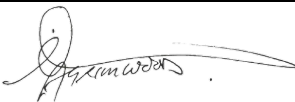




# POLICY DOCUMENT

## Finance: Delegation of Authority

### Exco Review

Signature Date	24 September 2025
Name	Ashraf Grimwood
Signature	

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## 1. GENERAL DELEGATION

Delegations of management authority to the Executive Officer and other Organisational leaders or managers occur through KIs SOP's.

### The Board of Directors

The Board of Directors set policies and strategies for KI in line with the agreed purposes, principles and scope of the organisation. KI's Board approves the organisational, work plans and policies.

It assists the internal workings of KI by setting criteria for membership of, and appointing, review panels and/or support groups. It may establish a framework for monitoring and periodic independent evaluation of performance and financial accountability of activities of the executive office.

One of its main roles is representation of KI in the larger community. It represents views of KI in various constituencies, or within KI community in relation to outside organisations. Board members may coordinate with outside agencies, as well as advocate for KI, and mobilise resources.

### Chief Executive Officer (CEO)

The CEO shall be the direct executive representative of the Board of Directors in the management of KI and shall have all the duties and authority such position customarily requires. The CEO shall hire and appoint, subject to approval of the Board, Chairperson of the Board and other senior officers of KI. The CEO shall have authority to sign all contracts and other legal instruments on behalf of KI, except as otherwise provided by the Board of Directors. The Chief Executive Officer (CEO) of KI shall be appointed from amongst qualified professional candidates to serve as the chief executive officer of the Organisation. Subject to these SOP's and such orders as may be issued by the Board, the CEO shall have the responsibility for the administration of the day-to-day affairs of KI. Specifically, the CEO shall:

- ✓ Advise and make recommendations to the Board relating to the operation of KI and long-range planning.
- ✓ Act to implement and further Organisation goals, policies, and procedures, and make recommendations to the Board regarding material goals, policies, and procedures.
- ✓ Prepare and submit to the Board an annual operating budget for the Organisation and a long-term capital plan.
- ✓ Serve as an *ex officio*, voting member on all committees established by the Organisation.
- ✓ Oversee the operations of KI, including:
  - Represent KI with governmental and other Organisations;
  - Support the activities of KI and its employees in implementing KI's mission.
  - Sign any contracts or other instruments authorised to be executed by or on behalf of KI.
  - Perform such other duties as may be prescribed by the Board or its Chairperson and all duties incident to the office of senior executive officer.
- ✓ for designated officers to take other actions deemed necessary to carry out the intent of the resolution.

## 2. SPECIFIC DELEGATION

WHEREAS, the KI Board of Directors has considered the described relevant facts and has determined that it is reasonable and appropriate, and in the best interests of Organisation, and its stakeholders to evaluate a possible transaction, through execution of a nonbinding intent and the commencement of full due diligence;

NOW, THEREFORE, BE IT RESOLVED that the KI's Board of Directors hereby approves the execution of a nonbinding intent in such form as the KI's CEO deems reasonable and appropriate, and the associated commencement of full due diligence review, to evaluate the possible transaction;

and be it further RESOLVED, that upon execution of a nonbinding intent on behalf of KI the CEO and other executive officers of KI are hereby authorised and directed to take any and all such actions as are necessary and appropriate to conduct appropriate due diligence to assess the potential benefits and terms of a transaction;

and be it further RESOLVED that the CEO and other executive officers of KI are each hereby authorised and directed to take, or cause to be taken, any and all such other actions as they deem necessary or appropriate to effectuate the intent of the foregoing resolutions by following the guidelines provided below:

<b>Strategic Principles</b>	
1	Board determines general policy of the organisation and monitor the general operations of the organisation.
2	Management and operational responsibilities are delegated to the Executive Committee (EXCO). EXCO presents plans, budgets, and structural changes within the organisation to the Board for approval.
3	EXCO under the supervision of the Finance Manager prepares budgets, organisational financial reports, Structural changes within the organisation, and Financial Policies and procedures for review and approval by the KI Board. The Finance Manager approves the framework for internal control and risk management for submission to EXCO for submission to the Board. However, EXCO will approve the Budget and Policies.
4	EXCO prepares plans, Organisational policies and procedures, other than Financial Policies and Procedures, and monitor performance for quarterly reporting.
5	The Finance Manager/CEO prepares the Chairperson's report and annual financial statements for adoption by the Board.
6	Directors and Program Managers will prepare plans, budgets, and performance matrix to present to EXCO for approval.
<b>Operational Principle</b>	
1	This authority matrix applies to all incomes and expenses incurred and payable by KI irrespective of the source of the funds, the location of payment, and is filtered down to all KI's sub-contractors and partners nationally and internationally equally.
2	Authority may be provided in the form of an email but must be printed out and attached as supporting proof of such authorisation.
3	This authority matrix applies to all costs and expenses incurred and payable by KI irrespective of the source of funds available to meet such obligations.
4	The overriding principle of this matrix shall be that the costs and/or expenses under consideration should be on program or organisation budget which is approved.
5	The costs and/or expenses should be directly related to the business activities carried out by KI as defined in its founding documents.

6	Where program objectives supersede organisational objectives, program objectives shall take precedence provided that the program is approved by the board of directors.
<b>Authority Matrix</b>	
<b>A</b>	<b>Board of Directors</b>
	<b>Ordinary Resolutions that needs 50% of the vote of the Board of Directors and must be confirmed with a written and signed resolution of the Board of Directors.</b>
1	The Board approves policies of KI.
2	Approves the organisation's address change.
3	Appoint the Auditor of KI.
4	To approve a contract in which the director has a personal financial interest, where only one director.
5	To approve a contract in which a director has not made prior disclosure of a personal financial interest.
6	To give certain directions to a liquidator in a voluntary winding up of a solvent company.
7	To vary an agreement attached to a prospectus.
8	To approve a business rescue plan to the extent it alters the rights of the shareholders.
<b>B</b>	<b>Special Resolutions that needs 75% of the vote of the Board of Directors and must be confirmed with a written and signed special resolution of the Board of Directors.</b>
1	Change the vision of the organisation.
2	Appoint or remove directors of the Board.
3	Appoint or remove the CEO and Finance Manager of KI.
4	Amend the Mol or ratify a consolidated revision of the Mol.
5	Ratify actions by the company or directors in excess of their authority.
6	Grant of rights to directors.
7	Authorise the board to provide financial assistance for transactions in connection with the securities of the company or related or inter-related companies.
8	Approve a voluntary winding-up or if ordered by a court of law.
9	For "fundamental transactions" in the direction of the organisation's business.
10	Revoke a previous special resolution that gave rise to appraisal rights.
11	For such other matters that the Mol requires a special resolution.
12	To approve rules adopted by the board.
13	Board Approval by vote only.
14	The organisational budget and plans.
15	The audit committee report.
16	The Director's report.
17	The audited financial statements.

*The financial authority limits for KI are set in terms of the budget approved by the board [Error! Bookmark not defined.](#) as well as the authority delegated by the board in terms of this authorisation table. The CEO is responsible for ensuring that KI operates within these limits.*

