

## DELEGATIONS OF AUTHORITY POLICY

### 1. Purpose

- 1.1 This policy establishes the framework for the appropriate delegation of duties, powers and functions at Ikon Institute of Australia (Ikon) to ensure clarity, accountability, efficiency and effectiveness in decision-making across the institution. The framework includes a system of internal controls and defines the limits of authority designated to positions of responsibility within Ikon and the types and maximum level of obligations that may be approved by persons holding the specified position.

### 2. Scope

- 2.1 This policy applies to all Ikon Boards and Committees, and all organisational functions, including administrative, legal, financial, human resource management, and academic functions

### 3. Related Documents

This policy should be read in conjunction with the following documents:

- Governance Guidelines
- Delegations of Authority Schedules
- Third Party Arrangements Policy
- Fees and Refunds Policy
- Enrolment Policy
- Assessment Policy
- Student Academic Progress Policy
- International Student Admission Policy
- Domestic Student Admission Policy
- Group Accounting Policies and Procedures Manual
- Grievance & Appeals Policy

This policy and related documents can be accessed via the staff policy library.

### 4. Definitions

**“Accountability”** means the organisational unit, cost centre, budget or activity for which a delegate, supervisor or line manager has responsibility.

**“Agreement”** means a document having the effect, when signed or approved, of committing Ikon to legally binding obligations.

**“Authority Level”** means the minimum and maximum levels of authority assigned to each delegation.

**“Contract”** means a document having the effect, when signed or approved, of committing Ikon to legally binding obligations.

**“Delegate”** means a person occupying a position that has been given the authority to exercise a delegation and carry out the functions, powers and duties and to act on behalf of Ikon.

**“Delegation”** means an authority given to a delegate to exercise powers, incur liabilities and make decisions on behalf of Ikon.

**“Delegation of Authority Schedules”** means the document that records the authority levels given to a delegate.

**“Sub-Delegation”** means the transfer of a delegated authority to another person or group.

## POLICY

### 5. Principles

- 5.1 Delegations are given to the position the delegate occupies, not the person holding the position. The delegate retains the delegation authority only while the position is held. The level of delegated authority will be appropriate to the capabilities and seniority of the position or body to whom it is delegated.
- 5.2 Delegations given to a body or committee relates to the body in accordance with its terms of reference, not the individual members.
- 5.3 With the exception of the CEO and Academic Board, delegates are not authorised to sub-delegate their authority.
- 5.4 Delegates must always act in the best interests of Ikon, using all reasonable care and skill when exercising a delegation, in accordance with applicable legislation, agreements, policies and procedures.
- 5.5 The Delegation of Authority Schedules provide the authority levels delegated by the Board of Directors and the Academic Board to the senior management group to support effective and efficient decision-making processes during the normal course of business.
- 5.6 Delegation schedules define the financial limits against authority levels and reflect the total financial commitment that can be made when exercising a delegation (to an annual cumulative limit as specified within each Delegation Limit).
- 5.7 Delegates must not bind or make a commitment on behalf of Ikon unless the total value of the transaction falls within their authority level.
- 5.8 Activities, functions or transactions not captured within the Delegation of Authority Schedules must be referred to the CEO.
- 5.9 Delegates must not exercise a delegation or approve a financial commitment that will result, either directly or indirectly, in any tangible personal benefit to themselves, including approving their own expense claims.
- 5.10 Delegates must not commit Ikon to a transaction or contract with a supplier or other third party where the delegate or an immediate family member has an interest (other than shares in a publicly listed company). This is considered a conflict of interest and must be declared to the CEO.
- 5.11 Delegates may only approve commitments that are relevant to their accountability i.e. organisational unit, cost centre, budget or activity. This does not apply to the CEO or CFO.
- 5.12 Legal delegations cover any legal agreements or contracts including but not limited to deeds, the exchange of legal correspondence, heads of agreements, leases, scope of work and any other documents that create a legally binding obligation, including any third-party delivery arrangements.

- 5.13 Delegates are required to escalate any activities, transactions or decisions that carry a high level of risk or are significantly outside usual business activities to the CEO, regardless of delegated authority limits.
- 5.14 Misuse of a delegated authority could significantly damage Ikon and expose the company to unintended legal and commercial liabilities. Individuals who breach this policy will be subject to disciplinary action, which may include termination of employment and a claim for damages.

## **6. Authority Levels**

- 6.1 The Board of Directors is accountable for all activities undertaken under delegated authority and will maintain appropriate oversight, ensuring that delegations are compliant with relevant regulatory frameworks and effectively implemented in accordance with this policy.
- 6.2 The Board of Directors retains the following powers:
  - a) appointment and removal of the CEO including performance review
  - b) review and approval of governance systems
  - c) approval of the strategic plan
  - d) approval of the annual budget and financial statements
  - e) approval to enter into commercial partnerships or third-party delivery arrangements.
- 6.3 The CEO has the authority to exercise any function reserved to the Board of Directors where:
  - a) there is an emergency, or the circumstances are urgent
  - b) there is no meeting scheduled to deal with the matter in time and it is not possible to convene a special meeting
  - c) delaying a decision until the next Board meeting would result in a material disadvantage to Ikon.
- 6.4 The CEO has the authority to change or create new delegations to reflect changes to the organisational structure. In the event of a new position, it is the responsibility of the CEO, with input from the line manager, to define the authority levels and adjust procedures to reflect the change and promote the continued effectiveness and efficiency of decision-making.
- 6.5 Delegations of authority should be made as efficiently as possible. As such, decision-making power should remain as close as possible to the part of the operations of Ikon that it affects. Academic authority is delegated to the Academic Board, remaining separate to the Board of Directors, which in turn delegates duties down through relevant committees and senior management.
- 6.6 All delegations will be consistent and internally coherent with other delegations, regardless of the area of operation.
- 6.7 Accurate and comprehensive records of delegations will be kept in the Delegations of Authority Schedules and made available to all relevant staff.
- 6.8 Where there is a conflict between the delegations and authority levels recorded in the Delegations of Authority Schedules and an institutional policy, the delegations recorded in the Delegations of Authority Schedules will apply.

