



UNIVERSITY OF THE  
WITWATERSRAND,  
JOHANNESBURG

## **POLICY DOCUMENT**

# **Title**

**DELEGATION OF AUTHORITY DOCUMENT**

**Version No. 1**



UNIVERSITY OF THE  
WITWATERSRAND,  
JOHANNESBURG

# POLICY DOCUMENT

## CONTENT

|  |           |
|--|-----------|
| <b>1. DEFINITIONS</b> .....  | <b>1</b>  |
| <b>2. POLICY</b> .....   | <b>4</b>  |
| 2.1. GOVERNANCE .....  | 4         |
| 2.2. POLICY STATEMENT .....  | 4         |
| <b>3. POWERS AND DUTIES</b> .....  | <b>5</b>  |
| 3.1. COUNCIL .....   | 5         |
| 3.2. THE EXECUTIVE COMMITTEE (EXCO) .....                                  | 5         |
| 3.3. SENATE .....  | 5         |
| 3.4. UNIVERSITY FINANCE COMMITTEE (FINCO) .....                            | 6         |
| 3.5. STRATEGIC PLANNING AND RESOURCE ALLOCATION COMMITTEE (SPARC) .....    | 6         |
| 3.6. AUDIT COMMITTEE .....   | 6         |
| 3.7. HUMAN RESOURCES COMMITTEE (HRC) .....                                 | 6         |
| 3.8. THE PROCUREMENT COMMITTEES .....                                      | 6         |
| 3.8.1. <i>The Procurement Executive Committee (PEC)</i> .....              | 6         |
| 3.8.2. <i>The Tender Committee</i> .....                                   | 7         |
| 3.8.3. <i>The Committee for Accelerated Procurement (CAP)</i> .....        | 7         |
| 3.9. SENIOR EXECUTIVE TEAM (SET) .....                                     | 7         |
| 3.10. RISK MANAGEMENT COMMITTEE .....                                      | 8         |
| 3.11. COUNCIL RISK COMMITTEE .....   | 8         |
| 3.12. VICE-CHANCELLOR'S OFFICE (VCO) .....                                 | 8         |
| 3.13. OTHER COMMITTEES .....   | 8         |
| <b>4. GENERAL PRINCIPLES</b> .....   | <b>10</b> |
| <b>5. APPROVAL OF CONTRACTS</b> .....                                      | <b>12</b> |
| 5.1. GENERAL PRINCIPLES .....  | 12        |
| <b>6. STANDARD CONTRACTS</b> .....   | <b>13</b> |
| 6.1. PRINCIPLES .....  | 13        |
| 6.2. APPROVAL .....  | 13        |
| <b>7. RESEARCH AND INTELLECTUAL PROPERTY EMANATING FROM RESEARCH</b> ..... | <b>14</b> |
| 7.1. PRINCIPLES .....  | 14        |
| 7.2. AUTHORISATION .....   | 14        |
| <b>8. PROCUREMENT CONTRACTS</b> .....                                      | <b>17</b> |
| 8.1. PRINCIPLES .....  | 17        |
| 8.2. AUTHORISATION .....   | 17        |
| <b>9. PROCUREMENT TENDERS &amp; PURCHASE OF GOODS &amp; SERVICES</b> ..... | <b>18</b> |
| 9.1. TENDERS .....   | 18        |
| 9.2. TENDERS AND QUOTATIONS .....  | 18        |

|                   |   |           |
|-------------------|---|-----------|
| 9.3.              | REQUESTS FOR GOODS / SERVICES .....                             | 18        |
| <b>10.</b>        | <b>NON-STANDARD CONTRACTS .....</b>                             | <b>19</b> |
| 10.1.             | PRINCIPLES .....  | 19        |
| <b>11.</b>        | <b>PAYMENTS.....</b>  | <b>21</b> |
| 11.1.             | AUTHORISATION OF PAYMENTS .....                                 | 21        |
| 11.2.             | RELEASE OF PAYMENTS.....  | 21        |
| <b>12.</b>        | <b>APPROVALS TABLES.....</b>                                    | <b>22</b> |
| 12.1.             | GENERAL PROCUREMENT .....                                       | 22        |
| 12.2.             | CAPITAL EXPENDITURE.....  | 23        |
| 12.3.             | FINANCE .....   | 24        |
| 12.4.             | LEGAL (EXCLUDING HUMAN RESOURCES – TABLE 12.5).....             | 25        |
| 12.5.             | HUMAN RESOURCES.....  | 26        |
| 12.6.             | BUSINESS / REVENUE GENERATION / 3RD INCOME REVENUE STREAM ..... | 28        |
| <b>APPENDIX 1</b> | <b>- BANK ACCOUNT SIGNATORIES .....</b>                         | <b>29</b> |

## 1. DEFINITIONS

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

|   |   |
|---|---|
| <b>Associated Entity</b>  | Any legal entity established to serve the interests of the University or the main objects of which are the same or similar to those of the University and the activities of which are carried out in cooperation with the University.   |
| <b>Bad Debt</b>   | Money, goods or services owing but not economically recoverable.  |
| <b>BEE</b>  | Black Economic Empowerment  |
| <b>BBBEE</b>  | Broad Based Black Economic Empowerment  |
| <b>BM</b>   | Business Manager  |
| <b>Budget Holder</b>  | The person responsible for a Cost Centre and accountable to his/ her immediate superior with regards to its budget.   |
| <b>Buyer</b>  | The person ordering goods/ services on behalf of the University.  |
| <b>Council</b>  | Assembly of persons appointed in terms of the Higher Education Act and the Statutes of the University and constituting the highest governing body of the University   |
| <b>CAP</b>  | Committee for Accelerated Procurement   |
| <b>CAPEX – Capital Expenditure</b>  | Capital Expenditure – Expenditure on a capital item (fixed asset) of more than R100.000 (One hundred thousand Rand).  |
| <b>C F O</b>  | The CFO is appointed by Council to administer and manage the finances of the University subject to the authority of the Vice-Chancellor except where Council has specifically delegated any power, authority or function to him or her.   |
| <b>Cheque Signatory</b>   | An employee who has been nominated and empowered to sign cheques on behalf of the University.   |
| <b>Committee</b>  | Any committee other than VCO, Exco, FinCo. A Committee may make not make a decision binding the University in matters relating to expenditure or revenue or the alienation or acceptance of rights but it may make recommendations to VCO, Exco, or FinCo on such matters. A committee exists apart from its members. |
| <b>Contract</b>   | Any legally enforceable agreement and includes donations and agreements which do not involve the payment of money.  |
| <b>Convocation</b>  | Assembly of graduates of the University.  |
| <b>Cost Centre</b>  | The smallest unit within which revenue and expenditure are reconciled against budget for a programme(s) or project(s) within a department or school.  |
| <b>Creditors</b>  | Suppliers / vendors who are owed money for goods and services provided on credit to the University.   |
| <b>CM</b>   | Category Manager  |
| <b>CM – Legal</b>   | Contracts Manager   |
| <b>Dean</b>   | Head of Academic Faculty  |
| <b>D V C</b>  | Deputy Vice – Chancellor  |
| <b>DVC: Advancement, Human Resources and Transformation (AHRT)</b>                  | A DVC appointed by Council to advance the objectives of the University and manage the human resources services and transformation aspects of the University's needs.  |
| <b>DVC: Knowledge, Information Management Infrastructure and Operations (KIMIO)</b> | A DVC appointed by Council to administer and manage the University's information and communication technology system, the establishment and maintenance of infrastructure, its retail operations, the provision of basic services, security services and library and knowledge management systems.                    |
| <b>DVC: Research and Post-Graduate Affairs (R&amp;PGA)</b>                          | A DVC appointed by Council to administer and manage the University's research and post-graduate activities.   |
| <b>E D</b>  | Executive Director  |
| <b>Employee</b>   | 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.   |
| <b>EXCO</b>   | Executive Committee of Council  |
| <b>FinCo</b>  | University Finance Committee appointed by Council   |
| <b>Goods &amp; Services</b>   | All items (goods) and services of an OPEX, CAPEX or Inventory nature excluding human capital (whether of a permanent, temporary or freelance nature).   |
| <b>H o S</b>  | Head of School (academic)   |
| <b>H o D</b>  | Head of Department (non-academic)   |
| <b>HRC</b>  | Human Resources Committee   |
| <b>IP Contract</b>  | A contract which has as its primary purpose the assignment, licensing or granting of options to (i.e. 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.                                |

