



DELEGATION OF AUTHORITY POLICY

APPROVED BY THE BOARD OF TRUSTEES ON
EFFECTIVE: OCTOBER 2022

1. GENERAL

1.1 Definitions

| Term | Definition |
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| Advance Payment | A payment or part payment for goods or services in advance before the receipt of such goods or services equivalent to the amount of the Advance Payment. |
| Academic Committee | A committee established for the review of matters pertaining to the academic matters of the University. |
| AED | United Arab Emirates Dirhams |
| Approved Annual Budget | The Budget that has been endorsed by the BOT and approved in accordance with the DoA. |
| Audit Committee or BAC | Audit committee of the BoT. |
| Board or Board of Trustees or BoT | The University's Board of Trustees. |
| Board Committee | A committee established by the BoT and chaired by a member of the BoT. |
| Budget | The University's financial plan for the period of twelve months estimating the total cost of Commitments and expenditures (operational and capital) and academic research funding during the relevant financial year which begins on 1 st January. |
| Business Owner | The Employee, Division, Department or Unit mandated with responsibility for the subject matter. |
| Center Directors | Director of a University Lab or Center of Excellence. |
| Chairman | Chairman of the BoT. |
| Code of Conduct | The University's Code of Conduct. |
| Commitment | For the purposes of this DoA, means any form of agreement that binds the University to a specified course of action (whether by way of an email, PO, written contract or otherwise) including Investments. |
| Conflict of Interest | A transaction where a Board or Committee member or an MBZUAL employee may have a personal interest, including a financial interest (for self or relatives of the first degree) that may, or may be perceived by others to, conflict with the interests of the University. |
| DAD | Director of Academic Development. |
| Delegation of Authority or DoA | This delegation of authority policy as amended or replaced from time to time. |

| Term | Definition |
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| Department | A department of the University. |
| DGSP | Director of General Services and Procurement |
| Director | The Director of a Department or Unit. |
| Division | A division of the University. |
| DMC | Director of Marketing & Communications. |
| DoF | Emirate Department of Finance. |
| DSA | Director of Student Affairs. |
| DSQA | Director of Strategy and Quality Assurance |
| EHS | Environment Health & Safety. |
| Emirate | Emirate of Abu Dhabi. |
| Employee | An employee of the University. |
| Endowment | Funds donated by an individual, organization both private and public, or government to the University. |
| Establishment Law | Law No. 25 of 2019 Establishing the Mohamed Bin Zayed University of Artificial Intelligence. |
| Executive Council | Executive Council of the Emirate. |
| Faculty Review Committee (FRC) | A committee established for the review of matters pertaining to the University faculty. |
| Finance | Finance Department |
| General Counsel | Head of Legal. |
| Head | The head or Director of a Department or Unit. |
| Human Resources | Human resources Department. |
| Human Resources Committee (HRC) | A committee established for the review of matters pertaining to the University human resources |
| Intellectual Property or IP or Intellectual Property Rights | (a) patents, trademarks, service marks, rights in design, trade names, trade secrets, copyrights and topography rights, database rights, rights in trade names, know-how, secret formulae and processes and rights protecting goodwill and reputation, in each case whether registered or not; (b) applications for registration or rights under licenses and consents in relation to any of them; or |

| Term | Definition |
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| | (c) all forms of protection of a similar nature, or having equivalent, or similar effect to any of them which may subsist anywhere in the world. |
| Intellectual Property Committee (IPC) | A Committee established to make decisions on IP matters for the University. |
| Internal Audit | Internal Audit Department |
| Internal Auditor | Head of Internal Audit. |
| Investments | Commitments entered into on strategic or commercial bases with the primary aim of generating a strategic or financial return to the University including, but not limited to, joint venture agreements, research and development agreements, etc. |
| Legal | Legal Department. |
| Management | Refers collectively to the President and the senior management team of the University. |
| Management Committee | A committee formed by the President and made up of Management members. |
| Master Budget Line | The main headings in the Budget such as revenue and academic and administrative operating expenses and capital expenditure. |
| MBZUAI or University | Mohamed bin Zayed University of Artificial Intelligence. |
| MBZUAI Bylaws or Bylaws | The University by laws approved by the BoT from time to time. |
| MBZUAI Policies and Procedures | The MBZUAI policies and procedures, as may be implemented, amended or replaced from time to time. |
| Professional Services Agreements | Agreements pursuant to which the University provides services to third parties such as consultancy agreements and training services agreements etc. |
| Partnership Agreements | Agreements that enable the University to collaborate with institutions on mutually beneficial initiatives or projects such as memoranda of understanding, collaboration agreements, joint research agreement etc. |
| Power of Attorney or POA | A notarized or attested formal document confirming a delegation of authority by an officer or Employee of the University to another officer or Employee of the University or a third party on matters pertaining to the University. |
| President | The President of the University. |
| Provost | The Provost of the University. |

