



POLICY ON THE DELEGATION OF AUTHORITY (DOAD)

POLICY REFERENCE: COU/008

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1. Definitions

In this document the words and expressions below bear the meanings hereby assigned to them:

Academic	Activities related to teaching, learning and research as per recommendation by Senate.
Accounting Officer	The Vice-Chancellor and Principal of the University is ex-officio the chief executive and accounting officer of the University and responsible for the management and administration of the institution as contemplated in the Act.
Act	Higher Education Act, 101 of 1997, as amended
ARMC	University Audit & Risk Management Committee appointed by Council as a standing committee to perform the functions relating to the governance of the institution
Bad Debt	Money, goods or services owing to SPU but not economically recoverable
CAPEX –	Expenditure on a capital item (fixed asset – the life of which is more than 12 months) is any item/resource that the University purchased,

Capital Expenditure	now owns and controls and from which the University expects to derive future benefit.
CfERI	Uppington-based, Centre for Entrepreneurship and Rapid Incubator
CFO	Chief Financial Officer
CIO	Chief Information officer
Committee	Any committee other than SMT, EXCO, FINCO. A Committee may not make a decision binding the University unless it specifically forms part of its remit and the power to make decisions has been approved by Council, but it may make recommendations to SMT, EXCO, or FINCO on such matters.
Contract	A set of binding obligations between two or more entities
COO	Chief Operating Officer
Council	Assembly of persons appointed in terms of the Higher Education Act and the Statute of the University and constituting the highest governing body of the University, which is responsible for oversight of all University functions and, by delegation as appropriate, for the management of the University.
Creditor	A Supplier / vendor who is owed money by the University for goods or services or both provided on credit.
Dean	A person appointed in accordance with the Institutional Statute, Sol Plaatje University (GG40711) and the Rules of the University for the appointment of senior members of staff.
Director	A person who is the Head of a significant University function
DOAD	Delegation of Authority Document
DVC	Deputy Vice-Chancellor
Emergency	An unexpected situation requiring immediate action
Employee	A person who has entered into an employment contract with the University and who receives or is entitled to receive any remuneration and any other person who falls within the definition of employee in the Labour Relations Act.

EXCO	Executive Committee of Council as provided for in terms of Section 25 of the Institutional Statute of Sol Plaatje University
FINCO	University Finance Committee appointed by Council as a standing committee
General Procurement	Acquisition of all goods and services which require the payment of a monetary amount, excluding everything related to infrastructure.
Guidelines	The University's preferred method of carrying out an action / set of actions
HoS	Head of School
HR	Human Resources
Independent Contractor	A person offering services for a particular assignment / project and who is not an Employee as provided for in terms of the Labour Relations Act.
Infrastructure Expenditure	Expenditure towards the Infrastructure project of the University, funded through the Medium-Term Expenditure Framework (MTEF).
IP Contract	A contract which has its primary purpose the assignment, licensing or granting of options (e.g., granting title in or rights) to intellectual property owned by the University to a third party. These exclude Research Contracts that may include intellectual property clauses.
Limited Duration Contract Worker	A person with an employment contract for a specific, limited period. Such a worker enjoys the same or equivalent job scales, grading and job descriptions as a permanent employee without a specific period for his/her employment.
Negotiate	Entering into discussions with another for the purposes of settling the terms and conditions of a proposed contract or other binding arrangement, prior to, but not including the conclusion of that contract or other arrangement binding upon the University. Thereafter only an employee who has been duly authorised to do so by Council may CONCLUDE a contract or other arrangement binding on the University.

Non-standard Contract	A non-standard contract is any contract which has not been declared a Standard Contract by the Vice-Chancellor and the Legal Services Office
OPEX – Operational Expenditure	All expenditure that does not meet the definition of CAPEX or Infrastructure expenditure, is classified as OPEX.
Policy	A plan of action approved by Council
Procedures	An established or official way of doing something
Processes	A series of actions taken to achieve a particular outcome.
Registrar	Secretary to Council and is the custodian of the documents of the University.
Regulations	Instruction or set of instructions approved by Council on the way Policies and Rules must be carried out.
Research	Intellectually driven, diligent and systematic inquiry, which is based on clearly formulated questions on a particular subject, together with evaluation of existing knowledge and/or appropriate gathering and analysis of observations to discover or revise understanding, theories or application of knowledge.
Research Contract	A contract where the primary purpose is to regulate promoting, encouraging, supporting or conducting of Research, and may include provisions for ownership or use of intellectual property arising from Research.
Risk Management	Forecasting and evaluation of risks and identification of procedures and legal instruments to avoid or mitigate the impact of such risk on the business of the University
Rules	An instruction approved by Council as to what an individual (subject to this delegation of authority) either must do or may not do. Rules may include regulations, processes, standing orders and guidelines depending on the context. All references to Rules will include policies, procedures and processes.
SMT	Senior Management Team, which is an advisory body to the VC.

