

**Financial Regulations  
&  
Financial Procedures**

***2023/24 Edition***

# University of St Mark & St John

Date of Issue August 2022

## **Financial Regulations**

1. Introduction
  2. Corporate Governance
  3. Responsibilities of Staff
  4. Financial Forecasts and Budgets
  5. Accounting and Taxation
  6. Audit
  7. Treasury Management
  8. Income
  9. External Grants, Research Grants and Contracts
  10. Other Income Generating Activities
  11. Non-Pay Expenditure
  12. Pay Expenditure
  13. Capital Expenditure and Assets
  14. Grants for capital equipment and capital projects
  15. Stores
  16. Insurance
  17. Companies and joint ventures
  18. Document and Key Security
  19. Marjon Student Union
  20. Use of the University's seal
- Appendix 1: Financial Limits
- Appendix 2: Financial Procedures (to follow and for approval by SMT)

## **1. Introduction**

### **1.1. Background**

- 1.1.1.** The object of the University of St Mark & St John (the 'University') is to promote the advancement of education and for that purpose to acquire, maintain and carry on the work of the Church of England University known as University of St Mark & St. John, trading as Plymouth Marjon University. The University is a company limited by guarantee and is the trustee of the registered charitable trust known as the University of St Mark & St John (the 'Trust'). The University is an exempt charity by virtue of the Charities Act 1993. Its structure of governance is set out in its charter and statutes. The University management and administration is responsible to the University Board of Governors for the activities of the Organisation.
- 1.1.2.** The regulations, policies and procedures included here form part of a system of accountability established by the University. They are to be read in conjunction with the Regulatory Framework for Higher Education, the Terms and Conditions of Funding for Higher Education Institutions issued by the Office for Students (OfS), Committee of University Chairs Audit and Governance Codes of Practice and associated Finance Strategies.
- 1.1.3.** The University's Financial Regulations are the principles for the conduct of the financial affairs of the University. It is anticipated that these regulations will change only periodically whilst the supporting procedures will be updated more frequently and on occasion mid-way through the financial year.
- 1.1.4.** The Financial Regulations will be approved annually by the Board of Governors having been scrutinised by the Senior Management Team (SMT), the Finance & Resources Committee (F&R) and the Audit Committee (AC).
- 1.1.5.** The University Board of Governors approved these Financial Regulations for commencement from 1 August 2023

Authorisation of Financial Regulations

Graham Raikes MBE

Chair of the Governing Body

1 August 2023

Professor Claire Taylor

Vice-Chancellor & Chief Executive

1 August 2023

### **1.1.6. Distribution of the Financial Regulations:**

Members of the University Board of Governors  
Members of the Audit Committee  
Members of the Senior Management Team

Vice-Chancellor's Office

Governance Officer (supporting the University Board of Governors)

All Budget Managers and Project Managers

Finance Service

The Financial Regulations will be placed on the University website for further reference.

## **1.2. Purpose of Financial Regulations**

**1.2.1.** The purpose of these regulations is to provide control over the totality of the University's (including subsidiary organisations) resources and to provide the Board of Governors and management with assurances that resources are being properly applied for the achievement of the University's strategic plan and the business objectives:

- Financial sustainability and resilience
- Achieving value for money
- Fulfilling its responsibility for the provision of effective financial control over the use of public funds and student fees
- Ensuring compliance with relevant legislation
- Safeguarding assets and preventing fraud or loss

## **1.3. Scope of Financial Regulations**

**1.3.1.** Compliance with the Financial Regulations is compulsory for all staff within the University and failure to comply may result in disciplinary action being taken. It is the responsibility of members of SMT and the Deans/Directors of Schools and Heads of Departments to ensure that their staff are made aware of the existence and content of the University's Financial Regulations. These regulations apply to the University and any subsidiary companies. The University subsidiary companies have their own separate regulations that apply to their operations, which must comply with these regulations.

## **2. Corporate Governance**

### **2.1. Board of Governors**

**2.1.1.** The Board of Governors is the statutory body representing the interests of the University. It appoints the Vice-Chancellor & Chief Executive and the members of SMT. The responsibilities of the University Board of Governors are set out by the OfS and also contained in the Committee of University Charis Governance, Audit and Assurance guidance. The Board has an important role in planning, approving key decisions of a financial nature and monitoring risk.

- [Board of Governors Articles of Association](#)

### **2.2. The Audit Committee**

**2.2.1.** The Audit Committee is appointed in accordance with the Audit Code of Practice adopted by the OfS (the CUC Governance, Audit and Assurance guidance). Chair of the Audit Committee shall have unrestricted access to the Vice-Chancellor and Chief Executive, Chief Operating Officer and Director of Finance, the University Secretary and Registrar and the

University Board of Governors. The Audit Committee is independent, advisory and reports to the governing body. It has the right of access to obtain all the information it considers necessary and to consult directly with the internal and external auditors. The committee is responsible for identifying and approving appropriate performance measures for internal and external audit and for monitoring their performance. The Audit Committee is the lead committee on all aspects of risk management and makes recommendations to the University Board of Governors on risk policy, the risk register and any other issues relating to the management or monitoring of institutional risk and assurance.

- [Audit Committee Terms of Reference](#)

## **2.3. The Finance & Resources Committee**

- 2.3.1.** The Finance & Resources Committee is responsible for the monitoring of the University's financial position and financial control systems. The committee will examine annual estimates and accounts and recommend their approval to the governing body. It will ensure that short term budgets are in line with agreed longer term plans and that they are followed which includes the scrutiny of the Financial Statements and other matters of a financial nature. The committee will also ensure that the University Board of Governors has adequate information to enable it to discharge its financial responsibilities.

- [Finance & Resources Committee Terms of Reference](#)

## **2.4. Remuneration Committee**

- 2.4.1.** The Remuneration Committee Determines salaries in line with the agreed Senior Staff Policy, the extent of target achievement for any performance related pay agreements involving the personnel within the terms of reference of the committee, reviews and agrees the contractual terms on termination and any proposed payments made to personnel in scope of the committee before these are agreed with individuals and is advised on the process and procedure used for reviewing the salaries of those employees not in scope of the committee.

- [Remuneration Committee Terms of Reference](#)

## **2.5. Senate**

- 2.5.1.** Subject to the provisions of the Articles of Association, to the overall responsibility of the Board of Governors, to responsibilities of the Vice-Chancellor and Chief Executive and to requirements of external validating bodies, Senate is responsible for considering the development of the academic activities of Plymouth Marjon University and the resources needed to support them, and advice to the Vice-Chancellor, the Senior Management Team and the Board of Governors thereon.

- Senate Terms of Reference

## **2.7. The Vice-Chancellor and Chief Executive**

- 2.7.1.** The responsibilities of the Vice-Chancellor and Chief Executive are as determined in the Articles of Association and also the regulatory requirements as set out by the OfS and the University. The Vice-Chancellor and Chief Executive is responsible to the University Board of Governors for the management of the budget, within the estimates approved by the University Board of Governors, along with safeguarding University assets.

### Accountable Officer

- 2.7.2.** The Vice-Chancellor & Chief Executive is the University's accountable officer and is responsible for ensuring that the administration of the University is conducted in accordance with the Regulatory Framework issued by the Office for Students. The Vice-Chancellor & Chief Executive is responsible for the items set out by the Office for Students in their letter accepting the Vice-Chancellor & President as the accountable officer. The Vice-Chancellor & Chief Executive may be required to justify any of the University's financial matters to the Public Accounts Committee.

