

# Delegation Schedule 1 – Delegation Rules

## Application

- (1) In addition to the Delegations of Authority Policy provisions, this Schedule 1 sets out:
  - a. the rules applying to all contract and commitment types across RMIT; and
  - b. what position or role level across the RMIT Group can exercise the power or function to approve and sign contracts or commit to the financial expenditure or generation of revenue on behalf of the RMIT Group, including controlled entities.
- (2) The rules apply to all contracts and commitments across RMIT, including controlled entities, explained with reference to the value or duration of the contract or commitment set out in Schedule 2, unless otherwise stated in specific Schedule.

All schedules that refer to Delegation of Authority (DOA) limits (i.e. DOA 1, 2, 3) must be read with reference to Schedule 1 to guide the positions or role-levels that fall within the DOA limit.

## Delegation Limits

- (3) All expenditure financial and contractual delegations are based on the percentages flowing from the Vice-Chancellor's (VC) DOA limit (reflected as a percentage) from RMIT University Council (Council), with specific allocations for the COO and CFO only.
- (4) Changes to a DOA limit requires amendment to the percentage allocation, not the specific dollar amount.
- (5) A DOA limit is assigned at the individual Cost Centre level, based on the nature of the Cost Centre. The DOA limits exist across two Cost Centre hierarchies:
  - a. Learning and Teaching: Head of College – Head of School – Head of Discipline.
  - b. Support areas: Head of Portfolio – Head of Department – Head of Team.
- (6) Cost Centres can be allocated to more than one position or role-level.
- (7) If a position or role level is allocated a DOA limit in multiple cost centres, the delegated value limits do not aggregate across the multiple Cost Centres.
- (8) The Cost Centre hierarchy cascading from the VC is used to facilitate reporting of revenue or spend and is not inherently linked to the DOA limits.
- (9) Tender waivers require approval by one position or role-level above the likely total value of the awarded contract (or RMIT's likely financial contribution both monetary and in-kind under the awarded contract for Research and Innovation contracts). Council must approve tender waivers for awarded contracts likely to be valued within the VC's DOA limits.
- (10) Where the VC makes a decision that remains within the major project funding approved by the Council for a particular project, further approval of the Chancellor or Council is not required.
- (11) Any spend relating to the procurement of ICT assets, software or services must be approved by the CIO or their delegate – see also the Information Technology and Security Policy and Business Expenses Policy.

## All Commitments and Contracts

- (12) All limits regarding Term (ie duration or length of a contract commitment) are to be read together with financial limits such that the higher amount determines the appropriate delegate. This means that if the Term of a contract sits within a higher amount than the Spend or Revenue of a contract, it can only be approved and signed by the Positions or role-levels which have delegated authority up to that Term.

- (13) Contracts must be provided to the Legal Services Group or the Finance and Legal Team for RMIT Vietnam for review or advice, before they can be approved and signed (refer to the Contract Management Procedure for any exceptions, including specific processes regarding Research and Innovation contracts).
- (14) In determining the value of a contract or commitment:
- a. Revenue and Spend includes both monetary and in-kind consideration or contributions.
  - b. In relation to leases and licences, rent includes all outgoings, whether it is received as Revenue where RMIT is a landlord or licensor, or whether it is Spend, where RMIT is a tenant or licensee.
  - c. In relation to leases or licences in respect of which RMIT undertakes fit out works, the costs of the fit out works relating to the relevant property must be included in the total value of the lease or licence.
- (15) Where a contract is a Deed of Standing Offer, only its financial value should be used to determine the appropriate role with delegated authority to approve and sign it, not its term or duration.
- a. Deeds of Standing Offer can only be approved and signed by the person in the role with the delegated authority level corresponding to the total maximum potential expenditure under the Deed. For panels, each panel agreement must be signed by the person in the role with the delegated authority level for the total maximum potential expenditure across all panel participants.
  - b. Any statements of work, schedules or orders under a Deed of Standing Offer may only be approved and signed by the person in the role with the appropriate delegated authority for both value and duration of the relevant statement of work, schedule or order
- (16) Where a contract is a master or head agreement, the original authorised signatory may subdelegate the authority to sign statements of work or schedules or orders under that master or head agreement, up to the total value or term attributed to the master or head agreement.
- (17) The Contract Management Procedure sets out other requirements regarding establishing, recording and managing contracts, including for research and innovation contracts.

### **Contract Variation**

- (18) Subject to the Contract Management Procedure:
- a. Where a contract has been approved and signed by a person in a particular position subsequent amendments or variations to that agreement must be approved and signed by the person in that same position or role or equivalent delegation level, even where the value of the amendments or variations themselves are of a lower amount or shorter duration than the original agreement.
  - b. Where the cumulative value or term of the agreement, including all signed and any proposed amendments or variations, exceeds the financial or contractual delegation of the person who originally signed and approved the agreement, the proposed amendment or variation must be approved and signed by a person with delegated authority for the total cumulative agreement value or term.
- (19) A deed of novation or assignment (for example to transfer an agreement to another party) is treated as a variation.

### **Contract Termination**

- (20) Where a contract is being terminated by a deed, the deed must be approved and signed by the person in the same position or equivalent role or delegation level as the person who signed the agreement originally, as if it were a variation.
- (21) Where an agreement is being terminated by RMIT by providing written notice (termination for convenience) the termination must be approved by the person in the same or equivalent role or delegation level as the person who signed the agreement originally, but it can be signed by any of their direct reports, without a formal subdelegation being put in place.

### **Contract signature**

- (22) Contract signature must follow the process outlined below and include any covering forms or specific requirements as published by the General Counsel, or the Director, Finance and Governance for RMIT Vietnam, from time to time.

- a. For RMIT Vietnam, only authorised legal representatives approved by Board resolution may sign approved contracts.
- (23) Where the VC or a member of the Vice-Chancellor's Executive (VCE) is required under this Schedule to sign a contract or approve a commitment the person responsible for the contract or commitment must:
- a. ensure a **Contract Approval Form** or equivalent (including electronic form or digital workflow) is completed and provided to the signatory as a cover sheet, setting out the key details of the proposal, and
  - b. provide all other relevant materials to support the proposal. These materials may include approved business cases or other approval records or memos; as well as any advice from the Legal Services Group, or regarding risk management or mitigation.
- (24) Where any member of the RMIT Group has entered into a contract (including if it has been entered into online or electronically), it must be registered and entered into the contract management system as designated by the General Counsel.
- a. Different kinds of agreements and documents may be designated to be stored in different contract management systems. If there is a hardcopy of the original document, it must be sent to RMIT Archives for filing.
  - b. Responsibility for storing the document appropriately and in accordance with RMIT record management policies rests with the document owner, not the approver or signatory.