

Financial Delegations Rule

Section 1 - Overview

(1) The purpose of this policy is to establish and communicate the delegated authority levels for amending and executing the approved budget.

Section 2 - Scope

(2) This Rule applies to all staff of the University and members of the Council.

Section 3 - Delegations to support Execution of the Approved Budget

(3) In order to enable the orderly execution of the approved business plan and budget, and in accordance with Section 16 and 17 of the [University of New England Act, 1993](#), the Vice-Chancellor and Chief Executive Officer is delegated authority to collect revenue, enter obligations, incur expenditure and place investments up to the maximum level identified in the attached tables.

(4) The authority provided to the Vice-Chancellor and Chief Executive Officer under Article 3 comprises:

- a. Unlimited authorisation to collect revenue consistent with the approved business plan and budget;
- b. Within the limits established in Table 1 and Table 2, authorisation of capital and Operating Expenditure in the following forms:
 - i. the authorisation of purchase requests and purchase orders;
 - ii. the authorisation of suppliers invoices and payment requests;
 - iii. the execution of contracts or other binding legal agreements;
- c. Within the limits established in Table 1, certifying payments for recurring expenditures that are not typically subject to a business case or purchase order and are non-discretionary once contracted, including payroll and periodic payments under multi-year contracts for the supply of utilities, periodicals, and licensing arrangements;
- d. Within limits established in Table 3, placing financial investments; and
- e. Within limits established in Table 2, write off or dispose of debts, property, plant and equipment.

(5) Authority above the maximum level of the Vice-Chancellor and Chief Executive Officer indicated in the tables is subject to prior approval by Council or Committees of Council as established under the [University of New England Act, 1993](#).

(6) For approvals of Council and Committees of Council, the Vice-Chancellor and Chief Executive Officer is delegated the authority to sign all documents and to do all things reasonably required to implement the approval in accordance with its terms.

(7) The Vice-Chancellor and Chief Executive Officer may delegate their authority to other positions within the University, provided however that no position may have a delegated financial authority that is higher than the authority of the position to which the holder of that position reports and in no circumstance higher than the authority of the Vice-Chancellor and Chief Executive Officer. Such delegations shall be maintained in the Tables, and Council shall be advised of any changes to these delegations within three (3) months of the change.

(8) Delegations pass to the person acting in the role where so approved by the delegate's direct manager in writing.

(9) All delegations are governed by Section 21A of the [University of New England Act](#) and paragraph 10 of the University's [Commercial Activities Rule](#).

(10) Staff nominated to sign cheques and/or release University funds via electronic funds transfer (EFT) can do so at any value provided they have satisfied themselves that the expenditure has been authorised in accordance with the authority limits set above.

(11) Staff issued with a University Credit Card will have an authorised limit of \$10,000 for an individual transaction. Where travel or airfare expenditure charged to a traveller's credit card exceeds \$10,000 then the travel must be approved via the University's Travel Management System in accordance with the schedule of authorities detailed in Table 1 prior to travel being undertaken.

(12) This document should be interpreted using the following principles:

- a. Where a dollar amount is stipulated as an approval limit, it is to be taken as a reference to the maximum contract value or maximum financial commitment/exposure of the University, whichever is the greater.
- b. This document does not override or otherwise affect:
 - i. The [Authority Retained by Council Rule](#) or
 - ii. The [Functions of the Vice-Chancellor Rule](#).

(13) The authority level for the approval of contract variations is to be assessed at the full value of the revised contract, not just the variation amount. For example; if a contract was initially approved for \$1,000,000 and a variation is sought for \$100,000 then the approval for this variation can only be granted by those individuals or Committees who have authority for \$1,100,000.

(14) Approvals under all delegations are subject to specific approved budget allocations.

Section 4 - Budget Delegations

(15) In relation to the University's annual operating and capital budgets approved by Council:

- a. The Vice-Chancellor and Chief Executive Officer is authorised to revise revenue estimates in the budget to reflect updated forecasts that are made during the year.
- b. The Vice-Chancellor and Chief Executive Officer is authorised to re-allocate budget between cost centres and projects.
- c. When revenue exceeds budget, the Vice-Chancellor and Chief Executive Officer is authorised to allocate the necessary resources, and therefore expenditure, to support the relevant areas, provided that the annual net operating margin target (%) is not reduced.
- d. When revenue does not exceed budget, the Vice-Chancellor and Chief Executive Officer is authorised to approve items/projects outside the general operations budget (income, expenditure and capital expenditure), provided that these are consistent with the approved business plan, up to an annual limit of one percent (1.0%) of total budgeted expenditure.

- e. The Vice-Chancellor and Chief Executive Officer may authorise an adjustment to the budget to accommodate the completion of projects which were underspent in the prior year, provided however that the total expenditure on such project aligns with the approved project plan/business case for such project and the resulting change in the budget shall not add more than 3% to the total value of budgeted expenditure or consume more than 20% of untied cash and investments available at the end of the prior year.
- f. The Vice-Chancellor and Chief Executive Officer is authorised to amend the budget to reflect the timing of the expenditure of revenue tied to a specific project, provided that such change does not alter the total projected value of expenditure for the lifetime of the project.
- g. All other delegates are authorised to re-allocate operating (not capital) budget within each cost centre for which they are accountable provided the individual budget holder:
 - i. achieves the annual budget net operating surplus margin target (\$ and %);
 - ii. operates within the total expenditure budget; and
 - iii. does not exceed the salary budget (permanent FTE, casual FTE or \$).
- h. Any such action by the Vice-Chancellor and Chief Executive Officer under this clause must be reported to Finance and Infrastructure Committee by way of presentation of a revised budget, compared against the original budget, at the next meeting.
- i. The Finance and Infrastructure Committee, having reviewed amendments made by the Vice-Chancellor and Chief Executive Officer, shall have the authority to cancel or further amend any such amendments, where such action is within the terms of reference of the Finance and Infrastructure Committee.

Section 5 - Definitions

For the purposes of this Rule the following definition applies.

(16) Capital Expenditure is expenditure as described in the [Asset Management Financial Rule](#) that creates a future economic benefit for the University. Capital expenditure is incurred when funds are expended to acquire, build or upgrade assets. This expenditure will create an asset which appears on the University's Balance Sheet.

Status and Details

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Unit Head	Ilias Dimopoulos Head of Finance
Enquiries Contact	Office of the Chief Financial Officer

Glossary Terms and Definitions

"Operating Expenditure" - Is the day to day expenditure incurred in the normal operation of the University and includes such items as travel, printing and stationery, scholarships, consultants' fees, etc. This expenditure appears in the University's Profit and Loss as Expenditure.