

Aratoi Regional Trust –Delegations Policy

Section: Finance and Operations
Approval Date: February 2023
Next Review Date: February 2025

Purpose

To set out the ART Board's delegations of powers and authorisations, together with any requirements associated with them.

Introduction

The ART Board acknowledges that it is responsible and accountable for the effectiveness, efficiency, and statutory and contractual compliance of the Aratoi Museum of Art and History; including those objects set out in its Deed and funding agreements.

This policy statement sets out specific delegations and requirements to enable it to fulfil its day-to-day operations. The ART Board cannot and does not delegate its own specific accountabilities but may delegate the preparation of those specific accountabilities.

This policy relates to:

- 1 financial delegations
- 2 personnel
- 3 media and public statements

Where this policy, and its accompanying procedures, is related to another ART policy, and there is a difference of statement, or interpretation, then the other ART policy will take precedence.

Applicability

This policy applies to: Board members, employed staff, contracted staff (acting in the place of an employed position) and volunteers.

Instrument of Delegation

This policy serves as an Instrument of Delegation for the Director, subject to signing a Statement of Understanding and Acknowledgment.

In the event an Acting Director is in place, it will be the prerogative of the Board whether this policy, or a specific set issued will act as an Instrument of Delegation.

Financial and Personnel-specific sub delegations, whether from the Board or as sub-delegated, must set out the General Principles and any requirements, constraints and reporting and the delegate shall sign a Statement of Understanding and Acknowledgment in the form attached.

It is acknowledged that circumstances will arise when it is inappropriate or impractical for a subdelegate to sign the statement, including in an emergency, or where the Chair has requested

any staff or board member of Aratoi to speak on a particular topic/issue.

General principles

The exercise of delegations must be undertaken by the delegate:

- acting in good faith
- ensuring that ART is not brought into disrepute
- according to statutory, contractual and any other requirements.

A person holding a delegation is not obliged to exercise that delegation and may refer any decision or statement to the Board, Board Chair, or Director as appropriate.

A delegation will **not** be exercised where:

- it is apparent (or it could be perceived), that the person holding the delegation, or person(s) associated, (such as a family member or personal friend etc) could obtain a material benefit
- a decision might adversely affect the relationship of ART with person(s) or organisation(s) associated with it.

1 Financial Delegations

Acquisitions

Subject to the requirements of the Collections Policy with respect to authorisation and/or ratification by the Board, the Acquisitions Committee may authorise the purchase of artefacts, taonga, artworks, and related costs (such as transportation etc), within the funds available at the time as allocated within the Acquisitions Account.

Operational

The Director may:

- authorise the commitment of up to \$5000 (excl GST) on any one item or items, provided that:
 - items are not disaggregated so as to avoid the delegated cap
 - the annual ART operational expenditure budget will not be exceeded at financial year end. Where that is likely, the Director must seek approval from the Board before continuing
 - the annual expense groupings budgeted for, or a one-off Board approved budget (such as an exhibition), is not exceeded by 10% (except in circumstances outlined below). Where, during the course of the year it is evident that an expense grouping or a one-off item is, or is likely to be, over the expected level, the Director will inform the Board through regular reporting
 - where it had been reasonably expected that additional revenue to cover the expenditure will or may now not eventuate
- pay unlimited taxes, including GST
- enter into lease agreements for equipment and services no greater than 3 years (up to the Director's authority level of \$5,000 excluding GST)
- authorise the commitment and payment of personal expenses that are justifiable business expenditure and reimbursements such as mileage allowance, telephone/text such as data costs, meals, travel expenses etc based on actual and reasonable documented evidence such as receipts provided that:
- The Director provides the Chair (or Deputy chair in his/her absence), with a quarterly schedule of such expenses for ratification.
- make "on call" investments and withdrawals at a bank or other financial institution approved by the Board (see below) in accordance with the Treasury Management Policy.
- **not** authorise redundancy payments, nor ex gratia payments of any kind without consultation with the Board.

