

Delegations of Authority Policy

Policy Volume	Facilities & Infrastructure, Residence Operations & Finance Policies
Policy Chapter	Finance
Responsible Committee/Unit/Division/Faculty	Finance Division
Responsible Chairperson/Director/Manager	Chief Financial Officer
Dates of First and Subsequent Council Approvals	
Policy Approval Pathways (e.g. committee, Senex, Senate, Council)	Budget Executive Committee; Finance & General Purposes Committee & Council
Revision History: Approved Reviews	March 2015
Review Cycle (e.g. every 2/5/7 years etc)	5 year intervals
Next Review Date	December 2027

1. POLICY PARTICULARS

1.1. Policy Title	DELEGATIONS OF AUTHORITY POLICY (DOA POLICY)
1.2. Policy Statement	<p>In terms of the Higher Education Act 101 of 1997 and the Rhodes University Statute (March 2005) the Council of the University is responsible for governing the University whilst the Vice-Chancellor is responsible for the day-to-day management and the administration of the University. Due to the complexity and magnitude of this responsibility, the Council and the Vice Chancellor may delegate any of the duties, functions and powers attached to the office to individual persons. This Policy regulates such delegations of authority as it relates to the approval of expenditure for procurement of assets or services.</p> <p>Excluded from the scope of this policy are human resource matters and employment of staff policies.</p> <p>The Delegation of Authority Policy (DOA) considers the legal and regulatory governance framework referred to in 2 below. Its purpose is to establish a structured decision-making process within the University in respect of the approval of expenditure and the procurement of services and assets.</p> <p>It supersedes all previous Council resolutions on signing powers, as amended. If any deviation or conflict between the DOA and any other University Policy, the DOA will override the conflicting information.</p>
1.3. Reason for Policy	The DOA Policy considers the university's legal and regulatory governance framework and establishes a structured approach to the decision-making process within the University.
1.4. Policy Objective/s	<ol style="list-style-type: none"> To ensure best practices in the administration of University assets through a consistent framework of contract signing authority and delegation of that authority where appropriate. To provide clarity of roles and responsibilities of staff in their respective areas of responsibility in an consistent, effective, efficient and transparent manner. To ensure the University complies with external parties' requirements, e.g., Department of Higher Education & Training (DHET), the National Research Foundation and other funders or donors. To ensure all contracts, purchases and/or expenditure authorisations are reviewed and approved at the appropriate level of seniority before execution. To ensure that a clear and transparent framework and processes are established and maintained for the exercise of contract and/or expenditure signing authority and for the delegation of signing authority to persons authorised to enter into contractual commitments on behalf of the University. To ensure proper stewardship of University resources and assets. To ensure a consistent controls and risk mitigation throughout the University. To provide for consistent accountability and responsibility throughout the University.
1.5. People affected by this Policy (e.g. All units of the University)	All staff
1.5. Who should read this Policy	All staff
1.6. Implementers of this Policy	Finance
1.7 Website address/link for this Policy	TBC

2. RELATED DOCUMENTS FORMS AND TOOLS

Relevant Legislation (Legislation/Regulatory requirements/ Organisational Reports – name these)
<p>Constitution of Republic of South Africa, 1996</p> <p>Higher Education Act 101 of 1997 as amended</p> <p>Broad Based Black Empowerment Act 53 of 2003, and Codes of and the Codes of Good Practice</p> <p>Preferential Procurement Regulations, 2017 pertaining to the Preferential Procurement Policy Framework Act, (Act No. 5) of 2000</p> <p>Rhodes University Statute (As published under Government Notice 15 March 2005)</p>
Related Policies
<p>Rhodes University Institutional Development Plan 2023 -2028</p> <p>Rhodes University Procurement Policy</p> <p>Audit & Risk Committee Charter</p> <p>Staff Disciplinary Code and Procedure</p>
Related Protocols
<p>Expense Claims Protocol</p> <p>Disposal of Redundant and Second Hand Goods (PUR001)</p>
Forms and Tools (documents to be completed in support of this policy implementation)
None

