

# Delegation of Authority

## **1. Purpose**

The purpose of this policy is to ensure that the delegation and exercise of duties, powers and functions reflect The Royal Australian and New Zealand College of Psychiatrists' (College) commitment to integrity in corporate governance and the management of the College. It sets out a framework for delegating authorities, establishes delegations and states the principles which apply when delegations are exercised.

## **2. Scope**

The Delegation of Authority Policy provides the details on Delegation of Authority levels for The Royal Australian and New Zealand College of Psychiatrists (College). This policy applies to both College members and employees. The RANZCP Board has overall responsibility for determining the delegations for each authority level within the organisation.

This policy is available to all employees, Board and Board Constituent Committee members to ensure that the College activities are managed in an appropriate and professional manner in accordance with the College's governance structure.

## **3. Definitions**

Delegations are the assignment of authority and responsibility by the organisation to one or more holders of positions/roles. Assignments also encompass the delegation of authority from one position/role to another e.g. at time of absence.

A delegate is someone to whom authority and responsibility is assigned by a person(s) in whose position/role that authority and responsibility normally resides.

Responsibility Assignment	
Consult	Consulted parties are person(s)/committee(s) who provide input and feedback based on their expertise. Feedback provided during the process will be implemented into the decision and if not, a response will be provided in return.
Recommend	Recommend parties are person(s)/committee(s) who consider the request and determine if the commitment is consistent with the College's budget, governance structure and/or policies and procedures, but are not final decision makers. For avoidance of doubt, where a committee is responsible for recommending, a simple majority is required.
Approve	Approve parties are person(s)/committee(s) with decision making and/or financial authority
Notification	Informed parties are person(s)/committee(s) who need to be kept informed, but not consulted and are not decision makers

#### **4. Principles**

- Delegations apply to a position or a committee rather than to a person. Unless otherwise stated, persons formally acting in a position may exercise the delegations assigned to the position.
- Delegations are devolved to an appropriate level to support efficient and effective administration and sound decision-making by aligning authority, accountability and capability and to undertake specific responsibilities.
- Delegates can only exercise delegations in accordance and consistently with the Delegations Matrices and other applicable College policies or systems, for example, policies related to corporate credit card, travel and expenditure reimbursement.
- Where a person is duly appointed as a temporary or acting occupant of a position, that acting delegate may be appointed to exercise all or specific delegations for a specified period.
- Delegates cannot approve their own expenditure items.
- Authorities held by a delegate are also held by the delegate's manager, subject to any professional qualification requirements.
- Delegates must not exercise delegations or perform functions if this would involve, or potentially involve, them in a conflict of interest. In these cases, delegates must refer that delegation or function to their manager or, after consultation with their manager, to a suitable alternative delegate up the line of delegation.
- Delegates are responsible for undertaking their level of delegation, and their duties in exercising that delegation.

#### **5. Operation of the Delegation of Authority Policy**

Operational management of all aspects of internal control systems including financial delegations are delegated to the Chief Executive Officer (CEO). The CEO will ensure that internal control systems are in place and that employees and members are aware of the limits of their delegated authority.

Delegations underpin the internal controls systems at the College and are organised into categories with a stated delegated authority and value (where relevant) for each category – these are called 'approval domains'.

The policy allocates responsibility and accountability as follows with certain positions/committees identified as having specific responsibilities;

- Managers, Senior Managers, Executive Managers, CFO, CIO and Company Secretary/General Counsel, CEO, President Elect and President, Board Committees and Board. For the purposes of this policy the CFO, CIO and Company Secretary/General Counsel are equivalent to the position of Executive Manager unless otherwise indicated.

The six approval domains are:

- Governance
- Legal and Contract Management
- Financial Management & Cash Control
- People and Culture
- Public Relations & Media
- Policies, Position Statements & Government Submissions

