

ATTACHMENT 8

Delegation of Authority Policy

(Adapted from himaa.org.au/Governance/Delegation of Authority.doc)

1. Introduction

The Board of Directors is responsible for the control and management of ABC ORG (ABC). The Board proposes to focus on governance and to delegate to management the authority necessary for operational management.

The Board retains to itself the authority to:

- Enter into strategic commitments, and
- Commence or conclude litigation, other than that associated with the recovery of debts.

This document sets out the general principles governing the delegation of the Board's powers and authority and a schedule of delegation to management.

2. General Principles

- 2.1** Delegations are to positions not to individual persons.
- 2.2** Acting appointees may exercise the same powers as the permanent appointee to a position.
- 2.3** Delegates may not further delegate their powers except where specifically authorized so to do.
- 2.4** Delegates may not authorize expenditure, nor authorize the issue of Purchase Orders on their own behalf.
- 2.5** Authorizations for expenditure must be signed by the appropriate delegate.
- 2.6** No person is authorized to sign on behalf of another in authorizing expenditure.
- 2.7** The level of expenditure, quality or quantity of goods/services may not be varied from that which was approved, without the endorsement of the original authorizing delegate evidenced in writing.
- 2.8** Expenditure may not be authorized unless funds are available under the control of the authorizing officer.
- 2.9** The Schedule of Delegation should be reviewed at least annually by the Board.
- 2.10** In the event the Executive Director is not available for an extended period, an alternative member of staff is to be authorized by the Board or the Executive Director to exercise the same powers conferred to the Executive Director.

3. Definitions

- 3.1** Chair of Board (COB)
- 3.2** Board of Directors (BOD)
- 3.3** Executive Director (ED)
- 3.4** Deputy Director (DD)
- 3.5** Project Director (PD)
- 3.6** Office Manager (OM)
- 3.7** Supervisor (Sup)

4. <u>Schedule</u>				
Item	Subject	Instruction	Officer to Approve	Comments
4.1	ABC ORG official stamp	ABC ORG official stamp will be secured in ABC ORG office to be used for official ABC ORG business only.	OM	ABC ORG stamp should only be affixed if the document has been signed by authorized person as delegated under this DoA.
4.2	Appointment and retention of staff	<p>Creation of a new full-time position.</p> <p>With respect to an approved full-time position, approve the appointment, terms & conditions of employment, discharge and remuneration of staff.</p> <p>Approval of temporary employment up to XXX VND monthly remuneration or XX weeks.</p> <p>Approval of temporary employment over XXX VND monthly remuneration or XX weeks.</p>	<p>BOD</p> <p>ED or DD</p> <p>ED or DD</p> <p>BOD</p>	<p>Negotiation of salary for new appointments, resulting from performance reviews & for acting positions must be in accordance with relevant Board policies.</p> <p>Board to be advised. Subject to approved budget/ funds availability.</p>
4.3	Leave/Travel approval	<p>Approve leave of absence for ED.</p> <p>Approve leave of absence for DD, PD.</p> <p>Approve leave of absence for staff under direct management.</p>	<p>COB</p> <p>ED</p> <p>Sup and DD</p>	<p>If ED is pro-bono, approval not required. However, ED need to inform COB at least one week in advance for long absence (i.e. more than two weeks).</p> <p>Board and staff to be advised.</p> <p>Staff to be advised.</p>

4.4	Signing Contracts	<p>For those under project budget.</p> <p><u>For ABC ORG activities:</u> Employment</p> <p>Contract with suppliers under 20,000,000 VND</p> <p>Contract with suppliers from and over 20,000,000 VND</p> <p>Scholarship Recipients: < 50,000,000 VND Scholarship Recipients: >= 50,000,000 VND</p> <p>Donors: <100,000,000 VND >= 100,000,000 VND</p> <p>Intern/Volunteer</p>	<p>PD or DD</p> <p>ED (or DD during ED's absence)</p> <p>DD</p> <p>ED</p> <p>DD</p> <p>ED</p> <p>DD</p> <p>ED</p> <p>OM</p>	All are subject to funds availability and/or relevant policies.
4.5	Approval of project variations & progress payments for Scholarship Recipients	<p>Project variations under 10% of project budget category</p> <p>Project variations over 10% of project budget category</p> <p>Authorize progress payments for Scholarship Recipients for project under direct management.</p>	<p>DD or PD or OM (accordingly)</p> <p>ED</p> <p>DD or PD</p>	<p>Seeks donor approval as appropriate and subject to funds availability.</p> <p>Subject to funds availability & within project parameters.</p>
4.6	Reimbursement of expenses	<p>Planned expenses incurred up to 2,000,000 VND by member of staff, Board member, committee member or consultant engaged in an authorized activity.</p> <p>Planned expenses over 2,000,000 VND refer to 4.7.</p>	DD or PD	

4.7	Procurement of goods, equipment and services	<p>Must also follow ABC ORG Financial Guidelines: 2,001,000 to 5,000,000 VND</p> <p>5,001,000 to 21,000,000 VND</p> <p>21,001,000 to 100,000,000 VND</p> <p>Above 100,000,000 VND</p>	<p>DD or PD (accordingly)</p> <p>DD or PD (accordingly)</p> <p>ED or BOD</p> <p>ED or BOD</p>	<p>Subject to funds availability/approved budget.</p> <p>At least 02 verbal or written quotes.</p> <p>At least 03 verbal or written quotes.</p> <p>At least 03 written quotes for BOD.</p> <p>Invitational Tender for 03 written quotes for BOD.</p>
4.8	Payroll expenses	Authorized to approve monthly transfer of payroll expenses	ED	
4.9	Bank signature	ABC ORG main bank accounts at ABC Bank are to be used for ABC ORG program and operation activities according to delegation of authority and financial guidelines.	DD	Add DD signature to ABC ORG main bank accounts and set level of amount to be paid (in case of one signatory) ; Add PD signature to ABC ORG Project bank accounts.
4.10	Operational policy approval	Approve policies & administrative orders that effect the overall management of ABC ORG	BOD by recommendation of the Admin Committee	Policies must be consistent with Board decisions & relevant statutes.