

Delegations - Contract, Financial, Staffing and Tender Policy

Policy Code: FN1449

Table of Contents

Purpose	1
Scope	1
Authority Levels	2
Delegations Register	3
Staffing Delegations	3
Financial Delegations	3
Definitions	3
Grants, Contracts and Tender Delegation	4
Grants for Research Related Activities	4
Contracts and Memorandum of Understanding Delegation	4
Other Contracts	5
Contracts Relating to International Students	5
Contracts Relating to VET Enrolments	5
Tender Delegations	6
Limits of the Delegation	8
Associated Documents	10
Supporting Documents	10
Implementation and Communication	11

Purpose

This policy is intended to ensure that staffing appointments are created, authorised and offered within the Delegations Policy of the University Council, to ensure that University expenditure and maximum levels of that expenditure are authorised only by the officers within levels delegated by the University Council and the Vice Chancellor and President, and that Agreements and tenders are correctly authorised. It is intended that all staffing delegations, expenditure and signing of Agreements and tenders are undertaken within the scope of relevant University policies.

Scope

The authority levels in these delegations extend to all Agreement dealings undertaken on behalf of the University:

Purchase orders, maintenance agreements, payment against invoices, credit card purchases, refunds, other agreements, casual salary payments, software licences, overtime returns, other licences, independent Agreements, standard consultancy agreements, memorandums of understanding, disposal of equipment and furniture.

Transfers within the University, such as journals, staff reimbursement, asset transfers and income generated from Agreements are also governed by these delegations.

It is important to remember that what constitutes a Agreement in any given situation can be a complex legal issue. It is not always clear whether a legally binding relationship may be created and any failure to comply with the

prescribed requirements concerning Agreemental dealings undertaken on behalf of the University exposes the University to financial and reputational risk.

Advice from the Legal Office must be obtained in cases of doubt, and in matters not involving approved standard agreements.

It is the Responsibility of Delegated Officers that by authorising expenditure or commitment under this delegation, an officer gives a statement:

1. **that the transaction is only for University business;**
2. **that all University Policies and Procedures have been observed;**
3. **that sufficient funds are available from the appropriate budget;**
4. **that the transaction complies with any conditions that apply to the funds, including research funds and grants from external bodies;**
5. **that the person seeking to expend funds is entitled to do so;**
6. **that the expenditure is not personal expenditure; and**
7. **that the authorised signatory accepts responsibility for approving the transaction in full knowledge of the conditions, both internal and external, that apply to the use of the designated funds.**
8. **ensure that the expenditure complies will all appropriate Australian Laws, industrial and work place agreements.**

Authority Levels

Financial Band Value Limit Table

Levels of Financial Delegation are detailed in the following table:

FINANCIAL BAND VALUE LIMIT TABLE

The authority levels apply to purchasing as well as the negotiation and execution of Agreements on behalf of the University to procure, expend or deliver goods and services (subject to compliance with relevant Tender requirements). These limits apply to all Agreemental dealings undertaken on behalf of the University, except those relating to Library acquisitions. Limits also apply to reimbursements and internal journals/transfers (with the exception of the Finance Office performing operational duties).

Where the Terms of a Agreement or Memorandum of Understanding (MOU) do not contain a monetary level, any negotiation or execution of a Agreement or MOU by an officer on behalf of the University may only take place on terms approved in writing by the Vice Chancellor and President or Chief Operating Officer/CFO, subject to the prior review and approval by the Legal Office of any Agreement or MOU which is not in a standard form approved for use by the Legal Office.

The Vice Chancellor and President and/or Chief Operating Officer/CFO have authority to designate in writing, within the authority levels set out in this section, other officers to execute standard form agreements where the University is a service provider approved for use by the Legal Office. A copy of the relevant agreement when executed must be recorded under the University [Records Management Policy](#).

The above does not alter the requirement for the Legal Office to advise on any Agreement or MOU which is not in (or apart from schedules based on) a standard form approved for use by the Legal Office before entering into a Agreement or MOU on behalf of the University.

All original signed Agreements must be stored by the Legal Office on behalf of the University.

For an individual's authority to take effect, the staff member occupying a position outlined in this section need to provide specimen signatures to Finance as evidence.

