

Delegations of Authority

Section 1 - Purpose

(1) This policy outlines the accountabilities of staff, contractors and consultants who have delegated authority assigned under this policy (collectively referred to as delegates). The delegations of authority cover financial, legal, academic, human resources and specified regulatory delegations.

Section 2 - Overview

(2) RMIT University is a public institution under Victorian law and stands on Aboriginal Country of the Kulin Nation. RMIT recognises and acknowledges the [Bundjil Statement](#) which helps all RMIT staff to respectfully work, live and study on Aboriginal Country.

(3) This policy enables the delegation of authority from the Vice-Chancellor under section 26(7) of the [Royal Melbourne Institute of Technology Act 2010](#) (the “Act”) and is made in accordance with the delegation power provided to RMIT University Council (Council) under Section 18(1) of the Act.

Section 3 - Scope

(4) This policy applies to the RMIT Group including controlled entities.

Section 4 - Policy

Principles

(5) Delegations are made in relation to a position the delegate occupies and are set out in the Delegation Schedules in this policy.

(6) When exercising delegated authority, all delegates must act in good faith using all reasonable care and skill.

(7) A delegate may not sign an agreement unless the total value of the transaction, including both monetary and any in-kind consideration, falls within their delegated financial authority.

(8) The Schedules include financial limits against activities by levels of authority and reflects the total cost or total financial commitment of the transaction.

(9) In determining the value of a commitment, all components of the transaction (excluding any applicable GST) must be assessed, including projects and activities that may have multiple phases or stages (to the extent that is known).

(10) Transactions should not be broken down or otherwise manipulated to circumvent the delegations.

(11) A delegate cannot approve a commitment that would result in a direct or indirect financial or other benefit to them.

(12) A delegate cannot commit RMIT or any of its controlled entities to a transaction with a supplier of goods or services where the delegate or an immediate family member has an interest (other than shares in a publicly listed company) unless specifically approved under the [Conflict of Interest Policy](#).

(13) A delegate must only approve commitments that are relevant to their immediate internal order, cost centre or budget, or one the delegate has management responsibility for. This does not apply to the Vice-Chancellor, General Counsel and University Secretary, Chief Operating Officer (COO), Chief Financial Officer (CFO), Executive Director, Property Services and Chief Procurement Officer, Chief People Officer (CPO) and Chief Information Officer (CIO).

(14) Legal delegations cover any legal agreements or contracts including but not limited to deeds, the exchange of letters, a heads of agreement, scopes of work and other documents that create a legally binding obligation, including tender submissions, requests for tender and proposals.

(15) Controlled entities and special investment vehicles must develop delegation schedules which are consistent with this policy and its schedules. They must be approved by the CFO and ED HR and be made available on the RMIT intranet. These schedules will be published in local currency equivalents and reviewed at least annually, or when the exchange rate varies by more than +/-10%.

(16) Activities/decisions not captured within the delegation schedules must be referred to the Vice-Chancellor for approval, who can subdelegate to a member of the Vice-Chancellor's Executive (VCE) team.

(17) For large contracts, projects or programs where approval was required by Council, the Vice-Chancellor can sub delegate to the CFO or COO the actual draw down of funds where the overall cost remains within the approved amount and there are no material changes to scope or delivery

(18) Irrespective of the limits outlined in this policy, all delegates must escalate any matters to a VCE member where the transaction carries an unusually high level of risk or is significantly outside the normal activities of RMIT, its controlled entities or strategic investment vehicles.

Acting Positions, Subdelegations, Absences and Position Vacancies

(19) A delegated authority applies to the position and includes the acting or temporary occupant of a position.

- a. If a position is abolished or re-named, the delegation should be taken to be a reference to the principal successor to the functions of that position.
- b. In the event of a new role or position title being created, it is the responsibility of the appropriate line manager to define which level of authority the role is to be assigned.

(20) Except for the Vice-Chancellor and VCE team, a delegate is not authorised to subdelegate their authority to another person without the approval of their immediate line manager.

- a. The approval must be in writing and should specify the timeframe of the subdelegation.
- b. A copy must be kept on file to evidence the subdelegation.
- c. Where a VCE member subdelegates their authority, they must notify the Vice-Chancellor in writing.

