**Delegations Policy**

**Context**

The Sports Governance Standards specify that a board should have:

* documented financial delegations, including but not limited to, expenditure, funding, grants, other financial transactions as resolved by the board
* documented non-financial delegations including but not limited to human resources, correspondence/public relations, membership, strategic actions, business plans, board resolutions, grievances, and complaints

**Background**

If enabled by an organisation’s Constitution, Boards may delegate authority to one director (eg: delegation to the chair of all duties associated with organising the agendas and presiding over Board meetings), to a committee, to management, or to other bodies. In these cases, the Board lawfully delegates responsibility for a decision, however it can never delegate accountability.

Larger organisations often delegate work to board committees to effectively deal with complex or specialised decisions or issues and to use the directors’ time more efficiently.

It is also important to remember that the board is ultimately accountable for all its decisions, even those made under delegation.  All Board decisions are made as a group and all Board members share equal responsibility for Board decisions even if they have not had specific involvement in that matter.

It is critical that the board documents the authorities that it has delegated, including the limits on those delegations.

Although the specific circumstances and environment of each sporting organisation will differ, this template is intended to provide a framework and initial basis to enable consideration and documentation of the delegations that best suit each sporting organisation. The board should lead the process of updating and tailoring the content to ensure the final document reflects their own environment and can play an active part in strengthening the governance of their specific organisation.

**How to use this document**

* This document has been designed as a template. Fields highlighted in yellow should be filled out with the information relevant to your organisation.
* Please note that this guidance and template are general in nature and must be tailored to the requirements of your sporting organisation.
* This document does not constitute legal advice and should not be relied upon as legal advice.  We recommend seeking further professional advice should you have any specific queries.



|  |
| --- |
| **[Sporting Organisation]****Delegations Policy** |
| **Policy number** | [insert number] | **Version number** | [insert number] |
| **Drafted by** | [insert name] | **Board approval on** | [insert date] |
| **Person Responsible** | [insert name] | **Scheduled review date** | [insert date] |

## **Introduction**

All Board decisions are made as a group and all Directors share equal responsibility for Board decisions.

This collective responsibility and accountability (with its implicit checks and balances) is an important feature of good governance and decision making.

The *Corporations Act* allows Boards to delegate some of their powers to a committee unless the organisation’s Constitution does not permit it. It is important to note that:

* the Board remains responsible for that power as if it were exercising it, and that delegation does not decrease the Board’s overall duties and responsibilities.
* even if the Board delegates its work to a committee, it remains responsible for the decision, and cannot delegate accountability.
* ultimately, the Board is accountable for all its decisions, even those made under delegation, therefore it essential that these are regularly monitored, reviewed and updated to ensure they are fit for purpose.

Delegations policies are common. They set out the extent of the Board’s delegations and include spending limits, for example, for CEOs over and above budget allocations.

## **Policy Statement**

The Delegations Policy establishes a framework for delegating authority within [X SO] in a manner that facilitates efficiency and effectiveness and increases the accountability of staff and volunteers for their performance.

The policy applies to all members of the Board and the staff and volunteers of [X SO] who have delegated authority to act on behalf of [X SO]

Delegations of authority within [X SO] are intended to achieve six objectives:

1. to ensure the efficiency and effectiveness of the organisation's administrative processes
2. to ensure that the appropriate officers have been provided with the level of authority necessary to discharge their responsibilities
3. to ensure that delegated authority is exercised by the most appropriate and best-informed individuals within the organisation
4. to ensure internal controls are effective
5. to protect employees and volunteers who have made decisions within the limit of their authority
6. to give the Board visibility and the Chief Executive Officer (CEO) a mechanism to ensure that only [X SO] staff and volunteers with appropriate skills and seniority will make decisions and enter into commitments on behalf of [X SO]

Delegations are a key element in effective governance and management of [X SO] and provide formal authority to particular staff and volunteers to commit the organisation and/or incur liabilities for the organisation.

## **Policy Scope**

The policy applies to the Board, employees of [X SO], and any other persons and / or Committee that is delegated responsibility by the Board.

## **Policy**

The Board of [X SO] is responsible for the management of the organisation. Under the [name of state Associations Act/federal Corporations Act/etc] and under Clause xx of the [X SO] Constitution, the Board can delegate any of its functions except:

1. the power of delegation, and
2. any functions reserved to the Board under [the Act].