## **2.8. Senior Management Team**

- 2.8.1.** The University Senior Management Team assist the Vice-Chancellor and Chief Executive in overseeing the strategic direction for the University and delivering its vision. The Senior Management Team (SMT) ensures there is effective leadership, management and co-ordination of all the major academic and support activities undertaken by the University. SMT reviews reports prior to their submission to the appropriate Committees and the Board of Governors. Senior Management Team may delegate financial responsibility to appropriately senior, experienced managers or working groups such as Workforce Development Group or Project Board.

- The Senior Management Team's Terms of Reference

## **2.9. Regulatory Framework**

- 2.9.1.** The Terms and Conditions of funding for higher education institutions issued by the Office for Students sets out the terms and conditions on which the Office for Students grant is made to the University. The University Board of Governors is responsible for ensuring that the conditions of the grant are met.
- 2.9.2.** The Office for Students grant is provided to support:
- the provision of education
  - the provision of any facilities and the carrying on of any other activities which the Council of the University considers it necessary or desirable to provide or carry on for the purpose of, or in connection with, education.
- 2.9.3.** The UKRI and other public bodies provide grants to carry out research into science, technology, humanities, new ideas and to support knowledge exchange. There are terms

and conditions that are associated with receiving these grants and all grants that the University bids for.

## **2.10. Register of Interests**

**2.10.1.** All Governors and members of staff shall ensure that the register of interests maintained by the University Secretary & Registrar is up to date.

## **3. Responsibilities of Staff**

### **3.1. Introduction**

**3.1.1.** The University is committed to the highest standards of openness, integrity and accountability. It seeks to conduct its affairs in a responsible manner, having regard to the principles established by the Committee on Standards in Public Life (formerly known as the Nolan Committee), which staff at all levels are expected to observe.

**3.1.2.** The University expects staff (including those employed by subsidiary entities) at all levels to:

- carry out duties diligently and to the best of their ability;
- comply with all lawful and reasonable instructions of the University including University rules and regulations;
- promote the interests and reputation of the University;
- act in good faith towards the University;
- take all possible care not to damage any of the University's reputation, property or equipment.

**3.1.3.** In addition, in connection with University funds all members of staff shall:

- ensure funds are used economically, effectively and efficiently;
- know and abide by the authority limits contained in the delegated authorities contained in the Financial Regulations and working practices;
- know the University's financial authority limits including the value of those purchases for which quotations and tenders are required;
- make available any records or information to the Chief Operating Officer & Finance Director, or his or her authorised representative, or the University Internal auditors, or the University External auditors relevant to the implementation of the University's financial policies, or to carry out the requirements of University;
- refer to the Chief Operating Officer & Finance Director or the Counter Fraud and Anti-Corruption Policy when any matter arises which involves, or is thought to involve, irregularities concerning, inter alia, University cash or property or the use of resources;  
The Counter Fraud and Anti-Corruption Policy ([link here](#))
- use University property or resources only for University business.

**3.1.4.** Additionally, all members of Senior Management involved in procurement or voluntary or additional paid work must disclose any interests in the University's register of interests maintained by the University Secretary & Registrar. All other members of staff must disclose voluntary or additional paid work to their SMT lead. All staff must ensure that entries in the register relating to them are kept up to date regularly and promptly. In particular, no person shall be a signatory to a University contract where he or she also has an interest in the activities of the third party. Further details of potential conflicts can be found in the working practices.

**3.1.5.** Members of SMT have varying responsibilities and accountabilities with authorisations in relation to signing key documents and entering into contracts or partnerships etc – these limits are set out in the scheme of delegation and may be varied annually when Financial Regulations are approved. There are some key responsibilities held by members of SMT in relation to finance and other resources, which are set out below.

**3.1.6. Chief Operating Officer & Finance Director.** Responsible to the Vice-Chancellor and Chief Executive for advising on:

- All financial aspects of the University's strategy, policy and for the financial administration of the University, to include responsibilities outlined in all financial policy documents.
- Responsible for ensuring that the University has satisfactory systems of financial control and management.
- IT Infrastructure, Business Planning, Risk Management and Health & Safety
- Banking, audit, insurance, investments, borrowing, taxation and pensions.
- Procurement compliance.
- Capital Strategy and planning. (as cover)
- Property matters including leases and licences. (as cover)

**3.1.7. University Secretary and Registrar.** Responsible to the Vice-Chancellor and Chief Executive for advising on:

- Filling and reporting requirements as per company law and the companies act in consultation with the Chief Operating Officer & Finance Director.
- Compliance with OfS Regulatory requirements and investigating any financial breaches.
- Standards of governance and ethics.
- Responsible for the activities as outlined in all financial policies

**3.1.8. Deputy Vice-Chancellor.** Providing cover where the Chief Operating Officer & Finance Director cannot delegate to Marjon Manager level or where there may be conflict of interests. Responsible to the Vice-Chancellor and Chief Executive for advising on:

- Capital Strategy and planning.
- Property matters including leases and licences.



**3.1.9. Pro-Vice Chancellor (Student Success).** Responsible to the Vice Chancellor and Chief Executive for advising on: Critical incident management.

**3.1.10. Marjon Managers (Budget and Resource Managers).** Responsible for following the financial regulations and financial working practices. In particular for producing business plans and spending **within** budgets allocated, following procurement practices and safeguarding assets.

### **3.2. Whistle blowing**

**3.2.1.** Whistle blowing, under the Public Interest Disclosure Act 1998, is disclosure by an employee (or other party) of actual or suspected malpractice in the workplace.

**3.2.2.** Normally, any concern about a workplace matter shall be raised with the member of staff's immediate line manager or Head of Department / Head of Support Service. However, the University recognises that the seriousness or sensitivity of some issues, together with the identity of the person the member of staff thinks may be involved, may make this difficult or impossible. Therefore, a member of staff may make the disclosure under the whistle blowing policy maintained by the Director of People and Organisational Development.

- The Whistle Blowing Policy ([LINK HERE](#))

### **3.3. Hospitality, Inducements and Gifts**

**3.3.1.** The University may provide hospitality in connection with its business, at the discretion of the Vice-Chancellor and Chief Executive, or their representative to:

- Governors.
- Committee members.
- University staff.
- Representatives visiting the University's premises on business.

The hospitality provided will not normally exceed the provision of tea/coffee/meals. Hospitality provided outside the University premises must have the authorisation of the Vice-Chancellor and Chief Executive or the appropriate SMT Lead.

**3.3.2.** Modest hospitality can be accepted out of courtesy. Personal gifts, other than those of a small intrinsic value (this is taken as being for £50 or less), should not be accepted. Invitations for a meal, theatre tickets or tickets to a sporting event are considered acceptable, whilst money, air travel, holidays or other benefits in kind are not. Where gifts are offered to the University, these may be accepted, on approval by the Vice-Chancellor and Chief Executive and used as prizes for fund raising activities. As a general guide, hospitality, of whatever nature, should be accepted a maximum of twice in any one year from one party. Where gifts (above the threshold) or hospitality is accepted this should be

declared by recording the nature and value of the gift or hospitality in the register which is held in the Vice-Chancellor's office. Where an employee is uncertain whether it would be appropriate to accept an offer of a gift or hospitality, the offer should be declined, or advice sought from the SMT Lead, Director of Finance or Vice-Chancellor and Chief Executive.

