



## CONSTITUTION

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### 1. Name

1.1. The name of the association hereby constituted is the South African Business Schools Association (hereinafter referred to as "the Association").

1.2. The shortened name of the Association is "SABSA."

### 2. Legal Personal

2.1. The Association will:

- (a) exist in its own right, separately from the members and with limited liability;
- (b) continue to exist even when the membership changes;
- (c) be able to own property and other possessions; and
- (d) be able to sue and be sued in its own name.

### 3. The Registered Office

- 3.1. The Association's registered office will be situated at the office of the Chief Executive Officer. Should the position of the Chief Executive Officer be vacant, then the registered office will be situated at the office of the serving Chair.

#### **4. Objectives**

4.1. The objectives of the Association are to:

- (a) promote the collective interests of its members by providing a forum through which the needs, views interests, concerns and expectations of its members can be expressed;
- (b) serve as a forum for the discussion of relevant education legislation;
- (c) advocate with government and regulatory bodies regarding national educational policies and standards insofar as they relate to business and management education;
- (d) conduct research, collect data on management education and assist in the development of teaching methodology;
- (e) assist in the development of research in the areas of business and management;
- (f) facilitate scholarly communication amongst the academic community and interested parties relating to management education and research through workshops, seminars, organised conferences and the publications of scholarly journals and materials;
- (g) assist in the development of those business schools in earlier stages of development;
- (h) contribute towards developing an appropriate quality assessment system for business education in South Africa;
- (i) promote co-operation with other associations having similar objectives;
- (j) communicate the interests of the Association to the community at large;
- (k) undertake activities in support of the Association's stated objectives or general principles as it may from time to time be deemed appropriate or necessary.

#### **5. Powers of the Association**

5.1. Subject to this Constitution and any applicable legislation, the Association:

- (a) must only pursue activities that are aimed at fulfilling the Association's objectives, as recorded in this Constitution;
- (b) must assume the power and authority needed to achieve its objectives;
- (c) may amalgamate with other entities having objects that are similar to the objectives of the Association;
- (d) where appropriate may nominate or elect persons to represent the Association's interests; and
- (e) must only undertake activities that are lawful.

## **6. Membership**

6.1. There shall be four categories of membership: Ordinary membership, Associate membership, Affiliate membership and Reciprocal membership.

6.2. Ordinary membership shall be restricted to South African Graduate Schools of Business (hereinafter referred to as "School" or "Schools") which offers the Masters of Business Administration ("MBA") degree or the Masters of Business Leadership ("MBL") degree accredited by the Council on Higher Education ("CHE").

6.3. The Schools, set out in Annexure A to this Constitution shall constitute the founding members of the Association.

6.4. A School may apply for Ordinary membership if it is accredited to offer an MBA or MBL degree by the CHE.

6.5. Ordinary and Associate members shall be entitled to nominate the dean/director ("director") and an alternate representative.

6.6. A South African educational institution may be eligible and apply for Associate membership:

- (a) if it is in the process of applying for CHE accreditation;
- (b) if it is responsible for programmes of study leading to the award of degrees in

management, business administration, administrative studies, management sciences, institutional administration or commerce; and

(c) shall be admitted as an Associate member on the recommendation of the Board of Directors and be approved by majority vote of the Association.

6.7. Applications for Ordinary and Associate membership may be considered at any meeting of the Association.

6.8. Affiliate membership is allocated to individual foreign universities (or equivalent), agencies, national organizations or international management development networks and business entities with an interest in the development and improvement of management education, research and scholarship.

6.9. Affiliate membership is conferred on the recommendation of the Board of Directors with the approval by majority vote of the Association, to be confirmed annually.

6.10. Reciprocal membership will be authorised and offered by the Board of Directors in exchange with other associations of business schools in other geographical areas, who, in turn, recognise SABSA as a reciprocal member of their associations.

6.11. Reciprocal membership have no liability to contribute towards the payment of debts and liabilities of the Association, and SABSA will require similar assurances on entering into a reciprocal membership with another organisation.

6.12. Any member may terminate its membership by delivering written notification of resignation to the Secretary, or on a School losing accreditation, or if at least 90% of the total number of voting members of the Association vote in favour of a resolution to terminate a member's membership.

6.13. Annual membership fees shall be payable in the amount and in the manner established from time to time on the recommendation of the Board of Directors and approved by majority vote of the Association.

6.14. A member who has not paid an annual membership fee or additional levy by the stipulated date [or if no date stipulated, by the expiration of six (6) months from date of sending the request for payment] will be deemed to be in default and may be suspended provided reasonable notice has been provided to the member that no payment has been received. While in default, a member may not be heard on any matter at a meeting of the Association or elsewhere, and will not be counted in calculating the quorum for meetings or the requirement for an absolute majority of members.

