

Australian  
Mushroom  
Growers'  
Association  
Limited

ABN 30 001 491 461

**Delegation of Authority**  
2023

## Purpose

This Delegation of authority policy is established to define the limits of authority designated to specified positions of responsibility within Australian Mushroom Growers' Association (AMGA) and to establish the types and maximum amount of obligations that may be approved by individuals or groups of individuals. The approval of commitments and transactions outlined in this policy must always be made by the parties that have been designated the responsibility for final approval.

All employees should be aware that conduct that violates the policy set forth is always considered outside the scope of their employment. Violating the policy could significantly damage the organisation and expose it to unintended legal and commercial liabilities.

In addition, individuals who violate these policies are subject to appropriate disciplinary action by the company, including possible termination of employment.

Persons who have employees reporting to them should take all necessary steps to ensure their employees know and follow the policy.

## Overview

This policy sets out the nature and extent of the authority formally delegated from the Board to the General Manager.

The Board reserves all decision-making authority to itself except to the extent that such power has been delegated to the General Manager. This includes control at all times over its statutory obligations and key strategic directions and control and monitoring of all issues that may significantly impact the company.

The role of the Board is to govern, which is broadly to:

- Ensure the relevance and appropriateness of AMGA's strategic and policy framework
- Deal with the role, remuneration, performance, and tenure of the General Manager.
- Ensure the financial viability of AMGA.
- Ensure compliance with all statutory and common-law duties and obligations, and the terms and conditions in all contractual, funding, service and similar agreements

In addition to matters expressly required by law to be approved by the Board, powers specifically reserved for the Board are as follows:

- Appointing and removing the General Manager and determining his or her terms and conditions of employment (including remuneration)

Reviewing and approving each of the following:

- Systems of governance, risk management and internal control, codes of conduct and legal compliance.

- Financial and other reporting
- Major capital expenditure, capital management, and acquisitions and divestitures

Any matters in excess of discretions that, from time to time, may have been delegated to the General Manager (for instance, in relation to capital expenditure).

Approving each of the following:

- The Strategic Plan
- The Budget (annually)
- Significant changes to the organisational structure
- The acquisition, establishment, disposal, or cessation of any significant business of the organisation
- Any public statements which reflect significant issues of the organisation's policy or strategy

The role of the General Manager is to manage, which is broadly to:

- Act as the executive officer to the Board, including advising and informing the Board in its governance role
- Work with the Board to reach agreed strategic and business outcomes within the appropriate budgetary and financial framework
- Manage all of the day-to-day affairs and activities of the organisation within the Board-endorsed strategic, policy, risk, people and financial framework
- As approved, attract, motivate and retain a suitably qualified team of managers and staff
- Provide reports, analysis and recommendations to the board as required
- Implement Board decisions

The intention of this policy is to ensure that the correct balance of responsibilities is struck between the Board and management in the best interests of members and stakeholders. It is specifically acknowledged that the:

- General Manager is empowered to manage and lead the business on a day-to-day basis.
- Policy is intended to create the necessary platform to enable the General Manager to manage and lead the business whilst preserving the Board's governing role
- The General Manager's management and leadership role will include the input of their vision, direction, and innovation wherever this is required
- Policy is to be interpreted in this light to enable the General Manager to manage the business on a day-to-day basis

## Principles of Delegation

The key principles upon which this delegation of authority is based are as follows:

➤ **Practicality**

The delegation of authority to the General Manager should be clear, concise and practical

➤ **Accountability**

The trail of accountability for decision making needs to be clear and must remain intact (un-broken) at all times in terms of sub-delegation of authority by the General Manager

➤ **Sub-Delegation**

The General Manager will can delegate his/her authority to others within the chain of management provided that, so far as the Board is concerned, the General Manager will remain responsible for such decision-making

➤ **Board Reporting**

It is essential that the Board receives adequate and timely reporting of the use of delegated authority by the General Manager (particularly any unbudgeted or discretionary authority) so that the Board can be fully informed at all times.