- 3.3.3.** Personal inducement in any form from suppliers of goods and services must never be accepted. Non-compliance with the Regulations for hospitality and inducements is a disciplinary offence. Budget Managers involved in commissioning goods, works and services will also be asked to declare any interests annually and during individual procurement exercises.

### **3.4. Freedom of Information**

- 3.4.1.** The Freedom of Information Act 2000 applies to the University.

- 3.4.2.** Staff should be aware that information, including financial information might be released in accordance with the University Publication Scheme and/or a request for information made under the provisions of the Freedom of Information Act 2000 subject to the exemptions outlined in the Act.

### **3.5. Counter fraud and anti-corruption**

- 3.5.1.** It is the duty of all members of staff, management and the University's Board of Governors to notify the Chief Operating Officer and Finance Director immediately whenever any matter arises which involves, or is thought to involve, irregularity, including fraud, corruption or any other impropriety. The policy indicates the process in the event the Chief Operating Officer and Finance Director is implicated or unavailable.

- Counter Fraud and Anti-Corruption Policy

### **3.6. Data Protection**

- 3.6.1.** The University is subject to the Data Protection Act 2018 (incorporating the General Data Protection Regulation). Institutional responsibility is collectively maintained by the Senior Management Team with particular responsibility for Data Protection and Freedom of Information residing with the University Secretary and Registrar.

## **4. Financial Forecasts and Budgets**

### **4.1. Financial Forecasts**

- 4.1.1.** The Chief Operating Officer & Finance Director is responsible for preparing annually a rolling three-year financial forecast that is consistent with the strategic plans approved by The Board of Governors. The Deputy Vice-Chancellor/Chief Operating Officer & Finance Director shall produce a 5-10-year capital plan, subject to available data, for approval by the Board of Governors.

- 4.1.2.** The financial forecast shall be approved by the Board of Governors on the recommendation of the Finance & Resources Committee and before submission to the Office for Students.
- 4.1.3** The Board of Governors must approve any increase to either the revenue or capital plans in year. The only exception to this relates to the acceptance of external funds by the Vice Chancellor and the Chief Operating Officer & Finance Director where;
- they 100% fund the value of the initiative or project, or
  - they 100% fund the initiative or project in full with external funds and reprioritisation of projects from the university funds within the financial plans already approved by the Board.

## **4.2. Budget preparation**

- 4.2.1.** The Chief Operating Officer & Finance Director is responsible for preparing each year rolling 3-year business planning with a detailed annual budget, a rolling 3-year capital funding envelope. The Deputy Vice-Chancellor shall provide the detailed capital plan covering all asset groups prioritising lifecycle replacement planning. These shall be approved by the Board of Governors on the recommendation of the Finance & Resources Committee.
- 4.2.2.** The budget includes income and expenditure estimates, cash flow forecasts and compliance with the annual bank covenant.
- 4.2.3.** The Chief Operating Officer & Finance Director must ensure that the detailed budgets are consistent with the medium and long-term planning process and that these budgets are communicated to Budget Managers.

## **4.3. Budgetary control**

- 4.3.1.** All budgets are allocated to a University school or service under the responsibility of the relevant member of SMT. The control of income and expenditure or projects within an agreed budget is the responsibility of the designated budget manager. The designated budget manager must ensure effective proactive planning with associated monitoring take place to ensure:
- the economic, effective and efficient use of resources allocated to them.
  - expending the funds on the purposes for which they were given to the correct revenue, capital or project budget and not applying them for alternative use.
  - expenditure does not lead to overspending of net budgets, unless authorised in advanced by the appropriate SMT lead who will be aware of the overall financial position.
- 4.3.2.** The Scheme of Delegation is located at Appendix 1.

- 4.3.3.** Budget and Project Managers must report significant departures from agreed department or school budgets immediately to their SMT lead and the Chief Operating Officer & Finance Director.

#### **4.4. Budget Monitoring**

- 4.4.1.** During the year, the Chief Operating Officer & Finance Director is responsible for submitting monthly or quarterly revised forecasts for the University to SMT and within the formal reporting cycle to the Finance & Resources Committee and the Board of Governors. The frequency of reporting to be agreed in advance with Finance & Resources Committee.
- 4.4.2.** Budget Managers are responsible for submitting revised forecasts each month, with mitigation to remain within budget and providing explanations of variances from budgets and previous forecasts in line with the reporting timetable.
- 4.4.3.** Budget Managers and SMT Leads are responsible for managing their budgets and taking the necessary remedial action to ensure the delivery within their financial targets (and academic contribution rates), which should be set annually in Personal Development Reviews (PDR's).
- 4.4.4.** Significant variations must be brought to the attention of SMT, Finance & Resources Committee and the Board of Governors.

#### **4.5. Financial information**

- 4.5.1.** Budget Managers are assisted in their duties by financial information provided by the Chief Operating Officer & Finance Director who is responsible for supplying budgetary reports on all aspects of the University's finances to SMT, Finance & Resources Committee and the Board of Governors.
- 4.5.2.** The Finance & Resources Committee receives regular reports on actual performance and revised forecasts. Summarised financial reports are presented to the Board of Governors, which has overall responsibility for the University's finances.

#### **4.6. Capital budgets**

- 4.6.1.** The capital programme includes all expenditure on land, buildings, equipment, furniture and associated costs, whether funded from capital grants or funded from the University's own resources and must be agreed in advance by the Project Board
- 4.6.2.** The medium term and long-term plans for the University shall include details of capital schemes being considered or evaluated. The outline capital plan value must be approved at the Project Board (all limits include VAT) and the threshold for capital is £5k. Where external funds are secured in year, these may be accepted to increase the capital plan value for the year by the Vice Chancellor and Chief Operating Officer & Finance Director where (and reported at the next available Finance & Resources Committee):

- they 100% fund the value of the project, or
- they 100% fund the project in full with external funds and reprioritisation of projects from the university fund within the capital plan value approved by the Board.

**4.6.3.** When schemes are presented for approval to the Project Board, they should follow the governance process and have a costing appraisal.

**4.6.4.** All capital schemes are subject to the normal University processes for procurement. Where external funding is obtained the procurement requirements attached to the funders Terms and Conditions must be followed to avoid the risk of funding clawback.

**4.6.6.** Actual expenditure on capital schemes is monitored by the Finance Service with the relevant Project Manager and reported to the Project Board in the first instance. Scope change must be approved by the Project Board.

**4.6.7.** Although not capital, digital projects should also adopt the Project Board governance.

- Project Board Terms of Reference.

#### **4.7. Academic School business developments**

**4.7.1.** Any new academic department business developments should be presented as part of the strategic or medium-term planning process by the Dean/Director of School first having the approval of the Deputy Vice Chancellor . Where an opportunity arises outside the strategic or medium-term planning process then it should be submitted to the Vice-Chancellor & Chief Executive for consideration.

**4.7.2.** Where an initiative involves recommending the establishment of a company or joint venture or other entity or partnership then the Dean/Director of School shall seek advice from the Chief Operating Officer & Finance Director and have regard to any guidance issued by Office for Students (see section 18).

#### **4.8. Budget Transfers**

**4.8.1.** Budget transfers are approved as part of the monthly budget monitoring process and require SMT approval where they transfer activities, costs or income between SMT Leads.