6.15. A register of members shall be kept by the Association showing the name, address and date of commencement of membership of each member. Provision for noting the date of cessation of membership should also be contained in the Register.

## **7. Rights of Members**

**7.1.** The rights of members shall be as follows:

- (a) Only Ordinary members shall be eligible to be Directors or Officers;
- (b) the dean/director or alternate of Ordinary members shall be entitled to one vote at all meetings of the Association;
- (c) representatives of Associate or Affiliate members shall have speaking rights but no voting rights;
- (d) at any meeting of the Association, the Board of Directors, or its Executive Committee the Chairperson of the meeting shall have a deliberative vote and a casting vote in the event of an equality of votes; and
- (e) The members of the Association shall have no liability to contribute toward the payment of debts and liabilities of the Association for the costs, charges and expenses of winding up the Association except to the amount of any unpaid membership fees or levies.

## **8. Organisation**

8.1. The Association shall comprise of Ordinary, Associate and Affiliate members, a Board

of Directors and any committee or other advisory body, which the board deems necessary or appropriate for such purposes and with such powers as the board shall see fit.

8.2. Any such committee formed in accordance with the provisions of Section 8.01 above may formulate its own rules of procedures, subject to such regulations or directions as the board may from time to time make. Any committee member may be removed by resolution of the Board of Directors.

8.3. The functions and responsibility of the Association shall be to:

- (a) receive the annual reports of the officers and committees of the Association;
- (b) elect the Board of Directors and, as or if necessary, the Executive Committee of the Board;
- (c) decide on financial policies and regulations in so far as they impose or remit obligations upon members of the Association;
- (d) decide on changes in the constitution;
- (e) decide on any matters referred to it for decision by the Board of Directors;
- (f) appoint auditors;
- (g) receive the financial statement of the Association.

8.4. The Board of Directors or one-third of the Ordinary members may request a meeting of the Association for any purpose. Notice stating the business of such a meeting shall be sent in writing to every member by the Secretary at least 21 days prior to the meeting.

8.5. The quorum at a meeting of the Association shall be forty percent of the Ordinary Members. Should a quorum not be present, the meeting shall be adjourned for 21 days, on notice to all members, and the Ordinary members present at the adjourned meeting shall constitute the quorum.

## **9. Meetings of the Association**

9.1. The Association shall meet on a six month, semi-annual basis, the venue to be de-

terminated by the members.

- 9.2. The Chair may in his or her discretion convene meetings of the Association at any time, but shall convene at least one meeting of the Association within four months of the end of the financial year.
- 9.3. The Chair shall call a meeting of the Association if the Board of Directors so directs or if requested by at least one-third of the Ordinary members of the Association.
- 9.4. At least 21 days' notice (by written or electronic means) of the time and place of a meeting and the agenda shall be given to all categories of members.
- 9.5. The Chair, or in his or her absence a Vice- Chair or, in the absence of both, a member appointed by the meeting, shall act as Chairperson.
- 9.6. Voting shall be by show of hands unless at least five members present demand a vote by ballot.
- 9.7. Resolutions are passed by a majority of the Ordinary members of the Association attending the meeting.
- 9.8. When the Chair deems it to be appropriate, he or she may lay any proposal before all members by means of a circular and determine a return date not being less than fourteen days after the date of the dispatch by mail (including electronic means) of the circular for them to inform him or her of their opinions concerning the proposal. If at least one half of the members expresses itself in favour of the proposal made in the circular before the return date, the proposal shall be deemed to be a resolution of the Association.
- 9.9. The Association's resolutions shall bind all members of the Association.

## 10. The Board of Directors

- 10.1. The Association shall have a minimum of three Office Bearers.
- 10.2. The business and any property which the Association owns or acquires shall be managed by a Board of Directors who will serve as office bearers and be composed as follows:
- (a) the Chair and two vice-Chairs to be elected by the Ordinary Members of the Association at the second of the semi-annual meeting for two-year terms, which shall be non-renewable;
  - (b) the Chief Executive Officer of the Association should such an appointment be made, and
  - (c) one representative to be elected by and from Associate members should the class of Associate members constitute half the size of the Ordinary members.
  - (d) the immediate past Chair of the Association may serve in an advisory capacity but shall have no vote and will not be considered a member of the Board;
  - (e) a secretary/treasurer who shall have no vote and shall not be considered a member of the Board.
- 10.3. The Board of Directors shall have the power to decide on all matters of policy and practice concerned with the conduct of the affairs of the Association except such matters as are specifically reserved to the members.
- 10.4. The Board of Directors shall have power to delegate authority to an executive committee or to such other committees, officer or officers as may be appointed by the Board.
- 10.5. The board shall meet at least twice a year. Further meetings may be called by the Chair when appropriate. Special meetings may be called by a quorum of board members.
- 10.6. Written notice of all meetings of the Board of Directors shall be sent to all members at least (10) days in advance of the meeting.
- 10.7. Every member of the Association shall receive the agenda and minutes of meetings



of the Board of Directors, and shall be entitled to attend such meetings at his or her own expense, but the power to vote there at shall be confined to members of the Board of Directors.