|   |   |
|---|---|
| <b>Independent Contractor</b>           | Any provider of services to the University for a particular assignment / project and, if a natural person, who is not an Employee.  |
| <b>IP Committee</b>                     | Intellectual Property Committee, a sub-committee of the URC.  |
| <b>Inventory</b>                        | A detailed list of consumable items, and the corresponding items / stock in hand  |
| <b>Limited Duration Contract Worker</b> | 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 an employee whose contract is not of fixed duration.   |
| <b>Minor CAPEX</b>                      | CAPEX allocated for the purchase of a fixed asset of value less than R100 000 (one hundred thousand Rand)   |
| <b>Negotiate</b>                        | To enter into discussions with another for the purposes of determining the terms and conditions of a proposed contract or other binding arrangement up to the point of, but not including, the conclusion of a contract or other arrangement binding upon the University. Only employees who have been authorised to do so by Council may CONCLUDE a contract or other arrangement binding on the University.   |
| <b>Non-standard Contract</b>            | A non-standard contract is any contract other than a Standard Contract or a Research Contract or an IP Contract   |
| <b>OPEX – Operational Expenditure</b>   | Any expenditure related to any activity, process, discharge of function or performance of an obligation or the like, and is not CAPEX or Minor CAPEX.   |
| <b>Originator</b>                       | Person initiating a requisition to buy goods or services.   |
| <b>Procurement</b>                      | To purchase for the University goods generally and any services supporting the operational requirements of the University other than services otherwise provided for in THIS DOCUMENT and for any associated entity, provided the CFO and the governing body of that associated entity so determine.  |
| <b>PEC</b>                              | Procurement Executive Committee   |
| <b>Research</b>                         | Research is a process of thorough investigation, systematic discovery and, or rigorous analysis that aims to uncover the truth, produce a deeper understanding and, or create new knowledge, which may lead to registerable intellectual property.<br>Research is distinguished from consultancy work which is undertaken by professionals with in-depth and specialised knowledge in a particular field of Research or area of work, using a similar process to solve a specific problem or to give advice in a specific situation or service.   |
| <b>Research Contract</b>                | A contract where the primary purpose is to regulate promoting, encouraging, supporting or conducting Research, including, but not limited to, agreements dealing with: conditions of grant, directed research, non-disclosure, collaboration, material transfer, and may include provisions for ownership or use of intellectual property arising from Research.  |
| <b>Signing</b>                          | Whenever reference is made to an employee signing a contract or other document on behalf of the University only employees who have been authorised to bind the University in terms of THIS DOCUMENT may sign a contract or other document which binds the University unless Council, VC or CFO has in writing specifically authorised a particular employee to sign a contract or other document on its/his/her behalf. A Budget Holder may authorise expenditure and sign the supporting documents in respect of goods and services which fall within the budget provisions for that area of the University business which has been assigned to his or her management and control. |
| <b>SET</b>                              | Senior Executive Team, which is an advisory body to the VC  |
| <b>SPARC</b>                            | Strategic Planning and Resource Allocation Committee  |
| <b>S R C</b>                            | Student Representative Council  |
| <b>Standard Contract</b>                | A standard contract is a contract approved and declared "standard", by the Vice-Chancellor and the Head of Legal Services, and excludes Research Contracts and IP Contracts.  |
| <b>Standard Procurement Contract</b>    | A standard contract specifically drafted for procurement purposes and approved and declared "standard" by the Vice-Chancellor and the Head of Legal Services  |
| <b>Technology Transfer Office</b>       | The intellectual property management and commercialisation office located at Wits Enterprise.   |
| <b>THIS DOCUMENT</b>                    | Delegation of Authority Document  |
| <b>URC</b>                              | University Research Committee, a committee appointed by Council   |
| <b>Vendor</b>                           | A supplier of goods and services.   |
| <b>V A T</b>                            | Value Added Tax   |
| <b>V C</b>                              | Vice-Chancellor and Principal of the University.  |
| <b>V C O</b>                            | Vice-Chancellor's Office, which is an advisory body to the VC.  |

Except to the extent to which the context may otherwise require, this document is construed in accordance with following:

1. Headings are for convenience only and may not be taken into consideration in the interpretation and construction of the document's provisions,
2. Words importing the singular only also include the plural and vice versa where the context requires,
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, any regulations, any public notice or like legislative instrument,
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 University of the Witwatersrand, Johannesburg (the University) is broadly determined by:

- The Higher Education Act 101 of 1997 as amended from time to time;
- The Statute of the University of the Witwatersrand, Johannesburg, as promulgated in GG 23132 15 February 2002 as amended from time to time;
- The King Reports on Corporate Governance for South Africa the first published 1994; the second published 2002 and the third published 2009, and further reports published thereafter.
- The Constitution (with particular reference to Section 16 Freedom of Expression paragraph b) academic freedom) other Legislation and the common law.

The Delegation of Authority Document (THIS DOCUMENT) takes into account the legal and regulatory framework referred to above. Its purpose is to establish a structured, decision-making process within the University. It incorporates the Council Resolutions on Signing Powers.

### 2.2. Policy Statement

#### 2.2.1 Scope of Authority

THIS DOCUMENT defines the scope of authority 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.

An employee in exercising any power or authority granted him or her in terms of THIS DOCUMENT must take into account that the relationship between any employee and his or her employer is a fiduciary relationship. An employee of the University must render his or her services to the University in good faith and in the best interests of the University. An employee's fiduciary duties are owed to the University itself and not to individuals.

#### 2.2.1. Conflict of Interests

An employee of the University must act only in the interests of the University. There should be no conflict between the employee's private interests and those of the University. An employee may not engage in conduct which results in another person's interests being in conflict with those of the University. An employee may not carry on business in competition with the University, use his or her relationship with the University to make a profit or earn a commission unless and until the University has duly authorised such conduct.

An employee must act on behalf of the University with the care and skill that can reasonably be expected from a person with his or her knowledge and experience.

For further details refer to the Conflict of Interest Policy.

---

### 3. POWERS AND DUTIES

#### 3.1. Council

- 3.1.1. Council governs the University in accordance with the provisions of the Higher Education Act as amended from time to time and of the University's Statute as amended from time to time.
- 3.1.2. Council may establish Council committees to perform any of its functions and may appoint persons, who are not members of Council, as members of its committees. It may delegate the authority to exercise certain of its powers to such Council 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.
- 3.1.4. Council may establish and disestablish academic structures.
- 3.1.5. The appointment of the VC, the appointment of any DVC and the appointment of any DVC as Vice-Principal, is subject to the approval of Council.
- 3.1.6. The following actions are subject to the approval of Council
- The adoption of the annual report and the annual financial statements;
  - The appointment of the internal and external auditors;
  - The adoption of the corporate plan and budget;
  - The remuneration of members of the Executive Management;
  - The adoption of any mechanism to monitor the performance of any member of the Executive Management;
  - The determination of student fees;
  - The purchase or sale of immovable property and the conclusion of contracts involving other real rights in immovable property
  - Any variation in borrowing powers of the University;
  - The adoption of rules, regulations, policies, procedures and standing orders;
  - The opening and closing of bank accounts and appointment of bank signatories;
  - The writing-off of bad debts;
  - The management of loans and investments.

#### 3.2. The Executive Committee (EXCO)

- 3.2.1. EXCO performs the functions and exercises the powers granted to it, from time to time, by Council:
- It may authorize the delegation of any of its functions or powers
- 3.2.2. It consists of the following people:
- The Chairman of Council;
  - The Vice-Chancellor and Principal;
  - The Vice-Principal;
  - The Deputy Vice- Chancellors;
  - The CFO;
  - Other members as Council may appoint from time to time.

#### 3.3. Senate

- 3.3.1. The Senate regulates the academic functions of the University, including all teaching, learning, and research, subject to the Higher Education Act, as amended from time to time and the University Statute as amended from time to time, and performs all other functions delegated and assigned to it by Council and is accountable to Council regarding its performance of these academic and other functions.



---

### **3.4. University Finance Committee (FinCo)**

3.4.1. FinCo is a committee of Council and advises it on matters pertaining to the financial affairs of the University, excluding audit matters.

3.4.2. Subject to 3.1.2, FinCo makes recommendations to Council regarding the following matters:

- The approval of the annual budgets of revenue and expenditure;
- The adoption of the Annual Financial Statements;
- The determination of fees to be paid by students;
- The monitoring of the actual versus budgeted income and expenditure;
- The opening and closing of bank accounts and the appointment of bank signatories;
- The writing-off of bad debts;
- The management of loans and investments.