**4.8.2** The following budget transfers are not permitted by Budget Managers:

- from non-staff spend to staffing
- Income to expenditure
- Where the budget is already overspent or the transfer will create and overspend
- Revenue to capital
- Capital to revenue

#### **4.9. Treatment of year-end balances**

- 4.9.1.** The University will carry forward underspends only in very exceptional circumstances and subject to the overall financial health of the University. Any request for a year-end carry forward must be discussed with the Chief Operating Officer & Finance Director in advance.
- 4.9.2.** Any balances held for restricted grants, restricted donations and endowments will be carried forward.

### **5. Accounting and taxation**

#### **5.1 Annual Financial Statements**

- 5.1.1.** The Chief Operating Officer & Finance Director is responsible for preparing the University's Annual Financial Statements and for ensuring that audited Financial Statements are presented to the Board of Governors for approval prior to submission to the OfS and Companies House. The Financial Statements will previously have been presented to the Finance & Resources Committee and the Audit Committee.
- 5.1.2.** The University's financial statements are published on the website annually

#### **5.2. Retention of accounting records**

- 5.2.1.** The Chief Operating Officer & Finance Director is responsible for the retention of financial documents and will advise Budget Managers of their responsibilities.
- 5.2.2.** The University is required by law to retain prime documents for six years. These include, although not exhaustive, purchase orders, purchase invoices, sales invoices, bank statements, receipts, cheques, BACS records, payroll records and expense claims.
- 5.2.3.** Other financial records shall be retained for three years or, where relevant, as determined by the funder which may be for longer durations of time.
- 5.2.4.** The Chief Operating Officer & Finance Director will make appropriate arrangements for the retention of electronic records.
- 5.2.5.** Staff shall also adhere to any document retention requirements for specific funders.

#### **5.3. External Taxation**

- 5.3.1.** The Chief Operating Officer & Finance Director is responsible for advising the University SMT and Board of Governors on all significant external taxation issues (e.g. PAYE, VAT), in the light of guidance from the appropriate bodies and relevant legislation. Staff shall seek advice from the Chief Operating Officer & Finance Director or Head of Finance on taxation matters.
- 5.3.2.** The Chief Operating Officer & Finance Director is responsible for maintaining the University's tax policy, tax records (e.g. VAT, PAYE, Corporation Tax, Gift Aid etc.), making

all tax payments, receiving tax credits and submitting tax returns by their due date as appropriate.

## **6. Audit**

### **6.1. Introduction**

- 6.1.1.** The Office for Students requirements for external and internal audit arrangements and the broad framework in which they shall operate are set out in the Terms and Conditions for Funding Higher Education Institutions.

### **6.2. External audit**

- 6.2.1.** The appointment of external auditors is the responsibility of the Audit Committee.
- 6.2.2.** The primary role of the external auditors is to report on the University's financial statements. The external auditors carry out an examination of the statements and underlying records and control systems to reach their opinion on the statements and to report on the appropriate use of funds. Their work complies with the Office for Students Terms and Conditions for Funding Higher Education Institutions and the University Chairs Audit and Assurance Guidance

### **6.3. Internal audit**

- 6.3.1.** The appointment of internal auditors is the responsibility of the Audit Committee.
- 6.3.2.** The internal auditors are responsible for conducting an independent appraisal of the University's activities, financial and otherwise. They provide the Board of Governors and the Audit Committee, the Vice-Chancellor & Chief Executive and senior management with assurances on the adequacy of the internal control system, risk management and value for money.
- 6.3.3.** The internal auditors have direct access to the Chair of the Board of Governors, the Chair of the Audit Committee, Vice-Chancellor & Chief Executive, the Chief Operating Officer & Finance Director and University Secretary and Registrar.

### **6.4. Auditors' access**

- 6.4.1.** External and Internal auditors are by extension officers of the University and have authority to:
- access University premises at reasonable times;
  - access all assets, records, documents and correspondence relating to any financial and other transactions of the University;
  - require and receive such explanations as are necessary concerning any matter under examination;
  - require any employee of the University to account for cash, stores or any other University property under his or her control;

- access records belonging to third parties, such as contractors, when required.

## **6.5. Other auditors**

- 6.5.1.** The University may be subject to audit or investigation by external bodies such as Office for Students, National Audit Office, European Court of Auditors or H M Revenue & Customs. These bodies have rights to seek evidence and explanations as required to complete their work.

## **7. Treasury Management**

### **7.1. Introduction**

- 7.1.1.** The Chief Operating Officer & Finance Director is responsible for developing, recommending and monitoring the execution of the policies for cash management, investments and borrowings.
- 7.1.2.** The University's overall treasury management objectives apply across the institution. The objectives are:
- to ensure the most competitive return on surplus cash balances;
  - to ensure the availability of flexible and competitively priced funding to support the University's capital programme;
  - to identify and manage financial risks, including interest rate and foreign currency risk, from all areas of the University operations;
  - to ensure compliance at all times with banking covenants and the Office for Students Terms and Conditions for Funding Higher Education Institutions.
- 7.1.3.** The Finance & Resources Committee monitors the performance of the investments.

### **7.2. Borrowing and Leasing**

- 7.2.1.** The University's borrowing strategy, limits and associated risk management shall be decided by the Board of Governors on the recommendation of the Finance & Resources Committee. The management and execution of loan and financial contracts should be subject to monitoring and scrutiny by the Finance & Resources Committee. The Chief Operating Officer & Finance Director is responsible for determining the procedures on the management of cash deposits and day to day cash management.
- 7.2.2.** All contracts to borrow or lease once approved by the Finance & Resources Committee will be signed by the Chief Operating Officer & Finance Director.
- 7.2.3.** The value of a lease shall be the total of the cash payments including VAT, excluding any implicit interest payments (if known) over the life of the lease up to any break clause.
- 7.2.4.** The University must obtain the prior written consent of the Office for Students before entering financial commitments that need approval under the Terms and Conditions for Funding Higher Education Institutions.



**7.2.5.** The University may enter into long-term agreements subject to:

- obtaining consent from Office for Students, the conditions of which are set out in Terms and Conditions for Funding Higher Education Institutions;
- ensuring that any new arrangement does not breach the existing loan covenants.

**7.2.6.** In the case of short-term borrowings, the University may need consent from Office for Students. The conditions under which this consent is required are set out in the Terms and Conditions for Funding Higher Education Institutions. The Chief Operating Officer & Finance Director is responsible for arranging short-term borrowing after the approval of the Finance & Resources Committee at competitive rates, to cover day-to-day cash shortfalls as necessary.

### **7.3. Banking arrangements**

**7.3.1.** The University's banking arrangements shall be decided by the Board of Governors on the recommendation of the Finance & Resources Committee.

**7.3.2.** All day-to-day arrangements with the University's bankers concerning the University's bank accounts, the collection and payments of monies, the transfer of funds, shall be made by the Chief Operating Officer & Finance Director.

**7.3.3.** No other employee shall under any circumstances open or operate a bank account (including PayPal or similar electronic money accounts) in the name of the University or of an entity holding itself out to be part of the University.

**7.3.4.** No individual other than those mandated by Council under the scheme of delegation shall be empowered to give instructions to the University's Bankers.