(21) A delegation of authority must be assigned in writing to another employee in instances when an employee is on leave or otherwise absent from the workplace for an extended period. In exceptional circumstances it may also be assigned where a person is working but will have limited access to email or RMIT systems (such as overseas travel).

(22) Whenever a delegate is absent, their delegated authority is to be assigned or transferred for the duration of the absence in accordance with the conditions set out in this policy. This assignment of authority should be communicated to all control points in the purchasing process.

(23) A line manager may exercise a delegation held by a lower level delegate where the latter is unavailable or has a conflict of interest.

Specified Regulatory Delegations

(24) Specified regulatory delegations cover authority to act on behalf of or represent the University or entities of the RMIT Group under external regulatory frameworks that are relevant to the operations of the RMIT Group.

(25) The Vice-Chancellor approves specified regulatory delegations.

(26) For the avoidance of doubt, if a delegate is not specified in the regulatory delegation then it is the Vice-Chancellor.

(27) The Chief Audit and Risk Officer maintains a register of fit and proper persons with specified regulatory delegation.

Document Execution

(28) Where a document requires the signature of a member of the VCE team a Document Execution Authority (in the form set out in a Schedule) must be completed and attached to the document.

(29) Responsibility for storing the document appropriately and in compliance with RMIT record management policies rests with the document owner, not the approver.

(30) The Document Execution Authority must be signed by both the individual recommending approval and the delegate who has the relevant authority to approve the commitment, noting each of the following:

- a. legal review of current RMIT standard form agreements is not required prior to execution provided that the standard form contract has been obtained directly RMIT Legal Services (to ensure currency)
- b. the transaction or arrangement for which the standard form agreement is being used is not in excess of \$100,000 unless otherwise advised by Legal Services
- c. legal terms in the standard form contract are not amended either directly or by reference to additional documents
- d. inclusion of the relevant probity or due diligence checklist relevant to the business unit of the person making the request and/or evaluation panel
- e. the document must be registered and scanned into the approved RMIT electronic document management system, and an original fully executed copy sent to RMIT Archives for filing.

(31) Where the transaction value is greater than \$100,000, Legal Services will advise the appropriate standard form agreement of review required.

VCE Member Approval

(32) Where a VCE member is required by this policy to approve a transaction:

- a. the Document Execution Authority (in the form set out in a Schedule) must be completed and attached to the document
- b. the document must be registered and scanned into the approved RMIT electronic document management system, and an original fully executed copy sent to RMIT Archives for filing.

(33) Where Vice-Chancellor approval is required, the relevant VCE member must have approved and signed the form first.

Determining Contract Term and Value

(34) When determining the term of a contract for the purposes of this policy, consideration must be given to both the initial term of the contract and any options to extend the contract that may be exercised by any party other than RMIT.

(35) Where accounting principles apply for the purposes of determining useful life of an asset, this finance contract term should be used.

(36) If a contract has no fixed term, a genuine and best estimate of the expected contract term should be made to determine the required delegation level.

(37) In relation to contracts where RMIT has the right to terminate with notice, regard must be had of the notice period to determine the term of a contract.

(38) When determining the value of a contract for the purposes of this policy, consideration must be given to the total expenditure expected to be incurred or total revenue expected to be generated over the term of the contract.

- a. Where the contract has both components, the higher value (whether revenue or expenditure) must be applied for approval purposes.
- b. Total value includes any variations which may be added after an initial contract is approved and the variation must be approved within the context of the total contract value not the variation amount.
- c. Where there are ongoing licensing costs associated with the contract, these must be included in the determination of value. Where these ongoing costs will be funded from outside of the approvers budget, they must also be approved by a delegate who will be responsible for the ongoing funding of these costs.
- d. If a contract has no express value, a genuine and best estimate of the total expenditure expected to be incurred or total revenue expected to be generated over the term of the contract should be made to determine the required delegation level.
- e. If a genuine estimate cannot be given, consideration should be given to the subject matter and term of the contract to determine the required delegation level.

Double Key Approval

(39) Certain non-financial activities will require additional (double key) approval by another RMIT delegate.