Capital

The Director may:

- authorise the commitment of up to \$5000 (excl GST) on any one item or items, provided that:
 - the items are within an approved annual capital budget, or previously approved by the Board
- authorise the commitment of up to \$1000 (excl GST) on any one item or items, that in the reasonable opinion of the Director require immediate purchase
- subject to the Collections Policy, write off capital items up to the book value of \$1000 in circumstances where they are redundant, severely damaged (or damaged to the extent that repair is not a sensible option), or superseded by the purchase of alternative items.

The Director may **not** enter into:

- lease agreements that formerly would have been classified as finance leases for accounting purposes
- real property purchase, development or lease agreements.

Sub delegation

- The Director may sub-delegate financial authority with respect to operational expenditure to a specified employed member of ART, provided that:
 - the sub-delegation does not exceed the delegation held by the Director.
- For the sake of clarity, the ability to sub-delegate does not apply to external contractors or volunteers but may apply to contracted employees who for the time being are undertaking the role of an employed position or a specified project.

Capital expenditure and write offs are **not** to be sub-delegated.

Not delegated: must be approved by the Board

- borrowing, including overdraft arrangements and limits, loan arrangements such as repayments, roll over, conversions of the whole or part of a loan raised by the Board investments.

Banking and Treasury

The Director is responsible for the day to day banking and may subdelegate as s/he wishes.

The Board does **not** delegate the choice of ART's banker(s).

All money belonging to ART, or being held on behalf of those who are to paid commissions or the like, should be paid into the approved bank, and may be paid out by direct credit, cheque, or internet transfer, or any appropriate method.

Record of delegations

All financial delegations, sub-delegations and Statements of Understanding and Acknowledgment must be lodged with the position undertaking the role of Business Manager, whatever the title of the position.

2 Personnel

Recruitment and appointment of employed and contracted staff

The Director may recruit and employ staff:

- within the established positions, positions descriptions, employment contracts and salary ranges previously agreed to by the Board
- subject to the Board signing off on the proposed appointee. The purpose of this provision is to ensure that the decision maker follows the 'one up' principle. The role of the Board is not to second guess the assessment of the Director, but to assure itself that the Recruitment and Appointment policy has been followed, that adequate due diligence has been

- conducted, and that the salary proposal is within the guidelines.
- The Director may recruit and engage contracted staff, in order to temporarily fill a vacant staff member's position, or a one off engagement, without prior approval of the Board.

Suspension and termination

The Director may:

- suspend or terminate an employed staff member subject to:
 - due process followed and appropriate advice sought as required
 - consultation with the Chair.
- suspend or terminate any contracted staff, contractors or volunteers without reference to the Board.

3 Media and Public Statements

Media responses and public statements for and on behalf of ART shall be made in accordance with the Media Policy.

4 Natural disaster or an emergency

In the case of a natural disaster or an emergency:

- if the Chair and the Deputy Chair are unavailable, any Board member may authorise appropriate expenditure, the engagement of personnel/contractors, and make public statements,
- the Director may authorise such actions, expenditures, and public comment as may be necessary in the best interests of people and ART at the time; in consultation with the Chair, or Deputy Chair, or any such available Board member as is practicable.

5 Revocation

The Board or the Board Chair may revoke any delegation, or sub-delegation at any time without prior notice and without explanation.

The Director may also revoke any sub delegation at any time without prior notice and without explanation.

Whilst any revocation will ordinarily be in writing, in appropriate circumstances a revocation may be made verbally (and subsequently recorded) or in absentia.

6 Breach of Delegations

A material breach of a delegation could lead to an investigation under employment or contractual provisions.

[Board approval: June 2020]

**Aratoi Delegations
Statement of Acknowledgment and Understanding**

I....., fulfilling the role of.....

confirm that I have received (delete as appropriate) [financial/personnel/media]
delegations.

I further confirm that I understand the responsibilities and requirements of these
delegations.

Signed

Dated