



RHODES UNIVERSITY
Where leaders learn

Rhodes University Governance

Roles, Responsibilities, Competencies and Values of Members of Council and Council Committees

1. Introduction

The institutional governance of our University is regulated by the Higher Education Act (Act 101 of 1997, as amended) (hereafter referred to as the Act) and the Institutional Statute. The Higher Education Act “prevails over any other law dealing with higher education other than the Constitution” (Section 70 of the Act).

In terms of the Act, the main institutional governance structures are the Council, the Senate, the Institutional Forum (IF) and the Student Representative Council (SRC).

- The Council is the highest decision-making body and is responsible for ensuring good governance of the Institution subject to the Act and the Institutional Statute.
- The Senate is accountable to the Council with regard to the academic and research functions of the University and must perform all such other functions as may be delegated or assigned to it by the Council.
- The Institutional Forum (IF) advises the Council on issues affecting the Institution as stipulated in the Act.

The Senate and SRC also exercise their primary governance roles through their membership of the Council as provided for in the Act.

The governance relationship amongst Council, and the Senate, SRC, or the Institutional Forum, is set out in the Act. The relevant provisions in the Act set out instances in which Council can act only after having consulted one or more of these three structures. Such consultations are designated as non-binding ‘after consultation’ or binding ‘in consultation with’. It is required that Council must follow these prescriptions meticulously as part of good governance.

The day-to-day management and administration of the University is the responsibility of the University’s Executive Leadership Team (VC, 2 DVCs, Registrar and CFO), led by the VC who, in turn, is accountable to the Council.

2. Fiduciary duty

Members of Council must always act in good faith and exercise their responsibilities in the best interest of the University. Members of Council should not act in a way that represents any particular internal or external constituency. Furthermore, members of Council are expected to maintain the confidentiality of information and deliberations of the Council.

3. Values and attributes expected of Council members

- Integrity and honesty: participate in the deliberations of Council in an objective manner considering the interest of the University.
- Accountability: work in the best interest of the University and not in the interest of any stakeholder. This extends to financial resources; institutional assets; student access and success; the responsibility of ensuring a safe and orderly environment.
- Openness: have no conflict of interest with any matters considered by Council; or declare any conflict of interest ahead of discussion with any matter, and if required, recuse oneself.
- Independence and objectivity: ability and commitment to act independently and objectively, ask questions and be prepared to challenge and address difficult issues in an open and respectful manner.
- Selflessness: be able to give of one's time to prepare for, attend and engage at meetings, or within a taskteam when required.
- Courage: ability to carry out responsibilities without fear or favour.

4. Generic competencies required of Council members

In order for the Council to discharge its responsibilities effectively, it needs a depth and diversity of skills, knowledge, experience and competencies. Some of these include:

- *Legislative and regulatory framework* : A good grasp of the legislative and regulatory framework and general legal processes within which universities operate.
- *Corporate governance*: Familiarity with, and a clear understanding of, the responsibilities of a Councillor, gained through relevant previous Board/Council experience and/or professional training. Understands the delineation between the role of the Council and the role of the University Executive Leadership Team.
- *Financial literacy*: A sound understanding of financial issues and the ability to read and interrogate the University's income and expenditure statements, balance sheets, budgets and other University financial reports.
- *Risk management*: An understanding of the principles of effective risk management, the key areas of risk to the University and the processes in place to mitigate those risks.
- *Broad and strategic perspective*: Able to advise the University leadership on matters of long-term and strategic importance in consideration of the University's relevance, trajectory and sustainability.
- *Analysis and insight*: Capacity to analyse complex issues and ability to make an effective contribution at a strategic level.
- *Commitment to serve*: Commitment to attend scheduled Council meetings and a willingness to devote time and effort to prepare for, and participate actively in meetings.
- *Teamwork*: Ability to work constructively and productively with other people and mobilise them into a cohesive team. Members of Council are expected to contribute actively, constructively, respectfully, positively, sensitively and to avoid conflict in discussions and debates of Council. They should also accept collective responsibility for Council decisions.