Delegations Register

The Delegations Register is maintained by an authorised responsible officer within the Office of COO

All staff holding a delegation to authorise transactions on behalf of the University must ensure they are aware of their responsibilities and accountabilities as authorising officers

Staffing Delegations

Refer Section 4 Staffing Delegation (Financial Band Value Limit Table)

The delegation to create staffing positions, recruit employees, make offers of employment to new and existing staff on behalf of the Council is subject to:

1. The cost of the employment being within approved budgets
2. Compliance with other relevant University staffing Policies eg [Recruitment and Merit Selection Policy](#) and Recruitment Request Form and Approval
3. Compliance with University Policy in regard to employment of private contractors

Financial Delegations

Refer Section 1.2 Unrestricted Delegations (Financial Band Value Limit Table)

The delegation to make commitments and incur expenditure in compliance with appropriate legislation on behalf of the Council is subject to:

1. The expenditure being within approved budgets: The delegation is only given for commitments and expenditure to be made against and within approved operating budgets or against budgeted project income. The only exception to this is a delegation available only to the Vice Chancellor and President, which permits expenditure of up to \$150,000 outside of approved budgets
2. Compliance with [Procurement of Goods and Services Policy](#), [Travel Policy](#), Asset, Attractive Items and Inventory Management Policy and Payroll responsibilities
3. Compliance with the limit applying to a single transaction. Splitting purchase requisitions or other expenditure transactions with a view to circumventing delegation authorities, is not allowed
4. All overseas travel being approved by the relevant Vice Chancellor and President, Deputy Vice Chancellor or Pro Vice Chancellor
5. All delegations being GST exclusive

Definitions

Term	Definitions
Account /Dept & Project Codes	General ledger codes used to identify accounts.
Approved Operating Budgets	Budget approved by the University Council via Finance Committee
Budgeted Project Income	Income budgeted for specific projects.
Capital	Individual assets over \$5,000 in value, and individual library books

Term	Definitions
Commercial Activity	The activity of providing goods and services involving financial and commercial and industrial aspects
Delegations	Approval to officers to sign for the recruitment of staff, expenditure, contract and tender arrangements as framework required by the University Council.
Leave Replacement Contracts	Short term contracts for the replacement of staff on leave.
Officers	Staff employed by the University.
Sessional Contracts	Employment that is short term in nature and gives coverage of a position where flexibility to vary hours or modify the employment is required. Employment is by the hour, to work on an irregular basis to cover leave absences, provide assistance for additional, seasonal or special project type work.
Short Term Contracts	Contracts for a fixed period of time.
University-wide Accounts	University-wide costs not contained within a specific school or section budget but reporting to various officers for expenditure authorisation.
Agreement	For the purpose of this policy: A contract, legally binding agreement or memorandum of understanding.
VET Enrolment	VET Enrolment refers to all VET enrolled students including: ALL eligible and ineligible VET enrolments as identified in the TAFE Performance Agreement

Grants, Contracts and Tender Delegation

Grants for Research Related Activities

For a project to be considered “research” it must meet the definition of research as outlined by DIICCS RTE in the Higher Education Research Data Collection (HERDC) Specifications for the Collection of Data, which are released annually.

Changes to the definition of research are under the control of DIICCS RTE.

Definition of Research

For further information please refer to the Research Development and Grant Manual and/or Research Services

For management of external funding received by FedUni for the purpose of conducting research refer section 5 - Grants and Research Related Activities (Financial Band Value Limit Table)

Contracts and Memorandum of Understanding Delegation

Refer Section 3 Contracts, Memorandum of Understanding and Tender Delegations - Non-Research Activities (Financial Band Value Limit Table)

The delegation to authorise contracts on behalf of the Council is subject to:

1. Approval of all Contracts and MOU by the Legal Office prior to authorisation
2. Staffing Contracts are covered under [Responsibilities - Staffing Delegations](#) and purchase orders are covered under [Responsibilities - Financial Delegations](#)
3. All original signed Contracts and MOU are to be held by the Legal Office

Other Contracts

All University staff, are to obtain advice from the Legal Office on any Agreement or MOU which is not in a standard form approved for use by the Legal Office. This requirement does not apply to employment Agreements.