## **6. Rules of Operation of Delegation of Authority**

1. Delegated authority is a significant responsibility. It includes the ability to enter into commitments for and on behalf of the College, expose College to risk, and potentially incur liability for the College. In exercising a delegated authority, employees and members:
  - a. must act honestly, in good faith and for proper purposes, and consistent with the objects, interests and organisational values of the College
  - b. must use all reasonable care and skill
  - c. must comply with all College policies and laws applicable in the relevant jurisdictions
  - d. must undertake due diligence and obtain appropriate risk, financial, legal and other advice from experts and key stakeholders within the College before making a commitment on behalf of College, and
  - e. are responsible and accountable for the decision made or actions taken under an authority they have sub-delegated.
2. Members of the Board and employees may only enter into agreements or contracts to purchase goods and services or authorise expenditure within the relevant financial delegation specified in the Delegation Policy and in accordance with Contract Management Policy and Procurement Policy.
3. Delegations will not legally bind the College if inconsistent with the specific delegation authority values applicable in this policy.
4. College members and employees including those 'acting up' in positions will perform their duties as delegated by the relevant Manager, Executive or the Board and as detailed in the College policies and regulations.
5. College members and employees may not approve any expenditure, benefit, etc. which relates to them or for the purpose of personal gain.
6. Financial delegations do not override responsibility of Cost Centre Managers for operating within their approved budget.
7. The financial amounts stated in the schedule are GST exclusive.

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### Positions/groups with specific responsibilities

EXECUTIVE	
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CoSec/GC	Company Secretary and General Counsel
CIO	Chief Information Officer
EM	Executive Manager
EM MEP	Executive Manager, Membership, Events & Publications
EM ET	Executive Manager, Education & Training
EM PE	Executive Manager, Partnerships & Engagement
EM PC	Executive Manager, People & Culture
EM PPR	Executive Manager, Policy, Practice & Research

MANAGERS	
SM FN	Senior Manager, Finance
SPM	Senior Project Manager
SM ITBST	Senior Manager, IT Bus Services/Transformation
MP	Manager, Payroll
MCA	Member Communications Advisor
MAM	Manager, Advocacy and Media
MRF	Manager, RANZCP Foundation
GOVERNANCE	
CGRC	Corporate Governance and Risk Committee
FAC	Finance and Audit Committee
MEC	Membership Engagement Committee
MAC	Members' Advisory Council
EC	Education Committee
PPPC	Practice, Policy and Partnerships Committee

### Schedule of Delegations of Authority

Key: C = Consult

R = Recommend

A = Approve

N = Notification

CATEGORY	Managers/Senior Managers	Executive Managers (All EMs unless specified)	CEO	Board Committee(s) (All Board Constituent Committees unless specified)	Board
<b>1. GOVERNANCE</b>					
Constitution		R (CoSec/GC)	C	R (CGRC)	A (Ballot of all College Fellows)
The power of delegation and the revocation thereof				R (CGRC)	A
College Strategic Plan	C	C	C	C	A
Annual membership fees		C (CFO / EM MEP)	C	R (FAC)	A
Annual operating and capital plan and budgets		C	C	R (FAC)	A
Annual Financial report and accounts		C (CFO)	C	R (FAC)	A
Appointment, remuneration, conditions and performance review of the CEO			C	R (CGRC)	A
<b>2. LEGAL / CONTRACT MANAGEMENT</b> Refer Procurement Policy and Contract Management Policy					
Authorise initiation or defence of litigation		A (CoSec/GC)	A	N (FAC)	N
Settle legal claims		A ≤ \$50,000 (CoSec/GC)	A ≤ \$75,000	A ≤ \$150,000 (FAC)	A >\$150,000