SRC	Students Representative Council body elected by the students of the University in terms of the Institutional Statute.
Standard Contract	Standard contract is a contract incorporating predetermined general conditions of contract that have been approved and declared “standard” by the Vice-Chancellor and the Legal Services Office.
Statute (University Statute)	The Institutional Statute of Sol Plaatje University in accordance with sections 32 and 33 of the Higher Education Act 101 of 1997 as amended.
Stock	Items for sale and/or consumed
University	Sol Plaatje University
Value	The cost of items in South African Rands
VAT	Value Added Tax
VC	Vice-Chancellor and Principal (the Principal of the University, as contemplated in section 30 of the Act, in accordance with the SPU Statute and the Rules of the University) (and Accounting Officer, as defined)

Unless otherwise stated, this document is construed in accordance with following:

- 1.1 Headings are for convenience only and should not be taken into consideration in the interpretation and construction of the document’s provisions.
- 1.2 Words importing the singular also include the plural and vice versa where the context so requires.
- 1.3 Any reference to the provisions of law and any similar reference of general application must be construed to include legislation and the common law, and any reference to legislation includes any statute, regulations, public notice or like legislative instrument.
- 1.4 References to statutory provisions must be construed to include those provisions as amended or re-enacted or modified from time to time.

2. Policy

2.1. Governance

The overall governance of the Sol Plaatje University (the University) is determined, *inter alia*, by:

- The Higher Education Act, 101 of 1997;
- The Statute of the Sol Plaatje University, as promulgated in GN 251 – GG 40711, 24 March 2017;
- The King Report on Corporate Governance for South Africa 2016 (King IV); and
- The Constitution of the Republic of South Africa, 108 of 1996 including academic freedom and other law.

The Delegation of Authority Document (DOAD) takes into account the legal and regulatory framework, referred to above, and are also guided by the principles of the Public Finance Management Act, 1 of 1999. Its purpose is to establish a structured decision-making process within the University. It supersedes all previous Council Resolutions on Signing Powers, as amended.

The DOAD Policy recognises that there is OPEX, CAPEX and Infrastructure Expenditure, each with their own Procurement Policies and limits, which are set out in the following two policies:

FPIITC/01: Policy on Supply Chain Management of Infrastructure Procurement and Infrastructure Delivery Management

FIN/006: Policy on Supply Chain Management for Goods and Services

In the event of any deviation or conflict between the DOAD and any other University policy, the DOAD will override the conflicting information.

2.2. Policy Statement

The DOAD defines the levels and limits of authority delegated to individual persons to act on behalf of the University, relating to or in connection with, any matter or transaction affecting the University or its affairs, property (moveable or immovable), or its interests.

In exercising any power or authority granted to him/her in terms of this DOAD, such person (whether an employee or not) should note that the nature of the relationship between him/herself and the University is a fiduciary relationship. This will include employees of the University, as well as any person who is acting on behalf of the University, regardless of the capacity in which they are acting. Any such person acting in accordance with the DOAD must render his or her services to the University in good faith and always act in the best interest of the University. Such fiduciary duties are owed to the University itself and not to individuals.

2.3. Conflict of Interest

An employee or other individual acting on behalf of the University must act only in the best interest of the University. There should be no conflict between the individual's private interests and those of the University. An employee (or any other individual acting on behalf of the University) should not engage in conduct which results or may result in their interests conflicting with those of the University. 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 his/her relationship with the University to make a profit or earn any commission therefrom unless and until the University has duly authorised such conduct. All such persons acting on behalf of the University must exercise the care and skill that can reasonably be expected from a person with his/her knowledge and experience.

3. Powers and Duties

3.1. Council

Council governs the University in accordance with the provisions of the Higher Education Act and the University's Statute as may be amended from time to time.

3.1.1. Council may resolve or otherwise reach agreement on a matter referred to it by letter, email, fax or via teleconference as provided for in terms of Section 24 (20) of the Statute. Such a resolution will be equivalent to a resolution of the Council reached in a meeting of Council provided that it is ratified and recorded in the minutes of the following ordinary meeting.

3.1.2. Council may establish committees (as provided for in Section 28 of the Statute) to perform those functions that may be delegated in terms of the Statute and

may appoint persons who are not members of Council, as members of its committees.