3. POLICY DEFINITIONS

No	TERM	DEFINITION
3.1	A&RC	Audit and Risk Committee
3.2	A&SA	Academic & Student Affairs
3.3	CFO	Chief Financial Officer
3.4	DOA	Delegation of Authority Policy
3.5	DVC	Deputy Vice-Chancellor
3.6	FinCore	Oracle Cloud Financials ERP System
3.7	F&GP	Finance and General Purposes Committee
3.8	HoD	Head of Department
3.9	MPC	Major Projects Committee
3.10	RIS&P	Research, Innovation & Strategic Partnerships
3.11	SARCHI Chairs	South African Research Chairs Initiative
3.12	VAT	Value Added Tax
3.13	VC	Vice-Chancellor

4. PRINCIPLES GOVERNING THIS POLICY

OVERVIEW
Rhodes University strives to carry out the following, as far as is reasonably practicable:
4.1. Council is ultimately responsible for ensuring the proper delegations of authority at Rhodes University, defining the levels and limits of authority to act on behalf of the University.
4.2. A person (employee or not), in exercising any power or authority granted in terms of the DOA, should always be mindful that the relationship is fiduciary. This includes employees and persons acting on behalf of the University.
4.3. The person must always act in good faith and look to the best interests of the University.
4.4. There should be no conflict of interest between the individual's private interests and the University's.
4.5. An employee (or any other individual delegated to act on behalf of the University) may not carry on business in competition with the University or use their relationship with the University to make a profit or earn any commission therefrom unless and until the University has duly authorised such conduct.
4.6. Council may confirm, ratify, vary, or revoke any decision taken by any staff member in terms of the DOA
4.7. Only Council may ratify a retrospective delegation of authority or any delegation not in compliance with the DOA.

5. DIRECTIVES FOR IMPLEMENTING THIS POLICY

5.1. The delegations attached to a staff member's position apply only to the expenditure for goods and services.
5.2. Limits refer to the Rand values of the monetary amounts authorised on the date/s of approval.
5.3. Monetary value excludes VAT.
5.4. Any staff member who acts outside of or exceeds their authority level must account for their actions and can be subject to the University's disciplinary processes or any other legal proceedings (criminal or civil) which may be deemed appropriate.
5.5. Delegated authority levels applicable to a specific person will apply to any person appointed in writing to act in that position for a specific period.
5.6. No delegations may be exercised in contravention of the University rules.
5.7. No staff member may approve expenditure, which may or does benefit him or her directly. Where conflict does arise, the authority to approve such expenditure vests in the next higher level.
5.8. The recipient of a delegation of authority shall at all times ensure that the relevant University policies and procedures are adhered to, which will without limitation include the following: <ul style="list-style-type: none"> • the approver accepts responsibility that the funding for the contract or payment for the related goods and/or services has been obtained beforehand, either by way of an approved budget, or by additional funds allocations by the Finance Department, or by increased income generation; • the University's Legal Advisor reviews the contract, and where relevant by Chief Financial Officer and/or any other relevant office before it is signed; • insurance cover, tax, intellectual property rights and exchange control implications of the contract and other relevant requirements are clear, and have been considered and confirmed to be in order by the relevant departments of the University.
5.9. The recipient of a delegation of authority shall ensure that his/her compliance with all University policies and procedures is properly recorded and evidenced. These rules apply to all contracts and/or transactions to which the University (or any division of the University) is a party, irrespective of the source of the funds being used to make payment by the University under such contracts.
5.10. In determining the amount of the delegated authority levels, all linked transactions must be taken into account. For example, a staff member may not split an invoice or project cost into two or more separate transactions or amounts, each of which is or may be less than the staff member has delegated authority limit, simply to evade compliance with the provisions of this DOA. The staff member can be subject to the University's disciplinary processes or any other legal proceedings (criminal or civil) that may be deemed appropriate.
5.11. No authority delegated to any individual and/or committee, may be transferred or delegated to any other individual and/or committee unless expressly provided for in terms of the original delegation.
5.12. A contract may not be longer than 5 years, unless F&GP gives express authority.