| Term | Definition |
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| Purchase Order or PO | An order form or written agreement (paper or electronic) used for the procurement of goods and services approved in accordance to the DoA. |
| Purchase Requisition or PR | An order form (paper or electronic) used to initiate the purchase of goods or services approved in accordance to the DoA. |
| Revenue | Cash or other consideration received from contract research, use of University facilities or other usage charges. |
| Research Development Office | The research development office that reports to the VPR. |
| Researcher | All Researchers, Research Associates, Research Staff, System Scientists and Postdocs |
| Sole Source | A sole source purchase is a method of acquisition from a single supplier without going through a competitive tendering process as a result of that supplier being the only supplier (source) capable of delivering the required product or service. |
| Strategy & QA | Strategy and Quality Assurance Unit |
| Subsidiary | An entity that is owned or controlled by the University. |
| Supervisor | The person that is supervising a Student or Post-Doc. |
| Supplier | A third party whose business is to supply a particular service or product to the University |
| Unit | A unit of the University. |
| VP | Vice President, including the Provost |
| VPCS | Vice President of Corporate Services |
| VP PAAR | Vice President of Public Affairs and Alumni Relations |
| VPR | Vice President for Research |

1.2 Key Principles and Provisions of the DoA

- 1.2.1 The purpose of this DoA is to facilitate the operations and business of the University, by documenting delegations of authority in sufficient detail to promote responsibility, accountability and adequate internal control over the authorization and execution of Commitments. Such delegation of authority is detailed in the DoA Matrix set out in section 2 below.
- 1.2.2 The DoA is to be read in conjunction with the Establishment Law, Bylaws and the University organizational structure.
- 1.2.3 Should there be any deviation between the Bylaws and the DoA, the Bylaws shall take precedence.
- 1.2.4 Any amendments to this DoA requires the approval of the BoT.
- 1.2.5 This DoA is not a delegation of accountability but a delegation of certain financial limits and non-financial responsibilities.
- 1.2.6 This DoA has been put in place to cover the day-to-day management and operation of the University and the application of the MBZUAI Policies and Procedures.
- 1.2.7 This DoA has been developed to provide uniformity and clarity in the application of policies and principles to the various levels of authorization within the University, which shall be adhered to both in the letter and in spirit.
- 1.2.8 The President and other Employees of the University may delegate within certain limits (for periods not exceeding three months) within that authority a portion of their financial authority in order to facilitate the day-to-day operations of the University. All sub-delegations pursuant to this DoA shall be clearly communicated in writing or electronically through the execution of a form of delegation setting out the nature, scope and term of any sub-delegation. All sub-delegations of authority to subordinate positions must be endorsed by the Finance Department and the General Counsel. Delegations can be made upwards, i.e. to one's Line Manager (or equivalent); sideways to peers i.e. sideways to someone of equal seniority/ responsibility/ grade; downwards to direct reports, but only to those with the appropriate seniority and expertise i.e. an EVP cannot delegate to her/his executive assistant; and joint to two delegates requiring their joint approval.
- 1.2.9 Delegated position holders cannot re-delegate an authority greater than that which he/she has for himself/herself. Any long term (for periods exceeding three months) sub-delegation of authority to subordinate positions may only be made after approval of the President.
- 1.2.10 Certain matters may not be delegated such as hiring of faculty and employees, personnel related grievances or other disciplinary matters, key functional job responsibilities, activities and reporting, performance management of direct reports and formal compliance investigations. No delegation may be made to a consultant or secondee to the University.
- 1.2.11 Individuals cannot sub-delegate their sub-delegation to a third party without the approval of the President.
- 1.2.12 The delegated financial authority limits may, from time to time, be subject to amendment or change to reflect the University's organizational and administrative changes and all such amendments or changes shall be made in accordance with the Establishment Law and the Bylaws.