- 3.1.3. Council may delegate the authority to exercise certain of its powers to employee(s) and to committee(s) of the University, provided that such delegation is not in conflict with its fiduciary responsibilities to the University and the public it serves. Council may not delegate those of its duties, functions and powers that are expressly prohibited by the Statute, nor those that are essential for it to fulfil its oversight, supervisory and monitoring functions.
- 3.1.4. Council may establish and disestablish academic structures on the recommendation of Senate.
- 3.1.5. The appointment of any members of staff on Peromnes levels 1 to 3 inclusive (such members shall include, without limitation, the VC, any DVC, CFO, the Registrar and the COO), is subject to the approval of Council.
- 3.1.6. The following duties, functions and powers are subject to the approval of Council and consequently, may not be delegated:
 - The adoption of the University annual report and the annual financial statements;
 - The appointment of the University's internal and external auditors;
 - The adoption of the University Strategic Plan , Annual Performance Plan and Budget;
 - The remuneration of the Executive Management;
 - Mechanisms to monitor the performance of the Executive Management;
 - Determination of all fees charged to students;
 - Subject to Ministerial approval in terms of the Act, the purchase and sale of immovable property or entering into a long-term lease of immovable property, whether as a lessor or lessee of and the acquisition or transfer of any other real rights;
 - Subject to the provisions of the Act, any loans made to or by the University;
 - Any University Policy;
 - Risk Management Policy / Regulations.

3.2. **Executive Committee of Council (EXCO)**

3.2.1. The Executive Committee of Council executes and enforces the policy of Council as provided for in Sections 25 to 27 of the University's Statute. It may not delegate any of its powers or functions unless Council has approved such delegation in its original delegation. It consists of the following people:

- The Chairperson of Council;
- The Deputy-Chairperson of Council
- The VC; and
- All Chairpersons of the Committees of Council.

3.2.2. Only Council, EXCO and the VC may authorise the delegation of authority. Such delegation:

- Must be in writing;
- Is subject to the policies, directives and conditions that the Council / EXCO may from time to time prescribe; and
- Must include such further limits and conditions to ensure good governance and controls regarding the exercise of such powers.

3.2.3. The VC is responsible for the management of all delegations and authorisations granted in terms 3.2.2 and must ensure that the officers, employees (or any other individuals acting on behalf of the University) who act in terms of such delegation, act:

- Lawfully;
- Within the scope of their respective powers and authorisation;
- In terms of internal policies and procedures approved by the Council or other Committee empowered to approve such internal policies and procedures;
- In compliance with any directives and policies by Council; and
- In accordance with the University Statute.

3.3. **Senate**

The Senate regulates the academic functions, powers and responsibilities of the University as provided for in terms of Chapter 5 of the University's Statute. Academic functions, powers and responsibilities arise from teaching and research, subject to the Act and the University Statute, and all other functions delegated and assigned to it by Council.

3.4. **Finance Committee (FINCO)**

3.4.1. The Finance Committee (FINCO) is the committee of Council responsible for advising it on matters pertaining to the financial affairs of the University (excluding audit matters), as prescribed in the Charter of the Finance Committee (FINCO) (Charter Reference: C/004).

3.4.2. Subject to 3.1.3, FINCO makes recommendations to Council regarding the following matters:

- The approval or otherwise of the annual estimates of revenue and expenditure;
- The adoption of the Annual Financial Statements, including the substantive variation(s) of OPEX and CAPEX budgets, as required from time to time;
- The determination of tuition, residence and other student-related fees (including membership fees to sports clubs);
- The monitoring of the actual versus budgeted, income and expenditure together with resultant variances requiring formal Council approval;
- Risk Management.

3.5. **Audit and Risk Management Committee (ARMC)**

The ARMC is the committee of Council that is responsible for audit and risk matters as prescribed in the Charter of the ARMC (Charter Reference: C/002) and makes recommendations as deemed appropriate to Council on these matters.

3.6. Human Resources Committee (HRC)

The HRC is the committee of Council responsible for the following, as prescribed in the Charter of the Human Resources Committee (HRC) (Charter Reference: C/001):

- The recommendation of HR policy relating to all staff;
- The consideration of individual cases of HR issues referred to it by faculty staffing and promotions committees, the HR Directorate and other bodies that impact on and require a review of current HR policy;
- Overall monitoring and reporting, as appropriate, to Council on new appointments, resignations, retirements, promotions and leave granted.

3.7. Remuneration Committee (REMCO)

The REMCO is the committee of Council responsible for the following, as prescribed in the Charter of the Remuneration Committee (REMCO) (Charter Reference: C/003):

- determines annually, on behalf of the Council and in terms of current labour law and collective agreements, the general annual remuneration adjustment for employees and related matters, taking into account market trends and affordability;
- approves annually, on behalf of the Council and in terms of current labour law and collective agreements, the following:
 - the individual remuneration and performance bonuses of Executive Management and Senior Management (Peromnes Levels 1 – 4), as recommended by the Vice-Chancellor with due regard to market trends, affordability and the contribution made by these employees to the success of the University;
 - the remuneration and performance bonuses of the Vice-Chancellor, with due regard to market trends, affordability and the contribution made by the Vice-Chancellor to the success of the University; and
 - the guidelines and the resources required for performance appraisal and performance-based remuneration of employees, with due regard to the University's strategic objectives, market trends and affordability.

