

1. Policy Statement

Generally, Council is committed to:

- Protecting public funds and assets and ensuring all transactions are appropriately authorised
- Delivery of good governance in Council business
- Establishing, and maintaining, a financially sound Council that is accountable, responsible and sustainable

This Policy has been developed to achieve these outcomes by:

- Establishing a control environment through which Council can enter into transactions with its suppliers
- Ensuring that the transactions referred to above are conducted in an efficient and effective manner
- Complying with the relevant legislative, and other relevant, requirements

2. Scope

This Policy applies to all Council staff, officers and contractors who enter into financial and/or commercial arrangements with any third party.

3. Responsibility

The Chief Financial Officer is responsible for the implementation and maintenance of this Policy.

4. Definitions

Financial Delegation - the \$ value of expenditure incurred on Councils behalf which a Council employee or contractor is authorised to approve subject to criteria outlined in this Policy.

5. Policy

5.1 Financial Delegation

The Financial Delegation is applied at the time Council commits to the entering into of a commitment/financial obligation. Typically this delegation is used to approve stores requisitions, purchase requisitions/orders, payment authorisations ("Yellow slips") and/or to sign contracts. When signing, the delegate is endorsing that:

1. the expenditure is bona fide
2. the expenditure represents value for money
3. purchasing policy and procedures have been complied with
4. sufficient budget exists for the expenditure
5. the purchase order has been correctly coded

Electronic version current. Uncontrolled Copy current only at time of printing

Policy Number: CS001

Authorised By: Chief Financial Officer

Document Maintained By: Corporate Services

Document Number: 2240360

Version No: 3

Initial Date of Adoption: 19 August 2014

Current Version Adopted: 27 March 2018

Next Review Date: 30 March 2020

6. payment is not being made on behalf of a 3rd party

Financial Delegations are afforded to positions (depending upon the level of seniority of the position), not individuals, as per Section 6 of this Policy. An Executive Manager can request that an individual be allocated a 'higher than standard' delegation for a specific position where the operational requirement exists.

The manager responsible for the Accounts Payable function must ensure that a Register of Financial Delegations – Purchasing is maintained.

5.2 Approval to Pay Delegations

Once goods/services have been successfully delivered the Financial Delegate should advise an appropriate officer who will record this in the finance system. This will then automate the payment of the invoice once it is received (subject to tolerance limits on the invoice amount).

It is permissible for the Delegate to also be the officer who records the delivery of goods/services as the limit of the Delegation limits the exposure to Council.

5.3 Approving Timesheets

All supervisors and managers have the authority to approve timesheets but generally only for staff under their direct control and supervision (where this is not practicable officers should exercise some discretion and professional judgement in getting the timesheets approved, seeking advice from Payroll or an Executive Manager as required).

5.4 Purchasing Card Delegations

As per the Purchasing Card Policy and Procedures, certain staff members will be able to procure goods/services and to pay for goods/services with a Purchasing Card. A register of Card Holders and their respective Transaction Limits and Monthly Limits is maintained within the Finance Department.

A Purchasing Card should be viewed as simply a mechanism for making payment, as opposed to going through the accounts payable system via a Purchase Order.

There will therefore be two types of Purchasing Card holder:

1. a 'work unit' card holder who uses the card to make low value (and therefore low risk) purchases as a means of expediency
2. a 'hands on' card holder who uses their card whilst out and about

Works Unit Card Holders need to check that whoever is asking them to purchase items has the appropriate Financial Delegation.

Council also issues Fuel Cards to certain staff for use in certain vehicles. These cards can be used by any staff member who is using the vehicle. All staff have the authority to use fuel cards as required for authorised purposes.

5.5 Authority to Write Off Debts

Various debts owing to Council may be required to be written off from time to time. Balances that relate to Rates, Discounts etc. must be treated in accordance with their specific policies. Other sundry debts may also be required to be written off (e.g. Workers Compensation discrepancies, minor amounts existing on ratepayers account due to one or two days interest accruing whilst payment is in transit etc.). Officers have the authority to write off these debts as per the table below.

5.6 Personal Items

No one has the authority to approve any payments to be made to them. Reimbursement for official expenditure, for example, whilst travelling, requires line manager approval.