5. Specialised competencies/skills that must be present in the Council

The Council must have at least one member with at least one of the following specialized competencies/skills and all competencies/skills must be represented on Council as a whole:

- Finance and Accounting
- Legal
- Audit and Risk management

- Human Resources
- Student experience
- University Governance
- Technology
- Labour relations
- Industry/Community networks
- Organisational development.

6. Composition of Council

- 6.1 Council is constituted in line with the prescripts of the Institutional Statute.
- 6.2 Council comprises not more than 30 members, of whom at least 60% are external members who are not employed by, or students of, the University. External members bring to the University independent judgement and a range of expertise, skills and experience.
- 6.3 Each member of Council serves for a period of 4 (four) years which may be renewed. The Vice-Chancellor and Deputy Vice-Chancellors remain members of Council for as long as they occupy their posts.
- 6.4 The SRC members serve for the period that they are in the SRC Office, normally for a period of not more than one year.
- 6.5 The Registrar is the secretary to the Council.

7. Roles and Responsibilities of Council

The University Council is the highest decision-making body of the University. Among others, Council:

- 7.1 Makes the rules for and approves all policies of the University.
- 7.2 Makes the Institutional Statute and any amendments thereto.
- 7.3 Appoints all employees of the University. The academic employees of the University are appointed by the Council after consultation with the Senate.
- 7.4 Appoints the senior management of the University, subject to section 31(1)(a)(iii) of the Act.
- 7.5 Determines the conditions of service, disciplinary procedures, privileges and functions of the employees of the University, subject to the applicable labour law.
- 7.6 May order an employee who it has suspended to refrain from being on the premises under the control of the University and to refrain from participating in any of the University's activities or issue such other conditions as it may deem necessary.
- 7.7 After consulting the Senate, determines the admission policy of the University. The admission policy must provide appropriate measures for the redress of past inequalities and may not unfairly discriminate in any way. The Council must publish the admission policy and make it available on request.
- 7.8 Determines, after consultation with the Senate, the entrance requirements in respect of particular higher education programmes, the number of students who may be admitted for a particular higher education programme and the manner of their selection.
- 7.9 May, after consultation with the Senate, determine the minimum requirements for readmission of a student to a particular study programme or University.
- 7.10 With the concurrence of the Senate, determines the language policy of the University and must publish same and make it available on request.
- 7.11 Determines, after consultation with the Senate, which academic structures are required and the function of each structure, in order to ensure efficient governance.

- 7.12 After consultation with the Students' Representative Council (SRC), must provide for a suitable structure to advise on the policy for student support services.
- 7.13 Determines fees payable to the University including tuition, residence and any other costs incidental to the student's study at the University, as well as accommodation fees payable by employees.
- 7.14 Approves the annual budget of the University.
- 7.15 Approves the annual report and the annual financial statements of the University.
- 7.16 May conclude loans or overdraft agreements on condition that all appropriate conditions and requirements of the Department of Higher Education and Training are observed.
- 7.17 May enter into agreements for the construction of a permanent building or other immovable infra-structural development, the purchasing of immovable property, or the long-term lease of immovable property, subject to the approval of the Minister of Higher Education, Science and Innovation.

8. Committees of Council

The Council may establish committees to perform any of its functions and may appoint persons who are not members of Council as members of such committees. The following committees of Council contribute to the effective governance of the University:

(a) Executive Committee of Council

The Executive Committee acts for Council whenever instructed to do so by Council.

Subject to paragraph 13 (4) of the Statute, the Executive Committee acts on behalf of Council in an emergency.

(b) Audit and Risk Committee

The Audit and Risk Committee (hereafter referred to as the Committee) is a sub-committee of Council, operating under delegation of authority from Council. The primary function of the Committee is to assist the Council in discharging its oversight responsibilities. The Committee's objectives and responsibilities are defined and documented in the Committee Charter ("the Charter") which is reviewed on an annual basis.