CATEGORY	Managers/Senior Managers	Executive Managers (All EMs unless specified)	CEO	Board Committee(s) (All Board Constituent Committees unless specified)	Board
Accept claims covered by insurance	A ≤ \$20,000 (CFO)	A ≤ \$50,000 (CoSec/GC)	A ≤ \$100,000	A ≤ \$250,000 (FAC)	A > \$250,000
Accept damages claims not covered by insurance		A ≤ \$50,000 (CFO / CoSec/GC)	A ≤ \$100,000	A ≤ \$250,000 (FAC)	A > \$250,000
<b>2.1 PROCUREMENT and CONTRACT MANAGEMENT</b>					
All IT related procurement and contract management must be approved by the CIO. Refer Procurement Policy and Contract Management Policy					
Procurement of goods and services including consultants, equipment, professional services etc	A ≤ \$10,000	A ≤ \$50,000	A ≤ \$100,000	A ≤ \$250,000 (FAC)	A > \$250,000
Sign corporate contracts, agreements (Government and non Government), equipment and other operating leases.	A ≤ \$10,000	A ≤ \$100,000	A ≤ \$250,000	A ≤ \$500,000 (FAC)	A > \$500,000
<b>2.2 EXTERNAL GRANTS, PROJECTS AND CONTRACTS FUNDING</b>					
All funding applications must be approved by the CEO and supported by the relevant Executive Manager responsible for delivery of the project and any ongoing business activity i.e. impact on business-as-usual activity.					
Applications for external funding including Government(s) (tenders/grants/projects etc)	C	A ≤ \$1m (CFO / EM)	A ≤ \$5m	A ≤ \$10m (FAC)	A > \$10m
Government funding agreement for funds <b>received / disbursed</b> (STP, PWP etc) per agreement	C (SPM)	A ≤ \$250,000 (per agreement) (CFO)	A > \$250,000	N (FAC)	N
<b>3. FINANCIAL MANAGEMENT AND CASH CONTROL</b>					
Payroll, Taxation, Superannuation	C (SM FIN)	A (CFO)	N	N (FAC)	N
Budgeted capital and operating expenditure (total project value) <b>excluding IT</b>	A ≤ \$50,000	A ≤ \$100,000	A ≤ \$150,000	A ≤ \$250,000 (FAC)	A > \$250,000
Budgeted IT expenditure (hardware, software, application)	A ≤ 50,000 (SM ITBST)	A ≤ \$100,000 (CIO)	A ≤ \$150,000	A ≤ \$250,000 (FAC)	A > \$250,000

CATEGORY	Managers/Senior Managers	Executive Managers (All EMs unless specified)	CEO	Board Committee(s) (All Board Constituent Committees unless specified)	Board
<b>Unbudgeted/Emergency</b> capital or operating expenditure (total project value) noting that <b>all</b> IT expenditure requires approval by CIO	A ≤ \$5,000	A ≤ \$10,000 (EM) ≤ \$50,000 (CFO)	A ≤ \$100,000	A ≤ \$150,000 (FAC)	A >\$150,000
<b>3.1 FINANCIAL INVESTMENTS</b> Refer <a href="#">Investment Policy</a>					
Purchase and sale of shares within approved investment strategy/benchmarks		R (CFO)	R	A (FAC)	N
Purchase and sale of shares outside approved investment strategy/benchmarks		C (CFO)	R	R (FAC)	A
Opening/Closing Term Deposit (including transfer to JB Were)		A ≤ \$500,000 (CFO)	A ≤ \$1m	A ≤ \$2m (FAC)	A >\$2m
<b>3.2 FINANCIAL MANAGEMENT – in all situations involving opening or changing bank accounts – two authorised signatories are required of which one must be a Board Director.</b>					
Borrow money		C (CFO)	C	R (FAC)	A
Authority to open and/or close bank accounts (2 signatories required of which one must be a Director and/or Company Secretary on the bank form)	C (SM FIN)	R (CFO)	R	A (Chair FAC signature)	A (Director)
Authority to operate bank accounts (2 signatories required)	A (SM FIN)	A (CFO)	A		
Approve or change cheque signing authorities (2 signatories required)	C (SM FIN)	R (CFO)	A	N (FAC)	N
Issue new credit cards and set or adjust credit card limits per card (2 signatories required)	R	A ≤ \$20,000 per card (CFO)	A ≤ \$30,000 per card	A > \$30,000 per card (FAC)	N
Transfers between Internal Bank accounts from HQ to Branches		A ≤ \$100,000 (CFO)	A ≤ \$250,000	A ≤ \$500,000 (FAC)	A >\$500,000