Transaction type	Monetary Limit	Critical procedural requirement prior to authorisation	Authorisers	Evidence of authorisation
<u>Procurement</u>				
<i>The supporting documentation for the Request for procurement, and supporting documentation for the payment of all procurements will be verified by the Account/Grant Manager for allowability/allocability of the item.</i>				
<b>Order authorisation for goods and services from suppliers (including contracts)</b>	R0 – R15,000	<ul style="list-style-type: none"> <li>• Procurer uses judgement to assess: consider published prices, written quotes, or market knowledge</li> </ul>	<ul style="list-style-type: none"> <li>• District: district manager OR program manager</li> <li>• National office: facilities manager and EXCO member</li> </ul>	<ul style="list-style-type: none"> <li>• Signed purchase and approval form</li> </ul>
	R15,001 – R50,000	<ul style="list-style-type: none"> <li>• Three written quotes obtained and compared</li> </ul>		<ul style="list-style-type: none"> <li>• Signed purchase and approval form or Email approval</li> </ul>
	R50,001 – R500,000	<ul style="list-style-type: none"> <li>• Three written quotes obtained and compared</li> </ul>	2 EXCO members	<ul style="list-style-type: none"> <li>• EXCO minutes</li> </ul>
	R500,001 – R1m	<ul style="list-style-type: none"> <li>• Restricted tender</li> </ul>	<ul style="list-style-type: none"> <li>• 2 Board members</li> </ul>	<ul style="list-style-type: none"> <li>• Board minute</li> <li>• Sub-Agreement/</li> <li>• Fixed Price Agreement</li> <li>• Consultancy Agreement</li> <li>• SME Agreement</li> </ul>
	Above R1m	<ul style="list-style-type: none"> <li>• Open tender</li> </ul>	<ul style="list-style-type: none"> <li>• Board</li> </ul>	<ul style="list-style-type: none"> <li>• Board minutes</li> </ul>
<b>APPROVAL OF QUALIFIED SUPPLIERS</b>	All	<ul style="list-style-type: none"> <li>• Due diligence process</li> </ul>	<ul style="list-style-type: none"> <li>• EXCO</li> </ul>	<ul style="list-style-type: none"> <li>• Signed new supplier application form</li> </ul>

<b>APPROVAL OF PREFERRED SUPPLIERS</b>	All	<ul style="list-style-type: none"> <li>• Due diligence process</li> </ul>	<ul style="list-style-type: none"> <li>• EXCO</li> </ul>	<ul style="list-style-type: none"> <li>• EXCO minute</li> </ul>
<b>Fixed/capital assets</b>				
<b>Procurement</b>	Refer procurement above.			
<b>Disposal (SALE OR DONATION)</b>	All	<ul style="list-style-type: none"> <li>• Motivation by facilities manager</li> </ul>	<ul style="list-style-type: none"> <li>• EXCO</li> </ul>	<ul style="list-style-type: none"> <li>• EXCO minute</li> </ul>
<b>Disposal (scrapping)</b>	All	<ul style="list-style-type: none"> <li>• Assessment report by IT or another manager</li> </ul>	<ul style="list-style-type: none"> <li>• EXCO</li> </ul>	<ul style="list-style-type: none"> <li>• Signed asset maintenance form</li> </ul>
<b>TRAVEL</b>				
<b>LOCAL</b>	All	<ul style="list-style-type: none"> <li>• Procedures followed through the travel desk</li> </ul>	<ul style="list-style-type: none"> <li>• Employee's line manager</li> </ul>	<ul style="list-style-type: none"> <li>• Signed travel request form</li> </ul>
<b>INTERNATIONAL</b>			<ul style="list-style-type: none"> <li>• Employee's line manager AND</li> <li>• Relevant management accountant for a particular funder</li> </ul>	

<u>Payment</u>				
R0 – R15,000	•	<ul style="list-style-type: none"> <li>District: district manager OR program manager</li> <li>National office: finance manager and EXCO member</li> </ul>	<ul style="list-style-type: none"> <li>Signed purchase and approval form</li> </ul>	
R15,001 – R50,000	<ul style="list-style-type: none"> <li>Three written quotes obtained and compared</li> </ul>	<ul style="list-style-type: none"> <li>District: district manager OR program manager</li> <li>National office: facilities manager and EXCO member</li> </ul>	<ul style="list-style-type: none"> <li>Signed purchase and approval form with memorandum of motivation for purchase.</li> </ul>	<ul style="list-style-type: none"> <li>Ensure three quotes was obtained.</li> <li>In case of sole source supplier, ensure sole source memorandum was completed.</li> <li>Ensure supplier has completed supplier application form</li> <li>Completed checks on vendor wrt blacklist, bank info, Conflict of interest.</li> <li>VAT invoice</li> <li>Ensure VAT is not claimed from certain funders.</li> </ul> <p>Ensure goods/services has been delivered according to requirements</p>
R50,001 – R500,000	<ul style="list-style-type: none"> <li>Three written quotes obtained and compared</li> </ul>	<ul style="list-style-type: none"> <li>2 EXCO members</li> </ul>	<ul style="list-style-type: none"> <li>EXCO minutes</li> </ul>	<ul style="list-style-type: none"> <li>Ensure three quotes was obtained.</li> <li>Ensure supplier has completed supplier application form</li> <li>Completed checks on vendor wrt blacklist, bank info, Conflict of interest.</li> <li>VAT invoice</li> <li>Ensure VAT is not claimed from certain funders.</li> </ul>

