Delegation of Authority

The purpose of this procedure is to:

- Define company delegated authority limits and provide guidelines on its application
- Establish the levels of authority delegated to duly appointed employees of the company
- Detail authority to incur expenditure and administer funds
- Clarify accountability and responsibility for the day-to-day operations of the company

No amendments shall be made to the specified delegations without the approval by the Directors of the company.

Scope

This policy applies to all Directors, employees and or contractors of the company.

Principles of Delegation

1. The DOA excludes payment of Wages and Salaries as this is considered a normal and budgeted transaction.
2. Fundamentally all financial expenditure should align to approved budget allocations.
3. Approvals for expenditure are to be obtained utilising the “Approval Center” App which aligns with the limits noted in the DOA Matrix.
4. Consideration must be given to risks and internal controls when exercising a delegation.
5. The delegation of authority is unique to a specified position (or to a person acting in that position) and not transferable.
6. Monetary amounts (excluding GST) as stated in the DOA Matrix are the **maximum delegated amounts per transaction.**
7. All expenditure is to be approved considering availability of funding within budget and expense area.
8. Approval must not be made for any self-related matters- these include expenditure or reimbursement to self, certifying own invoices, higher duty allowance, and any type of leave or amendments to salary packaging.
9. Where approval for self-related matters is required the DOA defaults to the equal and or next highest delegate as noted on the DOA Matrix

Agreements to Subcontractors

The DOA to execute the following rests with either the Directors and or General Manager;

a. Agreements for the receipt of goods and services (Trade Accounts, Equipment Leases, etc.)
b. Agreements for the provision of goods and services (Project related contracts)
c. The engagement of consultants or agreements relating to consultants
d. Approval of transfer of assets
e. Approval of leases
f. Loans or finance agreements

The authority to sign contracts or agreements is excluded from the DOA matrix.

Expenditure Approval Process

Each transaction requires approval by the relevant person as outlined on the DOA matrix, each Expenditure Request will be raised and approved utilising the Microsoft App “Approvals Center”.

Approver(s) are auto-selected based on expenditure amount, expense area & align with the DOA matrix.

The request must include;

a. The type of expense, i.e., Operating Expenses

b. Whether the expenditure is Budgeted or Not Budgeted
c. The amount (excluding GST) required to facilitate the transaction
d. Background information that supports the approval of the request (see table below)

Expense Area	**Evidence Required**
Operating - Budgeted	• Copy of approved Cashflow
Operating – Not Budgeted	• Copy of adjusted Cashflow detailing actual savings in current payment cycle period or; • Copy of adjusted Cashflow nominating items that have been reduced, deleted or accrued to ensure compliance with current payment cycle period, including any impacts to future payment cycles

Capital	• Business Case, including but not limited to;
	  ○ Acquisition Method (Direct purchase, Hire Purchase, Loan, or other financial agreement)
	  ○ Return on Investment calculations
	  ○ Business Impact if Rejected
	  ○ Business Benefits if Approved

Expense Area	**Evidence required**
Projects – Budgeted	• Copy of current cost report including actual, committed and forecast to complete costs • Approved Tender Evaluation or Sole Source Request Form • Approved Recommendation for Award
Projects – Not Budgeted	• Adjusted cost report including actual, committed and forecast to complete costs detailing actual savings to date that facilitate the inclusion of the expense • Approved Scope Change Form
Stock & Inventory – Budgeted	• Copy of approved Cashflow • Copy of compliance documentation as outlined in OSGE-PRD-0035 – Procurement
Stock & Inventory – Not Budgeted	• Copy of adjusted Cashflow detailing actual savings in current payment cycle period or; • Copy of adjusted Cashflow nominating items that have been reduced, deleted or accrued to ensure compliance with current payment cycle period, including any impacts to future payment cycles • Copy of compliance documentation as outlined in OSGE-PRD-0035 – Procurement
Travel & Entertainment – Budgeted	• Copy of approved Cashflow

Expense Area	Evidence required
Travel & Entertainment – Not Budgeted	• Copy of adjusted Cashflow detailing actual savings in current payment cycle period or; • Copy of adjusted Cashflow nominating items that have been reduced, deleted or accrued to ensure compliance with current payment cycle period, including any impacts to future payment cycles

Expense Area	Evidence required
Petty Cash & Credit Cards	• Copy of approved Cashflow or; • Copy of adjusted Cashflow detailing actual savings in current payment cycle period or; • Copy of adjusted Cashflow nominating items that have been reduced, deleted or accrued to ensure compliance with current payment cycle period, including any impacts to future payment cycles or; • Copy of current cost report including actual, committed and forecast to complete costs or; • Adjusted cost report including actual, committed and forecast to complete costs detailing actual savings to date that facilitate the inclusion of the expense or; • Approved Scope Change Form

e. The approver(s) will review the request and return a decision to the initiator in accordance with the following timing;
   i. Budgeted – within two (2) hours of submission
   ii. Not Budgeted – within eight (8) hours of submission or next business day, whichever is soonest
   iii. Capital – within three (3) days of submission

	Director	General Mgr.	Ops Mgr.	Wholesale Mgr.	Project Mgr.	Accounts & Admin
OPERATING EXPENSES						
BUDGETED						
$0 to $5,000	X					
$5,001 to $10,000	X					
> $10,000	X					
NOT BUDGETED						
$0 to $5,000		X				
> $5,000	X					

<u>CAPITAL EXPENSES</u>					
> $0	X				
<u>PROJECT EXPENSES</u>					
BUDGETED					
$0 to $5,000				X	X
$5,001 to $10,000			X		
$10,001 to $50,000		X			
> $50,000	X				
NOT BUDGETED					
$0 to $5,000			X		
$5,001 to $10,000		X			
> $10,000	X				
<u>INVENTORY & STOCK EXPENSES</u>					
BUDGETED					
$0 to $5,000				X	
$5,001 to $10,000			X		
$10,001 to $50,000		X			
> $50,000	X				