- considers and approves motivations for the payment of remuneration packages and allowances outside remuneration scales in exceptional circumstances determined by the Remuneration Committee (REMCO);
- has the power to, in line with the University's strategic objectives, award on an ad hoc basis, on behalf of the Council and on the Vice-Chancellor's recommendation, bonuses to staff or members for outstanding services rendered;
- is responsible for developing and approving, in consultation with the Vice-Chancellor, financial incentives and financial measures to ensure that the University retains key staff.

3.8. Senior Management Team

3.8.1. The Senior Management Team (SMT) consists of the following officers of the University:

- the VC
- the DVC
- the COO
- the CFO
- the Registrar
- Heads of Schools
- the Dean of Student Affairs
- the CIO
- any other senior employee as may be determined from time to time by the VC.

3.8.2. The VC, or his or her nominee for a particular time period, is the Chairperson of SMT. Each member of SMT is an officer of the University and holds a position of delegated authority, power and responsibility within the University, as provided for in this DOAD.

3.8.3. SMT may advise any member of SMT on the exercise of his or her authority, rights, responsibilities and powers and on the execution of his or her duties and arising from his or her position as an officer of the University.

3.8.4. The VC is the Chief Executive Officer of the University. In accordance with the provisions of the Higher Education Act and the University's Statute, Council has delegated the powers of management of the University to the VC.

- 3.8.5. SMT, under the direction of the VC, may make recommendations to the VC on the exercise of the powers of management by him/her, or by any employee, or by any other individual acting on behalf of the University to whom any of the powers of management have been delegated.
- 3.8.6. SMT decides on any matter before it on the basis of sufficient consensus, as determined by the Chairperson.

4. General Principles

- 4.1. Limits refer to the Rand values of the monetary amounts authorised on the date(s) of approval.
- 4.2. Any reference to a monetary value includes VAT at the prevailing rate at the effective date.
- 4.3. The VC is empowered to make financial decisions and/or transaction approval powers up to limits both in monetary and duration in respect of Infrastructure Expenditure, CAPEX and OPEX as approved from time to time. Any amount above and/or beyond such levels must be referred to FINCO for its consideration and recommendation to Council. No transaction above such limits may be concluded without the approval of Council and in accordance with the University Statute.
- 4.4. The delegation of authority:
- does not divest the Council of its the responsibility for ensuring the proper exercise of the delegated power or the performance of the assigned duty, nor deprive it of the power to terminate the delegation;
 - must be lawful and is subject to all limitations, conditions, policies and / or directives that may be developed and implemented by the Council, or the committees to which it has delegated such powers.
- 4.5. The Council may confirm, ratify, vary or revoke any decision taken by an employee in terms of the DOAD (or any other individual acting on behalf of the University), subject to any rights that may have become vested as a consequence of the decision.
- 4.6. Any employee (or any other individual acting on behalf of the University) who acts outside of or exceeds his/her authority level must account for his/her actions and may be subject to the University's disciplinary procedures and any other proceedings (civil or criminal) appropriate to the matter. The University reserves the right to consider the validity of

- any contract entered into by an employee, purporting to act on behalf of the University, in this manner.
- 4.7. Delegated authority levels applicable to a specific position will also apply to any individual who has been appointed in writing to act in such a position for a specific period. This excludes the approval of electronic bank transfers.
 - 4.8. An employee (or any other individual acting on behalf of the University) must exercise his / her authority, whether original or delegated to him/her, in the interests of and for the benefit of the University as provided in 2.2 above.
 - 4.9. No delegation of authority may be exercised in contravention of the University's Policies and Rules.
 - 4.10. Authority may not be delegated to non-employees, consultants and independent contractors.
 - 4.11. Only Council may ratify a retrospective delegation of authority or any delegation of authority not in compliance with this DOAD.
 - 4.12. A limited duration contract worker will be empowered on the same basis and with the same levels and/or limits of delegated authority as any other employee in the **same position as outlined in this DOAD**.
 - 4.13. No employee may approve University expenditure which may or does benefit him/her directly. In instances where such conflict may arise, the authority to approve (or otherwise) such expenditure automatically vests in the next higher level of delegated authority or above.
 - 4.14. A delegation of authority may at any time be retracted in writing with respect to any individual or group by any of the holders of higher levels of authority in the same / applicable management line function.
 - 4.15. The recipient of a delegation of authority should at all times take account of statutory requirements that may be applicable to the higher education sector in the context of procurement (without limitation to those contemplated in sections 34 and 40(3)(a) and (b) of the Act).
 - 4.16. 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:
 - 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 contract is reviewed by the University's Legal Services Office, and where relevant by the Financial Office and any other relevant office before it is signed;
 - 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 Offices of the University.
- 4.17. The recipient of a delegation of authority shall ensure that his/her compliance with all University policies and procedures (including these general rules) 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.
- 4.18. In determining the amount of the delegated authority levels, all interlinked transactions must be taken into account. For example, an employee 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 that employee's delegated authority limit, simply to evade compliance with the provisions of this DOAD. If an employee has any doubt regarding the meaning/application of this paragraph, he/she must consult his/her line manager or the COO/CFO, who will make a specific ruling thereon as appropriate in the circumstances.
- 4.19. Price increases, exchange rate fluctuations, and other variables may affect the actual amount of a transaction relative to the amount of that transaction at the time of approval. Any variation, at any time during the period of a contract, in the aggregate amount of a transaction, which has the effect of taking the transaction amount above the level for which the relevant employee has the authority to approve, must be referred to the next appropriate level of decision making, provided that, in any event, a variance exceeding 10% in a transaction amount must be referred to the CFO.

