing Rights

- 4.1.1 Drawing rights provide controls around the expenditure of money from appropriations. They are a statutory control over who may draw on appropriations and make payments, and they allow for conditions and limits to be set by the Finance Minister (or his delegate) in relation to those activities. See sample drawing rights at Appendix A.
- 4.1.2 Drawing rights have been issued by the Commissioner in accordance with the delegation schedule outlined in Finance Direction 2.
- 4.1.3 ABCC shall maintain a register of all drawing rights issued.

4.2 Special Public Moneys

- 4.2.1 Special Moneys are to be accounted for and reported in accordance with the relevant Financial Management and Accountability Determination regarding establishment of any ABCC Special Accounts.

Appendix A – Issuance of Drawing Rights



[INSERT AGENCY NAME]

ISSUANCE OF DRAWING RIGHTS

Financial Management and Accountability Act 1997 Section 27

I, [insert name], Chief Executive of [insert agency name], **revoke**, under sub-section 27(4) of the *Financial Management and Accountability Act 1997* (FMA Act), from the date of this instrument, all drawing rights previously issued for [insert name of agency / department].

I **issue**, as a delegate (or second delegate) of the Finance Minister, drawing rights, under section 27 (1) of the FMA Act, to officials of [insert agency name] holding, occupying or performing the duties of the positions specified, for the purpose of and for the particular appropriations listed, subject to the limits and conditions detailed, and for the actions set out in Schedule 1.

Schedule 1

Position	Particular Appropriation	Purpose of Payment	Limits and conditions	Authorised action(s)
Column 1	Column 2	Column 3	Column 4	Column 5
Examples:				
<i>Director, Corporate Finance Section</i>	<ul style="list-style-type: none"> • <i>Special Appropriation – section X, AAA Act 200X</i> 	<ul style="list-style-type: none"> • <i>In accordance with the purposes of the special appropriation detailed in sections X to Y of the AAA Act.</i> 	<ul style="list-style-type: none"> • <i>Up to the amount of available appropriation.</i> • <i>Until 30/06/200X</i> 	<i>Section 27(1)(a) and (b).</i>
<i>SES Band 1 Financial Resources Branch</i>	<ul style="list-style-type: none"> • <i>Appropriation Act (No. 1) 2005-2006 in respect of the departmental item for [insert agency name]</i> 	<ul style="list-style-type: none"> • <i>In accordance with the purposes listed or described in the particular appropriation (listed in Column 2) for this specific drawing right.</i> 	<ul style="list-style-type: none"> • <i>Uncommitted operating budget for which the Branch Manager is responsible.</i> • <i>Only for expenditure related to salaries and the purchase of stationery.</i> 	<i>Section 27(1)(b) and (c)</i>



<i>Assistant CFO, Finance Branch</i>	<ul style="list-style-type: none"> • <i>Appropriation Act (No. 1) 2005-2006 in respect of the departmental item for [insert agency name]</i> 	<ul style="list-style-type: none"> • <i>In accordance with the purposes of the appropriation (listed in Column 2) for this specific drawing right.</i> 	<ul style="list-style-type: none"> • <i>Up to \$10,000 or up to available appropriation if less than \$10,000.</i> 	<i>Section 27(1)(b) and (c)</i>
<i>SES Band 1 XYZ Policy Branch</i>	<ul style="list-style-type: none"> • <i>Appropriation Act (No. 2) 2005-2006 in respect of the administered outcome [insert name of outcome]</i> 	<ul style="list-style-type: none"> • <i>In accordance with the purposes of the appropriation (listed in Column 2) for this specific drawing right.</i> 	<ul style="list-style-type: none"> • <i>In accordance with XYZ policy guidelines.</i> • <i>Up to the amount of available appropriation</i> 	<i>Section 27(1)(c)</i>
<i>Principal Administrator, Corporate Services</i>	<ul style="list-style-type: none"> • <i>Other Trust Moneys Special Account established under section 20 of the FMA Act.</i> 	<ul style="list-style-type: none"> • <i>In accordance with the purpose clauses of the Other Trust Moneys Special Account (listed in Column 2).</i> 	<ul style="list-style-type: none"> • <i>Amounts standing to the credit of the Special Account.</i> 	<i>Section 27(1)(c)</i>
<i>Petty Cash Officer</i>	<ul style="list-style-type: none"> • <i>Appropriation Act (No. 1) 2005-2006 in respect of the departmental item for [insert agency name]</i> 	<ul style="list-style-type: none"> • <i>In accordance with the purposes of the appropriation (listed in Column 2) for this specific drawing right.</i> 	<ul style="list-style-type: none"> • <i>Up to \$100.00 per transaction and only in accordance with Chief Executive's Instructions.</i> 	<i>Section 27(1)(a)</i>

Signed

[insert name]

Chief Executive, as a delegate (or second delegate) of the Finance Minister

[insert agency name]

Delegate under Section 27 of the FMA Act

Dated: [insert date signed]