6. ROLES AND RESPONSIBILITIES

ROLE	RESPONSIBILITY
ROLE 1	Grades 6-13 – Administrative staff
ROLE 2	Grades 14 to 17 - Academics and Researchers (approvers)
ROLE 3	Grade 18, Deputy Directors; HoDs', SARChI Chairs; Directors (approvers and signatories)
ROLE 4	Deans and Directors (approvers & signatories)
ROLE 5	Deputy Vice Chancellor: Academic & Student Affairs (DVC: A&SA); Deputy Vice Chancellor: Research, Innovation & Strategic Partnerships (DVC: RIS&P); Registrar (approvers and signatories)
ROLE 7	Chief Financial Officer (CFO) (approvers and signatories)
ROLE 8	Vice-Chancellor (VC) (approvers and signatories)
ROLE 9	Committees of Council and Council (approvers)

7. CONTACTS

Area of Concern	Division/Faculty/Department	Telephone	Email
Understanding of the FinCore system and requirements for the levels of authority.	Finance	046 603 8123	g.erasmus@ru.ac.za
Ensure all correct documentation is attached to a contract or purchase requisition	Procurement	046 603 7603	s.gumede@ru.ac.za

8. POLICY REVIEW PROCEDURE

The policy will be reviewed every 5 years. The policy comes into effect on the date approved by Council to 31 December 2027.
Any amendment to the DOA will be effective immediately from the date of approval by Council, unless stipulated otherwise by Council.
Communication of the review process

9. POLICY CONTEXT: RELEVANT DOCUMENTS CITED/CONSULTED/ADOPTED

1	The DOA Policy takes into account the legal and regulatory governance framework of the University and establishes a structured approach to decision-making process within the University.
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LIST OF APPENDICES – None

ACTION	CONDITIONS/AMOUNT	APPROVAL REQUIRED	Council	F&GP	A&RC	BEC	MPC	VC	CFO	DVC's	Registrar	Director	Dean	SARChI Chair	Deputy Director	Fund holder	Grade 18	HoD	Grade 14 – 17 Academics and Researchers
LEGAL ENTITIES																			
Authority to establish RU related legal entities	Partnerships Trusts Joint Ventures Companies Subsidiary companies	Only authority of Council may establish all such entities.	Approver	Recommend	Recommend	Proposer	-	-	-	-	-	-	-	-	-	-	-	-	-
CONTRACTS																			
Contracts/sub-contracts, including consulting contracts to RU, but excluding the following: - Contracts/sub-contracts associated with building construction projects; - Contracts/sub-contracts associated with research contracts; and - Contracts/sub-contracts associated with supplier or service contracts. - Human Resources and staff employment contracts	Contract price ≤ R250,000	Fund holder / Grade 17 or 18																	Approver
	Contract price > R250,000 & ≤ R2,000,000	Fund holder and the Dean or Director: Finance							Approver if in VC's office	Approver if in DVC Division	Approver if in Registrar's Division	Approver	Approver						Approver
	Contract price > R2,000,000 & ≤ R5,000,000	Fund holder and the Dean/Director: Finance and either the DVC :RIS&P (for research-related) or CFO for other. For ICT Contracts – Director: I&TS and either the DVC: RIS&P (for research-related) or CFO for other								Approver (either DVC)		Approver (Finance) (I&TS)	Approver						Approver
	Contract price > R5,000,000	Council for signature by the Registrar and CFO	Approver	Recommend	-	Proposer				Joint Signatory		Joint Signatory							
Construction contracts (including the professional team) within the approved Capital Projects budget, including acceptance of the tenders.	Contract price ≤ R250 000	Deputy Director: Projects & MIS or Deputy Director: A,O & F																	Approver / Signatory
	Building cost > R250 000 & ≤ R2,000,000, excluding VAT and professional fees.	Director: Infrastructure & Facilities and Director: Finance (considered a minor project)										Approver (F&I & Finance)							
	Cost > R2,000,000 & ≤ R5 000 000	Major Projects Committee (MPC) for signature by the CFO		Noted		Approver	Approver		Signatory										
	Cost > R5 000 000	Council for signature by the CFO & VC	Approver	Recommend	-	Proposer	Proposer	Joint Signatory	Joint Signatory										
Contracts/sub-contracts associated with research contracts are specifically covered under Research Office - Research - related and extension contract/authorities		Refer Research Contract - Research, research-related and extension contract/authorities.																	
Supplier or service contracts (e.g. in-house travel agency, service contracts, photocopy machines, rentals of equipment and software licenses) - DURATION	Where term is ≤ 5 years	CFO (or nominee), Registrar or DVC on recommendation Dean or Director							Approver	Approver (either)	Approver	Approver / Signatory (Director: I&TS for ICT matters)	Recommend						
	Where term is > 5 years	Council for signature by the CFO and Registrar	Approver	Recommend		Proposer			Joint Signatory		Joint Signatory								
Supplier or service contracts (e.g. in-house travel agency, service contracts, photocopy machines, rentals of equipment and software licenses) - VALUE	Where total value ≤ R3,000,000	CFO (or nominee) or Registrar							Approver (either) – Nominee will be Director: Finance		Approver (either)								
	Where total value > R3,000,000 but ≤ R5,000,000	CFO or Registrar							Approver (either)		Approver (either)	Approver (Director: I&TS for ICT matters)							
	Where total value is > R5,000,000 & ≤ R10,000,000	CFO plus one of Registrar or DVC							Approver	Approver (either)	Approver (either)								
	Where total value is > R10,000,000	Council for signature by the CFO and Registrar	Approver	Recommend		Proposed			Approver		Approver								
Letters of intent	Applicable operational service or supplier contracts	Deputy Director: Admin, Finance & Procurement after approval as above													Approver (A, O &F)				
Credit applications	Applying for credit facilities	Director: Finance or Deputy Director: Admin, Operations										Approver (Finance)			Approver (A, O &F)				