The Committee has an essential role in ensuring the integrity and transparency of the University's corporate reporting. The Committee's responsibilities can be summarized into the following areas:

- i. **Financial Reporting:** The Committee is responsible, on behalf of Council, for ensuring the accuracy and reasonableness of the University's annual financial statements and that they have been prepared in accordance with the prescribed accounting policies and regulations.
- ii. **External Auditors:** The Committee is the primary focus for the University's relationship with the external auditors. The Committee's responsibilities include, *inter alia*, making recommendations to Council for the appointment of the external auditors, agreeing fees, reviewing scope of audit work, reviewing and approving any special/non-audit services, reviewing external auditors' independence.
- iii. **Internal Controls:** The Committee must understand the financial reporting and control systems implemented by management to ensure the proper safeguarding of assets, the maintenance of proper financial records, and the fair presentation and integrity of financial reporting (including disclosures and information) in accordance with relevant standards/laws/regulations.

- iv. **Risk Management:** The Committee's role is to review the University's risks/risk profile and consider whether management's risk management activities, processes and procedures, particularly insofar as they affect financial reporting, are appropriate and satisfactory.
- v. **Internal Audit:** Functionally, internal audit reports to Management and the Vice-Chancellor. However internal audit shall have a reporting line to the Committee. The Committee has a responsibility to review the scope of internal audit work, the adequacy of resources (and qualifications), any limitations imposed by management, the findings of audits/reviews (including subsequent follow-up and action). The Committee shall review the forensic audit process and reports.
- vi. **Compliance:** The Committee is responsible for monitoring the effectiveness of the University's processes for ensuring compliance with laws and regulations
- vii. **Ethics/Whistleblowing:** Council is responsible for determining and upholding the University's ethical standards and Code of Conduct. The Committee is responsible for reviewing and monitoring the framework and processes for identifying, analysing and addressing material complaints and/or breaches (including Whistleblowing) and their resolution.

(c) Finance and General Purposes Committee

The Finance and General Purposes Committee (hereafter referred to as the Committee) is a sub-committee of Council, operating under delegation of authority from Council. The primary function of the Committee is to advise on matters relating to financial oversight, financial strategy and management and all related matters. The Committee advises Council on certain senior-management appointments.

The functions of the Committee are:

- (i) to exercise oversight over the finances of the University and to advise Council on matters relating to the effective financial management and control of the finances of the University;
- (ii) to review and monitor on at least a quarterly basis the financial performance and results, and cash flows of the University. This review shall include (but not be limited to) central operations, residences, capital projects, research funding, other donor funding and third stream income;
- (iii) to advise Council on all significant non-routine, non-recurring or *ad hoc* financial matters affecting the University;
- (iv) to advise Council on the selection and appointment of staff for senior management positions in both the finance function and estates division of the University;
- (v) to advise Council on any matter that is not specifically under the control of Senate;
- (vi) to advise on financial systems, processes and procedures;
- (vii) to review and approve the annual budgets, both revenue and capital, and recommend them to Council for final approval;
- (viii) to review and approve *ad hoc* and unbudgeted funding requests and recommend to Council for final approval (consideration to be given to the existing delegations of authority); and
- (ix) to advise Council on matters connected with the property and other assets of the University.

(d) Nominations and Governance Committee

The functions of the Nominations and Governance committee (hereafter referred to as the Committee) are:

- i. to recommend to Council approval of potential members to represent Council on various committees and other structures;
- ii. to recommend to Council approval of potential persons for co-option to Council on various committees and other structures;
- iii. to consider and advise Council on matters related to governance as guided by the Act, relevant legislation and good governance practice; and
- iv. to perform any functions as assigned by Council.

The Committee has the authority, in the discharge of its responsibilities, to give due regard to the race and gender diversity of Council representatives as advised by bodies within the University, and may make recommendations to Council in this regard.

(e) Remuneration Committee.

The Remuneration Committee of Council (hereafter referred to as the Committee), is responsible for setting the strategy and broad policy on matters relating to remuneration, fringe benefits and conditions of service for all staff. The Committee advises Council on remuneration policy and makes recommendations to Council regarding remuneration adjustments. The Committee's objectives and responsibilities are defined and documented in the Committee Charter which is reviewed on an annual basis.