All variations to approved standard form Agreements must also be referred to the Legal Office, except for completion of schedules or other information to be inserted in clauses as provided in the relevant standard form.

The University's Competitive Neutrality Pricing Policy must also be observed when entering into Agreements with external bodies.

Contracts Relating to International Students

All Agreements with parties outside Australia and relating to the recruitment of international students may be approved only by an officer at the level of Dean, Director or above and must be approved by the International and Partner Committee, subject also to review by the Legal Office where the Agreement is not an approved standard agreement, and subject also to the authority of the Vice Chancellor and President or the Chief Operating Officer/CFO to designate other officers to sign approved standard form agreements as provided at the commencement of Section 3.4

Contracts Relating to VET Enrolments

Extract from the 2015 TAFE Performance Agreement "Guidelines about Determining Student Eligibility and Supporting Evidence"

Section 2.4: *The 2014-2016 VET Funding Agreement (Dual Sector), Victorian Training Guarantee Program Agreement requires that any individual assessing the Eligibility of an applicant must be an authorised delegate of the RTO.*

Section 2.5: *An authorised delegate of the RTO (Registered Training Organisation) is defined as:*

1. *An employee/s of the RTO who has been formally delegated to this function from the CEO or equivalent and recent evidence of such a delegation is available at audit, or*
2. *A duly authorised agent of the RTO, and a legally binding agreement between the RTO and the agent is in place and available at audit*

A formally delegated officer on behalf of the CEO of the University is: Dean of School/Director

A formally delegated officer grants approval for authorised delegates within their School/Directorate to act on their behalf to undertake eligibility assessment as per Performance Agreement requirements. Authorised delegate approval is granted via the completion of the Evidence of Eligibility and Student Declaration Authorised Delegate Form.

Each formally delegated officer is to maintain a School/Directorate Register of Authorised Delegates who will undertake 'evidence of eligibility' approvals.

Audit Process: The Register of Authorised Delegates must be presented upon request for audit purposes.

Schools/Directorates are responsible for ensuring that only authorised delegates are assessing and signing the Evidence of Eligibility and Student Declaration Form.

Schools/Directorates must undertake audits of authorised enrolment forms against the Authorised Delegates Register by September each year.

Tender Delegations

Refer Section 3 Contracts, Memorandum of Understanding and Tender Delegations - Non Research Activities (Financial Band Value Limit Table)

The delegation for the authorisation for the submission of Tenders for the supply of University services on behalf of the Council is subject to:

1. Compliance with TAFE Agreements for Commercial Activity
2. Compliance with Higher Education costing pro-formas
3. Tenders over \$250K per annum to be reviewed by the Vice Chancellor and President's Budget Advisory Committee
4. Tenders which include the acceptance of terms of a standard contract must be approved by the Legal Office

Acting Delegations

Any person acting in a position for more than 3 months other than an official secondment will require the specific permission of the Vice Chancellor and President. All acting appointments must be made in accordance with relevant University staffing policies. An acting capacity is not valid unless authorised as follows:

1. Acting Vice Chancellor and President is authorised by Council
2. Acting Deputy Vice Chancellor authorised by the Vice Chancellor and President
3. Acting Pro Vice Chancellor and President authorised by the Vice Chancellor and President
4. Acting Dean/Director is authorised by the DVC (Academic)
5. Acting Head of School is authorised by Dean
6. Acting Director/Associate Director/University Registrar is authorised by DVC or COO
7. Acting for any other position to be authorised by the Vice Chancellor and President/Deputy Vice Chancellor/Pro Vice Chancellor/COO

The following exclusions apply to all acting delegations. The limit indicated is the maximum permitted level and this maximum level will be confirmed by the Vice Chancellor and President at the time of the appointment.

1. No acting delegation under "[Continuing and Contract Appointments](#)" to create a position
2. No acting delegation under "[Council Delegations to Vice Chancellor and President and Chief Operating Officer/CFO](#)"

In circumstances where the Vice Chancellor and President and the Chief Operating Officer/Chief Financial Officer are both absent, the Acting Vice Chancellor and nominated Acting Chief Operating Officer/CFO will have the delegation for payroll related payments to relevant authorities.