### **3.5. Strategic Planning and Resource Allocation Committee (SPARC)**

3.5.1. SPARC is a Joint committee of Council and Senate and makes recommendations to FinCo, where appropriate.

### **3.6. Audit Committee**

3.6.1. The Audit Committee is responsible only for audit matters and makes recommendation to Council on these matters.

### **3.7. Human Resources Committee (HRC)**

3.7.1. This committee reports directly to Council.

3.7.2. The responsibilities of this committee are:

- The approval of Human Resources (HR) policy relating to all employees;
- 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 policy;
- Overall monitoring and reporting to Council on new appointments, resignations, retirements, promotions and leave granted.

### **3.8. The Procurement Committees**

#### **3.8.1. The Procurement Executive Committee (PEC)**

3.8.1.1. The Procurement Executive Committee reports to the CFO as advised by SET.

Its composition is determined by the VC from time to time and currently consists of the following members:

- Chief Financial Officer (CFO) (Chairperson)
- Deputy Vice-Chancellor (KIMIO)
- Senior Director: Human Resources
- Head of Procurement
- Deans - one representative
- Head of Legal Office
- Heads of School - one representative
- Business Managers - one representative
- Category Managers – one representative

3.8.1.2. The responsibilities of this committee are to:

- Oversee procurement of goods and services
- Monitor procurement processes and identify areas of improvement in procurement processes

- Develop and amend the tender framework and evaluation criteria

3.8.1.3. In circumstances where a successful tenderer must invest in capital goods in order to perform its obligations under that contract and it is more economical to amortize such goods over a period longer than 3 (three) years, being the maximum period otherwise allowed under THIS DOCUMENT, then the VC or his nominee, after consulting with the CFO, may extend the contract period to a maximum five years.

### **3.8.2. The Tender Committee**

3.8.2.1. The Tender Committee considers and approves, if appropriate, the award of any and all tender or procurement contracts with an estimated valued in excess of R1m (one million rand). It reports approval or rejection of tenders or contracts to the Procurement Executive Committee.

3.8.2.2. Members of the Committee, other than the ex-officio members are appointed by the VC on advice from VCO and SET. A quorum is six (6) voting members of the Committee.

3.8.2.3. The ex-officio voting members of the Tender Committee are: the Head of Procurement, the Head of Legal, the CFO, the DVC (KIMIO) and the DVC (Research and Post Graduate Affairs) or their representatives.

3.8.2.4. The term of office is three (3) years for the Academic representatives and can be renewed for a further term by the VC.

### **3.8.3. The Committee for Accelerated Procurement (CAP)**

3.8.3.1. The CAP reports to the VC or his or her nominee. It is composed of

- A DVC appointed by the VC
- The CFO
- The Head of Legal Services

3.8.3.2. Any decision requires the support of two (2) members of the Committee.

3.8.3.3. In extraordinary circumstances it may be in the best interests of the University that an accelerated and abridged process is followed in procuring a particular item or service. An employee who wishes to use an accelerated and/or abridged process for procuring any item or service must apply to the CAP committee in writing, setting out the grounds upon which he or she considers that the best interests of the University justify the use of such process. Such grounds include, but are not limited to, acts of necessity to avert harm or where there is only a single supplier of suitable goods or services of the required quality, and artistic works.

3.8.3.4. If the total value of the goods and services to be acquired is R1m (one million rand) or less, the authority for approving the written application for such goods and services is delegated to the SET member in the same reporting line as the requestor.

3.8.3.5. All such referrals must be supported by a proposed contract, the provisions of which have been approved by the Head: Legal Services.

3.8.3.6. The total value of any order for goods and services approved by the CAP may not exceed the limits of authority of the VC, as set out in THIS DOCUMENT.

## **3.9. Senior Executive Team (SET)**

3.9.1. The composition of the Senior Executive Team (SET) is determined by the VC from time to time, and currently consists of the following officers of the University:

- the Vice-Chancellor
- the Deputy Vice-Chancellors
- the Registrar
- the CFO
- the Deans of Faculties
- the Dean of Students

3.9.2. The Vice-Chancellor and Principal 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 Vice-Chancellor and Principal.

3.9.3. The Vice-Chancellor and Principal is the Chairperson of SET.

3.9.4. A member of SET is an officer of the University and holds a position of authority, power and responsibility within the University.

- 3.9.5. SET may advise any member of SET 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.
- 3.9.6. SET, under the direction of the Vice-Chancellor and Principal may make recommendations to the Vice-Chancellor and Principal on the exercise of the powers of management by him or her or by any employee of the University to whom any of the powers of management have been delegated.
- 3.9.7. SET decides on any matter before it on the basis of sufficient consensus, as determined by the Chair.

### **3.10. Risk Management Committee**

The Committee is comprised of the CFO, who is the Chairperson, the DVC (KIMIO), the DVC (AHRT), the DVC (Research and Post Graduate Affairs), the Deans, one representative of the HOSSs, the Head of Occupational Health and Safety and the Head of the Legal office. The Risk Management Committee coordinates the risk assessment reports from the faculties and divisions within the University and manages the risks of the University in accordance with best practice.

### **3.11. Council Risk Committee**

This Council Risk Committee is required to submit a risk management report to Council three times a year. This report records the top twenty risks facing the University and any risk developments and losses and damages suffered by the University during the reporting period.

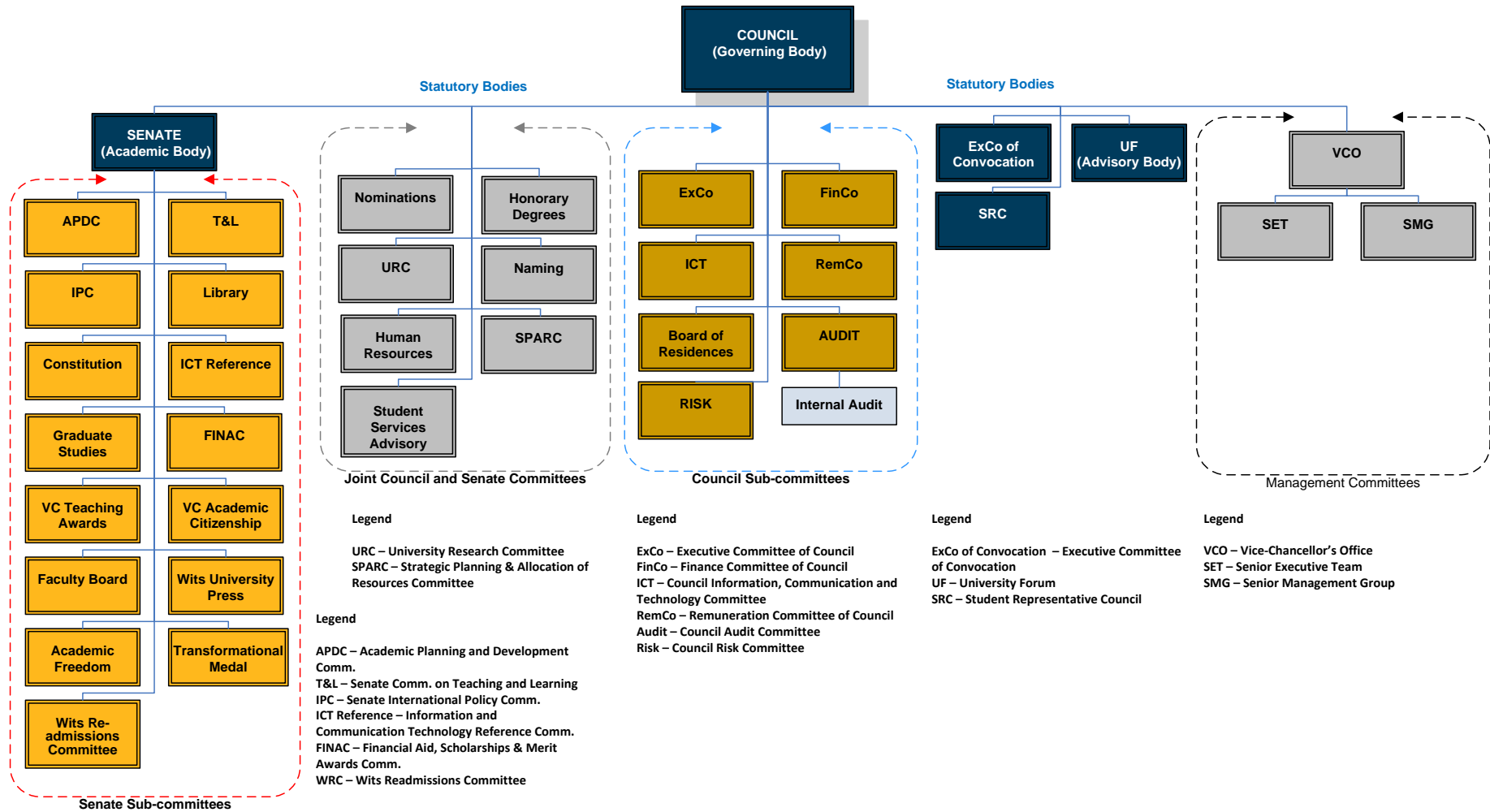
### **3.12. Vice-Chancellor's Office (VCO)**

- The composition of the Vice-Chancellor's office is determined by the VC from time to time, and currently consists of
  - The Vice-Chancellor;
  - The Deputy Vice-Chancellors;
  - The Registrar;
  - The CFO;
  - The Dean of Students.
- The VC, or his nominee for the time being, is Chair of VCO.
- VCO provides a strategic overview of current matters to the VC.
- VCO, acting through a nominee of the VC, exercises the rights and carries out the duties of the University in its capacity as member, trustee, beneficiary or otherwise interested party, as provided in the founding documents of its associated entities.