**7.3.5.** All bank accounts shall be in the name of the University unless there is an approved reason why other accounts may be needed.

**7.3.6.** The Chief Operating Officer & Finance Director is responsible for ensuring that all bank accounts are subject to regular reconciliation.

### **7.4. Investments**

**7.4.1.** The Finance & Resources Committee is responsible for recommending to the Board the Ethical Investment policy and for considering and adjusting any such arrangements.

**7.4.2.** The Chief Operating Officer & Finance Director is responsible for maintaining records of investments, for ensuring safe custody of all relevant documents, and for reporting investment performance to the Finance & Resources Committee. No investment of University monies shall be made other than in accordance with arrangements approved in writing by the Chief Operating Officer and Finance Director.

- Ethical Investment Policy ([LINK HERE](#))

## **8. Income**

### **8.1. Introduction**

- 8.1.1.** The Chief Operating Officer & Finance Director is responsible for ensuring appropriate procedures exist to enable the University to receive all income (including tuition, accommodation fees) to which it is entitled.
- 8.1.2.** The SMT Lead is responsible for ensuring that all claims for funds, including research grants and contracts, and specific grants are made by the due date.
- 8.1.3.** SMT Leads must ensure that any agreements negotiated by their department with external bodies cover any legal liabilities to which the University may be exposed. Such agreements must be reported to the Chief Operating Officer & Finance Director to ensure all financial and legal implications have been considered.

### **8.2. Receipts**

- 8.2.1.** The format and wording of all receipt documents, sales invoices, sales credit notes, tickets and electronic collection systems (including online payments) must have the prior approval of the Chief Operating Officer & Finance Director.
- 8.2.2.** All monies received by departments from whatever source must be recorded by the department on a daily basis, together with the form in which they were received; for example: cash, cards and cheques.
- 8.2.3.** The arrangements to receive credit or debit card payments using terminals or on-line must be approved by the Chief Operating Officer & Finance Director who will ensure that the funds are paid into a University bank account.
- 8.2.8.** Any arrangements to collect funds using direct debits or standing orders must be approved by the Chief Operating Officer & Finance Director who will ensure that the funds must be paid into a University bank account.

### **8.3. Invoices**

- 8.3.1.** SMT leads are responsible for ensuring that the Finance Service is informed promptly of all income due to the University and providing enough information to the Chief Operating Officer & Finance Director to enable collection. All requests for monies due to the University shall be rendered on official invoices or grant claims issued through the Finance Service.

### **8.4. Credit arrangements**

- 8.4.1.** The Chief Operating Officer & Finance Director is responsible for establishing the credit arrangements that indicate the periods in which different types of invoice must be paid and which online accounts may be set up, who can access these and any credit linked to these.

## **8.5. Collection of debts**

- 8.5.1.** The Chief Operating Officer & Finance Director is responsible for making arrangements to promptly collect debts, ensure effective action is taken in collecting overdue debts and to ensure that outstanding debts are monitored.

## **8.6. Debt write offs**

- 8.6.1.** All debts up to £20k can be written off on the authority of the Chief Operating Officer & Finance Director or officers delegated as per the approval limits in Appendix 1 and must be reported in the financial monitoring reports for scrutiny. All other requests to write off debts must be reported in the financial monitoring for the Finance & Resources Committee to authorise.

## **8.7. Refunds**

- 8.7.1.** Where refunds are required, they shall be made to the original payer and follow the method by which the money was received in order to minimise the opportunities for money laundering in accordance with Money Laundering Regulations 2007.

## **8.8. Student tuition and accommodation fees**

- 8.8.1.** All students are required to enrol at the start of each academic year of their programme of study and following any period of suspension of studies.
- 8.8.2.** The Board of Governors shall approve tuition fee levels, where these are not set by statute.
- 8.8.3.** The Chief Operating Officer & Finance Director must approve the procedures for raising, collecting tuition and residence fees.

## **8.9 Payment of Fees**

- 8.9.1.** Tuition fees are due in advance at the beginning of each session. Details regarding methods of payment are included in the enrolment documentation for each year.
- 8.9.2.** Accommodation fees and charges are due in accordance with the University accommodation licence Agreement. Details regarding methods of payment of fees are included in documentation provided at enrolment and in information on the University website.
- 8.9.3.** The University may allow, as a concession, self-paying students to pay their tuition and accommodation fees in instalments.

## **8.10. Student debts**

- 8.10.1.** Failure to pay fees and other accounts or to make a satisfactory arrangement to pay or to give a satisfactory explanation for non-payment to the Finance Service may result in the student not being re-enrolled or able to access accommodation on site.
- 8.10.2.** The University may take legal action or employ agents to recover amounts due, where staff owe debt to the University the Chief Operating Officer & Finance Director will work with the Director of People & Organisational Development to consider all options including deduction from earnings.
- 8.10.3.** Before the receipt of an award parchment, all students are required to make suitable arrangements with the Finance Department for the clearing of all tuition fee debts.
- 8.10.4.** Any student who has not paid their tuition fees to the University shall be prevented from re-enrolling at the University. The student regulation framework states 'the University will not permit a student who has undischarged liabilities to the University to attend any graduation ceremony. In addition, certification will be withheld if there are unpaid tuition fees'. Any student not paying their rents for onsite accommodation will not be offered onsite accommodation until the debt is cleared.

#### **8.11. Student Loans**

- 8.11.1.** Appropriate records will be maintained to support all transactions involving student loans.

#### **8.12. Student Bursaries, Scholarships**

- 8.12.1.** All payments to students for bursaries, scholarships or reductions in tuition fees must be authorised by the SMT lead unless they relate to the Office for Students Access and Participation Plan.
- 8.12.2.** All bursaries, scholarships or reductions in tuition fees offered under the Office for Student Access and Participation Plan will be authorised by SMT.

#### **8.13. Emergency or hardship loans**

- 8.13.1.** The University has a scheme for emergency and hardship loans

- Emergency and Hardship Loans

### **9. External Grants, Research Grants and Contracts**

- 9.1.1.** All bids for external grants, research grants and contracts must be prepared in accordance with the University's procedures. No submission shall be made, or commitment entered into before the approval process is completed.
- 9.1.2.** All applications for research grants and all research contract proposals are made on behalf of and in the name of the University and checked by the Research & Knowledge Exchange Office together with the Finance Service checks the costings in the proposal, ensures

compliance with the funder's and University's rules and criteria, and, once the University authorisation and signature(s) for the proposal are obtained submits all bids. At the point of application departments shall confirm that research governance and University policies have been followed. In particular, no person shall be a signatory to a University research contract where he or she also has an interest in the activities of the other party.

- 9.1.4.** Where the contract involves overseas subcontractors or people then it is important to check that the University does not breach UK Government sanctions, embargoes and restrictions lists.
- 9.1.5.** Authorisation limits for the approval of research related applications and for the acceptance of research related contracts are located: Financial Regulations and Policies.
- 9.1.6.** Funders normally have their own rules on the administration of awards, including financial management and reporting requirements. It is the responsibility of the SMT lead or for research funds the Research and Knowledge Exchange Office with the research lead to comply with all of the funders' rules.
- 9.1.7.** All University Financial Regulations and Procedures, including those on procurement, apply to research grants and contracts and it is the responsibility of the Principal Investigator to ensure compliance with these rules. The research lead is responsible for adequate control of pay and non-pay expenditure.
- 9.1.8.** External Grants or funding bids for non-research activity require the approval of the Chief Operating Officer & Finance Director and relevant SMT lead in advance of the bid submission and again before signing any grant acceptance. This must include an awareness of any match funding or internal resources in the business case to support any bid processes.