1. Under "[Contract Delegations](#)" - up to \$750,000 for an Acting Vice Chancellor and President

Under "[Tender Delegations](#)" - up to \$750,000 for an Acting Vice Chancellor and President. Tenders over \$750,000 while an Acting Vice Chancellor and President is in place can be authorised by the Acting Vice Chancellor and President and at least 3 members of the Finance Committee including the chair if available

Authorised Bank Account Signatories

A schedule of officers authorised to operate the University's transactional bank, at call and term deposit accounts is held by the Associate Director, Financial Accounting and Systems.

The release and payments of funds by Electronic Funds Transfer (EFT) must be approved by two authorised signatories. All cheques must be approved by and have two authorised signatories on all cheques before release.

Authorised Signatories must:

1. Exercise due diligence before signing a cheque or approving an EFT
2. Examine supporting documents before signing a cheque or approving an EFT

Bad Debt Write Off

See Section 1.4.1 - Account or Cost Centre Restrictions- Dean/Director/Other (Financial Band Value Limit Table)

Chief Operating Officer/ Chief Financial Officer	\$5,000	The writing-off of bad debts.
Chief Operating Officer/Chief Financial Officer	Above \$5,000	The writing-off of bad debts once recommended to Finance Committee and approved by Council

Disposal of Assets

Authorisation for Disposal

The disposal of assets must be authorised in accordance with the level of delegated authority. Asset disposal requires prior approval on an [Asset Disposal Form](#) for record keeping and insurance purposes.

The original total cost of the item determines the level of approval and method of record keeping needed.

For major assets, notification must be sent to the Associate Director Financial Accounting & Systems, additional approval must be obtained in accordance with the levels of delegated authority.

Donated assets are required to be pre-approved by the Vice Chancellor & President.

An Asset Disposal Committee description is appointed for the purpose of reporting on items that have been issued for use which are considered to be of no further use or value to the University and/or where they become unserviceable, obsolete or surplus to the University

The Asset Disposal Committee imposes further conditions on the disposal of items that, singularly or combined, originally cost more than \$60,000

Delegated Authority	Responsibility	Related Steps
Up to \$60,000 Authorise disposal of an asset with original cost less than \$60,000	Dean and Associate Director Financial Accounting & Systems	
Up to \$150,000 Authorise disposal of assets with original cost between \$60,000 and \$150,000	Chief Operating Officer/CFO or Associate Director Financial Accounting & Systems	

Delegated Authority	Responsibility	Related Steps
Authorise disposal of assets with original cost between \$150,000 and \$400,000	Chief Operating Officer/CFO or Associate Director Financial Accounting & Systems	On advice of Minor Asset Disposal Committee
In excess of \$400,000 Authorise disposal of assets with original cost more than \$400,000.	Chief Operating Officer/CFO	On advice of Major Asset Disposal Committee
Donated Assets	Chief Operating Officer/CFO or Associate Director Financial Accounting & Systems	Pre-Approved by the Vice Chancellor & President

Asset Disposal Committee

Minor Committee:

For the disposal of items which, individually or together, originally cost more than \$150,000 gross there will be a Minor Committee consisting of the following officers:

Chief Operating Officer/Chief Financial Officer or authorised delegate (chairperson)

Associate Director, Financial Accounting & Systems

Major Committee:

For the disposal of items which, individually or together, originally cost more than \$400,000 the matter is deemed to be 'major'. The Major Committee will convene formally and comprises:

Chief Operating Officer/Chief Financial Officer or authorised delegate (chairperson)

Associate Director, Financial Accounting & Systems

Finance Committee / Council

Means of Authorising Expenditure

The authorisation of expenditure may take the form of a hand-written signature or electronic authorisation via University computer systems, whichever is the more appropriate.