- 10.8. Quorum at meetings of the Board of Directors shall be two.
- 10.9. Each director shall be entitled to one vote at meetings of the Board of Directors. Decisions shall be taken by majority vote of those present. Voting by proxy will not be permitted.
- 10.10. The Board of Directors shall have the power on the Association's behalf to employ full or part time staff as shall be required, such as a Chief Executive Officer to be the chief operating officer who performs the duties prescribed by the board.
- 10.11. The office of director shall be considered vacant:
- (a) if a director shall resign or no longer occupies the position they occupied when they were appointed a director;
  - (b) if a director offers his or her resignation in writing to the Secretary-Treasurer of the Association;
  - (c) if a director fails to fulfil the functions of office for a period of one year;
  - (d) if at a meeting of the Association a resolution is passed by two-thirds of the votes cast that a director be removed from office;
  - (e) on death.
- 10.12. Vacancies occurring between semi-annual meetings of the Association, shall be filled by the Board of Directors until the following annual meeting.
- 10.13. If the position of Chairman of the Board of Directors becomes vacant for any of the reasons set forth in section 10.11 above, the remaining members of the board shall select one of its vice chairs to serve as Chairman until the following annual meeting.
- 10.14. Directors shall receive no remuneration for carrying out their duties as directors.

10.15. Every director or employee of the Association and his or her heirs, executors and administrators and estate and effects shall be indemnified and saved harmless out of the funds of the Association from and against:

- (a) all costs, charges and expenses whatever that such director or officer sustains or incurs or about any action, suit or proceeding that is brought, commenced or prosecuted against him or her for or in respect of any act, deed, matter or thing whatever, made, done or permitted by such director or officer, in or about the execution of the duties of his or her office, and
- (b) all other costs, charges and expenses that he or she sustains, or incurs, in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by his or her own wilful neglect or default.

## **11. Duties of the Board of Directors**

**11.1.** The Board of Directors shall:

- (a) administer the affairs of the Association;
- (b) represent the Association publicly;
- (c) report on its activities to the Association;
- (d) execute resolutions taken at the Association's meetings;
- (e) receive funds and make payments on behalf of the Association;
- (f) maintain an appropriate bank account at a registered commercial bank. All monies received shall be paid into this account;
- (g) all payments shall be authorized by the Board of Directors and solely in accordance with authorising resolutions passed by the Association; and
- (h) cause proper books of account to be kept of the Association's revenue, expenditure and financial position, which shall be audited at the end of each financial year.

## **12. Powers of the Board of Directors**

**12.1.** The Board of Directors has all the powers of a natural person, including the power to:

- (a) raise charges and collect money for any services rendered, e.g. for lectures, seminars, publications and research projects;
- (b) undertake and to remunerate officials or any other person or institution that renders a service to the Association;
- (c) delegate any of its powers, provided that the board shall not thereby be divested of any powers so delegated;
- (d) co-opt persons to the board of directors in an advisory capacity;
- (e) take any steps which comply with and are beneficial to the objects of the Association;
- (f) adopt, ratify and confirm any agreements entered into by the Association, prior to the adoption of this Constitution;
- (g) enter into agreements for the benefit of the Association and in pursuance of the Association's objectives;
- (h) collect, receive or solicit any contribution, donation, gift, bequest or payment of any nature on behalf of the Association in relation to its objectives or for its operation;
- (i) donate to any person, organization or company for purposes consistent with the achievement of the objects of the Association;
- (j) sell any investment of the Association and re-invest the proceeds; purchase or acquire or sell stock-in-trade, plant, machinery, land, buildings, agencies, listed shares, debentures and every kind or description of movable and immovable property only with the approval of all of the members;
- (k) open and operate banking accounts for the benefit of the Association;