				<ul style="list-style-type: none"> <li>• Ensure goods/services has been delivered according to requirements</li> </ul>
R500,001 – R1m	<ul style="list-style-type: none"> <li>• Restricted tender</li> </ul>	<ul style="list-style-type: none"> <li>• 2 Board members</li> </ul>	<ul style="list-style-type: none"> <li>• Board minute</li> <li>• Sub-Agreement/</li> <li>• Fixed Price Agreement</li> <li>• Consultancy Agreement</li> <li>• SME Agreement</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure proof of invitation to at least 3 vendors were done.</li> <li>• Proof of bids from 3 vendors and bid comparison</li> <li>• Ensure supplier has completed supplier application form</li> <li>• Completed checks on vendor wrt blacklist, bank info, Conflict of interest.</li> <li>• VAT invoice</li> <li>• Ensure VAT is not claimed from certain funders.</li> <li>• Ensure goods/services has been delivered according to requirements</li> <li>• Ensure that in the case of Sub Agreement, SAMS verification was done.</li> <li>• Motivation memorandum as to the choice of vendor from bidding committee</li> <li>• Contract/Agreement</li> <li>• Board minutes</li> <li>• VAT invoice from vendor</li> <li>• Signed payment list</li> <li>• Payment released on internet banking</li> </ul>

<p>Above R1m All</p>	<ul style="list-style-type: none"> <li>Open tender</li> </ul>	<ul style="list-style-type: none"> <li>Board</li> </ul>	<ul style="list-style-type: none"> <li>Board minutes</li> </ul>	<ul style="list-style-type: none"> <li>Ensure proof of invitation to at least 3 vendors were done.</li> <li>Proof of bids from 3 vendors and bid comparison</li> <li>Ensure supplier has completed supplier application form</li> <li>Completed checks on vendor wrt blacklist, bank info, Conflict of interest.</li> <li>VAT invoice</li> <li>Ensure VAT is not claimed from certain funders.</li> <li>Ensure goods/services has been delivered according to requirements</li> <li>Ensure that in the case of Sub Agreement, SAMS verification was done.</li> <li>Motivation memorandum as to the choice of vendor from bidding committee</li> <li>Contract/Agreement</li> <li>Board minutes</li> <li>VAT invoice from vendor</li> <li>Signed payment list</li> <li>Payment released on internet banking</li> </ul>
<p>All</p>	<ul style="list-style-type: none"> <li>Due diligence process</li> </ul>	<ul style="list-style-type: none"> <li>EXCO</li> </ul>	<ul style="list-style-type: none"> <li>EXCO minute</li> </ul>	<ul style="list-style-type: none"> <li>Transfer released on internet banking</li> </ul>
<p><b>adding new internet banking beneficiaries</b></p>	<p>All</p>	<ul style="list-style-type: none"> <li>Verification of bank details from original bank documentation</li> </ul>	<ul style="list-style-type: none"> <li>Two EXCO member signatories</li> </ul>	<ul style="list-style-type: none"> <li>Beneficiary approved on internet banking by signatories</li> </ul>