SCHEDULE OF DELEGATIONS OF AUTHORITY

ACTION	CONDITIONS/AMOUNT	APPROVAL REQUIRED	Council	F&GP	A&RC	RemCom	BEC	MPC	VC	CFO	DVC's	Registrar	Director	Dean	SARChI Chair	Deputy Director	Fund holder	Grade 18	HoD	Grade 14 – 17 Academics and Researchers	
		and Finance																			
Letting or leasing immovable property - DURATION	Ad hoc use up to 1 month	Director: Infrastructure and Facilities or Director Resops											Approver (I&F or Resops)								
	Term ≤ 1 year	Director: Finance on recommendation on Director: Facilities & Infrastructure or Director: Residence Operations											Approver (Finance & F&I or Resops)								
	Term is > 1 year and ≤ 5 years	Registrar and CFO								Approver		Approver									
	Term is > than 5 years	Council for signature by two of either the Registrar, CFO or DVC	Approver	Recommend			Proposer			Signatory (any two)	Signatory (any two)	Signatory (any two)									
Letting or leasing immovable property - VALUE	Total expense or income ≤ R250,000	Deputy Director: A; O & F														Approver (A,O &F)					
	Total expense or income > R250,000 and ≤ R2,000,000	Director: Finance and Director: F&I or Director: Resops and if academic or research related - Fund Holder or Dean											Approver Academic (Finance & F&I or Resops)	Approver (either) Academic			Approver (either) Academic				
	Total expense or income > R2,000,000 and ≤ R5,000,000 per annum	Fund holder and the Dean or Director: Finance Director: Infrastructure and Facilities or Director Resops and either the DVC: RIS&P(for research-related) or CFO for other.								Approver	Approver	Approver	Approver Academic (Finance & F&I or Resops)	Approver (either) Academic			Approver (either) Academic				
	Total expense or income > R5,000,000 per annum	Council for signature by two of either the Registrar, CFO or DVC	Approver	Approver	Recommend		Proposer	Proposer		Signatory (any two)	Signatory (any two)	Signatory (any two)									
PURCHASES - MUST BE READ IN CONJUNCTION WITH DOCUMENT ON THE THRESHOLD VALUES FOR PURCHASING (PROCUREMENT POLICY)																					
Purchase Requisitions (PR) – non-asset purchases (to replace section on Purchase orders)	All payments to RU staff (reimbursements, advances etc.) in Excess SJR – are salary payments excluded?	Require one up authorisation																			
	PR value to R100,000	Grades 14-17, Academics & Researchers															Approver	Approver		Approver	
	PR value R100,001 to R250,000	Grade 18, Deputy Directors; HOD's, SARChI Chairs													Approver	Approver		Approver	Approver		
	PR value R250,001 to R500,000	Deans and Directors											Approver	Approver							
	PR value R500,001 to R1,000,000	DVC: A&SA or DVC: RIS&P and Registrar (for research related purchases DVC:RISP)										Approver	Approver								
	PR value R1,000,001 to R2,000,000	CFO								Approver											
	PR value R2,000,001 to R5,000,000	Vice-Chancellor							Approver												
	PR value above R5,000,001	Vice-Chancellor and CFO							Approver	Approver											
Purchase Requisitions (PR) – asset purchases (to replace section on Moveable asset acquisitions)	PR value to R250,000	Grade 18, HOD's, SARChI Chairs													Approver	Approver		Approver	Approver		
	PR value R250,001 to R500,000	Deans and Directors											Approver	Approver							
	PR value R500,001 to R1,000,000	DVC: A&SA or DVC: RIS&P and Registrar (for research related purchases DVC:RIS&PI)										Approver (either)	Approver								
	PR value R1,000,001 to R2,000,000	CFO								Approver											
	PR value R2,000,001 to R5,000,000	Vice-Chancellor							Approver												
	PR value above R5,000,001	Vice-Chancellor and CFO							Approver	Approver											
MOVEABLE ASSET DISPOSAL - MUST BE READ IN CONJUNCTION WITH DOCUMENT ON THE DISPOSAL OF REDUNDANT AND SECOND-HAND GOODS (PUR001)																					
Disposal of moveable assets.	Cost ≤ R50,000	Head of Department (HOD)																		Approver	