## **10. Other Income Generating Activities**

### **10.1. Introduction**

- 10.1.1.** All other income-generating activities should generate surpluses after all direct costs, indirect costs and taxes have been taken into account. This may include costs from another school or service in reaching the total cost. Where a loss is anticipated, the reason for engaging or continuing the activity must be agreed by the SMT Lead and the Chief Operating Officer & Finance Director.
- 10.1.2.** Where other income generating activity involves overseas subcontractors or people then it is important to check that the University does not breach the UK Government sanctions, embargoes and restrictions list.

### **10.2. Off-site collaborative provision or franchising**

- 10.2.1.** Any contract or arrangement whereby the University provides education to students away from University premises, or with the assistance of persons other than the University's own staff or with independent contractors (partner organisations), must be approved through

the Approval in Principle process (by SMT) with the Chief Operating Officer & Finance Director reviewing the financial standing of any partner organisation.

### **10.3. Matched funding**

**10.3.1.** All proposals where matched funding is included in the project must be authorised by the Chief Operating Officer & Finance Director and relevant SMT lead.

### **10.4. Sub-contracting work**

**10.4.1.** Where the University sub-contracts work to external providers, the relevant SMT Lead must ensure that:

- all University Financial Regulations and Procedures are followed, including those on procurement;
- this is on the basis of a written contract which allows access to detailed records;
- appropriate monitoring procedures are in place to ensure that the outputs are achieved, and the provision is of suitable quality;
- payments are only made against detailed invoice with supporting purchase orders.

**10.4.2.** When engaging a sub-contractor it is important to adhere to the guidance issued by People and Organisational Development and the employment status of individuals through the Finance Service for the HMRC IR35 validation. The Chief Operating Officer & Finance Director or the Head of Finance will conduct the HMRC IR35 check in consultation with the commissioning/employing school or department. This outcome from this check is final.

### **10.5. Intellectual Property Rights and Patents**

**10.5.1.** Certain activities undertaken within the University may give rise to ideas, designs or inventions that may be patentable. These are collectively known as 'intellectual property' and are governed by the University's Ordinances and Regulations.

### **10.6. Fund-Raising and Gifts Received**

**10.6.1.** Significant fund-raising campaigns shall only be undertaken with the approval of and under the guidance of the Pro Vice-Chancellor (Student Success) who will consult the Chief Operating Officer & Finance Director on the appropriate accounting treatment for the income.

## **11. Non-Pay Expenditure**

### **11.1. Procurement**

**11.1.1.** Procurement of all Goods, works and services, irrespective of the source of funds, shall always be undertaken with the objective of optimising Value for Money (VfM) and meeting any relevant Financial Regulations and any statutory guidance eg Public Contract Regulations so long as the University remains a "Contracting Authority" as defined by the Public Contract Regulations. Budget and Project Managers are responsible for ensuring

that all procurement activities are conducted in accordance with the regulations on buying goods, services, and equipment alongside classifying the spend properly ie revenue or capital.

## **11.2. Responsibility for Purchasing**

**11.2.1.** Goods, works or services. This purchasing authority may be delegated to named individuals within the department and support from the Procurement Officer may be requested.

**11.2.2.** Preferred supplier contracts and framework agreements exist for supplies of Goods and Services that are purchased regularly. These contracts have been established in compliance with Public Contract Regulations and shall be used. Where a contract/framework exists for a particular item/service, the purchase order shall be placed with the preferred supplier indicated. Where no preferred supplier is indicated, like for like comparable quotations should be sought from capable suppliers.

## **11.3. Complex Procurements**

**11.3.4.** The Procurement Service shall be contacted at the outset for all complex procurements, those above the limits set by the Procurement Service, the Public Contract Regulations, procurements involving intellectual property rights, external funds, TUPE issues, cross-border interest etc. This may also include concession contracts where suppliers are generating a fee or a form of consideration from the University turnover.

**11.3.6.** Expenditure shall not be incurred without authorisation. Purchase orders shall be raised prior to committing to a supplier or within 24 hours in the event of an emergency. Advance payments shall not be agreed without the prior approval of the Procurement Service.

## **11.4. Estates Works**

**11.4.1.** The Deputy Vice-Chancellor will agree an annual Estates plan with the Chief Operating Officer & Finance Director. This plan should include the summer works programme.

## **11.5. Purchasing Cards**

**11.5.1.** The operation and control of the University's purchasing cards is the responsibility of the Head of Procurement.

- Purchase Card Policy ([LINK HERE](#))

## **11.6. Quotations and Tenders**

**11.6.1.** SMT and Budget Managers shall comply with the University's quotation and tendering procedures, (limits are excluding VAT), which can be found in the working practices which also signpost the Procurement Service tools.

**11.6.2.** Research subcontracting arrangements with other Higher Education institutions are exempt from tendering. The procurement of goods and services may additionally be subject to special rules imposed by funding bodies e.g. EU. Information on these arrangements may be obtained from the Finance Department.

#### **11.7. Amendments to contracts and Procurement Exemptions (Waivers)**

**11.7.1.** All amendments to contracts which add more than 10% of the total aggregated contract value shall be referred to the Procurement Service prior to any commitment being entered into.

**11.7.2** Where only one supplier exists in the supply chain an Exemption (Waiver) may be granted. Exemptions cannot be awarded for the lack of prior planning. Time constraints is very rarely a justified rational for awarding an exemption.

**11.7.3** Regulatory bodies and similar agencies will not be classed as single suppliers and therefore will not require an exemption. A list of approved regulatory bodies or similar will be maintained in the working practices.

#### **11.8. Receipts of goods and services**

**11.8.1.** All goods received shall be checked for quantity and /or inspected for quality and specification, where it is practicable to do so on receipt and recorded on the University Finance System. This is **required** to release the invoice for payment.

#### **11.9. Payment of invoices**

**11.9.1.** Payments to UK suppliers will be by BACS transfer. Payments to suppliers with overseas bank accounts will be made electronically whenever possible.

**11.9.2.** The University operates under a policy of "No Purchase order No Payment" for goods and services. Any invoice issued to the University without a valid purchase order number will be returned directly to the supplier and not processed. It is the responsibility of the relevant Department requiring the goods or service to ensure that a purchase order is raised in **advance**.

#### **11.10. Authorisation of Invoices**

**11.10.1** The prompt authorisation of invoices by the appropriate budget manager will be required before a supplier's invoice is paid after ensuring the invoice is correct.

#### **11.11. Staff expenses and reimbursements**



- 11.11.1.** The University's purchasing and payments procedures enable almost all expenditure for University business to be made without staff needing to incur any personal expenses.
- 11.11.2.** However, when staff incur expenses on University business, they will be reimbursed provided they are in accordance with the relevant University policies following the process set out in the working practices
- 1.11.3.** The working practice lists items that can or cannot be claimed.
- 11.11.4.** All claims for payment of subsistence, travel- related and incidental expenses shall be submitted within 3 months of the expense being incurred.
- 11.11.5.** Vice-Chancellor's expense claims should be authorised by the Chair of the Board of Governors. Vice-Chancellor's Purchase Card expenditure will be approved by the Chief Operating Officer & Finance Director and where these include expenses will be reported to the Chair of the Board of Governors.
- 11.11.6** The University has an overseas and UK travel and accommodation broker and also an institute rail account. These should be used. To access these please contact the Procurement Service.
- 11.11.7.** Staff are encouraged to use the hire car service provided for vehicle trips. A fuel card is also supplied when a hire car is used.
- 11.11.8.** The University has specific rules around the reimbursement of personal membership subscriptions to professional bodies. It is important that staff read the detailed guidance in the accompanying working practices and/or the staff development policy and then liaise with their SMT lead to ensure compliance with the rules.

