# FINANCIAL POLICIES AND PROCEDURES

## SECTION 1: FINANCIAL MANAGEMENT

## POLICY 2: DELEGATED AUTHORITIES

### Policy Rationale

Delegated authorities are put in place to enable [organisation] to function in an efficient manner. Delegations involve one person or group of persons, with certain power and authority to act or make decisions in a given situation, empowering another person to carry out the responsibilities required to complete a task.

### Policy Statement(s)

In respect of [organisation] ’s Delegation Authorities, the Delegator:

1. Retains full control over the delegated authority, and may recall that authority as the situation demands
2. Must ensure that the delegate is suitably qualified to exercise the authority
3. In respect of [organisation] ’s Delegation Authorities, the Delegate:
4. When accepting delegated authority remains accountable to the Delegator to ensure the satisfactory performance of the relevant task(s)
5. Shall have full regard to any relevant policies or standards and, where appropriate, obtain legal or financial advice to exercise the authority

All of [organisation] ’s Delegation Authorities:

1. Must be adhered to within the prescribed limits for their intended use
2. Must be specific in nature and time delineated if not intended to be on-going
3. May be revoked at any time
4. Must be documented with a copy of the document to be held by the [organisation] ’s Finance Manager
5. Must also be documented when temporary delegations are granted during a period of leave or absence
6. Are effective from the time a decision is made to commit expenditure rather than the time any payment is made
7. Are not to be used to authorise personal expenditure
8. Must be reviewed periodically to ensure they are properly updated to reflect any changes in staff movements and responsibilities
9. Must be monitored by the relevant Manager to assess the actual performance versus the delegated authorities
10. Expected over-spending under any delegated authority must be approved by the relevant Manager responsible for the delegation.
11. All breaches of policy will be subject to review by the CEO and/or the Board. Serious breaches may lead to disciplinary action.

NB: Delegations not only cover expenditure but all decisions within the organisation.

### Policy Implementation and Related Procedure Documents

The implementation and review of these Delegated Authorities are the responsibility of [organisation] ’s Board.

[organisation] ’s CEO is responsible for managing financial and non-financial Delegated Authorities (e.g. Communications, Human Resources, etc).

[organisation] ’s Finance Manager is responsible for the procedures for establishing, documenting and rescinding Financial Delegated Authorities, and that appropriate training for carrying out those duties is given.

The following [organisation] policies and frameworks should be referred to in this regard:

* + Finance Manual
  + Documented Delegation Register
  + Delegated Authorities Procedures
  + CEO Financial Management Policy
  + Budgeting & Forecasting Policy
  + Accountability, Internal Controls & Audit Policy
  + Financial Systems & Procedures Policy
  + Bad Debts Policy
  + Capital Expenditure, Investments & Reserves Policies
  + Operating Expenditure & Payables Policies
  + Treasury Policies
  + Risk Management Policy
  + Legal Advice Policy

### Legislative Compliance Considerations

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* + Trust Deed
  + Trusts Act 2019
  + Constitution [if a Company or Incorporated Society reregistered under the 2022 Act]
  + Charitable Trusts Act 1957 [if a Charitable Trust]

### Review Protocol

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| --- | --- |
| Policy Reviewed By: | Audit, Finance & Risk Committee |
| Date Reviewed: | [Date] |
| Next Review Date: | [Date] |
| Revokes Policy Reviewed: | [Date] |