## PROCEDURE

### 7. Determining Value

- 7.1 When determining the value of a commitment, all components of the transaction must be assessed including monetary and in-kind considerations. Where a project or an activity has multiple phases, the overall value of the commitment must be determined.
- 7.2 Transactions must not be broken down or otherwise manipulated to circumvent delegations for the purpose of obtaining approval for commitment. Any such approach is a breach of this policy.
- 7.3 Values are exclusive of GST.

### 8. Exercising Delegations

- 8.1 Where practical, a delegation should be exercised at the lowest level appropriate to the activity, decision or transaction.
- 8.2 Exercising a delegation must be evidenced in writing and include the delegate's name, position, date of decision and the reasons for approval. A record of the transaction and approval must be kept.
- 8.3 For routine financial transactions, such as travel, minor equipment purchases, petty cash etc, the signing of a purchase order or similar by a delegate is sufficient evidence of the exercise of the delegation as long as the purpose for which the transaction was made is clearly described.
- 8.4 Approval exercised online within a computerised system, which has secured login access and a unique username used for tracking the delegate's approval against transactions, will be sufficient to meet the requirements outlined in 8.1 and 8.2 above.

### 9. Acting Positions & Delegate Absence

- 9.1 Delegations extend to any person acting in the delegated position unless otherwise directed by the CEO. The person must be appointed in writing to act in the position, noting the start and end dates and any variations to delegations and/or levels of authority. A copy must be given to the CEO for recording and the details communicated to all affected organisational units.
- 9.2 Delegations held by any delegate are included in those held by the delegate's supervisor or line manager. A line manager may exercise a lower-level delegation where the delegate is unavailable or has a conflict of interest.
- 9.3 Where a delegate is on leave for an extended period, all delegations must be assigned to another member (or members) of staff for the duration of their absence. The transfer of delegation must be outlined in writing by the delegate's supervisor or line manager, noting the start and end dates and any variations to delegations and/or levels of authority. A copy must be given to the CEO for recording and the details communicated to all impacted organisational units.

### 10. Changes to Authority Levels

- 10.1 Proposals requesting new delegations, or modifications to existing delegations, should be sent to the CEO.
- 10.2 Changes to Financial and Risk Management, and People and Culture delegations and/or authority levels must be approved in writing by the Board.

- 10.3 Changes to Academic delegations must be approved by in writing by the Academic Board and the Board of Directors (where relevant).
- 10.4 Changes to delegations assigned to the CEO must be approved by the Board of Directors..

## **11. Reporting Misuse or Breach of Authority Levels**

- 11.1 If a delegate, or other person, believes a delegation or authorisation has been inadvertently exercised by themselves or a direct report, and the matter can be resolved without any loss to the business, then prompt and corrective action should be taken. The circumstances of the matter should be reviewed, and improvements made to prevent future occurrences.
- 11.2 Any person who identifies a potential material breach of policy, or improper use of authority, should report the matter to CEO or Dean as a matter of urgency. A material breach is one where a person has made a financial commitment which exceeds their delegated authority by more than 10 percent or that involves a conflict of interest.
- 11.3 Alleged material breaches will be investigated with consideration for the principles of natural justice and procedural fairness. The CEO and Dean will be responsible for reporting any breaches which are wilful in nature or considered to be material breaches of policy to the Board of Directors. Any confirmed breaches of this policy will be dealt with in accordance with relevant misconduct policies and may result in disciplinary action, including the termination of employment or engagement with Ikon. Decisions relating to the allegation of misuse or breach of this policy may be appealed in accordance with Ikon's *Grievance and Appeals Policy*.

## **12. Monitor & Review**

- 12.1 Delegates are expected to take all necessary steps to ensure their direct reports are familiar with, and comply with, policy and authority levels associated with their role and responsibilities.
- 12.2 Managers should periodically consult with staff to determine if the appropriate procedures for implementation of this policy are being followed and monitor for areas of improvement.

## **13. Publication**

- 13.1 This policy will be published in the staff policy library.

## Policy Information & History

Policy Category	Corporate, Governance
Policy ID	GO003A
Approved by	Board of Directors
Date of Approval	14 October 2022
Endorsed by	Academic Board
Date of Endorsement	10 October 2022
Previous Versions	24 June 2020
Next Review Date	May 2023
Government Legislation	<a href="#">Tertiary Education Quality and Standards Agency Act 2011</a> <a href="#">Higher Education Standards Framework (Threshold Standards) 2021</a> <a href="#">Higher Education Support Act 2003</a> <a href="#">Australian Qualifications Framework</a>
Responsible Officer	CEO
Sources:	<p>In developing this framework, the following were considered:</p> <p>Tertiary Education Quality and Standards Agency, <a href="#">Guidance Note: Corporate Governance</a>, Version 2.4, 26 August 2019.</p> <p>Tertiary Education Quality and Standards Agency (2019). <a href="#">Guidance Note: Academic Quality Assurance</a>, Version 2.2, 11 October 2017.</p>
Benchmarking:	External referencing activities were conducted against comparable providers and best practice using publicly available information, including Western Sydney University, Victoria University, Griffith University, Monash University, Cairnmillar Institute, Canberra University, James Cook University, Federation University, and RMIT.