- 1.2.13 Any authority to commit or incur expenditure and/or approve documents shall only be initiated, endorsed and approved by a post holder within the current University's organization structure, as applicable (see 1.3 below).
- 1.2.14 This DoA is to be implemented from the date of its approval until further notice, and shall supersede any previous delegation of authority.
- 1.2.15 Any delegation of authority shall maintain the executive and divisional lines of authority within the University consistent with the Establishment Law and the Bylaws.
- 1.2.16 Individuals holding more than one position shall have separate authorities delegated for each position held.
- 1.2.17 The University's financial authority limits are set forth in this DoA and are based on the University's organizational structure and the Bylaws.
- 1.2.18 Any authority to commit or incur expenditures and/or approve documents shall only be approved by an authorized Employee.
- 1.2.19 Exercise of any delegated authority should be within the constraints of the Approved Annual Budget (having taken into account at the time of exercise any Commitments already made or reasonably anticipated in relation to such Budget).
- 1.2.20 Matters not falling within an Approved Annual Budget should first be referred for approval of the necessary amendments to the Budget, prior to making any kind of Commitment.
- 1.2.21 Financial limits and thresholds in the DoA are for whole transactions/ projects. Approval requests must therefore also be for whole transactions/ projects. Large transactions cannot be split into multiple smaller transactions to circumvent the approval limits and thresholds. For example, if the University entered into a three-year office property lease for rental of AED 100,000 per annum, this has a transaction value of AED 300,000 for DoA purposes.
- 1.2.22 Where the revised total cost or outcome is greater than the originally approved request, e.g. following a variation order, and the revised total cost or outcome exceeds the original approver's authority, the revised cost or outcome must be escalated to the next level of authority in the DoA for final approval.
- 1.2.23 Employees who sit on boards of other companies (Subsidiaries or University joint ventures with third parties) or entities as nominated representatives of the University shall obtain President approval in written form, and at all times act in the best interests of the University. In the case of the President, Chairman approval is required. Employees shall recuse themselves from any decision-making vote that involves by implication or otherwise the University unless they have the necessary authority formally delegated to them by the relevant authority holder.
- 1.2.24 A financial, legal or other Commitment that binds the University to a course of action shall always be formally recorded in a legally binding document. The person who executes any such Commitment or document declares that such Commitment or document was properly authorized in accordance with the DoA.
- 1.2.25 All cheques, or drafts, payment orders, commercial letters of credit, or payments or transfers of money require the signatures of the authorized persons set out in the list of authorized bank signatories as endorsed by the President and approved by the Chairman within the signing limit set forth for each signatory.
- 1.2.26 A copy of the bank signatories and signing limits are kept by the General Counsel and the Finance Department. For all bank mandates, there should be at least two authorized signatories.