5.7 Personal Protection Equipment (PPE)

Stores requisitions for PPE are able to be approved by Human Resources in the situation where line managers are not available to give the approval. Human Resources will advise supervisors and managers where they exercise this delegation.

6. Approved Delegations

The following Table summarises the ‘default position’ for Financial Delegations. The CEO has the authority to increase, decrease and/or place sundry restrictions on the Delegation that applies to any specific position as long as the variation is in writing, signed and recorded in the Register of Financial Delegations – Purchasing. The amounts in the Table below are GST Exclusive.

Position	Notes	Financial Delegation	Write off Debts
CEO	3, ,5, 6	\$200,000	\$10,000
Executive Managers	1, 5, 6	\$200,000	\$1,000
Contractors	2, ,5, 6	Up to \$100,000	Nil
Level 8	1, 5, 6, 7	\$100,000	\$500
Levels 6 and 7	1, 5, 6, 7	\$20,000	\$100
Levels 3 to 5	1, 5, 6, 7	\$5,000	\$100
Other	5, 6	\$100	\$0

Notes to approved delegations table

1. Against projects/tasks in their own area only
2. Contractors engaged for project management type roles where they are responsible for budgetary performance may be given delegation by the CEO up to the amounts shown in the table above
3. Writing off of debts > \$10,000 requires Council approval

Electronic version current. Uncontrolled Copy current only at time of printing

Policy Number: CS001

Authorised By: Chief Financial Officer

Document Maintained By: Corporate Services

Document Number: 2240360

Version No: 3

Initial Date of Adoption: 19 August 2014

Current Version Adopted: 27 March 2018

Next Review Date: 30 March 2020

4. Amounts > \$200,000 require Council approval unless the amount is a remission of funds collected on behalf of another government entity e.g. Australian Taxation Office, Emergency Management Levy or an approved budget precept payment to the Herbert River Improvement Trust or an insurance renewal within the approved budget allocated amount.
5. The CEO has the right to reduce and/or cancel any delegation at any time for any reason as long as this is clearly communicated to the officer(s) in writing
6. Staff 'acting up' in a higher position may have the Financial Delegation that applies to the 'higher position' reduced by the CEO
7. Transactions that are higher in value than the Table above require Council approval
8. Staff not employed under the Qld Local Government Officers Award, and contractors, determine their appropriate Delegation level by identifying the Level whose salary is most relevant to theirs

Specific Arrangements

Utility Type Payments

Some utility-type services, most notably Electricity and Telecommunications services are provided to Council without the raising of a Purchase Order. No pre-approval of these costs is obtained and, accordingly, these costs are not subject the Delegations Policy.

Payment of these invoices is generally approved within the Finance Department (alternatively the Finance Department may circulate the invoices to the relevant areas of Council for approval).

For these purposes, staff can approve payments up to the limits set out in the Table in Section 5 of the Delegations Policy.

Third Party Collections Payroll

The payment of payroll deductions, such as tax and superannuation, can be approved by the payroll supervisor or any of his/her line supervisors.

6. Legal Parameters

Local Government Regulation 2012

7. Associated Documents

Procurement Policy
Purchasing Card Policy
Purchasing Card Procedure
Code of Conduct

Electronic version current. Uncontrolled Copy current only at time of printing

Policy Number: CS001

Authorised By: Chief Financial Officer

Document Maintained By: Corporate Services


Document Number: 2240360

Version No: 3

Initial Date of Adoption: 19 August 2014

Current Version Adopted: 27 March 2018

Next Review Date: 30 March 2020

DOCUMENT HISTORY AND STATUS						
Action		Name		Position	Signed	Date
Approved by Council		D McKinlay		CEO		06/04/2018
Policy Version	03	Initial Version Adopted	19 August 2014	Current Version Adopted		27/03/2018
Maintained by		Corporate Services		Next Review Date:		30/03/2020
File Location:			M:\CFO\Governance\Policies\CS001 - Financial Delegations Policy.docx			

Electronic version current. Uncontrolled Copy current only at time of printing

Policy Number: CS001

Authorised By: Chief Financial Officer

Document Maintained By: Corporate Services

Document Number: 2240360

Version No: 3

Initial Date of Adoption: 19 August 2014

Current Version Adopted: 27 March 2018

Next Review Date: 30 March 2020