

GUIDE TO ORGANISATIONAL AUTHORITY POLICY TEMPLATE

ABOUT THIS POLICY AREA

This policy guides how the organisation delegates and documents decision-making authority within the organisation.

A written organisational authority policy is required as part of meeting Standard 10 (Organisational alignment).

Standard 10 – organisational alignment

The organisation documents and implements a set of decision-making processes, including who has the authority to make decisions and how authority is delegated.

Policy checklist

The following checklist will help you check that an existing policy covers this area adequately.

The policy should:

- indicate how delegations are established
- document what positions in the organisation have the authority to make particular decisions
- contain clear procedures and actions
- indicate the timing of any actions
- show when it was approved
- show when it was last reviewed.

COMPLETING YOUR ORGANISATIONAL AUTHORITY POLICY

Using the policy template

The template provides some example statements. You can adapt these statements and include them in your policy or write your own statements to better suit the operations and services of your organisation.

To customise the policy template, click on the shaded sections <<Insert text>> and insert the information that is specific to your organisation.

When you have completed the policy template, delete the shaded instruction sections such as: [Refer to the organisational authority policy template guide for questions and/or examples to consider when customising this section.](#)

For further information on using the policy guides, refer to the information in *Using the policy templates and guides*.

Guidelines for each section of your policy

1. Purpose

When identifying the purpose of the policy, consider whether there are any other particular benefits to your organisation of having documented delegations of authority.

2. Scope

In determining the scope of the policy, consider whether there are any specific limitations in its application. In most instances, this policy will apply to all staff, volunteers and members of boards or management committees in a consistent way.

3. Policy statement

If you are adopting the policy statement in the template, consider whether there any additional commitments your organisation wants to make.

In identifying the actions your organisation will take to implement this policy, you should include the following:

- establishing and documenting a set of delegations of authority that identify the decision-making authority for all positions within the organisation or on the board or management committee
- ensuring compliance with the delegations of authority
- reviewing and adjusting documented delegations on a regular basis.

4. Procedures

The procedures describe how your organisation achieves the aims and goals you have outlined in your purpose, scope and policy statement.

4.1 Establishing and documenting delegations of authority

Delegations of authority can be established by a board or management committee working on its own or with staff, but the final document requires the approval of the board or management committee. Indicate in this section when the current delegations of authority were developed and approved by the board or management committee, and where the delegations are documented.

Usually, delegations are documented in a single chart or list, but can be separated and documented in relevant policy documents.

Provide a broad overview of the types of delegation to the main groupings in your organisation. For example:

- The board or management committee is usually responsible for approving items such as the annual plan and budget, expenditure above a specified amount or outside of the agreed budget, some or all staff appointments, all contracts and agreements involving the organisation in legal obligations, and the work plan of the senior manager.
- Subcommittees may be delegated specific decision-making authority over work they are directing.
- The senior manager is usually responsible for approving expenditure within specified limits, staff activity within the agreed organisational plan, staff leave and other entitlements, staff work plans and client service decisions.
- Other staff may have specific delegated authority for specified expenditure, approving client intake, or other decisions relevant to their specific area of work.

4.2 Ensuring compliance with delegations of authority

Compliance should be monitored by the board or management committee through reports from senior staff. To support compliance, the information on delegated authority should be easy to access when needed and referenced as part of recording major decisions.

4.3 Reviewing and adjusting delegations

Delegations should be reviewed as part of a review of the organisational authority policy and adjusted as the board or management committee decides. Specific changes in external requirements, other organisational policies, or the scope of services and activities may also prompt changes in the delegations of authority.

5. Other related policies and documents

List the other policies related to the organisational authority policy. The policy should be linked to:

- vision, values and planning policy
- performance monitoring and reporting policy
- financial delegations policy.

6. Review processes

Consider how often this policy should be reviewed and the process for doing this:

- **frequency of review:** Most policies benefit from an annual review. The experience of implementing the policy is used to decide which changes are necessary. Consider reviewing your organisational authority policy as part of an annual review of governance-related policies or, if your organisation is small, perhaps over a three-year period. Critical incidents may prompt you to review the policy ahead of schedule.
- **responsibility for the review:** In most organisations, the board or management committee would be responsible for reviewing this policy, in conjunction with the senior staff person (manager or coordinator).
- **process for the review:** Decide which particular staff, volunteers, external people and organisations will provide input to the policy review.
- **decision-making process:** Who will review draft changes to the policy and approve changes? What will be the timeframe for the review process?
- **documentation and communication:** What records of the policy review process are needed? How will changes to the policy be communicated to staff implementing the policy? In a small organisation, this may be as simple as noting the changes at a staff meeting. In a larger organisation, an email memo may be needed.
- **key questions for the review:** Is the policy being implemented? Are procedures being followed? Is the policy clear? What has changed that may prompt a change to the policy? Have particular stakeholders had difficulty with any aspect of the policy? Can their concerns be resolved? How does the policy compare with that of similar organisations?