

Delegations and Authorisations Policy

Section 1 - Background and Purpose

(1) The purpose of this Policy is to establish and outline the framework and principles for formally delegating authority for decision making of the University's affairs.

Section 2 - Scope

(2) This Policy applies across the University.

Section 3 - Policy Statement

(3) Delegations of authority are the mechanisms by which the University enables officers and committees of the University to act on behalf of the University. The Delegations framework focuses primarily on matters which relate to financial transactions or to contractual arrangements with staff, students and persons and organisations outside the University. The University is required to exercise these delegations to ensure that staff have appropriate authority to conduct their activities and that all expenditure incurred is appropriately authorised.

(4) The [Delegations Authority Framework](#) consists of:

- a. The Delegations and Authorisations Policy
- b. Decisions Reserved for Council
- c. Instruments of Delegation

(5) The Policy is designed to:

- a. Ensure there is clarity about decision-making within the organisation
- b. Establish appropriate principles and processes that align responsibility and accountability for various administrative functions
- c. Devolve decision making authority as close as possible to the point of service delivery and in accordance with an acceptable level of risk for the relevant business function.
- d. Ensure efficiency and effectiveness in administrative processes and decisions
- e. Ensure effective internal controls are in place.

(6) This Policy has been created under the authority of Council which may revoke, replace or amend this policy at any time.

Section 4 - Procedures

General Principles

(7) Delegations are usually assigned to the position occupied, not to the occupant. They may also extend to a person acting in that position for a specified period.

(8) Delegations are to be exercised subject to budgetary limitations.

(9) Delegations are to be exercised subject to any conditions or limitations imposed by the delegator and within the framework of the [La Trobe University Act 2009](#), the University statutes and regulations, policies and procedures and external legislative requirements. Delegates need to understand their authority and responsibilities under the:

- a. Instruments of Delegation
 - i. Instrument of Delegation - Contract Signing Delegations
 - ii. Instrument of Delegation - Financial Expenditure
- b. [Procurement Policy](#)
- c. Financial Accounting Procedures
- d. [Corporate Credit Card Policy](#)
- e. [Legal Contract Signing Policy](#)

(10) Delegations cannot be sub-delegated. This is certainly the case in respect of Council (section 18(2)(a) of the Act). A delegate may, however, 'nominate' another officer or body to perform certain functions in some circumstances. In such cases, the responsibility for the exercise of the power, and the way in which it is exercised, stays with the delegate.

(11) Delegates may only exercise delegations with regard to matters within their own area of responsibility or those positions within their line management, and within the limits of the relevant approved budget or other available source of funds.

(12) Where a delegation is to a body (such as a Committee) by reference to the body's title, it relates to the body acting as a body in accordance with the terms of reference, not to individual members of the body.

(13) Local area rules and guidelines created by Schools, Departments and Business Units must be consistent with delegations and University policy.

(14) Levels of authority are hierarchical through relevant lines of responsibility up to and including the Vice-Chancellor.

(15) A delegation cannot be exercised if the officer holding the delegated authority has a conflict of interest.

(16) Commitments made by delegates must be consistent with any specific funding conditions and any other relevant legal agreements.

(17) Financial transactions cannot be manipulated to accommodate a particular delegate's financial delegation limit, for example splitting transactions, incorporating deductions or trade-ins, payment of instalments when the total costs is above the approved financial limit of the delegate.

Authorisation of Routine Functions

(18) While a Delegate may not sub-delegate a function, they may nominate a staff member to perform routine administrative tasks and systems processes required to carry out a delegated function within their area of

responsibility. Not restricted to this list are some examples of routine administrative tasks and may include processing routine financial transactions such as travel, minor equipment purchases, petty cash and so forth, signing of a travel order, purchase requisition, casual timesheets or similar documentation.

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(19) The Delegate remains responsible for the nominated staff member's actions. The Delegate also remains personally accountable for the exercise of the delegated function including compliance with applicable laws.

(20) If the nominated member of staff is required to provide a signature on behalf of the Delegate, they must clearly indicate that they are acting under the authority of the Delegate, by stating 'For and on behalf' of .

Decisions Reserved for Council

(21) Notwithstanding the delegations to officers of the University under this policy, there are some decisions that are reserved for Council as set out in the document 'Decisions Reserved for Council'.

Risk

(22) A Risk Appetite statement defines the University's level of acceptable risk taking and is defined by Council and overseen by the Senior Executive Group. The Risk Appetite Statement should be used to help guide day-to-day activities, opportunities, risk and decisions in pursuit of the University's strategic objectives.

Contract Signing

(23) A delegate is authorised to sign a contract in accordance with the Instruments of Delegation. For the purchase of general goods or services on behalf of the University, contracts can be signed in accordance with the Instruments of Delegation where the value of the transaction to which the contract relates does not exceed the delegate's expenditure limit under the Financial Expenditure Authorisations.

For example, the Executive Director, Asset Transformation who has a financial expenditure limit of \$250,000 may sign a lease on behalf of the University provided the value of the lease does not exceed \$250,000.

Value of a Transaction

(24) The value or expenditure limit refers to the total monetary consideration excluding GST over the entire period of the term of the contract including any options to renew or extend the term of the contract, granted to one party. Renewal and extension by agreement of all parties is not taken into account.

If a lease provides for an initial 3-year term at \$100,000 per annum with an option granted to the tenant to renew for a further one term then the "value" of the lease is \$600,000 (\$300,000 for the initial term and \$300,000 for a further 3 years if the option is exercised by the tenant).

Monies Received

(25) In the specified circumstances, where the University is in receipt of monies e.g funding agreements, research grants, scholarships, donations, fees for the provision of consultancy services by the University), the Expenditure Delegations - Major Table of Authorities does not apply, however the Instrument of Delegation pertaining to Contract

Signing still applies.

Monies Received in Excess of \$5,000,000

(26) Where the University enters into contracts under which it receives more than \$5,000,000 for a specified purpose and it does not commit to any additional University funds, the Vice-Chancellor may sign such contracts without the need for prior Council approval.

Examples include funding agreements, grant agreements, research services agreements and research consultancies.

No Monies Exchanged

(27) Agreements that do not involve receipt or expenditure of any money can be signed in accordance with the Instruments of Delegation.

Common Seal

(28) The University's common seal is not required to be used in contracts except where the law imposes technical formalities for the execution of particular kinds of contract.

An example is a contract for the purchase or sale of land under the Property Law Act 1958 (Vic).

Tools to Assist Decision Makers

(29) The 'Decision Making Principles' and the 'Hierarchy of Governance Documents' have been developed as reference tools to assist delegates under this Policy and are available via the [University Delegations \(Intranet\)](#).

Section 5 - Definitions

(30) For the purpose of this Policy:

- a. Delegations are powers conferred by a person (the Delegator) on another person (the Delegate) under legislation or a formal instrument in writing. The acts of the Delegate are, at law, the Delegate's acts, and not the Delegator's. The Delegate assumes all responsibility for their acts.

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