- a. In such circumstances, an event is approved when it has been authorised by both appropriate position titles.
- b. Accordingly, undertaking any event requiring double key approval that has not been authorised by two authorised delegates will be in breach of the requirements of this policy.

(40) Activities requiring double key approval are highlighted in the Schedules.

Compliance

(41) This policy is to be read in conjunction with existing university policies and guidelines, which include the following:

- a. Delegations Schedules from Council (under section 18 of the [Royal Melbourne Institute of Technology Act 2010](#))
- b. [Contract Management Policy](#)
- c. [Code of Conduct](#)
- d. [Conflict of Interest Policy](#)
- e. [Business Expenses Policy](#)

- f. [Travel Policy](#)
- g. [Financial Management Policy](#)
- h. [Guidelines on University Commercial Activities](#)
- i. Titles Regulations
- j. [Policy Governance Framework](#)
- k. [Information Technology and Security Policy](#)
- l. University rules that form the Academic policy category

(42) Any employee who identifies potential breaches of this Policy should bring these to the attention of their people leader and the Chief Audit and Risk Officer, as a matter of urgency, for further investigation.

(43) The Chief Audit and Risk Officer will be responsible for reporting any breaches which are wilful in nature or considered to be material breaches of this policy, to the Audit and Risk Management Committee.

(44) A material breach is one where an employee has made a financial commitment to a third party which exceeds their delegated authority by more than 10 percent and includes all breaches of delegated authority for non-financial events referred to in a Schedule.

(45) Any confirmed breaches of this Policy will be dealt with in accordance with relevant employee disciplinary policies and procedures.

Documentation

(46) All changes to delegations must be approved in writing, in the form of an instrument of delegation to ensure that there is no misinterpretation.

(47) Changes to the delegations involving the Vice-Chancellor must be approved by the RMIT Council or Chancellor.

Review

(48) A review of this policy, as to its appropriateness and relevance to the University structure, operations and other existing policies and procedures is to be undertaken annually.

(49) A review will result in either a change to this policy, which if material, must be approved by the Council, or confirmation of no change.

(50) The Chief Audit and Risk Officer will maintain a register of all changes to this policy.

Delegation Bands

(51) Delegations are noted for some position titles and in some cases Bands. For the purposes of this Policy, the Bands apply as outlined in the below table however where a position title is called out separately to a Band level, the authority granted to the position title is the relevant authority over the Band level.

Band	Title/s
Band 2	Vice-Chancellor or Nominated Delegate
Band 3	CFO COO DVC

Band 4	College or Portfolio, Director, Planning and Resources Executive Director, Policy and Impact Director, Strategic Planning Director, Planning and Transformation Director of Infrastructure
Bands 5 and 6	Executives reporting to Band 3 or Band 4 including Deputy Pro Vice-Chancellor, Associate Pro Vice-Chancellor Head of School, Dean, Executive Dean Executive Director Chief Information Officer Chief Marketing Officer Academic Registrar Chief Audit and Risk Officer General Counsel and University Secretary
Band 7	HEW 10s, SE3s and Senior Academic Positions reporting to Band 4,5,6 including: Deputy Dean Deputy Head Associate Dean Discipline Leader Director Deputy Director Associate Director Senior Manager
Band 8	Direct line manager

Section 5 - Schedules

(52) The Schedules cover financial, legal, academic, human resources and specified regulatory delegations

- a. DOA Schedule 1 - RMIT Group
 - i. [Contract Approval Form - RMIT Group](#)
- b. DOA Schedule 2 - RMIT Vietnam
- c. DOA Schedule 3 - RMIT Training

Section 6 - Procedures and Resources

(53) Refer to the:

- a. [Delegations of Authority FAQs](#)

Status and Details

Status	Historic
Effective Date	19th October 2020
Review Date	19th October 2020
Approval Authority	RMIT University Council
Approval Date	2nd September 2020
Expiry Date	31st May 2021
Policy Owner	Clare Lezaja Chief Financial Officer
Policy Author	Tom McLeod Chief Audit and Risk Officer
Enquiries Contact	Central Policy

Glossary Terms and Definitions

"RMIT Group" - The University, its controlled entities and strategic investment vehicles (known as the RMIT Group).