#### **11.12. Staff - overseas travel advances**

- 11.12.1.** Advances to Staff for travel and subsistence must be approved by the relevant SMT Lead. FX cards pre-loaded with currency and alleviate the need to carry large sums of cash. They can be ordered for recurring foreign travel. Requests for FX cards should be lodged with Finance at least 4 weeks prior to the commencement of travel.
- 11.12.2.** Within one month of the trip being completed, the receipts must be submitted and any unspent balance repaid or claimed or if an FX card has been used returned.
- 11.12.3.** Under no circumstances will a second advance or FX card be approved when the repayment of an earlier advance for individual is still outstanding.
- 11.12.4.** Overseas travel will be booked following the process set out in the working practices.

#### **11.13. Loans to Staff**

**11.13.1.** Staff loan schemes are jointly approved by the Director of People and Organisational Development and the Chief Operating Officer & Finance Director.

**11.13.2.** Any loans are approved in accordance with the scheme rules and must be repaid in full before the employee leaves the University's employment.

**11.13.3.** The schemes offered include Cycle to Work loans, electric car schemes.

#### **11.14. Expenses to Visitors**

**11.14.1.** Visitors to the University who incur expenses on the University's business may be reimbursed e.g. external examiners, visiting lecturers. All claims must be in accordance with the University's Travel and Expense policy.

#### **11.15. Expenses to Students**

**11.15.1.** Expenses incurred by students on University's business may be reimbursed on the production of receipts. All claims must be in accordance with the University's Travel and Expense

#### **11.16. Payments to Volunteers**

**11.16.1.** The University allows two types of payments to volunteers:

- reimbursement of actual travel costs;
- a small gift or thank you payment as a token of appreciation.

#### **11.18. Payments to people involved in Research and similar studies**

**11.18.1.** In many cases, research projects involve interviewing members of public or similar activities. Payments can be made to these participants as follows:

- reimbursement of actual travel costs;
- a small reasonable payment for the subjects' time.

#### **11.19. Payments to people for contracts for services**

**11.19.1.** In some cases people may conduct work using a "contract for services". The rule surrounding these arrangements is located at: [Contracts for services](#).

#### **11.20. Payments to Board of Governors**

**11.20.1.** Any out of pocket expenses incurred by members of the Board of Governors in performing their duties will be reimbursed. These claims will be authorised by the Governance Officer or the University Secretary and Registrar.

### **11.21. Loans to Students**

**11.21.1.** Loans may be given to students in the case of hardship. These loans will be recorded on the student's account and must be repaid.

### **11.22. Student bursaries and scholarships**

**11.22.1.** The reduction of the tuition fees charged to students or the payment of bursaries, scholarships, stipends to students must be authorised by an appropriate member of SMT. In case of scholarships or bursaries offered under the Office for Students Access Agreement Scheme, the transactions will be authorised by an appropriate member of SMT.

**11.22.2.** The Chief Operating Officer & Finance Director will arrange to pay the relevant amount to the student's bank account.

### **11.23. Petty cash**

**11.23.1.** The University's imprest petty cash account is maintained by the Finance Service. Cash floats up may be requested by Departments to meet minor payments and disbursements. Such accounts are the responsibility of the member of staff to whom they are entrusted. Appropriate invoices or receipts must support payments from these floats or imprest accounts.

**11.23.2.** At the end of the financial year, a certificate of the balances held shall be completed by the member of staff responsible for the float and counter-signed by the Head of Department / Head of Support service confirming the existence and value of the float.

## **12. Pay Expenditure**

### **12.1. Appointment of staff**

**12.1.1.** The processes for the recruitment of staff or temporary workers is set out by the People and Organisational Development Team. All offers of employment by the University shall be made in accordance with the guidelines issued by the Director of People and Organisational Development. All new staff / workers must present evidence of their right to work in the United Kingdom before starting work.

**12.1.2.** Before recruiting new employees, Budget Managers should ensure that they have enough budget to fund the appointments.

**12.1.6.** Where work is to be undertaken overseas the People and Organisational Development Service should be involved as the University will need to comply with local laws, employment rules and taxation regimes.

### **12.2. Salaries, wages and other benefits**

**12.2.1.** All University staff shall be appointed to salary scales approved by the University Board of Governors who also determines what other benefits are to be made available, the basis of their provision (contributory or not) and the staff to whom they are to be made available.

**12.2.2.** The Remuneration Committee shall determine salaries and other benefits for senior management.

### **12.3. Terms and Conditions of Employment**

**12.3.1.** The University Board of Governors approves the standard contractual arrangements relating to all categories of staff within the University and provision is made within the arrangements for all matters affecting gross payments to employees.

**12.3.2.** All variations affecting salaries or any overtime shall be authorised in advance by the SMT Lead in conjunction with the Director of People & Organisational Development.

### **12.4. Payment of Salaries and Wages**

**12.4.1.** The Chief Operating Officer & Finance Director is responsible for all payments of salaries and wages to all staff including payments for overtime or services rendered. Staff expenses are reimbursed through the Accounts Payable section of the Finance Department (Although the intention is to move this to self-service on the Payroll System).

### **12.5. Payments of Fees and Expenses**

**12.5.1.** The Chief Operating Officer & Finance Director is responsible for making payments to workers who are not employees (i.e. casual workers, visiting lecturers) and for informing the appropriate authorities (H M Revenue & Customs, Pensions authorities) of such payments.

**12.5.2.** These payments will be authorised by the Budget Manager.

### **12.6. Payroll Records**

**12.6.1.** The Chief Operating Officer & Finance Director is responsible for keeping all statutory payroll records, including those required by H M Revenue & Customs and Pension Funds

### **12.7. Taxation**

**12.7.1.** Responsibility for accounting for PAYE, NIC and any other taxes, and for making all statutory returns, rests with the Chief Operating Officer & Finance Director. Where payments for services rendered are made to individuals not employed by the University, the Chief Operating Officer & Finance Director is responsible for maintaining any records for tax purposes.

### **12.8. Pension schemes**

**12.8.1.** The eligibility of staff for membership of the University's Superannuation Scheme (USS) or other University of York pension schemes is set out in individual contracts of employment. The Board of Governors approves the pension arrangements for staff.

### **12.9. Severance and similar payments**

**12.9.1.** Severance payments shall only be made in accordance with relevant legislation. All severance payments shall be authorised by Director of People and Organisational Development.

**12.9.3.** The redundancy process is located: Redundancy.

### **12.10. Private Work and Other Appointments**

**12.10.1.** Members of staff must comply with the University's policies when carrying out private work and other appointments as detailed here: University Policy on Work with Outside Bodies by Members of University Staff.