### **3.13. Other Committees**

A committee is a body appointed by the University to carry out a particular function or functions. It cannot take decisions on behalf of the University unless it is specifically empowered by Council to do so. It may however provide advice to the University through an employee authorized to act on behalf of the University in terms of THIS DOCUMENT and carry out functions which have been approved by an employee authorized to act on behalf of the University in terms of THIS DOCUMENT.

# Governance Structure of Council and Senate



#### 4. GENERAL PRINCIPLES

- 4.1. Any reference to a monetary value includes the prevailing rate of VAT at the effective date.
- 4.2. Only the VC, in consultation with the CFO and subject to the Higher Education Act No 101 of 1997 as amended from time to time, may decide upon financial matters and approve or conclude transactions with a value greater than R5m (five million rand) up to a maximum of R60m (sixty million rand) except with reference to revenue generating matters as specified in 12.6 Any financial matter or transaction of a value greater than R60m (sixty million rand) must be referred to FinCo for its consideration and recommendation to Council. No financial matter or transaction of a value greater than R60m (sixty million rand) may be decided upon, or approved or concluded without the approval of Council.
- 4.3. 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 or employees to which it has delegated such powers.
- 4.4. The Council may confirm, ratify, vary or revoke any decision taken by an employee, subject to any rights that may have become vested as a consequence of the decision.
- 4.5. Only Council, EXCO and the VC within the limits of their authority as described within THIS DOCUMENT may authorise the delegation of authority:
  - Such delegation must be:
    - In writing;
    - Is subject to the policies, directives and conditions that the Council or EXCO or the VC may from time to time prescribe; and
    - Must include such further limits and conditions as may be necessary to ensure good governance and controls with regard to the exercise of such powers.
- 4.6. The VC is responsible for the management of all delegations and authorisations granted in terms of 4.5 and must institute such measures as may be reasonably required to ensure that the officers and employees who act in terms of such delegation act:
  - Lawfully;
  - Within the scope of their powers and authorisation;
  - In terms of internal policies and procedures approved by the Council or other Committee;
  - In compliance with any directives and policies by Council; and
  - In accordance with the University Statute.
- 4.7. Any employee who 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.
- 4.8. Authority levels applicable to a specific position will also apply to any individual who has been appointed in writing to act temporarily in such a position for a specific period. This excludes the signing of cheques.
- 4.9. An employee must exercise the authority delegated to him/her in the interests of and for the benefit of the University, as more fully described in 2.2 above.
- 4.10. No delegation of authority may be exercised in contravention of the University's rules and procedures.
- 4.11. Only Council may ratify a retrospective delegation of authority or any delegation of authority not in compliance with THIS DOCUMENT.
- 4.12. Authority may not be delegated to non-employees, consultants and independent contractors.
- 4.13. A limited duration contract worker will be empowered on the same basis as any other employee in the same post as outlined in this framework.
- 4.14. No employee may approve University expenditure which benefits him/ her directly. In such instances, the authority to approve such expenditure automatically moves to the next higher level or above.
- 4.15. Limits refer to the Rand value of the amount authorised on the date of approval.

- 4.16. In determining the amount of the authority levels all interlinked transactions must be taken into account. No employee may split an invoice or project cost in order to evade compliance with the provisions of THIS DOCUMENT. If an employee has any doubt regarding the meaning/ application of this paragraph, he/ she must consult his/her line manager, Director: Legal Services, the Registrar or CFO.
- 4.17. Price increases, exchange rate fluctuations, and other variables may affect the actual value of a transaction relative to the value of that transaction at the time of approval.
- Any variation, at any time during the period of a contract, in a transaction value which has the effect of taking the transaction value above the level for which the relevant employee has the authority to approve, must be referred to the next appropriate level of decision making.
- 4.18. Decisions / approvals may only be made at the relevant empowered level. Employees/ forums/ committees may, however, consider transactions of a financial magnitude higher than their decision-making authority and make recommendations for rejection or approval to the empowered decision-making level.
- 4.19. Any amendment to THIS DOCUMENT will be effective immediately from the date of approval by Council, unless Council has stipulated otherwise.
- 4.20. The Approval Tables are contained in 11 below.

## 5. APPROVAL OF CONTRACTS

Only employees who have been duly authorised to act on behalf of the University may bind the University and then only within the limits of authority set out in THIS DOCUMENT and in accordance with the Rules of the University. When an employee approves or signs a contract or other document, the employee warrants that he is duly authorised to act on behalf of the University in doing so.

### 5.1. General Principles

- 5.1.1. All material deals, acquisitions, OPEX or CAPEX transactions and ad hoc business deals are formalised between the University and the other party by means of an appropriate written contract.
- 5.1.2. The contract outlines the business relationships, takes care of the interests of both parties and stipulates variables such as the obligations relating to payment, delivery of goods and services and the contract period.
- 5.1.3. The monetary obligations contained in the contract are always subject to prior approval of the transaction at the appropriate delegation of authority level (in terms of Section 4 above).
- 5.1.4. References to contract monetary values in Sections 6 and 7 below are always for the **total** contract period, and **not** for only one year.
- 5.1.5. Any references to the monetary value of a contract or procurement transaction means the total value of all of the elements of the transaction taken together and not the individual line items reflected in an order or invoice.
- 5.1.6. All contracts must be signed by an authorised University employee, subject to the limits of his/her authority.
- 5.1.7. In all contracts other than Research 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. Fees charged in respect of Research Contracts must be in compliance with the University's prevailing Policy on Cost Recovery.
- 5.1.8. All Standard and Non-Standard Contracts must be lodged with the Legal Office. Research Contracts must be lodged with the Director: Research Office. IP Contracts are dealt with and lodged at the Technology Transfer Office.
- 5.1.9. All Research contracts are subject to the approval of the DVC: Research and Postgraduate Affairs or the VC. The VC or the DVC: Research and Postgraduate Affairs, subject to any agreements entered into between the University and Wits Enterprise, Wits Health Consortium, Wits Donald Gordon Medical Centre or any other legal entity established by the University (associated entities) and the limitations of authority imposed in terms of THIS DOCUMENT, may appoint an officer of any such associated entity to conclude agreements for research on behalf of the University.
- 5.1.10. Only the DVC under whose authority cooperation with other educational institutions and departments of state falls, and the VC may negotiate and conclude Memoranda of Understanding (MOU).
- 5.1.11. For the purpose of clarity THIS DOCUMENT divides contracts into five (5) categories, namely:
  - 5.1.11.1. Standard Contracts (Clause 6);
  - 5.1.11.2. Research and Intellectual Property emanating from Research (Clause 7);
  - 5.1.11.3. Procurement Contracts (Clause 8);
  - 5.1.11.4. Procurement tenders and purchase of goods and services (Clause 9); and
  - 5.1.11.5. Non-standard Contracts (Clause 10).

## 6. STANDARD CONTRACTS

### 6.1. Principles

- 6.1.1. A standard contract may not endure for longer than 3 years unless jointly approved by the VC and CFO.

### 6.2. Approval

- 6.2.1. All standard contracts with no amendments (additions or deletions) other than standard procurement contracts are approved and signed by the Line Management as set out in this document in table 6.2.3.

- 6.2.2. All standard contracts with amendments (additions or deletions) must first be approved by the appropriate Line Manager and a legal advisor in the Legal Office. The Contract must be referred to:

- Assistant Legal Advisor (contract value up to R0.25m)
- Legal Adviser (contract value up to R0.5m)
- Senior Legal Adviser (contract value up to R1m)
- Head of Legal Services (no limit)

The legal adviser concerned will indicate his/her approval by initialling the document.

