

EXPENDITURE AUTHORITY LIMITS POLICY



Last Updated: 28 March 2022

1. POLICY PRINCIPLES

- The Board endorses an operating budget annually and vests authority in the CEO to spend within that budget.
- The CEO runs a cost forecasting model with actual expenditure plus forecast for remainder of budget year
- The CEO reports expenditure against the budget at all Board meetings
- This policy defines limits of discretion available to the CEO in authorising expenditure that varies from budget and obligations of CEO to notify if forecast expenditure will exceed prescribed limits
- The CEO is the only officer with authority to initiate expenditure, though he/she may delegate authority for minor expenditure to managers and other staff
- All bank payments require CEO and two directors to approve

2. EXPENDITURE LIMITS AND ESCALATION

The following expenditure limits and escalation levels apply to the CEO:

Type of Expenditure		Annual Forecast Limit	Alert	Who
1. Obligations – legally required and required to keep going		Budget Line + \$10,000	Notify if annual limit expected to be exceeded	Board
1a.	Salaries and Wages	Budget and terms of employment contract	If there is any reason to vary from limit	Finance Committee
1b.	Contracted payments (eg rates, coaching contracts)	Budget and contract terms	If there is any reason to vary from limits	Finance Committee
1c.	Power, phone rental, cleaning, insurance, bank charges, affiliations etc	-----	-----	
2. Core Program Requirements – costs but with some discretion as to level of expenditure and timing		Budget Line + \$20,000	Notify if annual limit expected to be exceeded	Board
2a.	Facilities <ul style="list-style-type: none">• Facilities maintenance	Budget Line + \$5,000	Committee has right of veto and may escalate to Board if required	Facilities Committee
2b.	High Performance <ul style="list-style-type: none">• State Competition• State Team Management	Budget Line + \$5,000	Committee has right of veto and may escalate to Board if required	High Performance Committee

2c.	Administration and Development <ul style="list-style-type: none"> Representation at Rowing Australia Membership & event database management Junior development Coach & umpire development Event development 	Budget Line + \$5,000	Committee has right of veto and may escalate to Board if required	Finance Committee
3.	Non-Core Service Options – discretionary costs associated with offering above the basic services	Whole Budget + \$10,000	Notify if annual limit expected to be exceeded	Board

3. CAPITAL PURCHASES

The CEO may only undertake in their own right the purchase of capital items specifically identified in the Board approved budget (including any Board approved budget revisions) or minor capital items of under \$1,000 up to an aggregate of \$5,000 in any year.

The Board shall be charged with the approval of capital items relating to any of the facilities managed by Rowing WA which have not been included in the approved budget.

4. BUDGET VARIATION

In the event of extenuating circumstances, the CEO may seek approval of the Board to vary the budget in any year and as such continue approval of budget expenditure on core programs and discretionary activities even though the anticipated aggregate performance for the year may be below budget. In this situation, the CEO will work to reset revised expenditure priorities supported by a reforecast in consultation with the Board.

5. VERSION CONTROL

VERSION	DATE	AUTHOR	COMMENTS
2.0	14.06.2016	D. Tackenberg	Updated to meet revised CEO authority limits
3.0	28.03.2022	D Tackenberg	Updated to meet current governance model