

FINANCIAL DELEGATIONS POLICY

Apprenticeships
R US



Honesty, Integrity & Accountability



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POLICY

The Apprenticeships Are Us Limited (ARU) Board is responsible for the governance and management of the registered Group Training Organisation being Apprenticeships Are Us Limited in accordance with:

- I. *The National Standards for Group Training Organisations, and*
- II. *Australian Charities and Not-for-Profits Commission Regulation, 2013*

The ARU Board, while retaining ultimate responsibility, may delegate responsibilities to the Chief Executive Officer (CEO), any member of the Management and Executive Team or another person or persons as it sees fit, in accordance with the constitution of ARU. Attached to the right to delegate, the ARU Board has a responsibility to ensure that delegations are being carried out within the requirements of statute and common law and Apprenticeships Are Us Limited's own policies. The ARU Board must ensure that adequate risk management processes and internal controls are in place.

Appropriate supervision of management by the ARU Board is exercised through several mechanisms:

- The ARU Board receives operational and compliance reports from and through the CEO at regular meetings. In some cases, the Manager – Finance & Operations may be required to report to the ARU Board in specific areas of operations and at particular times.
- This policy is based on a principle of delegation by exception. Matters not delegated to the Chief Executive Officer or delegated jointly to the Manager – Finance & Operations and/or any ARU Board subcommittee (if implemented) need to be separately identified, documented and the policy framework underlying the delegation clearly articulated.
- Financial delegation is assigned to the position held by a staff member, rather than to the individual who occupies that organisational position.
- Delegations are hierarchical by design throughout the lines of authority, so that a designated supervisor of a staff member with delegated financial authority must hold at least the equivalent level of financial delegation as the supervised staff member. Financial delegations under authority empower members of the Management and Executive Team and other staff to act autonomously in approving expenditure to the approved limits and represent a significant responsibility in allocation of Apprenticeships Are Us Limited's financial resources.
- Staff who accept this responsibility are required to review the *Apprenticeships Are Us Ltd – Financial Management Policy* and this *Financial Delegations Policy* and sign a formal delegation authority form which acknowledges that they have understood the policies and possess the skill and judgement required to exercise their financial delegation with respect to accountability, care, and diligence. These forms are officially recorded and retained during the staff member's term of employment in a position of delegated authority and cease immediately when the staff member ceases to act in that position or terminates their employment with Apprenticeships Are Us Ltd.
- Delegations relating to expenditure can only be exercised within approved budgets. A staff member who incurs expenditure which exceeds the designated budget limit is personally accountable for that expenditure. Where a Staff Member with delegated financial authority has a Conflict of Interest in respect of an item or area of expenditure, they are instructed to decline approving such expenditure, and instead refer the expenditure to their immediate supervisor for approval and authorisation.
- Any breach of the financial delegations' limits must be reported in the first instance to the ARU Board. Delegation limits apply to the position even if it is being occupied by a staff member in an acting capacity.
- All records related to financial delegations are to be kept for a period of seven years.

FINANCIAL DELEGATION

The Manager – Finance & Operations via delegation is responsible for the proper financial management of Apprenticeships Are Us Limited within the budget. The Manager – Finance & Operations prepares the budget with the Chief Executive Officer as well as with the Management and Executive Team’s input. This budget is presented by the Manager – Finance & Operations to the ARU Board who votes on it for approval. The Chief Executive Officer and the Manager – Finance & Operations can commit to general expenses within the budget or re-allocate up to the limit of \$100,000 (excluding Apprentice Payroll, Superannuation and PAYG Withholding payments). For the Management and Executive, the Chief Executive Officer manages the entire staff of Apprenticeships Are Us Limited as well as determines and controls all their tasks within their contracts.

The Manager – Finance & Operations is to confirm all positions put forward are within the budget and to confirm the appropriate band and classification based on credentials. The staff contracts, excluding the contract of the Chief Executive Officer, are signed by the Chief Executive Officer. The contract of the Chief Executive Officer is to be reviewed by the Board. All payments arising within the limit of the financial delegation to the Chief Executive Officer and Manager – Finance & Operations can be processed by any 2 authorised persons. The Manager – Finance & Operations has a duty to alert the Board of any significant financial matter or of any expenses that would result in exceeding provisions of any individual budget item.

Delegated Responsibilities

Items	Board	Chief Executive Officer	Manager – Finance & Operations
Budget Proposition		X	X
Vote on Budget	X		
Entering into contractual agreement (Services and Supplies)	X	X	
Committing to and renewing employment contracts (excluding CEO employment contract)		X	
Contract renewal (services and supplies) within the budget's framework			X
Commitment of expenses within the budget's framework and threshold limit		X	X
Commitment of expenses over the threshold and indicated in the budget and are non-recurring	X		
Payment of expenses under the threshold specified in the budget			X
Commitment and payment of exceptional non-budget expenses	X		
Preparation of financial accounts			X
Statement to the Financial Accounts		X	
Approval of financial accounts prior to Annual General Meeting	X		
Presentation of the financial accounts to the Annual General Meeting			X