Under clause xx of the Constitution, The Board may delegate its functions to:

* A member or members of the Board, and
* A sub-committee of the Board

Under clause xx of the Constitution, The Board may delegate its functions to the CEO and through the CEO to members of the staff of the organisation.

However, the Board may not delegate its power:

* to adopt the organisation’s strategic plan, or
* to adopt the organisation’s business plan, or
* to adopt the organisation’s annual budget

The CEO:

1. is charged with the duty of promoting the interests and furthering the development [X SO], and
2. is responsible for the administrative, financial, and other business of [X SO]; and
3. exercises a general supervision over the staff and volunteers of [X SO]

*A sporting organisation should refer and seek further advice as to whether their constitution allows for delegations and the specific clause references should be detailed within the policy/procedure.*

The CEO may seek the approval of the Board to delegate any function, or any power or duty conferred or imposed upon them, subject to this Delegations Policy, to any member of the staff of the organisation, or any person or persons, or any committee of persons.

[X SO] is committed to the highest standards of integrity, fairness and ethical conduct, including full compliance with all relevant legal requirements, and in turn requires that all its Board members, officers (including its CEO, managers, employees, volunteers and contractors acting on its behalf meet those same standards of integrity, fairness and ethical behaviour, including compliance with all legal requirements.

There is no circumstance under which it is acceptable for [X SO] or any of its employees or contractors to knowingly and deliberately not comply with the law or to act unethically in the course of performing or advancing [X SO]’s business.

## **Responsibilities**

The Company Secretary must maintain records of any delegations to members of the Board and of the terms of reference of any sub-committees of the Board.

The CEO must prepare delegation schedules within the framework of the Delegations Policy for approval by the Board.

## **Processes**

The overarching Delegations Policy applies to [X SO]as a whole, and departments within the organisation must align their delegations policies with the central policy.

Delegations are to be exercised within the framework of the Act, regulations, rules, policies, and any external legislative requirements.

Any delegation may be made subject to any conditions and limitations as the Board shall approve.

Delegations are:

* 1. attached to the position occupied, not to the occupant of the position. The responsibilities of a position appear in a duty statement, role statement or statement of responsibility appropriate to the position.
	2. Delegations reflect [X SO] organisational structure. Levels of authority are hierarchical through relevant lines of responsibility up to and including the CEO. This means that formal authorities held by any delegate are included in those held by that delegate’s supervisor or line manager.  A delegate who sub-delegates authority remains responsible and accountable for the decision or action.
	3. A delegation cannot be exercised where the officer holding the delegation has a conflict of interest or where the delegation will result, either directly or indirectly, in any tangible benefit to the delegate. In such cases a transfer of the function to another appropriate position must be arranged with the CEO.
	4. Permanent changes to delegations, either permissive or restrictive, require a written authority from the Board.  Any major variation to the standard delegations must be approved by the Board.
	5. Sub-delegation on a temporary basis is appropriate in circumstances where the officer normally responsible is absent for a period of less than two weeks by reason of authorised leave or secondment to other duties.  Sub-delegations require a written authority from the individual with the delegated power, or a person in a position to approve the delegated authority.
	6. This policy applies only to formal delegations. All delegations of an informal nature where no commitment or liability is incurred on behalf of [X SO] are carried out in the normal business of the organisation without the requirement for a written authority.
	7. Where an employee is acting in a higher position, that person will hold the delegation level appropriate to the higher position unless otherwise determined by the CEO.
	8. A financial delegation can be exercised only within the approved budget.
	9. A staffing delegation cannot be exercised in regard to staff for whom the delegate does not hold line management responsibility.
	10. Separate Delegations Schedules shall be prepared for Financial Delegations and for Human Resources Delegations. The schedule will provide reports by function, by position profile and by administrative area.

Special care must be taken to retain currency of the Delegations Schedules when delegated authorities are redistributed, a position is reclassified, or the organisation is restructured in ways that affect position profiles.

The Board will, on advice from the CEO, approve the Delegations Schedule on an annual basis. The Delegations Schedule will be accessible to all Board members, officers, employees, volunteers and contractors acting on [X SO]’s behalf.

## **Delegation Limits**

Notwithstanding any delegations that may be granted under this policy, delegates are required to seek Board approval on the following matters:

* Entering into any contract valued above $x;
* Unbudgeted capital expenditure valued above $x;
* Unbudgeted operating expenditure valued above $x;
* Varying budgeted capital expenditure by more than $x;
* Varying budgeted operational expenditure by more than $x; and
* Writing off or writing down assets or bad debts above the amount of $x

Limits expressed refer to the maximum amount committed on behalf of the [x SO], not individual invoices.