- (l) invest the funds of the Association and funds received for the relief effort in an attorneys trust fund or with registered financial institutions listed in section 1 of the Financial Institutions (Investments of Funds) Act, 1984. The Association may also invest in securities listed on a licensed stock exchange as set out in the Stock Exchange Control Act, 1985;
- (m) establish or register other legal entities, as may be deemed necessary to promote the aims and objectives of the Association;
- (n) insofar as the Office Bearers may deem appropriate and to transfer funds and assets, and to delegate functions, to any such other legal entity/ies only with the permission of all of the members;
- (o) establish separate parts of the Association, for administrative, financial, or programme reasons, and to keep separate books and records, and account for each part;
- (p) act as principals, agents contractors or guarantors, only with the approval of the majority of the members of the Association;
- (q) appoint attorneys, accountants and such other professional consultants and advisers as may be deemed necessary and appropriate from time to time;
- (r) develop policy with regard to the manner in which the Association is required to implement its aims and objectives;
- (s) has the right to make regulations for proper management, including procedure for application, approval and termination of membership;
- (t) generally do all such things ancillary to the powers listed above in this sub clause as may be necessary and conducive to the achievement of the principal aims and objectives of the Association; and

- (u) determine rules and procedures for its meetings.

### **13. Finances of the Association**

- 13.1. The financial year of the Association shall commence on 1 January and shall terminate on 31 December of each year.
- 13.2. The financial liability of a member is limited to the unpaid portion of its membership fees for any given financial year.
- 13.3. The Association shall have the power to enter into sponsorship arrangements that promote its interests and objectives subject to approval by the Board of Directors.
- 13.4. In addition to the annual membership fee, the Board of Directors may, with the approval of an absolute majority of the then current members, raise an additional levy on members at any time and from time to time as required, in order to meet payments or outgoings of funds activities, and may nominate the due date of payment of the levy.
- 13.5. The Association shall appoint auditors.

### **14. Signing Authority**

- 14.1. Contracts, documents, cheques or any other instruments in writing requiring the signature of the Association shall be signed by the Chair or his or her designate, and all contracts, documents, cheques and other instruments in writing so signed shall be binding upon the Association without any further authorisation or formality.
- 14.2. The board shall have power by resolution to appoint an officer, a member of the Board of Directors or a staff member, on behalf of the Association either to sign contracts, documents, cheques or other instruments generally or to sign specific contracts, other documents, cheques and other instruments.

## **15. Income and property**

- 15.1. The Association's income and property shall not be distributed to the members or Office Bearers.
- 15.2. Members and Office Bearers have no rights in the property or other assets of the Association solely by virtue of their being members or office bearers.

## **16. Dissolution of the Association**

- 16.1. The Association shall exist until 90% of all ordinary members resolve that it be dissolved.
- 16.2. A proposal to dissolve the Association must be notified to all members at least six months before such resolution is tabled for decision.
- 16.3. In the event of dissolution, the Association's assets, if any, shall be transferred to another non-profit organisation having some of the objectives of the Association.

## **17. Rules and Regulations**

- 17.1. The Association and/or the Board of Directors may establish such rules, regulations, procedures and amendments thereto, not inconsistent with this Constitution relating to the management and operation of the Association as they deem expedient. The Board of Director's rules, regulations, procedures and amendments thereto shall have force and effect only until the next meeting of the Conclave of Members when they shall be confirmed, and in default of confirmation shall at and from that time cease to have force and effect.
- 17.2. The rules, regulations, procedures and amendments thereto of the Association require a two-thirds majority of the votes cast at a meeting of the Association. Any mo-

tion for enactment, repeal and amendments must be circulated as part of the agenda of the meeting of the Association at least two weeks before the meeting at which it is to be discussed.

- 17.3. The rules, regulations, procedures and amendments thereto of the Board of Directors require a two-thirds majority of the votes cast at a meeting of the Board of Directors. Any motion for enactment, repeal and amendments must be circulated as part of the agenda of the meeting of the Board of Directors at least two weeks before the meeting at which it is to be discussed.

## **18. Special Resolutions**

18.1. A special resolution must be passed by the Association to effect the following changes:

- (a) A change of the Association's name;
- (b) A change of the Association's rules;
- (c) A change of the Association's objectives;
- (d) An amalgamation with another incorporated association;
- (e) To apply for registration as a company or a co-operative.

18.2. A special resolution shall be passed in the following manner:

- (a) A notice must be given to all members advising that a meeting is to be held to consider a special resolution;
- (b) The notice must give details of the proposed special resolution and give at least 21 days' notice of the meeting;
- (c) A quorum must be present at the meeting; and
- (d) At least two-thirds of the valid votes cast must be in favour of the resolution.

## **19. Amendment of The Constitution**

19.1. The constitution can be amended by resolution.

19.2. The resolution has to be agreed upon and passed by not less than a two-third majority of the total number of voting members of the Association.

- 19.3. Written notice of any proposed amendment to this constitution shall be sent to members by the Secretary at least two weeks in advance of the meeting at which it is to be considered.