

Authority for Expenditure from the Public Account

AT A GLANCE:

- Expenditure from the Public Account requires appropriate authority under the *Financial Management Act 2016*.
- An Accountable Authority can only draw money from the Public Account in accordance with a Treasurer's Expenditure Control Authority, estimated expenditure approved by the Treasurer from Specific Purpose Accounts or any other written law.

This Fact Sheet should be read in conjunction with the [legislation](#).

Expenditure from the Public Account

The FMA supports the fundamental constitutional principle that only Parliament can authorise the appropriation of public money. The majority of expenditure from the Public Account is authorised by annual Appropriation Acts and other Acts, such as Supplementary Appropriation Acts and Supply Acts.

In addition to Appropriation Acts, standing appropriations contained in other Acts authorise expenditure from the Public Account. Expenditure authorised in this way is generally referred to as Reserved by Law expenditure.

The FMA provides authority for the Treasurer to vary appropriations, including for unforeseen and necessary expenditure, the rollover of unexpended funds and for emergency expenditure.

Authority for expenditure by Accountable Authorities

In accordance with section 25 of the FMA, the Accountable Authority of an Agency can only draw money from the Public Account in accordance with either:

- (a) a Treasurer's Expenditure Control Authority;
- (b) estimated expenditure approved by the Treasurer in relation to Specific Purpose Accounts (under section 17(10) or (11) of the Act); and
- (c) any other written law.

Treasurer's Expenditure Control Authority

A TECA is issued by the Treasurer under section 28 of the FMA to the appropriate Minister for the purpose of issuing and applying money from the Public Account in accordance with an Appropriation Act, including Supplementary Appropriation Acts. After a TECA has been issued, the appropriate Minister authorises the responsible Accountable Authority to incur expenditure in accordance with the TECA.

Expenditure from Specific Purpose Accounts

In accordance with section 17(10)(a) of the FMA, as part of the development of the annual Budget Appropriation Acts, the Treasurer is required to approve the estimated receipts and expenditure in relation to each Specific Purpose Account. Further, section 17(11) of the FMA provides for the Treasurer to approve a variation to the estimated receipts and expenditure for a Specific Purpose Account after the passing of an annual Appropriation Act.

Other written law

Accountable Authorities are authorised to draw money from the Public Account under section 25(c) of the FMA in accordance with other written law, which includes Reserved by Law expenditure.

Public Account Expenditure Summary

To support Accountable Authorities to manage expenditure from the Public Account, the Secretary of the Department of Treasury and Finance will issue a Public Account Expenditure Summary to an Accountable Authority of an Agency on a quarterly basis. The Summary contains the approved estimates for expenditure from the Public Account for an Agency for the relevant Budget year. Specifically, it will provide approved estimates for:

- expenditure of annual appropriations, in accordance with a TECA and any adjustments to the expenditure estimates approved by the Treasurer pursuant to the FMA;
- expenditure from Specific Purpose Accounts, in accordance with estimates approved by the Treasurer pursuant to section 17 of the FMA; and
- expenditure of Reserved by Law appropriations, in accordance with other written law.

Other relevant information

Please also refer to:

- Treasurer's Instructions;
- *Financial Management Better Practice Guidelines*;
- *Overview - Tasmania's Financial Management Framework*; and
- Other FMA Fact Sheets.