- 6.2.3. Line Management Contract Signing Authority:

#### FINANCIAL LIMITS FOR STANDARD CONTRACTS

| Levels  | Contract Approval Authority      | Maximum Duration |
|---|----------------------------------|------------------|
| VC (in consultation with the CFO)   | All contracts up to <b>R60m</b>  | ≤ 5 years        |
| CFO #   | All contracts up to <b>R30m</b>  | ≤ 3 years        |
| DVC #   | All contracts up to <b>R5m</b>   | ≤ 3 years        |
| Deans # Registrar #   | All contracts up to <b>R2m</b>   | ≤ 3 years        |
| Two most senior deputies to the CFO #<br>Head of School; Business Manager # | All contracts up to <b>R0.5m</b> | ≤ 3 years        |

Any contracts greater than R60m or for a period longer than 5 years must be referred to Council for approval. The Chairman of Council, Deputy Chairman and Chair of FINCO upon referral from the VC will authorise him to sign.

\* The DVC / a Dean may apply stricter financial limits.

# Should only sign if the substance of the agreement falls within the signatory's area of knowledge and experience.

NOTE: The VC / CFO may increase the financial limits for standard contracts, subject to the approval of ExCo.



## 7. RESEARCH AND INTELLECTUAL PROPERTY EMANATING FROM RESEARCH

### 7.1. Principles

- 7.1.1. Research Contracts
- 7.1.1.1. take many forms; some are listed in this clause 7 and in the definition (clause 1 above) but are not limited to this list and clause 7, but are for illustrative purposes: material transfer agreement, non-disclosure agreement, contract funding agreement, conditions of grant, collaboration agreement, data sharing agreement, protection of intellectual property, etc.
- 7.1.1.2. are meant to enable research projects to be undertaken by individuals or groups of collaborating researchers from one (1) or more research institutions or other organisations, including the University.
- 7.1.1.3. do not always have a monetary value, for example a non-disclosure agreement, collaboration agreement. However the risk to the University that arises from taking part in a Research Contract is in relation to the reputational risk and consequent potential for reputational damage, more than financial risk. Reputational damage arises when the work undertaken does not comply with the legal obligations set out in the Research Contract and/or the principles of research integrity (including ethical research) which are not complied with and/or when promised outcomes are not forthcoming and/or when timelines are not met.
- 7.1.1.4. duration may vary from a limited number of days to several years.
- 7.1.2. IP Contracts
- 7.1.2.1. typically involve no financial or other resource commitment on the part of the University;
- 7.1.2.2. are intended to yield a revenue stream to the University, however the revenue stream is typically dependent on the third party's progress in commercialising the intellectual property licensed and it is then not possible to place a reliable upfront financial dimension to it;
- 7.1.2.3. therefore typically impose no financial risk, but there may potentially be reputational and legal risk if any warranties are included; and
- 7.1.2.4. duration is typically for several years, for example 20 (twenty) years in the case of a licence for a patent.
- 7.1.3. IP
- 7.1.3.1. arises from Research, can be protected by means of registration of the intellectual property, for example patents, designs, plant breeder's rights;
- 7.1.3.2. registration incurs costs, which increase as the registration process progresses; and
- 7.1.3.3. may or may not be licenced or assigned for a consideration, and where this is not successful a decision may be made to abandon the intellectual property to avoid incurring further costs.
- 7.1.4. Each Research contract, IP contract and decision regarding registration of intellectual property must be dealt with according to the authorisation detailed below

### 7.2. Authorisation

#### Research Contracts:

- 7.2.1 All Research Contracts must be reviewed by a Legal Advisor in the Research Office and logged into the appropriate legal matter database before authorisation by line management. Any non-standard intellectual property clauses conferring rights to intellectual property emanating from the research to an outside party must be referred to the Technology Transfer Office for review prior to approval.
- 7.2.2. After a Research Contract has been executed fully and has been signed by the authorised line manager and external party then one (1) original copy must be filed by the Legal Adviser in the appropriate legal matter database (see above) and lodged in the University registry.
- 7.2.3 The Legal Adviser concerned will indicate his or her approval of the Research Contract ready for authorisation by initialling and dating the document.
- 7.2.4 Research Contracts may be entered into on behalf of the University by Wits Enterprise, Wits Health Consortium, Wits Donald Gordon Medical Centre or any other legal entity established by the University (and associated entities) in terms of such entity's shareholder's compact, subject to approval by such line management as may be required to commit resources in order to deliver on the contract.

7.2.5 The Line management contract signing authority is shown below in 3 (three) different tables, 1 (one) for each type of Research Contract, namely:

- **Collaborative research agreements**, are those where there is an intention to exchange information and/or work together but where no funds explicitly change hands, including but not limited to, material transfers, data sharing, non-disclosure, collaborative research;
- **Financial commitment research agreements** where the University is required to invest or co-invest (direct or in-kind) in the research project, for example where funding is below the full cost as per the University's Policy on Cost Recovery;
- **Funded research agreements** where individual researchers or groups of researchers undertake to perform high quality and ethical research in the name of the University where there is funding provided by a third party, where such funding at least meets the University's Policy on Cost Recovery;

7.2.6 At the time of the authorisation by signature of the line management, the classification of the Research Contract into one (1) of these three (3) categories must be recorded and briefly motivated in writing which will accompany the relevant contract.

#### COLLABORATIVE RESEARCH AGREEMENTS

| Management Level   | Duration of Collaboration / Research Contract |
|--|---|
| VC (in consultation with the DVC R&PGA)  | > 10 years                                    |
| DVC-R&PGA (in consultation with the Deans)                                     | ≤ 10 years                                    |
| Deans / University group entities (in consultation with the heads of Schools)  | ≤ 5 years                                     |
| Head of School / Director of Centre/Institute (in consultation with the Deans) | ≤ 1 year                                      |

#### FINANCIAL COMMITMENT RESEARCH AGREEMENTS

| Management Level   | Value of Wits Effective Financial Commitment  | Total Value of project | Duration of Research Project / Research Contract |
|--|---|------------------------|--|
| Council  | R 60 million  | R 60 million           | n.a.   |
| VC (in consultation with the DVC R&PGA)                          | ≤ R 60 million  | ≤ R 60 million         | > 10 years                                       |
| DVC-R&PGA (in consultation with the Deans)                       | ≤ R 30 million  | ≤ R 30 million         | ≤ 10 years                                       |
| Deans (in consultation with the Heads of Schools)                | ≤ R 5 million   | ≤ R 5 million          | ≤ 5 years  |
| Director of Research Office (in consultation with the DVC R&PGA) | Only in the case of budgeted co-investments for local statutory funding agencies (e.g. NRF) |                        | ≤ 3 years  |

#### FUNDED RESEARCH AGREEMENTS

| Management Level  | Value of contract | Duration of Research Project/ Research Contract |
|---|-------------------|---|
| Council   | R 60 million      | n.a.  |
| VC (in consultation with the DVC R&PGA)   | ≤ R 60 million    | 10 years  |
| DVC-R&PGA (in consultation with the Deans)  | ≤ R 30 million    | ≤ 10 years                                      |
| Deans (in consultation with the heads of Schools)   | ≤ R 5 million     | ≤ 5 years                                       |
| Head of School/Director of Centre/Institute / Director of Research (in consultation with HoS)         | ≤ R 1 million     | ≤ 3 years                                       |
| As per 7.2.3 above, University group entities are authorised in terms of their shareholder's compact. |                   |   |

**IP Contracts:**

7.2.7 IP contracts are negotiated and prepared for execution by the Technology Transfer Office, in accordance with the mandate provided through the shareholder's compact with Wits Enterprise and the University's prevailing IP Policy. In certain cases the agreement may be subject to approval of the National Intellectual Property Office (established by means of the Intellectual Property Rights from Publicly Financed Research and Development Act of 2008) which approval will be applied for and facilitated by the Technology Transfer Office.

7.2.8 The Line management contract signing authority is shown below in respect of IP contracts:

**INTELLECTUAL PROPERTY AGREEMENTS**

| Management Level                          | Location of inventors | Duration of the IP Contract |
|---|-----------------------|-----------------------------|
| VC  | Any                   | ≤ 30 years                  |
| DVC-R&PGA (in consultation with the VC)   | More than one faculty | ≤ 20 years                  |
| Dean (in consultation with the DVC R&PGA) | All in one faculty    | ≤ 20 years                  |

**IP management**

7.2.9 IP is managed by the Technology Transfer Office, in consultation with the creators of said IP, and where relevant the IP Committee. IP Committee decisions are informed by recommendations made by the Technology Transfer Office.

