The Proprietors of Waitutu Incorporated

Delegated Financial Authority Policy

Policy number:	GOV04
Policy name:	Delegated Financial Authority Policy
Contact person:	Chairperson
Approval authority:	The Committee of Management
Date of approval:	1 April 2025
Date of next review:	One year after the date of approval
Policy overview:	This policy sets out the delegations for financial functions and powers within the Proprietors of Waitutu.

Delegated Financial Authority Policy

1. Background and purpose

1.1. The purpose of this policy is to:

- Provide assurance that the Committee interests are being protected.
- Establish clear authorities, responsibilities, and accountabilities for all delegated financial decision-making within the Incorporation.

1.2. The level of delegations given to different governance or management levels and/or individuals is not necessarily a reflection of hierarchical status but of functional responsibility and management needs.

1.3. Any queries regarding these delegations are to be directed to the Chairperson.

2. Scope

2.1. The policy applies to all CoM members and employees of the Incorporation.

2.2. All delegations that are assigned under this policy are assigned to positions, rather than individuals. This means that when an employee moves to a new position within the Incorporation, they assume the financial delegations assigned to their new position and relinquish the financial delegations assigned to their old position.

2.3. Contractors, consultants and third parties cannot hold financial delegated authority without written approval from the Committee. Fixed-term employees paid via Waitutu' payroll may hold financial delegations and are not considered contractors or consultants for the purpose of this policy.

3. Policy statement

3.1. To ensure that financial functions and powers are delegated to appropriate levels, reflecting functional responsibility and management needs.

4. Principles and requirements

4.1. All individuals captured within the scope of this policy must ensure compliance. Commitment to expenditure prior to authorisation or that exceeds an individual's delegated financial authority is a breach of an individual's agreement and will result in disciplinary action.

4.2. Maximum limits in financial delegations are in NZ dollars or the equivalent amount in foreign currency at the time of commitment and exclusive of GST (if any).

4.3. Personal expenditure is not permitted. If there is any personal expenditure, it must be reported immediately to the entity or person to which the individual reports, along with related invoices and/or receipts and repayment of the personal expenditure must be made promptly.

4.4. Tax and other statutory payments are not subject to this policy.

4.5. If this policy is silent on any matter or delegation of authority, the decision will rest with the Committee.

5. Operating Expenditure

5.1. Following the Committee approval of the operating expenditure budgets at the beginning of each financial year, an authorising group or individual has delegated financial authority to approve expenditure up to the following amounts:

Level	Contracts/Tenders	With Budget	Without Budget
Committee of Management	$100,000	$100,000	$100,000
Chairperson	$10,000	$10,000	$10,000
Lodge Sub-Committee	$10,000	$10,000	$10,000
Secretary	$1,000	$1,000	$1,000
Lodge Host	$500	$500	$500

5.2. Where a reasonable view of any operational expenditure (OPEX) would consider a series of OPEX items as being linked for a common purpose or project, all such items must be added together and regarded as one for the purposes of confirming whether a delegation of financial authority has been exceeded.

5.3. In any financial year, Management may offset OPEX underspending with OPEX overspending provided that the overall approved budget is not exceeded. This cannot be used to offset capital expenditure (CAPEX) overspending.

5.4. Management levels must remain within the budget approved annually by the Committee. Subject to offsets, any OPEX over 10% of the approved budget for that expenditure must be reported to and approved by the Committee level.

5.5. Financial delegations apply only where insufficient provision is available within the approved budget.

5.6. All delegations for expenditure are for GST exclusive amounts.

6. Capital expenditure

6.1. Following approval by the Committee of the CAPEX budget, the delegation to approve capital expenditure is as follows:

Position	Delegation Limit
Shareholder Approval	Over $250,000
Committee of Management	Over $100,000
Chairperson	Up to $100,000
Lodge Sub-Committee	Up to $40,000

6.2. Where CAPEX will take the total CAPEX above the budget for the financial year, the capital purchase must be approved by the Committee. The Committee must approve any fixed asset disposals or write-offs.

6.3. Approval for all investments will remain with the Committee.

7. Nominated Delegations

7.1. If the Chairperson is away for more than five (5) days, the delegations will apply to whomever he or she has explicitly nominated in writing in his or her absence.

7.2. Committee members are not to approve expenditure for him or herself. Such expenditure should be approved by the Chairperson and Committee.

8. Training and communication of policy

8.1. The Committee is responsible for ensuring that the policy is communicated to all staff and that all staff that are assigned delegations undertake training to familiarise themselves with the policy and application of the authorities.

9. Revocation

9.1. All delegations of authority are automatically revoked in respect of an individual upon the termination of employment of that person or if the person transfers to another role.

9.2. The Committee has the right to revoke the financial authorities delegated to the Lodge Host without prior notice.

10. Administration

10.1. This policy is issued with immediate effect and supersedes all previous versions of this policy.

10.2. The policy will be reviewed at least bi-annually or as required by the Committee.

10.3. Delegated financial authorities will be updated from time to time to reflect any changes in delegation as other policies are developed and reviewed.

10.4. Any issues or concerns should be brought to the attention of the Lodge Host or where appropriate, the Chairperson.

10.5. Breaches of policy are reduced because delegations of authority are understood across the Incorporation. Where breaches do occur, they are recorded and addressed.

11. References

- Expenses and Accounts Payable policy
- Governance policy manual

12. Policy amendments

12.1. The Incorporation can change this policy at any time as part of our policy review process.