## **Policy Review Process**

* 1. This policy will be reviewed at least annually, in line with the Board’s policy review schedule, or as otherwise required by this Policy.
	2. The Board may at any time initiate a review outside of the normal schedule.

## **Authorisation**

|  |  |
| --- | --- |
| Signature of Board Chair |  |
| Date of approval by the Board |  |
| X SO |  |

## **APPENDIX A**

## Sample Delegations Schedule

**NB:** Sporting organisations should take the following considerations in to account when reviewing and developing their delegations schedule:

1. The below list is not an exhaustive list and will need to be tailored to suit the sport’s needs and circumstances.
2. The conditions set within the schedule are for illustrative purposes only and to be used as a guide, they are not recommendations and should be tailored to suit the sport’s needs and circumstances.
3. Sport Governance Standard 9.6 provides that the board should implement documented non-financial delegations including staffing, public relations, strategic actions, business plans, board resolutions, grievances and complaints.
4. At the highest level of governance maturity; “*The board documents non-financial delegations, and the relevant board committee member reviews them on an annual basis. Appropriate education is provided to delegates with respect to their responsibilities”.*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Constitution Reference (if applicable)** | **Function and Power** | **Position**  | **Conditions**  | **Date of Delegation** |
| **FINANCIAL** | **EXAMPLE** | **EXAMPLE** | **EXAMPLE** |  |
|  | Annual budget | Board |  |  |
|  | Budget variations | CEO and Board | Managers 5% variation; CEO 10% variation |  |
|  | Coordinate the preparation of the Association’s financial report before its submission to the AGM | CEO |  |  |
|  | Bad debt write-off | CEO and Board | CEO under $2,000Board over $2,000 |  |
|  | Team travel, tours, camps, conferences | CEO |  |  |
|  | Domestic travel | CEO and Board | CEO up to $3,000Board over $3,000 |  |
|  | Other expenditure outside of budget | CEO and Board | CEO under $15,000Board over $15,000 |  |
| 14.12, 14.13 | Reimbursements | CEO, FAR Chair and Managers | Chair – signed by FAR ChairCEO – signed by Senior Manager under $1,000CEO – signed by Chair over $1,000Staff – signed by CEO |  |
|  | Signatory to banking transactions | CEO, Chair and FAR Chair |  |  |
| 15.1 | Enter into contracts considered necessary or desirable | Board and CEO | CEO - budgeted or under $10,000 Board – if not budgeted and over $10,000 |  |
| 15.1 | Signatory to funding agreements | CEO and Chair |  |  |
| **MEMBERSHIP** |
| 9.1 | Setting of fees and charges | Board |  |  |
| 5.2 | Approval of Membership | Board |  |  |
| 5.7 (a) | Maintain the register of members, and record in the register any changes in the membership, as required under the Act | CEO |  |  |
|  | Inspection of the register by members | CEO |  |  |
| 8.2 | Suspension or Expulsion of Membership | Board |  |  |
| 8.2 | Notice of proposed suspension or expulsion | CEO |  |  |
| **CORRESPONDENCE** |
|  | Coordination of correspondence of the organisation | CEO |  |  |
| **COMMUNICATIONS** |
|  | Spokesperson on behalf of the organisation | CEO and Chair |  |  |
| **COMMERCIAL** |
|  | Engage in sponsorships discussions | CEO and Chair | Subject to parameters set by the Board (e.g. industry restrictions – gambling, fast food, etc) |  |
| **SECRETARIAL FUNCTIONS/RECORD KEEPING** |
| 10.3 | Preparing the notices required for meetings and for business to be conducted at meetings | CEO | CEO in consultation with Chair |  |
| 16.11 | Proper minutes of all proceedings at all general meetings and Board meetings kept and recorded | CEO |  |  |
| **HUMAN RESOURCES** |
| 18.1, 18.4 | Appoint staff | Board and CEO | Board to appoint CEOCEO to appoint all other staff |  |
| 18.4 | Staff Performance Management | CEO |  |  |
| 18.1 | CEO Performance Management | Chair | With Board input |  |
| 18.4 | Recruitment and terminations | CEO |  |  |
| 18.4 | Staff remuneration within approved budget | CEO |  |  |
|  | Staff remuneration increases which are not budgeted | Board |  |  |
| 18.4 | Work practices | CEO |  |  |