7.2.10 The decision making authority is shown below in respect of IP management:

**INTELLECTUAL PROPERTY MANAGEMENT**

| Management Level           | Stage of Registration process   |
|----------------------------|---|
| IP Committee               | National phase applications <sup>1</sup><br>Abandoning registration in one or more territories  |
| Technology Transfer Office | Filing provisional applications, Patent Co-operation treaty applications.<br>Filing convention applications where the cumulative cost of such applications does not exceed R120,000.00 (one hundred and twenty thousand rands)<br>All other prosecution actions up to national phase filing |

<sup>1</sup> National phase applications are the applications made post the Patent Co-operation Treaty application, in each foreign country, where a material portion of the budget allocated to IP registration may be impacted.

## 8. PROCUREMENT CONTRACTS

Subject to the provisions of section 3.8 above the procurements of Goods and Services must comply with the provisions of this clause 8.

### 8.1. Principles

- 8.1.1. The duration of a procurement contract may not be for a period longer than 3 years unless jointly approved by the VC and CFO.

### 8.2. Authorisation

- 8.2.1. All standard procurement contracts with no amendments (additions or deletions) may be authorized and signed as set out in THIS DOCUMENT in table 8.2.2.

- 8.2.2. All standard procurement contracts with amendments (additions or deletions) must first be approved by a legal advisor of an appropriate level of authority and the head of procurement. The Contract must be referred to

- Legal Adviser : Contracts & Category Manager & Head of Procurement (contract value up to R0.5m)
- Head: Legal Services & Head of Procurement (contract value up to R2m)
- Head: Legal Services, Head of Procurement & CFO (contract value up to R30m)
- Head: Legal Services, Head of Procurement, CFO & VC (contract values above R30m)

The legal adviser concerned will indicate his or her approval by initialling the document.

Any other procurement contract is categorised as a non-standard contract and is dealt with in accordance with section 8 of THIS DOCUMENT.

- 8.2.3. Line Management Contract Signing Authority:

#### FINANCIAL LIMITS FOR STANDARD PROCUREMENT CONTRACTS

| Levels   | Contract Approval Authority      | Maximum Contract |
|--|----------------------------------|------------------|
| VC (in consultation with the CFO)                            | All contracts up to <b>R60m</b>  | ≤ 5 years        |
| CFO  | All contracts up to <b>R30m</b>  | ≤ 3 years        |
| DVC #  | All contracts up to <b>R5m</b>   | ≤ 3 years        |
| Two most senior deputies to the CFO; #<br>Business Manager # | All contracts up to <b>R0.5m</b> | ≤ 3 years        |

Any standard procurement contracts greater than R60m or for a period longer than 5 years must be referred to Council for approval. The Chairman of Council, Deputy Chairman and Chair of FINCO upon referral from the VC will authorise him to sign.

\* The DVC/ a Dean may apply stricter financial limits.

# Should only sign if the substance of the agreement falls within the signatory's area of knowledge and experience.

NOTE: The VC/ CFO may increase the financial limits for standard procurement contracts, subject to the approval of ExCo.

## 9. PROCUREMENT TENDERS & PURCHASE OF GOODS & SERVICES

Procurement of goods and services must be effected in accordance with the Procurement Policy of the University

### 9.1. Tenders

Any procurement of goods or services, the total contract values of which exceed R1m (one million rand) must be put out to tender in accordance with the University Policy on Tenders.

### 9.2. Tenders and Quotations

9.2.1. Whenever a request for goods or services is identified, completed quotations are required for the order as indicated in the table below.

| Value of Goods and Services | Minimum Number of Quotes required |
|-----------------------------|-----------------------------------|
| Up to R20 000               | 1                                 |
| R20 001 – R100 000          | 2                                 |
| R100 001 – R1 000 000       | 3                                 |
| R1 000 001 – R5 000 000     | Tender – Closed or Open           |
| More than R5 000 000        | Tender – Open                     |

9.2.2. The requisitioner may opt to obtain the quotes him/herself, in the case of specialized goods in his/her area of expertise. In all other cases, the requisitioner must forward the request to the Buyer. The Buyer will obtain the necessary quotes and refer the request and quotes to the requisitioner's Line Manager for approval.

9.2.3. In the case where a specialized item is to be purchased, and there are less than 3 vendors from which to source the item, and the value of the item is within the cost range for which it is sufficient to obtain quotes then 1 or 2 quotes may be used, provided it is justified and approved by the HoS. If the value of the item exceeds that cost range then the purchase of the item must be referred to the CFO and its purchase is subject to his or her approval.

9.2.4. Where there is a master contract in place with a supplier to supply goods and provided the total value of the order for items to be purchased is below R1m, then and only then are no quotations required and the item may be purchased from the contractor subject to the terms of the master agreement.

### 9.3. Requests for Goods / Services

9.3.1. The requisitioner will initiate the request for the purchase of goods and services in the appropriate form. The requisitioner may **never** approve his/her request which is for his/her own direct benefit.

9.3.2. All requests are subject to the approval of the next senior level.

9.3.3. All requests are subject to the approval of the budget holder unless the budget holder is the initiator.

9.3.4. The request must follow the approval hierarchy until no further approval is necessary. It will then be forwarded to the buyer (see table 12.1) for ordering.

9.3.5. A buyer may not conclude the purchase unless and until the authorized approver has approved the request for the purchase of the goods or services.

9.3.6. Purchases of goods and services must be effected in terms of a written contract except in the cases of professional services to be rendered and the terms and conditions are determined by practice (legal and medical). In addition to the processes of approval set down elsewhere in THIS DOCUMENT; maintenance, catering and transport contracts are subject to the specific approval of the Directors of Property and Infrastructure Management Division and Services Division respectively. For all other contracts see sections 6 to 8 above.

## 10. NON-STANDARD CONTRACTS

### 10.1. Principles

- 10.1.1. Employees may negotiate the terms of an agreement, subject to approval of the appropriate duly authorised employee (see table 10.1.11 below)
- 10.1.2. No University employee below Grade 7 may **negotiate** a contract with a third party. Employees at Grade 7 level may negotiate contracts up to a total value of R0.25m (two hundred and fifty thousand rand) and a maximum of a one-year period subject to the approval of his/her Line Manager
- 10.1.3. Employees other than those specifically authorised to do so in terms of THIS DOCUMENT may not negotiate contracts with third parties which contracts endure for a period longer than one year. Such contracts may contain a provision allowing them to continue after the initial one-year period until terminated by either party to the agreement with written notice of no longer than three months.
- 10.1.4. In all other cases, contracts may be negotiated by employees with the necessary signing authority as stipulated in 6.2.3 above.
- 10.1.5. No contract may be for a period of longer than 3 years unless jointly approved by the VC and CFO or as stipulated in 3.8.2 above.
- 10.1.6. Exclusive contracts may only be concluded in exceptional and compelling circumstances and where it binds or restricts more than one school or department or other unit of the University its conclusion is subject to the approval of the DVC (Academic) or DVC (Research) or the DVC (AHRT) or the CFO and who co-signs the agreement together with:
- Assistant Legal Adviser (contract value up to R0.25m)
  - Legal Adviser (contract value up to R0.5m)
  - Deputy head of Legal Services (contract value up to R2m)
  - Head of Legal Services (No limit)
- 10.1.7. Members of the SRC, **subject** to the provisions of the SRC constitution may negotiate but not conclude contracts for the delivery of services which fall within the SRC areas of authority provided that the total value of the contract does not exceed R20 000 (twenty thousand rand) and subject to the approval of a duly authorised employee of the University. The provision of 9.1.1 to 9.1.6 applies *mutatis mutandis* to members of the SRC insofar as their powers have not been further limited by the provisions of this clause 9.1.7
- 10.1.8. Verbal agreements are forbidden in their entirety.
- 10.1.9. All non-standard draft contracts should be referred to the following officials for legal verification, comment and advice before signature:
- Assistant Legal Adviser (contract value up to R0.25m)
  - Legal Adviser (contract value up to R0.50m)
  - Senior Legal Adviser (contract value up to R2m)
  - Head of Legal Services (No limit)
- 10.1.10. Should any line employee ever be in doubt regarding any legal implication(s), Legal Services must be consulted for the necessary legal guidance and assistance.
- 10.1.11. Line Management Contract Approval Authority:

---

**FINANCIAL LIMITS FOR NON-STANDARD CONTRACTS**

| <b>Levels</b>   | <b>Contract Approval Authority</b> | <b>Maximum Contract Period</b> |
|---|------------------------------------|--------------------------------|
| <b>VC</b> (in consultation with the CFO)  | All contracts up to <b>R60m</b>    | ≤ 5 years                      |
| <b>CFO</b>  | All contracts up to <b>R30m</b>    | ≤ 3 years                      |
| <b>DVC #</b>  | All contracts up to <b>R5m</b>     | ≤ 3 years                      |
| <b>Deans # Registrar #</b>  | All contracts up to <b>R2m</b>     | ≤ 3 years                      |
| <b>Two most senior deputies to the CFO; # Head of School # Business Manager</b> | All contracts up to <b>R0.5m</b>   | ≤ 3 years                      |

Any non-standard contracts greater than R60m or for a period greater than 5 years must be referred to Council for approval. The Chairman of Council, Deputy Chairman and Chair of FINCO upon referral from the VC will authorise him to sign.

