

### **Criteria for approval of Supplementary Budget Proposals**

The following criteria should be used as a guide to determine whether proposals submitted for approval during the Supplementary Budget should be selected for funding:

1. *Is the 'expense' simply a transfer of funding?* If the action required is simply a shifting of funds from one ministry to another with a movement of personnel or function, this should be approved as it does not represent any new spending.
2. *Can the expense be delayed until the next Budget?* Preferably, all spending decisions would be made through the budget process, so if a proposal can be held over until then, it should be.
3. *Is the expense unforeseen?* Any expense that could (or should) have reasonably been foreseen should not be approved.
  - a. *Does the expense represent 'business as usual'?* If the expense is something that is considered to be normal operational spending (including personnel), the ability of the ministry in question to manage their budget is in question, and the funding should not generally be approved.
  - b. *Is the expense something 'demand-driven' and outside the control of the ministry?* If the expense is for something outside the control of the ministry, this is generally more likely to be approved. However, care should be taken in determining if the ministry should have been able to control the particular expenditure.
4. *Have there been offsetting savings proposed?* All new spending proposals should contain offsetting savings to fund them. Ideally, these should match the years of expenditure. If there is no offset, this does not preclude a proposal from being approved, but a strong case needs to be made for diverting future funding away from other priorities in current or future budgets.
5. *Does the expense involve a commitment to ongoing funding?* Supplementary budgets cannot be used as a means for funding government decisions and priorities that involve ongoing funding. Therefore, if a proposal involves ongoing funding, it should not be approved.
6. *Has the expense already been subject to an Executive Order sign-off?* If the expense has already been signed off as an Executive Order during a particular financial year, it should be included in any appropriation amendment bill for that financial year.