Delegation of Authority Guidelines

Section 1 - Purpose

(1) These Guidelines have been developed to support delegates in executing delegated authorities. This document should be read in conjunction with the Delegation of Authority Framework and its associated higher level documents.

(2) The Delegation of Authority Framework should be referenced for context specific definitions.

Section 2 - Guidelines

General

(3) Nothing in this guideline authorises a delegate to do anything which is, or is likely to be, a breach of an approved code of conduct of the University, including but not limited to the Staff Code of Conduct.

(4) Any matter considered to be a delegation of authority that is not included in the Delegation Schedules should be referred to the most senior position within the University division, College or Unit for clarification in the first instance. Where the matter is unable to be resolved, the matter should be referred to delegations@newcastle.edu.au.

Due Diligence

(5) A delegate should consider the wider impact of a potential decision before making a commitment, including but not limited to:

a. the potential effect on other University areas of operation;
b. the resources and capability required to meet and provide oversight of any obligation;
c. the potential for inadvertently creating a more significant obligation than intended;
d. the place of that decision in the scope of emerging technologies;
e. if an actual or perceived conflict of interest may exist;
f. would the decision seem reasonable if it were reported on a newspaper front page?
g. for contractual commitments:
    i. compliance with relevant legislation and University policies, including but not limited to the Procurement Policy and Intellectual Property Policy, and their associated documents;
    ii. determining if the assignment of intellectual property and/or licenses is appropriate and within the delegate's authority;
    iii. ensuring the contract is appropriately documented;
    iv. the expenditure is warranted and for a valid University purpose, and correct as to its amount; and
    v. the other party's legal status, reputation, and solvency.

Financial Transaction Limits

(6) A financial limit to a delegation of authority for incurring expenditure:

a. relates to the total cost of the transaction to the University even if paid in instalments, including:
    i. taxes other than GST;
    ii. duties or other associated liabilities; and
b. applies to the original cost price of an item not the net cost after deductions of any trade-in or the like; and
c. includes any agreed variations to the original cost price.

Contracts and Agreements

Collaborative Agreements – Head and Sub Agreements

Table 1 – Example of Collaborative Head and Sub Agreements

(7) Nothing in the below example should be taken to interpret an actual Head Agreement or Sub-Agreement, and reference should always be made to the current Schedule, available in the Delegations Register.

Example	Correct Delegate and Limit
The Council has approved the University to participate in an Australian Research Council collaborative research program to undertake clean energy research. Six other Australian universities are parties to the program, and the University of Sydney is the lead organisation who will receive the grant monies. The University of Newcastle is not a party to the Head Agreement. The Head Agreement value is $7,500,000. The University of Newcastle is a party to a sub-agreement to the Head Agreement. The total value of the sub-agreement is $899,000. The sub-agreement relates to a portion of the grant monies that will be distributed to the University of Newcastle to undertake research elements of the program.	The Director, Research Grants can execute the sub-agreement under delegation F1. The Director, Research Grants has an unlimited authority for ARC agreements.
The University is wishing to participate in a research program with an industry partner to conduct research into an emerging area of chemical engineering. Two other Australian universities are parties to the research program. The University of Newcastle is a party to the Head Agreement. The Head Agreement value is $1,500,000. The University is also a party to a sub-agreement for the development of a testing protocol for the research. The total value of the sub-agreement is $245,000.	The Deputy Vice-Chancellor (Research and Innovation) must execute the Head Agreement and the Sub-Agreement under delegation F2. The total value to the University is $1,500,000. The DVCRI limit is ≤$2,000,000.

Contract Payments

(8) Where a delegated authority exists to approve a contract for a funding commitment; and a separate delegated authority exists to authorise expenditure related to that contract, separate delegates may exercise each individual delegation of authority providing:

a. the Delegations of Authority Framework and its associated documents are complied with;
b. the limits and conditions of each delegated authority are complied with in relation to the exercise of the individual delegated authority; and
c. the exercise of individual authorities does not breach the relevant contract.

Contract Variations

(9) To determine who can approve a contract variation, the limits of the relevant delegated authority should be applied to the sum of the original contract cost, plus the cost of all variations. This applies to all types of contracts, regardless of the relevant authority. (For example, this applies equally to contracts for supply of capital items, contractor services, agency hire staff, operational supplies, etc).

Table 2 Example of Contract Variations and Payments:

Details	Correct Delegate and Limit
The University wishes to enter into a contract for the supply of cleaning services at a cost of $250,000 per year, over a 2 year period. The total cost to the University for the contract is calculated as: $250,000 x 2 = $500,000.	The contract can be approved by the Director, Infrastructure and Facilities Services (DIFS). The DIFS limit is equal to the total cost of the contract to the University, ≤$500,000. At this stage, the DIFS can also approve the annual payments of $250,000 to the vendor.
In the second year of the contract the University wishes to vary the contract and extend it for another for 12 months, making the original contract now a 3 year contract. The cost to the University for the extra 12 months is $250,000. The total contract cost to the University is now calculated as: $250,000 x 3 = $750,000.	The contract variation must be approved by the Chief Operating Officer (COO) as the DIFS limit is less than the new total contract cost. The COO limit is ≤$2,000,000. The second year payment of $250,000 can be approved by the DIFS under their authority and limit of ≤$500,000.
In the third year of the contract, an invoice for the final year payment is issued to the University for $256,000, as the contract allows CPI increases. The total cost to the University for the contract is now calculated as: $250,000 x 2 = $500,000 + $256,000 = $756,000.	The third year payment must be approved by the Chief Operating Officer (COO), as the DIFS limit of ≤$500,000 is less than the new total cost to the University.

Authorised Officers

(10) Where the signature of a delegate is required, the Authorised Person must write the words "For and on behalf of (the Role title) as an Authorised Person", so it is clear that the person is acting under the authority of the Delegate.

Status and Details

Status	Current
Effective Date	8th March 2024
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Approval Authority	University Council
Approval Date	1st March 2024
Expiry Date	Not Applicable
Responsible Executive	Daniel Bell General Counsel and Chief Governance Officer
Enquiries Contact	Daniel Bell General Counsel and Chief Governance Officer Legal and Governance Services

Glossary Terms and Definitions

"University" - The University of Newcastle, a body corporate established under sections 4 and 5 of the University of Newcastle Act 1989.

"Intellectual property" - Intellectual property (IP), as defined by the World Intellectual Property Organisation, refers to creations of the mind: inventions; literary and artistic works; and symbols, names and images used in commerce. Intellectual property is divided into two categories: Industrial property includes patents for inventions, trademarks, industrial designs and geographical indications; and Copyright covers literary works (such as novels, poems and plays), films, music, artistic works (e.g. drawings, paintings, photographs and sculptures) and architectural design. Rights related to copyright include those of performing artists in their performances, producers of phonograms in their recordings, and broadcasters in their radio and television programs.

"Research" - As defined in the Australian Code for the Responsible Conduct of Research, or any replacing Code or document.

"College" - An organisational unit established within the University by the Council.

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