

		<b>IQA Policy P13</b>	
<b>National Secretariat</b>		<b>Levels &amp; Limits of Authority</b>	
<b>Policy Number:</b>	P13	<b>Version:</b>	P13-05
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## 1. Purpose

This document aims to set out 'approval' limits and policies in relation to financial commitments and expenditure and Branches' authority.

## 2. Financial Commitment and Expenditure

The IQA has adopted accrual accounting and as such it is critical that all potential liabilities and revenue is recognised at the point of incurring same. The ultimate responsibility for all financial matters rests with the IQA Board.

Branches and Committees are NOT in a position to financially commit the IQA without the express approval and/or delegation by the Board through the Chief Executive Officer ('CEO'). In any event, there needs to be limits set on Committees, Branches and Officers of the IQA. It is important that the IQA Board approves all expenditure prior to incurring same and this can be achieved via delegated authority and/or the President, Deputy President and CEO.

### Committees

3.1 IQA Committees are not to incur expenditure and/or commit the IQA financially unless it has been budgeted and/or approved by the Board. All expense levels refer only to budgeted and pre-approved expenditure. All non-budgeted expenditure requires prior approval from Branch Chairman and the Board.

### Staff

3.2 The CEO is given delegated authority to approve and incur unbudgeted expenditure up to \$10,000.00 with the IQA Remuneration Committee ratifying such expenditure at the next meeting of the Committee.

3.3 The CEO and President are given delegated authority to incur unbudgeted expenditure in excess of \$10,000.00 per expenditure type and budgeted expenditure of \$50,000 or more per expenditure type, with the IQA Board ratifying such expenditure at the next meeting of the Board.

3.4 The CEO and Branch Chairman are given delegated authority to incur budgeted expenditure over \$10,000 and up to \$50,000 per expenditure type, with the Remuneration Committee ratifying such expenditure at the next meeting of the Committee.

3.5 Cheque signatures in normal circumstances: all payments are prepared by the Finance Officer for signatures of the Finance Officer and CEO.

3.6 Commbiz payment authorisations are to be made by any two authorised officers being the President, Deputy President, CEO, Company Secretary or Finance Officer. No Commbiz payments can be made to an authorised officer by that authorised officer.

- 3.7 Authorisation for payment of invoices is to be by any two authorised Branch Committee Officers, and /or the CEO and AO.
- 3.8 Budgeted expenditure under \$100 per transaction is to be approved by any one authorised Branch / Committee Officer, and / or National Accounts Office staff.
- 3.9 Budgeted expenditure up to \$5,000 per transaction is to be approved by any two authorised Branch / Committee Officers and CEO ensuring sufficient funds are available.
- 3.10 All IQA staff (permanent or contracted) must have all expenditure approved by the CEO prior to incurring same.
- 3.11 All IQA employees are to be appointed by the CEO and approved by the Board.

### **Branches**

- 3.12 Branches (and Committees) cannot financially commit the IQA to amounts exceeding their budget.
- 3.13 Branches (and Committees) are not to enter into, or commit the IQA, to future financial agreements without the express approval of the CEO and/or President subsequently ratified by the Board.
- 3.14 Budgeted expenditure under \$100 per transaction: any one authorised Branch Officer and Finance Officer.
- 3.15 Branches must seek approval from the CEO for expenditure up to \$10,000 which exceeds their approved budget, with the Remuneration Committee ratifying the expenditure at the next meeting of the committee.
- 3.16 Branches must seek approval from the CEO and President for expenditure in excess of \$10,000 which exceeds their approved budget, with the Board ratifying the expenditure at the next meeting of the Board.
- 3.17 Branch credit card budgeted expenditure up to \$2,000 per expenditure type can be approved by the Branch Administrator with ratification by two Branch authorised Officers.
- 3.18 Branch credit card budgeted expenditure up to \$5,000 per expenditure type can be approved by two Branch authorised Officers and the CEO ensuring that sufficient funds are available.

### **Responsibility**

It is the responsibility of all Branch / Sub-Branch authorised officers and National Office staff and contractors to ensure that all payments are made in accordance with this policy.

It is the responsibility of the Company Secretary to ensure that this policy is reviewed by the Board on biennial basis.