SCHEDULE OF DELEGATIONS OF AUTHORITY

ACTION	CONDITIONS/AMOUNT	APPROVAL REQUIRED	Council	F&GP	A&RC	RemCom	BEC	MPC	VC	CFO	DVC's	Registrar	Director	Dean	SARChI Chair	Deputy Director	Fund holder	Grade 18	HoD	Grade 14 – 17 Academics and Researchers	
	Cost > R50,000 and ≤ R500,000	HOD and the nominee of the Dean/Director or DVC									Approver		Approver	Approver					Approver		
	Cost > R500,000	HOD, the Dean/Director and either the DVC:RIS&P(for research assets) or the CFO								Approver	Approver		Approver	Approver					Approver		
IMMOVEABLE ASSETS																					
Land and/or buildings	Normal acquisition	Council with ministerial approval where relevant.	Approver	Recommend	Recommend		Propose	Propose													
	Disposals	Council with ministerial approval.	Approver	Recommend	Recommend		Propose	Propose													
INVESTMENTS																					
Appointment of investment managers and advisors	All investment portfolios, including cash portfolios	Council on recommendation of Board of Governors and F&GP, on advice of the BoG Investment Committee. To be noted by BEC.	Approver	Recommend	Recommend		Propose (with recommendation of BoG)														
Setting investment limits and strategies	All investment portfolios, including cash portfolios	Council on recommendation of Board of Governors and F&GP, on advice of the BoG Investment Committee. To be noted by BEC.	Approver	Recommend	Recommend		Propose (with recommendation of BoG)														
Operational instructions	Contracts/letters of instruction on mandates	CFO								Approver											
	Appointment of operational signatories	CFO								Approver											
Investing or withdrawing call funds, fixed deposits or other portfolio investments	≤ R100,000,000	Two signatories as nominated by the CFO								Approver											
	> R100,000,000	As above and specifically approved by the CFO								Approver											
LOANS																					
Raising of loans by RU	All loans	Council, on the advice of F&GP (and subject to Higher Education Act)	Approver	Recommend	Recommend		Propose														