- 4.20. Decisions/approvals may only be exercised within the relevant delegated level. Employees / forums / committees may, however, consider transactions exceeding their decision-making authority limits and recommend them for approval to the next senior empowered decision-making level.
- 4.21. No authority which has been 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.
- 4.22. Any amendment to the DOAD will be effective immediately from the date of approval by Council, unless Council has stipulated otherwise.
- 4.23. The Approval Tables are contained in paragraph 7 below.

5. Sequence of Events

- 5.1. Prior to any employee / official acting on behalf of the University, committing the University to expenditure, the employee / official should obtain the required quotations / tenders as provided for in terms of paragraph 6 of this DOAD.
- 5.2. Prior to any employee / official acting on behalf of the University, committing the University to expenditure, the employee / official should obtain approval as provided for in terms of paragraph 7 of this DOAD.
- 5.3. No contract / commitment may be offered / entered into with a 3rd party until the required approval has been obtained.
- 5.4. No payment will be made to any 3rd party until:
 - the required approval has been obtained;
 - the appropriate commitment has been made;
 - the goods / services have been provided by the 3rd party and verified by the University to be correct and complete.

6. Procurement

6.1. Tenders

Any procurement of goods or services, the total contract amounts of which exceed R3 million must be put out to tender in accordance with the relevant University Policies.

In exceptional cases, a tender process need not be followed, in accordance with section 18 of the Policy on Supply Chain Management for Goods and Services.

6.2. Quotations

6.2.1. Whenever a requisition for goods or services is completed, a quotation is required.

6.2.2. The number of quotations required depends on the estimated or known monetary amount of goods/services required. The table below details the requirements:

Monetary Amount of Goods / Services	Number of Quotes required
≤ R1 000	Petty Cash
≤ R5 000	1
R5 001 ≤R30 000	2
R30 001 ≤R3 million	3
>R 3 million	Tender - Open

6.2.3. The table above is an indication of the process to be followed to determine the actual price of goods/services but is in no way an indication that the expenditure has been approved. Approval will be governed by the Approval Tables contained in paragraph 7 below.

6.2.4. In exceptional cases, the requester may proceed with the requisition for the goods / services without first obtaining the required number of quotes. The Supply Chain Policy for Goods and Services (section 18) sets out the circumstances under which such exemption may be applied for, acknowledging nonetheless

that such action must be ratified in accordance with the tables contained in paragraph 7 of this DOAD as soon as the emergency situation has been addressed.

6.3. Requests for Goods / Services

- 6.3.1. All requests for goods/services must be processed in accordance with the relevant University Policy. The requisitioner will initiate the request in the appropriate format. The requisitioner cannot approve any request that is for his/her own direct benefit.
- 6.3.2. All such requests must be approved by the next senior level.
- 6.3.3. All requests for goods and services are subject to the availability of funds. Even if approved by the designated authority, the Procurement Office is not permitted to commit the University unless there is sufficient budget allocation for the requested goods/services.
- 6.3.4. The foregoing request must follow the approval hierarchy until no further approval is necessary in terms of the tables contained in paragraph 7 below. It will then be forwarded to the Procurement Department for ordering/processing.
- 6.3.5. The terms for any engagements for services must first be set out in a written contract except in the cases of professional services to be rendered (i.e., legal, engineering, auditing and medical).
- 6.3.6. Only the VC or the Registrar may appoint any person / legal firm for the purposes of litigation to defend a matter on behalf of the University.

7. Approval Tables

The powers and authorities hereby delegated by the Council are set out in the tables hereafter.

- The amounts indicated in the tables represent the maximum financial limit of the delegated authority;
- The tables must be read and interpreted in conjunction with the official University Policies and Rules;
- Purchases can ONLY be approved if there is budget available.