CATEGORY	Managers/Senior Managers	Executive Managers (All EMs unless specified)	CEO	Board Committee(s) (All Board Constituent Committees unless specified)	Board
Transfers between internal HQ accounts and projects	A ≤ \$100,000 (SM FIN)	A ≤ \$1.5m (CFO)	A ≤ \$2.5m	A ≤ \$5m (FAC)	A >\$5m
Approve write offs and bad debts (obsolete, damaged consumables, equipment)	A ≤ \$10,000 (SM FIN)	A ≤ \$50,000 (CFO)	A ≤ \$75,000	A ≤ \$100,000 (FAC)	A >\$100,000
Credit Refunds	A ≤ \$5,000 (SM FIN)	A ≤ \$10,000 (CFO)	A ≤ \$20,000	N (FAC)	N
Fortnightly payroll to be processed	R (SM FIN/MP)	A (CFO)			
Acceptance of Gift or Bequest	A ≤ \$10,000 (MRF)	A ≤ \$50,000 (EM MEP)	A ≤ \$100,000	A >\$100,000 (Foundation Committee)	N
<b>3.3 PROPERTY MANAGEMENT</b>					
Lease of College land and buildings (per annum of lease) sub tenancy agreements		R (CFO)	A ≤ \$250,000	A ≤ \$350,000 (FAC)	A >\$350,000
Sale or purchase College land or buildings		C (CFO / CoSec/GC)	R	R (FAC)	A
<b>3.4 TRAVEL AND EXPENSE CLAIMS</b> Refer to <a href="#">Travel and Related Expenses Policy</a> and <a href="#">Expense Reimbursement Form</a>					
Travel within Australia and NZ and trans-Tasman (committee meetings etc)	A ≤ \$2,000	A ≤ \$5,000	A ≤ \$10,000	A ≤ \$50,000 (FAC)	A >\$50,000
Flexible return fare, or Premium economy or business class upgrades for flights >6 hours	R	R  A (EM for flex fare)	A		
International travel: (excluding trans-Tasman) by employees: all flights	R	R	A		A For CEO (President/ President Elect)



CATEGORY	Managers/Senior Managers	Executive Managers (All EMs unless specified)	CEO	Board Committee(s) (All Board Constituent Committees unless specified)	Board
International travel: (excluding trans-Tasman) by members: all flights		R	R		A (President/ President Elect)
Individual Travel Expense Claims	A ≤ \$2,000	A ≤ \$5,000	A ≤ \$10,000	A ≤ \$20,000 (FAC)	A >\$20,000
<b>4. PEOPLE AND CULTURE</b>					
New (unbudgeted) / Changed positions	C	R (with EM PC)	A		
Recruitment requests (existing / budgeted positions)	R	A	A		A For CEO & CoSec
Employment Contracts	C	A	A For EMs		A For CEO & CoSec
Employment Contract Variations	C	A (with EM PC)	A For EMs		A For CEO & CoSec
Terminations	C	R (with EM PC)	A		A For CEO & CoSec
Professional Development*	A ≤ \$1,500	A ≤ \$3,000	A >\$3,000		A (President) For CEO & CoSec
Leave (Annual, Personal, Study etc) for direct reports	A	A	A		A (President) For CEO & CoSec
<b>5. PUBLIC RELATIONS / MEDIA</b> Refer to <a href="#">Media Policy</a>					
RANZCP posts on social media	A (MCA)				
RANZCP Media Statements (Approval pathway as per <a href="#">Media Policy</a> )	R (MAM)	R	N		A (President/ President Elect)

CATEGORY	Managers/Senior Managers	Executive Managers (All EMs unless specified)	CEO	Board Committee(s) (All Board Constituent Committees unless specified)	Board
Selection Of Spokesperson	R (MAM)	R (EM PE/PPR)	N		A (President/ President Elect)
<b>6. POLICIES, POSITION STATEMENTS, SUBMISSIONS TO GOVERNMENT</b> Refer to Document Approval Pathway					
Finance Policies – via Executive Team Meeting	C	R (CFO)	R	R (FAC)	A
Governance Policies – via Gov team/CoSec/GC	C	R (CoSec/GC)	R	R (CGRC)	A
Education and Training Policies – via Educ/Training team/EM E&T	C	R (EM ET)	C	R (EC)	A
Position Statements – via PPR team & relevant committee	C	R (EM PE)	C	C (relevant committees) R (PPPC)	A
Best Practice Resources	C	R (Relevant EMs)	C	C (relevant committees) R (PPPC)	A
Submission to Government(s) via President Meeting	C	C (Relevant EMs)	C	C (relevant committees)	A (President)
IT Policies via Executive Team Meeting	C	R (CIO)	A		
People and Culture Policies via Executive Team Meeting	C	R (EM PC)	A		

\*Within approved annual operating budget for training and development

## REVISION RECORD

<b>Contact:</b>	<b>Chief Financial Officer</b>		
<b>Authorising Body:</b>	RANZCP Board		
<b>Responsible Committee:</b>	Corporate Governance and Risk Committee & Finance Committee		
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