Delegation Protocol

Item		Activity	Authority
Banking	Accounts	Opening and closing bank accounts	ARU Board
		Authorised signatories to bank accounts	Any 2 signatories as per financial delegation
	Cheques	Cheques signing (dual)	Any 2 signatories as per financial delegation
		Credit Cards	Holder of Cheques
	Usage of Cards		Management & Executive Team
	Online	Card Limits	As per financial delegation
		Administrator of online access	Any two Administrators
		Administrator access authority and limits	ARU Board & CEO
		Setting EFT Transfer Limits	Chief Executive Officer
		Payroll Authorisation	Any 2 signatories as per financial delegation
Loans and investments	Loans to related parties	ARU Board (with Due Diligence conducted). Only to related parties that are wholly owned subsidiaries.	
	Loans to Responsible Persons	Not Permitted	
	Loans to non-authorised organisations	Not Permitted	
	Entering into Borrowing/overdraft facilities	ARU Board (with Due Diligence conducted).	
	Investment of Funds	ARU Board (with Due Diligence conducted).	
	Investment placement including rate and term	ARU Board (with Due Diligence conducted).	
Information Technology	Allocation of access	Manager - Finance & Operations	
Budget Approval	Annual recurrent budget	ARU Board	
	Annual capital budget	ARU Board	
	Re-allocation up to \$10,000	General Manager - Finance & Operations	
	Re-allocation \$10,000 and over	Chief Executive Officer	
Fixed Assets	Purchase (Capital Expenditure)	Within the budget - \$10,000 and over	As per financial delegation
		Outside Budget	ARU Board
	Sale/Disposal	\$50,000 or more	ARU Board
Less than \$50,000		Chief Executive Officer	
Operating/Recurrent Expenditure with Approved budget and cash flow			Manager - Finance & Operations
Fees	Setting	Host Employer Charge Out Rates	Chief Executive Officer
		Discounts	Chief Executive Officer
		Special rates	Chief Executive Officer
	Bad Debts	Overdue Accounts	General Manager - Finance & Operations
		Write off recommendation	General Manager - Finance & Operations
		Write off endorsed and approved	ARU Board
Staffing	Employment	Management positions	Chief Executive Officer
		Chief Executive Officer	ARU Board
		Management Positions	Chief Executive Officer
		Other staff	Chief Executive Officer
Leasing	Capital Assets	Capital cost greater than \$50,000 and a period more than 4 years	ARU Board
		Amount and period less than the above	As per financial delegation
Hire of Premises		Associated organisations	ARU Board
		Non-associated organisation	ARU Board

The delegation limits apply to the gross cost including GST, but excluding trade-ins, allowances etc. The transaction should be considered in its entirety, not by part payments or instalments falling under the delegation limit.

This policy does not apply to controlled or related entities, and they must develop and maintain their own approval of delegations under authority consistent with their own constitution.

Delegation operates under approved operating budget. If management determines that overall budget needs to be exceeded, then a justification submission must be provided to the ARU Board prior to expenditure taking place in line with authority approval limits.

EXPENDITURE APPROVAL AUTHORITIES

Expenditure included in annual recurrent budget approved by ARU Board.

Staff position	Area of expenditure	\$ Limit
Chief Executive Officer	Capital expenditure >\$50,000 within approved budget	Subject to approval by ARU Board meeting
	Capital expenditure >\$10,000 and <\$50,000 within approved budget	Subject to approval by ARU Board meeting
	Staff Appointments	within approved budget
	Casual staff contract approvals	
	Payroll and Salary rates	
All recurrent expenditure		
Management Team	Capital expenditure or equipment up to \$10,000	
Manager - Finance & Operation	Payroll and Salary rates	at the direction of the CEO
	All recurrent expenditure	within approved budget
	Capital expenditure up to \$10,000	
GTO Team Leader/s	All recurrent expenditure up top limit of \$10,000 excluding payroll and staff costs	within approved budget
Business Development Manager/s	Approval of payments up to \$1,000	With approved budget at the direction of the GTO Team Leader/s
WHS & Human Resources Manager	Approval of Purchase Orders up to \$500	within approved budget
Accounts staff	Approval of payments in case, via petty cash float amount, up to a maximum of \$50	within approved budget

RELATED DOCUMENTS

- *Apprenticeships Are Us Ltd – Financial Management Policy*
- *Apprenticeships Are Us Ltd – Investment Planning Policy*
- *Apprenticeships Are Us Ltd – Credit Card Policy*
- *Apprenticeships Are Us Ltd – Fraud Prevention Policy*
- *Apprenticeships Are Us Ltd – Gifts and Benefits Policy*
- *Apprenticeships Are Us Ltd – Transparency and Accountability Policy*
- *Apprenticeships Are Us Ltd – Related Party Transaction Policy*
- *Apprenticeships Are Us Ltd – Management of Conflicts of Interest Policy*

Michael Wentworth



Chief Executive Officer

Apprenticeships Are Us Limited

DOCUMENT CONTROL

Version	Authorized by	Authorization Date	Sections	Amendment
1.1			All	N/A
1.2	M Wentworth	01.02.2018	All	Change of CEO
1.3	M Wentworth	03.04.2023	All	Update with removal of MD