- The CFO may in his or her discretion, impose stricter financial limits.
- Approval, in accordance with the tables contained in this paragraph 7, should be obtained prior to any commitment made on behalf of the University.

7.1. General Procurement

GENERAL PROCUREMENT	COUNCIL	VC	TENDER COMMITTEE	COO	CFO	DVC	REGISTRAR	CIO	DEAN	HEAD OF SCHOOL / DIRECTORS	HEADS OF DEPARTMENTS	Legal Services Office Approval
GOODS & SERVICES	X > R100m	X >R50m	X >R3m	X ≤R3m	X ≤R3m	β* ≤R3m	β* ≤R3m	β* ≤R3m	β* ≤R3m	β* ≤R1m	β* ≤R200k	φ

X Approves within stated limit.

β* Only for specific Faculty / Portfolio

φ Applies to ALL Non-standard contracts and Standard contracts with additions/deletions excluding Infrastructure Expenditure

Note that all consulting services, regardless of value, has to be approved by SMT

7.2. Infrastructure Expenditure

CAPITAL EXPENDITURE (CAPEX)	COUNCIL	FINCO	FPIITC	VC	COO	DIRECTOR: PROJECT MANAGEMENT
5-Year Medium Term Expenditure (MTEF)	✓	®	®			
Total Annual Infrastructure budget approval (cash flow for year)	✓	®	®			
Award of Infrastructure contracts (Consultants, Contractors & Suppliers)	✓ >R100m	®	®	X ≤R100 million ≥ R10 million	X ≤ R10 million ≥R 1 million	X ≥R 1 million
Expenditure authorisation of Infrastructure projects (Consultants, Contractors & Suppliers) within approved Infrastructure projects	✓ >R100m	®	®	X ≤R100 million ≥R 10 million	X ≤R10 million ≥R 1 million	X ≥R 1 million

X Approves within stated limit.

® Recommends

✓ Approves

7.3. Finance

FINANCE	MINISTER	COUNCIL	ARMC	FINCO	VC	CFO	COO	DISPOSAL COMMITTEE	Centre Manager: CfERI
Annual budget		✓		®		®			
Short term insurance contracts / cover						✓	®		
Group Life Insurance		✓					®		
Acquisition or Sale of Immovable Assets (Land and/or Buildings)	✓	✓				®			
Auditors – appointment / reappointment and fees			✓			®			
Sale or scrapping of Moveable assets	✓	X >R20m ¹			X ≤R20m			X ≤R1m	
Writing off bad debts		X >R10m ¹			X ≤R10m	X ≤R1m			
Writing off stock		X >R20m ¹			X ≤R20m			X ≤R1m	
Choice of Bankers		✓				®			
Open, Operate and Close Bank Accounts (SA & Foreign Banks)						✓			
Appointment of Bank Signatories						✓			
Choice of Investment Managers		✓				®			
Management of Investments						✓			
Loan management	✓	✓				®			
Seed Funding Agreements (CfERI in Upington)									X ≤R50 000

X Approves within stated limit.

® Recommends

✓ Approves

¹ On the recommendation of the FINCO.

7.4. Legal (Excluding Human Resources – table 7.5)

LEGAL	CHAIRMAN OF COUNCIL	V C	COO	Legal Services Office / Registrars Office
Legal Settlements	X*	M ≤R5m	M ≤R2m	δ
Overall General Contractual Period Limitation	X*	M ≤5 years	M ≤3 years	δ
Institute or Defend Procedures in Court (High Magistrate or Small Claims Court) and the settlement of disputes by arbitration or mediation	X*	M ≤R5m	M ≤R2m	δ
Referral to bodies established under Chapter 9 of the Constitution				δ

X* Over R5 million requires Council approval

M Mandates Legal Services Office to negotiate to the maximum value stated.

δ Authorised to conclude within Mandated amounts.

7.5. Human Resources

HUMAN RESOURCES	COUNCIL	Remuneration Committee	Central Appointments Committee	V C	COO	CFO	D V C	REGISTRAR	DEAN / CIO	Heads of Schools	SMT	Director: HR	Staffing & Promotions Committee
Appointment of levels P1 – P3	✓												
Appointment of levels P4 – P6			✓										
Appointment of levels P7 – P18					✓								
Annual Salary Increases (grade P1)		✓			®								
Annual Salary Increases (gr. P2 - P3)		✓		®									
Annual Salary Increases (gr. P4 - P18) including Academic		✓		®	®	®							
Promotions (Academic only)													✓
Salary adjustments				✓	✓		®	®	®	®			
Separations/Terminations				✓	✓								
Settlement Agreements/ Arbitration Awards	X*			M ≤R5m	M ≤R2m							δ	
Review/ Retrenchments	✓			®							®		
Approval for staff development (formal qualifications and informal training)					✓								
Signing of Recognition / Organisational Rights Agreement with Sufficiently Represented / Majority Unions					✓								

M Subject to a mandate being given to the appropriate person in Industrial Relations to negotiate to the maximum value in the table stated above.