CATEGORY	AUTHORITY DELEGATED
<b>FINANCIAL</b>	
Operating expenditure (budgeted)	Full authority if part of a Board approved Budget.  Additionally, each line item within the Board approved budget may be varied or substituted up to 20% of the annual total, but not to exceed a maximum of \$10,000 for any one line.
Operating expenditure (unbudgeted)	Un-budgeted expenditure up to \$5,000 for any one item.  In the case of an emergency up to \$20,000 with the authority of the Chair and Treasurer.  Above \$20,000 Board approval required.
Capital expenditure (budgeted)	Full authority if part of a Board approved Budget.  As per above for Approved Capital items

Capital expenditure (unbudgeted)	Un-budgeted capital expenditure up to \$10,000. Board approval for any amount above this.
Bank Accounts and Signatories	Changes to bank accounts and signatories subject to Board approval
Bank Deposits other than cash accounts, such as term deposits	Subject to approval by General Manager and/or Chair/Treasurer
Investments	Executive Committee
Credit Cards	Subject to Board approval
Cars & Travel	Full authority in accordance with current approved Board budget.
Sale of assets	Subject to Board approval
Non-Disclosure (Confidentiality) Agreements	Full authority
AMGA Lease of new premises	Subject to Board approval

GOVERNANCE	
Any change to the company structure	Subject to Board approval
Public statements, publications, and member newsletters	Full authority
Publication of Conference Papers and speeches	Full authority
Memoranda of Understanding, Heads of Agreement and Alliance Agreements	Subject to Board approval

Sub-delegation of Manager's authority	Full authority subject to reporting and accountability requirements.
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STAFF	
Appointing managers and staff	Full authority in accordance with current approved Board budget
New positions	Board approval is required if the new position is not part of a previously Board approved budget
Replacing existing positions	General Manager subject to Chair approval
Terminating or retrenching staff	General Manager subject to Chair approval
Remuneration of management and staff	Full authority to structure and set remuneration subject to any prevailing Remuneration Committee or other company policies accordance with current approved Board budget.
Consultants	Full authority in accordance with current approved Board budget
Business Related Expense claims	Full authority for all staff in accordance with current approved Board budget
Bonus, incentive schemes, committee fees	Subject to Board Approval or included in an approved budget.

## Procedures

### Reporting to the Board

All breaches of delegated authorities will be reported to the Board in writing at the next Board meeting. If a serious breach of delegated authority occurs, the General Manager will immediately report this to the Board.

## Delegation of authority from the General Manager

All Delegations of authority from the General Manager must be documented (e.g. funds transfer and Cheques signing delegations).

Commitments and transactions cannot be approved by individuals having a lower level of approval authority than the specified transaction requires, except pursuant to a delegation of temporary authority.

Temporary authority may be designated whenever an individual with approval authority will be out of the office for prolonged periods. The temporary authorisation is to be in writing and specify the effective length of time and must be approved by the supervisor of the individual who is delegating authority.

All Delegations of authority for expenditure authorisation must be documented and appropriately authorised. For example, all Delegations of expenses to Finance Officer must be documented, authorised and dated.

Delegations of authority for operating expenses must show authority Levels and Limits; Item; Position/Name; authority Level.

Current Bank Authorities & Petty Cash Authorities are as follows (two signatories required):

	Accounts	RGM	Nominated Accounting Staff	Treasurer
<b>NAB Connect</b>		X	X	X
<b>VISA Card</b>	2446	X	N/A	
<b>Cheque Account</b>	01-664-5030	X	X	X
<b>Cash Maximizer</b>	59-850-3269	X	X	X
<b>Investment Portfolio</b>	Evans & Partners	X	N/A	X

## Policy details

Date policy was made: 14 June 2023      Commencement date of this version: 14 June 2024

Policy Owner: RGM      Revision Date: 13 June 2026

## Revision history

Version	Date	Description
1.0	14 June 2023	

## Amendments to, and operation of, this policy

AMGA reserves the right to amend this policy at any time. This policy does not operate contractually and is not intended to be contractual in nature.