- 1.2.27 The DoA must conform to the principles of internal control relating to the segregation of duties as specified in this DoA, and other applicable University policy from time to time. For example, the employee responsible for approving an invoice cannot be the same employee paying that invoice.
- 1.2.28 All powers of attorney issued to BoT members, employees and officers of MBZUAI must only be exercised, in accordance with the DoA.
- 1.2.29 The authorities defined in the DoA may be overridden by higher authorities in the same chain of command e.g. where the final approver is defined in the DoA to be a Vice President of a division / Director of Department such person may nonetheless exceptionally choose to exercise the final approval. However, this override authority cannot be used if it results in the same person holding two approval authorities.
- 1.2.30 Any communication or action with third parties that might potentially commit the University to any liability requires formal prior approval as per the DoA. Initiators and Endorsers (see below) are not allowed to make any communication or take any action to commit the University prior to the formal approval by the defined Approver as per the respective DoA authority.
- 1.2.31 In cases of uncertainty as to a particular authority, i.e. the DoA is not clear with respect to a certain circumstance or requires interpretation, a clarification request should be addressed to the General Counsel. If the provision remains unclear following review the matter shall be referred to the BoT, and the DoA amended, as appropriate.
- 1.2.32 Any transactions or decisions that are not explicitly mentioned in the DoA should be addressed to the Chairman for approval.
- 1.2.33 Subject to the DOA Matrix, Approvers cannot approve items that are for the Approver's own benefit i.e. own business/mission travel expenses, own training, etc. This rule overrides any and all defined authorities in the DoA. Such transactions must be escalated to the next level of authority for approval.
- 1.2.34 Conflicts of Interest must be declared and dealt with in accordance with the applicable MBZUAI policy. Any designated Approver with a Conflict of Interest is excluded from being the Approver. This rule overrides any and all defined authorities in the DoA.
- 1.2.35 In the case of an unforeseen circumstance (e.g. a delegate falls ill or is called away on an emergency) the delegation must revert up to a higher level of authority in the same chain of command e.g. from the Section Head to the Manager/Director, from Manager/Director to Vice President to President, etc.
- 1.2.36 Any documentation having legal effect (including MOUs, or other similar non-binding arrangements, and POAs) should not be executed without that documentation having been endorsed by the General Counsel in accordance with any applicable policy and approved by the Business Owner.
- 1.2.37 This DoA is intended to capture delegations of authority rather than points of internal process or procedures which are in place internally.
- 1.2.38 All BoT members, the President and Employees are required to fully comply with the University's DoA for all the related activities. Non-compliance is deemed to be a breach of the Code of Conduct and subject to appropriate disciplinary action. Employees are further required to report any known or suspected cases of non-compliance to Internal Audit.

1.3 DoA Matrix Legend

I = Initiate

- A. The “Initiator” identifies a need that requires approval and then formally starts the approval request process. The Initiator may be any role (i.e. the Endorser or Approver) within the direct chain of the management of the listed Initiator.
- B. The Initiator is authorized to utilize the necessary resources and to classify all information and documents relating to the related decisions and the undertaking of the duties associated with his job.
- C. The Initiator, in her/his capacity as the Initiator, is not authorized to commit the University to any actions or liabilities.
- D. Many different roles can have Initiator responsibility.

E = Endorse

- A. The “Endorser” reviews the request for approval.
- B. The Endorser also reviews and assesses the compliance of the documentation and the preparation of information, pertaining to the related decision against applicable Policies and Procedures, already prepared by the Initiator.
- C. There may be more than one Endorser before the request can be submitted for approval.
- D. The Endorser is a person with relevant subject matter expertise and /or authority.
- E. Each endorsement carries with it a personal responsibility and ownership for the endorsement.
- F. Specifically, each Endorser must ensure the appropriate depth and breadth of their review, including but not limited to:
 - Evaluating assumptions and estimates for reasonableness;
 - Reviewing supporting business cases, bids, quotes, analysis and research for reasonableness and completeness;
 - Checking and validating all the required supporting documentation;
 - Checking the completeness and accuracy of the submission in general
 - Checking it is compliant with MBZUAI Policies and Procedures and MBZUAI Regulations and applicable laws.

A = Approve

- A. The request for approval by an ‘Approver’ is complete only when the person with the Approval authority has formally approved the request.
- B. In most cases, there will be only one Approver. However, depending on the nature of the transaction/ asset/ value at risk, there may be more than one Approver.
- C. Where two or more approvals are required, the request is not approved until all the Approvers have approved i.e. if one Approver does not approve, the request is not approved.
- D. Approvers have the ultimate authority and are not bound by the recommendations of the Endorsers. An Approver can approve a transaction, even if one or more Endorsers did not recommend the transaction or can reject a transaction even if the Endorsers recommended it. Approvers are also appropriately responsible for their decisions.
- E. Depending on the nature of the transaction a distinction should be drawn between Approver(s) and Signatory(ies), who may or may not be the same person(s) e.g. with certain banking transactions.