X* Over R5 million requires Council approval

® Recommends

δ Authorised to conclude within Mandated amounts.

✓ Approves

NOTE:

- Must be budget compliant
- COO **must** sign all letters with reference to all Human Resources matters mentioned above

7.6. Business / Revenue Generation / 3rd Income Revenue Stream

BUSINESS	COUNCIL	SENATE	FINCO	VC	CFO / DVC / COO	CIO	DEAN	Legal Services Office Approval
Undertaking of any material new business activities, including introduction of new services and discontinuation of existing activities	✓		®	®	®			φ
Opening and Closing of Schools / Faculties	✓	®		®				
Exploitation of Intellectual Property Rights, Brand Names, and Trademarks				X ≤R30m	\$ ≤R10m		✓ R5m	φ
Approval for Externally Funded Work				X ≤R30m	\$ ≤R10m	✓ R5m	✓ R5m	φ
Approval of Research Projects and Contract Budgets				X ≤R30m	\$ ≤R10m	✓ R5m	✓ R5m	φ
Fees and Discount Structures	✓		®		®			
General Revenue not specified above					✓			
Revenue from auctions					✓			

\$ DVC Research approves to R3m

X Approves within stated limit

✓ Approves

® Recommends

φ Applies to ALL Non-standard contracts and Standard contracts with additions/ deletions

8. Conclusion of Contracts

8.1. All business transactions, acquisitions, OPEX or CAPEX transactions:

8.1.1. exceeding R 3 million; or

8.1.2. which present a material risk that needs to be addressed (e.g., intellectual property, health and safety); or

8.1.3. which, in the opinion of any member of the SMT, is deemed to be of importance for another significant reason;

are formalised between the University and the other party by means of an appropriate contract subsequent to the processes described in paragraph 6 below.

8.2. The contract referred to in 8.1 above outlines the business relationships and the interests of both parties and stipulates variables such as monetary obligations and the contract period.

- 8.3. The monetary obligations contained in the foregoing contract are subject to prior approval of the transaction at the appropriate delegation of authority level, which will include, but not be limited to, obtaining quotes/tenders as provided for in terms of paragraph 6 above, appropriate approval as provided for in terms of paragraph 4 above and the tables contained in paragraph 7 above, and ultimately the signing of the contracts as provided for in terms of paragraphs 9 and 10 below.
- 8.4. References to the monetary amounts of all contracts in this DOAD are, unless otherwise stated, deemed to be for the total contract period, and not for only one year.
- 8.5. All contracts must be signed by an authorised University employee, subject to the limits of his/her authority in each case.
- 8.6. In all contracts where the University provides goods or services, the contract price or the fee charged must, at the very least, be sufficient to cover all the University's costs incurred in delivering the services or supplying the goods unless the CFO or the VC permit otherwise.
- 8.7. All research contracts must be lodged with the Director: Research and the Registrar.
- 8.8. All Research contracts are subject to the approval of the responsible DVC or the VC.
- 8.9. The VC or a DVC under whose authority, cooperation with other educational institutions and departments of State falls, may negotiate and conclude, as appropriate and relevant, the Memoranda of Understanding (MOU) pertaining to academic, research or other co-operation with such parties.
- 8.10. Contracts in respect of consulting services must be approved by SMT, in addition to the other requirements stated in paragraph 5.3 above.

9. Standard Contracts

9.1. Principles

A standard contract may not be for a duration longer than 5 (five) years.

9.2. Signing

- 9.2.1. All standard contracts with no amendments (additions or deletions) must be signed by the authorised person as set out in the table in 9.2.3 below.
- 9.2.2. All standard contracts with amendments (additions or deletions) must first be approved by the appropriate line manager. The contract must be referred to the Legal Services Office for scrutiny. The Legal Services Office will indicate its approval by initialling the document, as appropriate.
- 9.2.3. Line Management Contract Signing Authority (this does not relate to approval of the expenditure, only the administrative task of signing the contract):

FOR STANDARD CONTRACTS

Levels	Contract Signing Authority Limit	Maximum Duration of Contract
VC★	All contracts > R100 million	> 4 years
COO★ / CFO★ / DVC★	All contracts ≤ R100 million	≤ 4 years
Registrar/Dean/CIO★	All contracts ≤ R2 million	≤ 3 years
Heads of Schools# / Directors#/ Centre Manager (CfERI)	All contracts ≤ R200 000	≤ 3 years

Should only sign if the substance of the agreement falls within the signatory's area of responsibility after receiving specialist advice on the legal suitability of the contract.