<b>OPENING NEW BANK ACCOUNT</b>	All		<ul style="list-style-type: none"> <li>Board</li> </ul>	<ul style="list-style-type: none"> <li>Board minute and signed board mandate</li> </ul>
<b>PAYROLL</b>				
<b>ADDING NEW EMPLOYEES TO THE PAYROLL</b>	All	<ul style="list-style-type: none"> <li>Documents as per payroll policy</li> </ul>	<ul style="list-style-type: none"> <li>Payroll Officer</li> </ul>	<ul style="list-style-type: none"> <li>Recruitment processed followed</li> </ul>
salary value changes			<ul style="list-style-type: none"> <li>Payroll Officer</li> </ul>	<ul style="list-style-type: none"> <li>EXCO Minute</li> </ul>
<b>SUBMISSION OF STATUTORY PAYROLL RETURNS</b>			<ul style="list-style-type: none"> <li>Payroll officer</li> </ul>	<ul style="list-style-type: none"> <li>Electronic return on restricted e-profile</li> </ul>
<b>legal contracts</b>				
<b>Employment contracts: OTHER THAN CEO &amp; EXCO</b>		<ul style="list-style-type: none"> <li>Recruitment processes followed per employment manual</li> </ul>	<ul style="list-style-type: none"> <li>HR Manager</li> </ul>	<ul style="list-style-type: none"> <li>Signed employment contract</li> </ul>
<b>Employment contracts: EXCO OTHER THAN CEO</b>		<ul style="list-style-type: none"> <li>Recruitment processes followed per employment manual</li> </ul>	<ul style="list-style-type: none"> <li>CEO</li> </ul>	<ul style="list-style-type: none"> <li>Signed employment contract</li> </ul>
<b>Employment contract: CEO</b>			<ul style="list-style-type: none"> <li>Board</li> </ul>	<ul style="list-style-type: none"> <li>Board chair signed employment contract</li> </ul>
<b>Funding/grant contracts/Sub Agreements/Contractor and other.</b>			<ul style="list-style-type: none"> <li>CEO</li> </ul>	<ul style="list-style-type: none"> <li>CEO signed funding contract</li> </ul>
<b>reserves</b>				
<b>TEMPORARY USE OF SUSTAINABILITY RESERVE</b>	Up to R500,000	<ul style="list-style-type: none"> <li>Consideration of what underlying assets need to be transferred</li> </ul>	<ul style="list-style-type: none"> <li>EXCO</li> </ul>	<ul style="list-style-type: none"> <li>Written authorisation</li> </ul>
	More than R500,000		<ul style="list-style-type: none"> <li>EXCO</li> </ul>	<ul style="list-style-type: none"> <li>EXCO minute</li> </ul>
<b>PERMANENT USE OF SUSTAINABILITY RESERVE</b>	All	<ul style="list-style-type: none"> <li>Consideration of what underlying assets need to be transferred</li> </ul>	<ul style="list-style-type: none"> <li>Board</li> </ul>	<ul style="list-style-type: none"> <li>Board minute</li> </ul>

<b>RECEIVABLES</b>				
<b>WRITE-OFFS OF BAD DEBT</b>	Up to R100,000	<ul style="list-style-type: none"> <li>Procedures followed to recover, based on cost-benefit consideration</li> </ul>	<ul style="list-style-type: none"> <li>Finance Manager</li> </ul>	<ul style="list-style-type: none"> <li>Written authorisation</li> </ul>
	More than R100,000		<ul style="list-style-type: none"> <li>EXCO</li> </ul>	<ul style="list-style-type: none"> <li>EXCO minute</li> </ul>

**Notes**

- Limits apply to once-off transactions or contracted amounts per year.
- Initially, amounts may be estimated, but if there is a possibility that a purchase amount will go over the limit, then the higher requirement must be adhered to before any transaction is concluded.
- Amounts include VAT as part of the transaction value.
- Exception to obtaining quotations: purchase of regular or routine goods and services from a preferred supplier. Comparative quotes are only required for transactions of R15,000 or more.
- Any exceptions must be fully documented.
- Any employee claims for business expenditure must be authorised by someone other than the person making the purchase