



ENGINEERS &
GEOSCIENTISTS
BRITISH COLUMBIA

POLICY

POLICY	Delegation of Financial Authority
NUMBER OF POLICY	CO-25-54
DATE OF POLICY	April 25, 2025
APPROVED BY	The Board
NEXT REVIEW DATE	June 2026

1. PURPOSE

- 1.1 The purposes of this policy are for the Engineers and Geoscientists BC (EGBC) Board to:
- Delegate to the Chief Executive Officer (CEO) and other staff, signing authority for the approval of financial transactions within approved criteria.
 - Establish internal control mechanisms to provide assurance that transactions are in compliance with Board-approved policies and procedures.
- 1.2 This policy applies to the financial signing authority of the CEO, the Divisional Leads, Directors, Associate Directors, and Managers of EGBC.

2. DEFINITIONS

- 2.1 **“Organization”** means Engineers and Geoscientists BC (EGBC).
- 2.2 **“Board”** means the EGBC Board.
- 2.3 **“Divisional Leads”** means the Chief Financial and Administration Officer (CFAO), Chief Operating Officer (COO), and Chief Regulatory Officer & Registrar (CRO).
- 2.4 **“Financial Transactions”** are any transactions made by EGBC that obligate the Organization to the provision of goods, services, resources, and any other financial liabilities. These include, but are not limited to, the signing of memoranda of understanding, contracts, partnership agreements, service agreements, employment contracts, and approvals of purchases of goods and services.
- 2.5 **“Signing Authority”** is the authority granted or delegated to an individual, by virtue of their position as laid out in Appendix 1 of this document, to approve, commit or obligate EGBC to the provision of goods and services.

- 2.6 **Banking Authority:** A Board-approved authority authorized to open or close bank accounts, sign, make, draw, accept, endorse and deliver cheques, payroll and benefits administration, promissory notes, bills of exchange, orders for payment of money, and instruments as necessary for the operation of the organization's bank accounts.
- 2.7 **Investment Authority:** Refers to the Authority to conduct investment activities on behalf of EGBC.
- 2.8 **Budgeted:** Refers to Board-approved Budget and Board-approved Forecast.

3. POLICY PRINCIPLES

Delegation of Financial Authority

Individuals listed in Appendix 1 are granted the authority to approve, commit, or obligate EGBC to the provision of goods, services or resources related to their assigned responsibilities and routine business activities by virtue of their positions.

Exercise of Authority

- 3.1 An individual having Signing Authority:
- a. May only exercise authority provided that:
 - i. Funds required to meet contractual obligations are available and appropriated;
 - ii. It is not in conflict with other existing Board or organizational policies.
 - b. May temporarily delegate Signing Authority in writing to individuals appointed to serve temporarily during their absence.
 - c. May not approve a transaction that will confer a benefit on that same individual or that individual's family members or related parties.

An individual with Signing Authority is authorized to approve, commit, or obligate EGBC to the financial transactions as defined in Section 2.

Restrictions and Threshold Determination

- 3.2 No Independent Contractors, including external consultants, have signing authority on behalf of the Organization.
- 3.3 Signing Authority is to be exercised after the Organization's annual budget is approved for the relevant fiscal year.
- 3.4 Signing Authorities are established to match decision-making authority and accountability at the organizational level closest to the operational impact of those decisions. Individuals with Signing Authority are only permitted to use this authority within the confines of their allocated operating budget or the relevant project budget. If an expenditure or contract modification exceeds the established

budget, it must be escalated to the appropriate Signing Authority as defined in Appendix 1 for further review and approval.

- 3.5 For the purpose of threshold determination, the value of invoices rendered in foreign currencies should be converted to Canadian currency at the bank-posted exchange rate of that day.
- 3.6 Contracts, commitments, requisitions, or invoices cannot be split to avoid policy compliance or evade established limits or restrictions.
- 3.7 Similar and related transactions should be grouped together and accumulated for the purpose of applying the criteria established in this policy.
- 3.8 Financial transactions spread over more than one year shall be valued based on the total contractual commitment for the duration of the contract or commitment.
- 3.9 Signing Authority limits are noted in the Appendix 1 and apply at all times subject to restrictions or limitations set out by any applicable resolutions, budget approvals, policies, procedures, or instructions issued by the Finance Department, and Section 3. If the Signing Authority limit is exceeded on a single transaction, the transaction must be escalated to the appropriate Signing Authority as defined in Appendix 1.
- 3.10 Items exceeding the Signing Authority limits of the CEO are to be reported to the Board for approval at the next Board meeting.
- 3.11 The Signing Authority exercised must be in line with organizational goals and comply with existing policies and strategic directions set by the Board.