\* The DVC/ a Dean may apply stricter financial limits.

# Should only sign if the substance of the agreement falls within the signatory's area of knowledge and experience.

**NOTE:** The VC and CFO may increase the financial limits for non-standard contracts, subject to the approval of ExCo.

## 11. PAYMENTS

### 11.1. Authorisation of payments

- 11.1.1. The general principle is that expenditure should be authorised by a person/(s) with the appropriate levels of authority against the approved contract or quote. To this end, the electronic financial procure to pay process has been set up so that the delegated levels of authorisation are built into the approval process at Purchase Order approval stage. The system driven procure to pay process does not necessitate additional authorisation of invoices. More information can be found in the financial policies and procedures.
- 11.1.2. In cases where there is no approved contract or quote, as required by 11.1.1, there will be certain individual invoices that must be approved for payment. Examples of such invoices are those that must be approved for payment in the circumstances set out in 9.3.6. This is also relevant for invoices received by a department relating to utilities, telephone, rental, maintenance and capital work in progress related expenditure. The maximum approval levels are set out below:

| LEVELS                         | INVOICE APPROVAL AUTHORITY |
|--------------------------------|----------------------------|
| Budget holder (A)              | R0.2m                      |
| Financial Managers             | $\gamma$ *R0.5m            |
| Budget Holder (HoS/HoD)        | $\gamma$ *R0.5m            |
| B M / Senior Financial Manager | $\beta$ *R1m               |
| Dean                           | $\beta$ *R2m               |
| Registrar                      | $\beta$ *R2m               |
| DVC                            | R5m                        |
| CFO #                          | R30m                       |
| VC $\alpha$ *                  | R60m                       |

*\* These Levels do not apply to signing of the underlying contract. They may authorise the procurement which is put into effect by the underlying contract.*

$\alpha$ \* = In consultation with the CFO

$\beta$ \* = Only for authorised Faculty or Procurement

$\gamma$ \* = Only for authorised Cost Centres. In certain instances, the DVC/ Dean may apply stricter financial limits

# Should only sign if the substance of the invoice falls within the signatory's area of knowledge and experience.

### 11.2. Release of Payments

- 11.2.1. A payment normally represents the final administrative task in finalising a transaction/deal.
- 11.2.2. Payments are effected to creditors according to the credit terms applicable, contractual obligations, other business relationships or statutory obligations.
- 11.2.3. Only certain employees are empowered to effect payments. These employees are empowered as "A" and "B" signatories, respectively (see Appendix 1)
- 11.2.4. The CFO will update a list of "A" and "B" signatories for the University, from time to time, and obtain the necessary approval.
- 11.2.5. The bank will be notified accordingly and provided with names and specimen signatures of the nominated employees as official signatories.
- 11.2.6. All payment instructions to the bank must be signed by 2 signatories.
- 11.2.7. Official signatories may **never** delegate their authorised signing powers.
- 11.2.8. Sufficient proof of the relevant prior expenditure authorisation in terms of the THIS DOCUMENT or stipulations on the relevant Governing Policies must support all payments.



## 12. APPROVALS TABLES

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

**Note:**

- 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 procedures;
- In the event of any conflict between THIS DOCUMENT and any other University policy, THIS DOCUMENT will prevail;
- The amounts in the tables refer to a line item;
- Purchases may ONLY be approved, if there is budget available.

### 12.1. General Procurement

**EXCEPT AS OTHERWISE PROVIDED IN THIS DOCUMENT.**

| GENERAL PROCUREMENT            | GOODS AND SERVICES |
|--------------------------------|--------------------|
| Legal office approvals         | φ                  |
| Budget holder (A)              | γ*R0.2m            |
| Budget Holder (HoS/HoD)        | γ*R0.5m            |
| Financial Managers             | γ*R0.5m            |
| B M / Senior Financial Manager | β*R1m              |
| Dean                           | β*R2m              |
| Registrar                      | R2m                |
| DVC                            | R5m                |
| CFO                            | R30m               |
| VC α*                          | R60m               |
| FinCo                          | R100m              |
| Council                        | > R100m            |

**\* None of these employees may sign the underlying contract. They may authorise the procurement which is put into effect by the underlying contract.**

**X** = Approves within stated limit.

**α\*** = In consultation with the CFO

**β\*** = Only for authorised Faculty or Procurement

**γ\*** = Only for authorised Cost Centres. In certain instances, the DVC/ Dean may apply stricter financial limits

**€** = Any document to be proposed to FinCo must first be discussed at SET.

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

## 12.2. Capital Expenditure

| CAPITAL EXPENDITURE (CAPEX) | Total Annual CAPEX budget approval (cash flow for year) | CAPEX projects | Minor CAPEX budget allocations | Minor CAPEX item approval | Expenditure authorisation of goods and services within approved CAPEX projects |
|-----------------------------|---|----------------|--------------------------------|---------------------------|--|
| Legal Office Approvals      |   | ϕ              |                                | ϕ                         | ϕ  |
| Budget Holder (A)           |   |                |                                | γ* R0.1m                  | γ* R0.1m   |
| Budget Holder (HoS/HoD)     |   |                |                                | γ* R0.5m                  | γ* R0.5m   |
| Financial Manager           |   |                |                                | γ* R0.5m                  | γ* R0.5m   |
| BM/Senior Fin Mgr/          |   |                | ✓                              | β* R1m                    | β* R1m   |
| Dean                        |   |                | ✓                              | β* R2m                    | β* R2m   |
| Registrar                   |   |                |                                | X R2m                     | X R2m  |
| DVC                         |   |                | ✓                              | X R5m                     | X R5m  |
| CFO                         |   |                | ✓                              | X R30m                    | X R30m   |
| VC                          |   |                |                                | α* R60m                   | α* R60m  |
| SET                         | ®   | X R60m         |                                | €                         | €  |
| FinCo                       | ®   | €X>R60m        |                                | X R80m                    | X R80m   |
| Council                     | ✓   | €X>R80m        |                                | X>R80m                    | X>R80m   |

**\* None of these employees may sign the main agreement. They may authorise the procurement which is put into effect by the main agreement.**

**X** = Approves within stated limit and subject to budget availability

α\* = In consultation with the CFO

β\* = Only for authorised Faculty or Procurement

γ\* = Only for authorised Cost Centres. In certain instances, the DVC/ Dean may apply stricter financial limits

€ = Any document to be proposed to FinCo or Council must first be discussed at SET.

ϕ = When the capital expenditure is expressed in a contract, the provisions of section 6 and /or 8 apply

® = Recommends

✓ = Approves

### 12.3. Finance

|   | COUNCIL    | FinCo     | SET | V C       | C F O     | REGISTRAR | BUSINESS MANAGERS | AUDIT COMMITTEE | RISK MGT COMMITTEE |
|---|------------|-----------|-----|-----------|-----------|-----------|-------------------|-----------------|--------------------|
| Annual budget & annual MTEF (3 year) budget                     | ✓          | ®         | ®   |           | ®         |           |                   |                 |                    |
| Insurance contracts / cover                                     | ✓          | ®         |     | ✓         | ®         |           |                   |                 | ✓                  |
| Annual Performance Plan   | ✓          | ®         | ®   | ®         | ®         | ®         |                   |                 |                    |
| Acquisition or Sale of Immovable Assets (Land and/or Buildings) | ✓          | ®         |     |           | ®         |           |                   |                 |                    |
| Auditors – appointment or reappointment                         | ✓          | ®         |     |           | ®         |           |                   | ®               |                    |
| Auditors-negotiation of Annual Auditors Fees                    | ✓          |           |     |           |           |           |                   | ®               |                    |
| Sale or scrapping of Moveable assets                            | X<br>>R80m | X<br>R80m |     | X<br>R60m | X<br>R30m |           | X<br>R50K         |                 |                    |
| Writing off bad debts   | ✓          | ®         |     |           | ®         |           |                   |                 |                    |
| Writing off Inventory   | X<br>>R80m | X<br>R80m |     | X<br>R60m | X<br>R30m |           | X<br>R50K         |                 |                    |
| Open, Operate and Close Bank Accounts (SA & Foreign Banks)      | ✓          | ®         |     |           | ®         |           |                   |                 |                    |
| Appointment of Bank Signatories                                 | ✓          | ®         |     |           | ®         |           |                   |                 |                    |
| Investment management   | ✓          | ®         |     |           |           |           |                   |                 |                    |
| Loan management   | ✓          | ®         |     |           | ®         |           |                   |                 |                    |

X = Approves within stated limit.