Limits of the Delegation

Operating leases (except for operating leases relating to salary packaging which will comply with the Salary Packaging Policy), can only be signed by the Chief Operating Officer/Chief Financial Officer

Leases relating to real estate can only be signed by the Vice Chancellor and President or Chief Operating Officer/Chief Financial Officer

Property purchases and sales must be approved by the University Council and comply with the Government of Victoria legislation, policy and instructions for the purchase and sale of land

Finance leases can only be authorised/approved by the Chief Operating Officer/Chief Financial Officer

Borrowings within the University's name are restricted to the following:

Up to \$500,000 Finance Committee

Over \$500,000 University Council

Other Authority Levels

Finance Committee must approve authority levels exceeding those described within the authority limits. Where Finance Committee has approved separate limits, all procedures relating to purchasing and financial delegations apply

Roles and Responsibilities of Officers

Delegation Register System: is to be maintained by a responsible officer within COO

Financial Delegation Officers:

1. that the transaction is only for University business;
2. that all University Policies and Procedures have been observed;
3. that sufficient funds are available from the appropriate budget;
4. that the transaction complies with any conditions that apply to the funds, including research funds and grants from external bodies;
5. that the person seeking to expend funds is entitled to do so;
6. that the expenditure is not personal expenditure; and
7. that the authorised signatory accepts responsibility for approving the transaction in full knowledge of the conditions, both internal and external, that apply to the use of the designated funds.

Responsibility of Policy

The Chief Operating Officer/Chief Financial Officer is responsible for the development, compliance, monitoring and review of this Policy and any related Procedures.

Risk Analysis

Deans and Directors must consult with the Legal Office about non-standard contracts or contracts with the potential to expose the University to a risk greater than the price of the contract.

Authorising staff should undertake a risk analysis before signing contracts by asking:

1. What could go wrong?
2. What would the consequences be?
3. How much would those consequences cost the University?

Policy Statement

This Policy defines the delegation authorisations for Contract, Financial, Staffing, and Tender activities within the University schedule of Financial Delegations: **Refer Supporting Documents Financial Band Value Limit Table.**

Legislative Context

Under Section 6 Part 3 of the Federation University Australia Act 2010 the University may:

1. enter into Agreements
2. employ persons in academic teaching or other positions in the University on any terms and conditions that it determines
3. terminate the employment of a person employed by it
4. be a member of, form or participate in the formation of a company trust, association or partnership; and
5. enter into a joint venture or joint understanding with any person

Under Section 8 and 9 of the Federation University Australia Act 2010 the Council of the University (The Council) is established as the governing body of the University with the responsibility for the general direction and superintendence of the University. The Council has authority to delegate all or any of its powers or functions to a committee appointed by it, a member of Council, Academic Board, any member of staff or any other entity prescribed by the University statutes other than-

1. the power to make Statutes;
2. the power to appoint the Chancellor, Vice Chancellor and President and Deputy Vice Chancellor; and
3. the power of delegation under section 18 of the Act.

Under Section 26 Part 7 of the Federation University Australia Act 2010 the Vice Chancellor and President may delegate any of the powers, duties, and functions of the Vice Chancellor and President, to any appropriately qualified member of staff or any committee established from appropriately qualified members of staff.

Associated Documents

- TAFE Contracts for Commercial Activity
- TAFE Costing Pro-formas
- [Costing and Distribution of Earned Income \(Higher Education\) Policy](#)
- HE Costing Pro-formas
- Policy on Employment of Private Contractors
- [Recruitment and Merit Selection Policy](#)
- Recruitment Request Form and Approval
- [Procurement of Goods and Services Policy](#)
- [Procurement of Goods and Services Procedure](#)
- [Travel Policy](#)
- Asset, Attractive Items and Inventory Management Policy
- [Conflict of Interest Policy](#)
- [Conflict of Interest Procedure](#)

Supporting Documents

- [FINANCIAL BAND VALUE LIMIT TABLE](#)

Forms.

- [Financial Delegation Application](#) (PDF 131.0kb)

Implementation and Communication

The [Delegations - Contract, Financial, Staffing and Tender Policy](#) will be communicated throughout the University via:

1. Announcement on the [FedNews website](#);
2. ['Recently Approved Documents' webpage](#) to alert the University-wide community of the approved Policy;
3. Information/Training Sessions; and/or
4. Inclusion in the University's online [Policy Library](#);
5. Distribution of e-mails to relevant University Staff and Stakeholder.