

# DELEGATION OF AUTHORITY FOR ORGANISATIONS

## ESTABLISHING WHO HAS THE AUTHORITY TO DO WHAT IN YOUR GROUP

A Delegation of Authority in a Landcare organisation outlines who is empowered to make decisions and take action on behalf of the organisation.

### HOW DOES IT WORK?

In a working sense, a Delegation of Authority states who has the authority to sign contracts, make purchases and negotiate partnerships on behalf of the organisation. A Delegation of Authority can also stipulate upper monetary limits for purchases made on behalf of the organisation.

### WHAT'S THE RISK?

Improperly exercising authority can constitute corrupt conduct, as defined by the Independent Commission Against Corruption Act 1988 and can also expose an organisation to risks such as financial loss, legal action and damage to the organisation's reputation.

### TIPS FOR ADOPTING A DELEGATION OF AUTHORITY

- Refer to the Landcare NSW Delegation of Authority Policy.
- Establish a Register of Delegations that sets out who has delegated authority and for what purpose
- Ensure all committee and employees are aware of any delegations and the sanctions for breaching the policy.
- Review the Policy periodically, especially following departure of key personnel.
- Establish a system to check that financial payments are processed

according to the Delegation of Authority Policy. Spot checks are ideal.

- Establish a system to record all decisions made under delegation.
- Remember, a delegated officer should not be involved in a transaction that they have authorised.
- Ensure your Register is readily available (publicly accessible) and supplied to any new employees / committee members during induction.
- At times, it may be required to issue a temporary delegation. For example, an employee may have short-term authority to purchase an item above their usual procurement threshold. This should be noted clearly on the Register of Delegations.

**DISCLAIMER:** The information contained in this publication is based on knowledge and understanding at the time of publication. However, because of advances in knowledge, users are reminded of the need to ensure that information upon which they rely is up to date and to check currency of the information with the user's independent advisor.



**Landcare**  
New South Wales