★ The authorised signatory must ensure that he/she receive specialist advice on the legal and technical suitability of the contract. The documentary evidence of such advice must be kept on record together with the original signed copy of the contract.

10. Non-Standard Contracts

- 10.1. Employees may negotiate the terms of an agreement only in co-operation with the Legal Services Office of the University, subject to approval of the appropriate duly authorised employee (see Table in 10.8 below).

- 10.2. No University employee below Grade P5 may negotiate a contract with a third party.
- 10.3. In negotiating contracts, employees should ensure that contracts negotiated with third parties do not bind the University for a period longer than prescribed in terms of the table indicated in 10.8 below.
- 10.4. Careful consideration must be given, where exclusive contracts are to be signed, and negotiators should not bind or restrict any other entity (*i.e.*, school or department) of the University unless the VC or responsible DVC have agreed to such restriction and co-signs the agreement accordingly.
- 10.5. Oral agreements are forbidden in their entirety.
- 10.6. All non-standard draft contracts should be referred to the Registrar or the Legal Services Office for legal verification, comment and advice before signature.
- 10.7. Should any employee ever be in doubt regarding any legal, financial or other implication(s) of a prospective contract, the CFO / COO must be consulted for the necessary guidance and assistance.
- 10.8. Line Management Contract Signing Authority (this does not relate to approval of the expenditure, only the administrative task of signing the contract):

FOR NON-STANDARD CONTRACTS

Levels	Contract Signing Authority Limit	Maximum Duration of Contract
VC★	All contracts > R100 million	> 4 years
COO★ / CFO★ / DVC★	All contracts ≤ R100 million	≤ 4 years
Registrar/Dean/CIO★	All contracts ≤ R2 million	≤ 3 years
Heads of Schools# / Directors# Centre Manager (CfERI)	All contracts ≤ R200 000	≤ 3 years

Should only sign if the substance of the agreement falls within the signatory's area of responsibility after receiving specialist advice on the legal suitability of the contract.

★ The authorised signatory must ensure that he/she receive specialist advice on the legal and technical suitability of the contract. The documentary evidence of such advice must be kept on record together with the original signed copy of the contract.

11. Infrastructure Contracts

11.1. Contracts relating to Infrastructure Expenditure are dealt with in accordance with FPIITC/001: Supply Chain Management of Infrastructure Procurement and Infrastructure Delivery Management.

12. Payments

12.1. General Principles

- 12.1.1. A payment normally represents the final administrative task in finalising a transaction/contract.
- 12.1.2. Payments are effected to creditors according to the credit terms specified in the relevant contract, or such other contractual obligations, business relationships or statutory obligations as may be applicable.
- 12.1.3. Only certain employees are empowered to effect payments. These employees are empowered as “A” and “B” signatories, respectively, as indicated below:

One (1) each of Group A and Group B must sign, Group B signs first, then Group A, or two (2) signatories from only Group A may sign.

GROUP A (SECOND SIGNATORY)

- the Chief Financial Officer
- the Chief Operating Officer
- the Directors: Finance

GROUP B (FIRST SIGNATORY)

- The Senior Managers: Finance

- 12.1.4. The CFO will, from time to time, update a list of “A” and “B” signatories for the University.
- 12.1.5. The University’s Bankers will be notified accordingly and provided with names and specimen signatures of the designated employees as official signatories.

- 12.1.6. All payment instructions must be signed by two (2) signatories:
- One signatory from Group B will sign first as an indication that the required supporting documents have been provided and verified, that such documents represent a legitimate business expense and that payment may be made;
 - One signatory from Group A will sign as final verification and authorisation of payment.
 - Alternatively, two (2) signatories from only Group A may sign.
 - Official payment signatories can never delegate their authorised signing powers.
 - Sufficient proof of the relevant prior expenditure authorisation in terms of this DOAD or stipulations contained in relevant Policies must support all payments.
 - Electronic releases on banking networks protected by personal identification numbers (PIN) in whichever format, are regarded as signatures in terms of this DOAD.

12.2. **Electronic Cash Transfers**

12.2.1 Electronic cash transfer signatories registered on the bank electronic transfer systems for the authorisation of investments with authorised banks, cash transfers to divisions / business units and payment of creditors, will be conducted by the signatories described in 11.1.3 above.

12.2.2 The CFO, or in his/her temporary absence, such duly authorized person acting in his/her position, will always act as the official system administrator for all electronic cash transfer systems (*i.e.*, be responsible for the registration / changing of electronic cash transfer signatories on such systems).

12.2.3 Statutory Payments will also be conducted as electronic transfers described above and comprise the following:

- “Personnel” creditors *e.g.*, Receiver of Revenue, Pension Fund and Medical Aid Fund;
- All other payments made on behalf of the entire University *e.g.*, salaries, tax and levies; and
- Loan repayments and interest on loans.