® = Recommends

✓ = Approves

The Vice-Chancellor's Office (VCO) on behalf of the University and for its benefit and purposes and subject to the advice of SET may exercise the voting power attached to any shares owned by the University in such manner as he or she may consider in the best interests of the University.

#### 12.4. Legal (Excluding Human Resources – table 12.5)

| LEGAL  | Chairman of Council | VC     | CFO    | Head of Legal Services |
|--|---------------------|--------|--------|------------------------|
| Legal Settlement   | X*                  | M R20m | M R10m | δ                      |
| Overall General Contractual Period Limitations   | X*                  | M R20m | M R10m | δ                      |
| Institute or Defend Legal Proceedings and the settlement of disputes by arbitration or mediation | X*                  | M R20m | M R10m | δ                      |
| Referral to bodies established under Chapter 9 of the Constitution                               |                     |        |        | δ                      |

X\* = Over R20m requires the approval of Chairman of Council

M = Mandates Head: Legal Services to negotiate to the maximum value stated.

® = Recommends

δ = Executes instructions of VC

**The Vice-Chancellor, on behalf of the University and for its benefit and purposes, may institute or defend legal proceedings and sign all deeds, powers of attorney and other documents that may be necessary for this purpose or delegate such authority in writing, for any one specific matter to an employee of the University.**

## 12.5. Human Resources

| HUMAN RESOURCES  | COUNCIL | VC      | DVC (AHR) | Senior Director HR | D V C | REGISTRAR | DEAN | S E T | Head of ER | Grading Committee | Remuneration Committee | Staffing & Promotions Committee | Selection Committee |
|--|---------|---------|-----------|--------------------|-------|-----------|------|-------|------------|-------------------|------------------------|---------------------------------|---------------------|
| Appointment of VC, DVC, CFO, Executive Director; Registrar and Deans | ✓       |         |           |                    |       |           |      |       |            |                   |                        |                                 |                     |
| HoS  |         |         |           |                    |       |           | S    |       |            |                   |                        | N                               | ✓                   |
| Annual salary increases (grade 1)                                    |         |         |           |                    |       |           |      |       |            |                   | ✓                      |                                 |                     |
| Annual salary increases (gr 2-3)                                     |         | ✓       | ®         | ®                  | ®     |           |      |       |            |                   | ✓                      |                                 |                     |
| Annual salary increases (gr 4)                                       |         | ✓       |           |                    |       |           | ®    |       |            |                   |                        |                                 |                     |
| Annual salary increases (gr 5-7) including academics                 |         |         |           |                    |       |           |      | ®     |            |                   | ✓                      |                                 |                     |
| Promotions (Academic only)   |         |         |           |                    |       |           |      |       |            |                   |                        | ✓                               |                     |
| Regrading  |         |         |           |                    |       |           |      |       |            | ✓                 |                        |                                 |                     |
| Salary adjustments   |         | ✓       | ✓         | ✓                  | ✓     | ✓         | ✓    |       |            |                   |                        |                                 |                     |
| Separations/terminations   |         | ✓       | ✓         | ✓                  | ✓     | ψ         | ✓    |       |            |                   |                        |                                 |                     |
| Settlement agreements / arbitration awards                           | X*      | M R10 m | M R5m     | M R1m              |       |           |      |       | δ          |                   |                        |                                 |                     |
| Review/retranchments (school/division or larger)                     |         | ✓       | ✓         | ✓                  | ✓     | ✓         | ✓    | ®     | ®          |                   |                        |                                 |                     |
| Review/retranchments (smaller than school/division)                  |         | β       |           |                    |       |           |      | ®     |            |                   |                        |                                 |                     |

**M** = Subject to a mandate being given to the appropriate person in Employee Relations to negotiate to the maximum value in the table stated above. Where it involves litigation outside the Labour Court and Labour Appeal Court, consultation with the Legal Advisor is necessary.

**X\*** = Over R10m requires Council approval

**®** = Recommends

**δ** = Authorised to conclude within Mandated amounts.

**N** = Noting

**S** = Signed by the Dean

**✓** = Approves

**ψ** = **Excluding professors and Associate Professors.**

**β** = **Reviews which may lead to retranchments would be authorised as per this table. Restructuring which does not involve job loss may be carried out with the authority of the management.**

**NOTE:**

- **Must be budget compliant**
- **Only permanent employees can authorise.**
- HR Manager **must** sign all letters.

## 12.6. Business / Revenue Generation / 3rd Income Revenue Stream

|  | COUNCIL | SENATE | FinCo | SET | V C        | DVC (AHRT) | C F O | D V C  | DEAN     | Legal Office Approval |
|--|---------|--------|-------|-----|------------|------------|-------|--------|----------|-----------------------|
| Undertaking of any material new business activities, including introduction of new services and discontinuation of existing activities | ✓       |        | ®     | ®   | ✓          | ®          | ®     | ®      |          |                       |
| Opening and Closing of Schools / Faculties   | ✓       | ®      |       |     | ®          |            |       |        |          |                       |
| Exploitation of Intellectual Property Rights, Brand Names, and Trademarks not arising from Research                                    | ✓       |        |       |     | X<br>R200m | X<br>R100m |       | \$R10m | ✓<br>R5m | φ                     |
| Approval for Externally Funded Work  | ✓       |        |       |     | X<br>R200m | X<br>R100m |       | \$R10m | ✓<br>R5m | φ                     |
| Approval of Research Projects and Contract Budgets   | ✓       |        |       |     | X<br>R200m | X<br>R100m |       | \$R10m | ✓<br>R5m | φ                     |
| Fees and Discount Structures   | ✓       |        | ®     | ®   |            | ®          | ®     |        |          |                       |

\$ = DVC Research approves to R5m

X = Approves within stated limit, provided the DVC Research has signed.

✓ = Over R200m Council approves

® = Recommends

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

**APPENDIX 1 - BANK ACCOUNT SIGNATORIES**

Except where Council has specifically authorised signatories to a designated account, bank accounts operated by the University shall have the following signatories:

**Any 2 of the following: Group "B" signs first, then Group "A":**

**GROUP A (SECOND SIGNATORY)**

- the Vice-Chancellor or the Acting Vice-Chancellor
- the Vice-Principal
- any Deputy Vice-Chancellor
- the Chairman of Council
- the Chairman of the Finance Committee
- Director of Special Projects, Vice-Chancellor's Office
- the Registrar or Registrars of the University
- the Director, Employee Relations
- the Director, Strategic Planning
- the Chief Financial Officer
- the Senior Manager :Financial Accounting
- the Senior Manager: Management Accounting
- the Senior Manager: Financial Control
- Manager: Policies and Procedures

**GROUP B (FIRST SIGNATORY)**

- Manager: Fees Office
- Manager: Financial Aid Office
- Manager: Sundry Debtors
- Senior Financial Accountants
- Accountants, General Ledger
- All Faculty Business Managers



---

|                            |                                  |
|----------------------------|----------------------------------|
| <b>Policy Title</b>        | Delegation of Authority Document |
| <b>Policy Officer</b>      | Mr Vernon Nel                    |
| <b>Approval Authority</b>  | Council                          |
| <b>Date Approved</b>       | 19 June 2015                     |
| <b>Date Effective From</b> | 19 June 2015                     |
| <b>Last updated</b>        | 19 June 2015                     |

## VERSION HISTORY

| <b>Version</b> | <b>Date</b>  | <b>Summary</b>  | <b>Changed by</b> |
|----------------|--------------|---|-------------------|
| 1              | 19 June 2015 | Changes of Registrar, Finance and Research incorporated | Secretariat       |
|                |              |   |                   |
|                |              |   |                   |
|                |              |   |                   |
|                |              |   |                   |