



Finance Guideline	FND004 – Employment of connected persons in Finance
Related Policy	HR Recruitment Policies and Procedures There is currently no specific HR policy covering the employment of connected persons at UCT.
Objective	To provide guidance and manage the risks involved in the employment of connected persons within the finance department, in order to ensure that all appointments are transparent and fair, and are perceived as such, by the rest of the UCT community.
Context	Due to various issues that increase the risks (transformation, climate and financial), it is in general not good practice to employ connected persons in the same section of a department. However, if the correct appointment process is followed, connected persons may be employed in the same department, provided the association is disclosed upfront and independently assessed.
Definitions	For the purposes of this guideline, the following definition applies: <ul style="list-style-type: none">• <i>Connected persons</i> - includes anyone who could be regarded as a close family member (typically spouse, partner, parents, children, in-laws, siblings, cousins, aunts, uncles and step- family) and anyone who is known to the staff member through any association, current or past.
Guidelines	The general principle is that <ul style="list-style-type: none">• no person connected to a staff member is advantaged by the nature of their association with another staff member;• the nature of the association is disclosed to the Executive Director: Finance and the Chair of the Finance Transformation Committee prior to the appointment, so that this association can be assessed in terms of the objectives of this policy.
Appointments made via Selection Committee (permanent and temporary)	<ul style="list-style-type: none">• The onus is on the Chair of the Selection Committee or line manager filling the vacancy, to ensure that all members of the selection committee disclose any associations with applicants for a post.• Should an association exist, this information must be forwarded to the Executive Director: Finance and the Chair of the Finance Transformation Committee for assessment of risk, and should include the following details/aspects:<ul style="list-style-type: none">– Association between the applicant and line manager or selection committee member.– Segregation of duties, especially with respect to financial transactions.– Institutional climate, especially the impact on staff morale and perceptions of bias.• All appointments are subject to the above risk assessment, if applicable, plus the usual credit, criminal and qualification checks.• The standard UCT recruitment and selection process should be followed, noting the following specific additional requirements:<ul style="list-style-type: none">– The job description and advert must not favour the qualifications and experience of a targeted potential applicant.– Any personal association between any member of the selection committee and any applicants must be disclosed to the committee for review and further action by the Chair of the Selection Committee if deemed appropriate in the circumstances.



Appointments made without Selection Committee and/or advert (usually temporary)

- The onus is on the line manager filling the vacancy, to disclose any associations with applicants for the post, as well as to request the applicant to disclose any associations with current or past-UCT staff members.
- Should an association exist, this information must be forwarded to the Executive Director: Finance and the Chair of the Finance Transformation Committee for assessment of risk, and should include the following details/aspects:
 - Association between the applicant and line manager or any other employee within the finance department.
 - Segregation of duties, especially with respect to financial transactions.
 - Institutional climate, especially the impact on staff morale and perceptions of bias.
- All appointments are subject to the above risk assessment, if applicable, plus the usual credit, criminal and qualification checks.
- For any temporary appointments made via the preferred employment agencies or via personal contacts, the following must be done:
 - There must be a good operational reason to warrant a temporary appointment.
 - Temporary appointments must be reviewed monthly (or towards the end of the contract period) to ensure that the initial reasons are still valid. A report must be submitted to the Executive Director: Finance motivating an extension.
 - It must be clear to the temporary staff member, that there is no expectation of permanent employment, should such an opportunity arise.
 - The job requirements, as well as the required competencies, must be specified up front, in addition to the time period the temporary appointment is for.
- For any temporary appointments to be made via personal contacts, the following must also be done:
 - Finance department staff members should be given the opportunity to submit CVs of suitably qualified connected persons, in addition to stating their association with the applicant.
 - The line manager and another two finance department staff members, one of which must be appointed by the Finance Transformation Committee and the other by the Executive Director: Finance, are responsible for reviewing the applicants, and making a recommendation.
 - The line manager, or one level up if the association is with the line manager, must prepare a report detailing the requirements of the job, process followed, applicant pool, reason for candidate selected and nature of association to current or past-UCT staff members, for review and approval by the Executive Director: Finance and the Chair of the Finance Transformation Committee. Once approved, this report should be made available to any finance department staff member if requested.
- Where connected person requires a practical work component for completion of a course of study, this request must be approved by the Executive Director: Finance. This would not be viewed as employment, but as assistance that is strictly supervised by a designated individual. Access to financial systems should be limited to display only.

General

Should a close personal relationship evolve between two finance department colleagues that could be regarded as compromising independence, this relationship must be disclosed to the Executive Director: Finance for assessment and for noting by the Chair of the Finance Transformation Committee. This information should be made available to any finance department staff member if requested.

Direct queries to

Executive Director: Finance or Chair of the Finance Transformation Committee

Finance Guideline owner

Executive Director: Finance

Approved by

Finance Advisory Group (FAG)

Updated

New guideline – May 2009