**12.10.2.** The requirements of this procedure include the need to obtain appropriate approval to carry out the work; consideration of any associated conflicts of interests; and recording of the work in the departmental register of private work.

## **13. Capital Expenditure and Assets**

### **13.1. Definition**

**13.1.1.** Capital expenditure is expenditure on approved capital schemes and equipment as set out in the Finance Procedures to a value greater than £5k.

### **13.2. Budgeting**

**13.2.1.** The capital scheme budgeting shall be conducted in line with the section on Capital Budgets and shall include all costs (including VAT).

### **13.3. Security of assets**

**13.3.1.** The Deputy Vice-Chancellor is responsible for the Buildings and Estates function in the University, including custody and physical security of all University buildings and other resources related to this function.

**13.3.2.** Budget Managers are responsible for the security and custody of all other University assets (including stores, cash, furniture, equipment etc.), whether tangible or intellectual.

**13.3.3.** Cash, stores and other especially valuable assets must be handled in accordance with the appropriate Financial Procedures issued by the Chief Operating Officer & Finance Director.

### **13.4. Personal use of assets**

**13.4.1.** Assets owned or leased by the University shall not be subject to personal use.

### **13.5. Property purchases, leases, rentals and disposals**

**13.5.1.** The purchase, lease or rent of land, buildings or fixed plant can only be undertaken with authority from the Board of Governors in accordance with the scheme of delegation.

**13.5.2.** Disposal of land and buildings must only take place with the authorisation of the University Board of Governors in accordance with the scheme of delegation.

### **13.6. Asset Registers**

**13.6.1.** The Chief Operating Officer & Finance Director will maintain a central capital asset register for equipment with an initial cost over £5k.

**13.6.2.** Budget Managers are responsible for maintaining an up to date departmental register (inventory) of all departmental equipment, regardless of the funding source of the purchase of the equipment.

**13.6.3.** Where an asset is stolen or lost then this should be reported to the Chief Operating Officer & Finance Director in the first instance. The asset registers should be updated with the loss.

### **13.7. Asset and Equipment disposals**

**13.7.1.** Where equipment or other assets are surplus to requirements then they may be disposed of or scrapped. If the asset is to be sold then it shall be scrapped or sold at fair market value. When disposing of equipment an asset disposal form must be completed ensuring compliance with the Waste electrical (WEEE) regulations and VAT regulations.

## **14. Grants for capital equipment and capital projects**

### **14.1. Definition**

**14.1.1.** Grants received from external bodies to fund the purchase of capital equipment or capital schemes are treated as capital grants.

### **14.2. Authorisation**

**14.2.1.** The application for capital grant funding for equipment must follow normal funding application process and be authorised by the Chief Operating Officer & Finance Director prior to any bid submission in accordance with the scheme of delegation.

## **15. Stores**

**15.1.1.** Budget Managers are responsible for establishing adequate arrangements for the custody and control of stocks and stores within their departments, including stock checks.

- 15.1.2.** Stock levels are to be maintained at an appropriate level ensuring financial outlay on stock held is minimised. Consideration should be given to purchasing stock items “just in time” rather than being held in stores areas.

## **16. Insurance**

- 16.1.1.** The Chief Operating Officer & Finance Director is responsible for the University’s insurance arrangements, including the provision of advice on the range of insurance cover available
- 16.1.2.** All Budget Managers shall bring to the notice of all insurable risks relating to their areas of responsibility and shall inform immediately of all events giving rise to a claim under an insurance policy and provide promptly all information required in connection with any such claim.

## **17. Companies and joint ventures**

- 17.1.1.** In certain circumstances, it may be advantageous to the University to establish a company or a joint venture to undertake services on its behalf. Any member of staff considering the use of a company or a joint venture shall seek the advice of their SMT lead and the Chief Operating Officer & Finance Director, who should have due regard to any guidance issued by Office for Students.

## **18. Document and Key Security**

- 18.1.1.** Keys issued to safes or other similar containers must be kept securely, and the loss of such keys must be reported to the Chief Operating Officer & Finance Director immediately.
- 18.1.2.** The Chief Operating Officer & Finance Director is responsible for ensuring the safekeeping of official and legal documents relating to the University including, signed copies of deeds, leases, agreements and contracts.

## **19. Marjon Student Union**

- 19.1.1.** Marjon Student Union is a separate legal entity from the University.
- 19.1.2.** The University Board of Governors shall determine the level of grant to be paid annually to Marjon Student Union.
- 19.1.3.** The University Board of Governors requires Marjon Student Union to provide detail of its proposed 3-year business plan and budget to assist in determining the appropriate level of grant.
- 19.1.4.** Marjon Student Union and the Graduate Students’ Association are responsible for maintaining their own bank accounts, financial records and preparing their annual financial statements, which will be audited by appropriately qualified auditors and will be presented to the Finance & Resources Committee for information.

## **20. Use of the University's seal**

- 20.1.1.** Where a deed or document requires the University's seal, it must be sealed by one of the following: Vice-Chancellor & Chief Executive and /or University Secretary & Registrar.
- 20.1.2.** A record is kept of all documents that have been sealed by the University is maintained by the University Secretary & Registrar.
- 20.1.3.** Documents will only be signed under seal if required by law or if they are of significant strategic importance as determined by the Vice-Chancellor and/or the University Secretary & Registrar.

## **Appendix 1: Financial Limits**

This is a summary of the financial limits that are contained in the Financial Regulations.

### **Revenue - Purchase Orders**

The following financial limits (including VAT) apply (for relevant areas only and must be within budget):

£0 - £25k	Budget Manager (within budget)
£0 - £40k	Estates Manager (Estates only)
£0 - £100k	SMT Lead (within the same finance year – if over more than one year then only after documented consultation with the Chief Operating Officer & Finance Director / Head of Finance to check budget availability)
Above £100k	See Contract Authorisations (POs for accounting purposes then approved by SMT Lead once contracts signed)

### **Contracts**

£0 - £100k	SMT Lead (if spans more than one year, in consultation with the Chief Operating Officer & Finance Director)
£100k - £500k	The following 3 signatures must be sought:  Vice-Chancellor & Chief Executive (strategy)



University Secretary & Registrar (legal)

Chief Operating Officer & Finance Director (finance/resources)

£500k As £100k but with the documented approval of the Chair of the Board of Governors to sign the contract.

Notes Where a contract relates to the following consultation must take place

IT Chief Operating Officer & Finance Director (IT)

Property Deputy Vice-Chancellor / Chief Operating Officer & Finance Director

**Procurement  
Exemptions  
(Waivers)**

£0 - £20k Head of Procurement / Chief Operating Officer & Finance Director

£20k+ Chief Operating Officer & Finance Director

**Debt Write-offs**

£0 - £200 Credit Controller

£0 - £1000 Finance Transaction Service Manager

£0 - £5000 Head of Finance

£0k - £20k Chief Operating Officer & Finance Director

£20k + Finance & Resources Committee

**Procurement Routes**

The following financial limits (ex VAT) apply:

£0 - £5,000	Use normal procurement – one quote
£5,001 - £24,999	Use normal procurement – minimum of two comparable quotes
£25,000+	Discuss with Procurement on the most appropriate route

**Disposals of Equipment**

Disposal of equipment	Chief Operating Officer & Finance Director
	Head of Finance

**Appendix 2: Working Practices**

Approval of working practices is delegated to SMT by the Board of Governors.