General

- 3.12 At the recommendation of the Finance, Audit and Risk Sub-Committee (FAR Sub-Committee) responsible for finances, the Board Chair is authorized to approve financial commitments or obligations (which will be billed directly to EGBC) that are not within the authority of the CEO. The Board Chair shall bring to the attention of the Board such approvals. For the purposes of this clause, the Board Vice Chair is authorized to sign and act in the absence or inability of the Board Chair.
- 3.13 The CEO is authorized to execute non-financial Memoranda of Understanding (MOU) or agreements with other professional organizations on matters that pertain to regulation and entering into agreements with BCSEG. The execution of such agreements shall be reported for information at the next Board meeting.
- 3.14 The CEO shall bring all financial transactions within the CEO's authority that are considered to be high risk or subject to significant public scrutiny, regardless of value, to the attention of the FAR Sub-Committee, prior to signature. In the event that there is a disagreement between the FAR Sub-Committee and the CEO, the matter will be forwarded to the Board for decision prior to approval.

Auditing and Monitoring

- 3.15 The Finance Department will conduct quarterly audits to assess compliance with this policy and to detect any irregularities or breaches. Additionally, random monitoring may be conducted at irregular intervals to maintain ongoing compliance.

3.16 Audit findings will be reported to the CFAO and may be reviewed with the FAR Sub-Committee if necessary.

3.17 Recommendations from audits will be implemented promptly to enhance policy compliance.

4. GUIDELINES – CONFLICT OF INTEREST

4.1 An individual cannot approve a transaction that might confer or give the appearance of a benefit on that same individual or a party with which they are not at arms-length. **Not at Arm's Length:** A relationship in which two or more parties have a close personal, financial, or business connection that could compromise objectivity or create a conflict of interest. Alternatively, **Arm's-Length Transactions:** Transactions conducted between two independent and unrelated parties who act without undue influence, pressure, or personal relationships affecting the terms of the agreement.

4.2 In cases of potential conflict of interest, it should be assumed that there is a conflict of interest unless the contrary can be clearly demonstrated.

4.3 Typical expenditures where a conflict of interest, perceived or real, may occur include, but are not limited to, all expense reimbursement claims, conference fees, educational expenses, travel expenses, entertainment, membership fees, items that could be used personally, and items that are intended to be located within an individual's home.

5. RESTRICTIONS OF AUTHORITY

The CEO and any other person to whom authority and responsibility have been delegated by the CEO are restricted as to signing authority for the following:

Borrowing

5.1 Subject to Board approval, the CEO may authorize approved borrowing on behalf of EGBC.

External Auditor

5.2 The Board will appoint an auditor.

Non-Audit Services

5.3 The FAR Sub-Committee reserves the authority to approve all non-audit services to be undertaken by the external auditor.

5.4 The Board reserves the authority to approve:

- 5.4.1 The hiring or termination of the CEO;
- 5.4.2 The CEO's compensation; and
- 5.4.3 The annual compensation adjustment of the CEO in accordance with Policies and Orders issued by the Board.

Capital

5.5 Acquisitions and disposals of real property require prior approval from the Board and with the recommendation of the FAR Sub-Committee, and this can be done during the budgeting process.

REVISION AND APPROVAL LOG

Approved by the Board:

April 25, 2025 (CO-25-54)

APPENDIX 1 – SIGNING AUTHORITY LIMITS

General Signing Authority

Authorization Level	Position	Limit Per Budgeted Transaction	Re-Allocation of Approved Departmental Budget Per Transaction	Limit Per Unbudgeted Transaction
1	CEO	>\$500,000	>\$100,000	maximum of \$50,000 up to cumulative annual limit of \$200K
2	Chief Operations Officer, Chief Regulatory Officer and Registrar, Chief Financial and Administration Officer	\$500,000	\$100,000	N/A
3	Directors	\$200,000	\$50,000, greater than \$50,000 requires secondary approval from Divisional Lead	N/A
4	Associate Director	\$100,000	N/A	N/A
5	Manager	\$50,000	N/A	N/A

Specific Signing Authority

Document	Restrictions/Limit Per Budgeted Transaction	Position
Procurement	Per department's budget allocation	Directors
Asset disposition	Situation Determinant	Director or Associate Director, Finance and CFAO
Banking Authority – banking, accounting, financial instruments, investment contracts, etc.	As required with reconciliations and supporting documents	CFAO, Director Finance, Associate Director, Finance or Manager, Finance
Investment Authority	Per Investment Policy	CFAO
Legal services outside of the PGA mandate	\$150,000	Divisional Lead and Director, LEC also, requires 2 nd approval from the CEO
	Over 50,000	Director, LEC, and requires 2 nd approval from Divisional Lead
	Up to \$50,000	Director, LEC or Delegate
PST, GST, Withholding Tax	As calculated and reconciled per remittance period	Director or Associate Director, Finance and CFAO
Payroll remittances	As calculated and reconciled per remittance period	Director or Associate Director, Finance and CFAO
Employer Paid Benefits	As calculated and reconciled per remittance period	Director or Associate Director, Finance and CFAO
Human resources: employment contracts.		Directors, HR and CFAO