****

**FINANCIAL REGULATIONS**

**UNIVERSITY OF SOUTH WALES**

Contents

[1. BACKGROUND 4](#_Toc435195792)

[2. STATUS OF FINANCIAL REGULATIONS 5](#_Toc435195793)

[3. CORPORATE GOVERNANCE 6](#_Toc435195794)

[The Board of Governors 6](#_Toc435195795)

[Audit Requirements 8](#_Toc435195796)

[Risk Management 8](#_Toc435195797)

[Conflicts of Interest 9](#_Toc435195798)

[Confidentiality 9](#_Toc435195799)

[Fraud and Irregularities 10](#_Toc435195800)

[Bribery Act 2010 10](#_Toc435195801)

[Whistleblowing 10](#_Toc435195802)

[4. FINANCIAL MANAGEMENT AND CONTROL 11](#_Toc435195803)

[Budgeting 11](#_Toc435195804)

[Accounting Returns 12](#_Toc435195805)

[Basis of Accounting 13](#_Toc435195806)

[Accounting Records 13](#_Toc435195807)

[Use of the University Seal 13](#_Toc435195808)

[Taxation 13](#_Toc435195809)

[Security of Documents 14](#_Toc435195810)

[Data Protection 14](#_Toc435195811)

[5. INCOME AND BANKING 15](#_Toc435195812)

[General 15](#_Toc435195813)

[Student fees 15](#_Toc435195814)

[Appointment of Bankers 15](#_Toc435195815)

[Banking Arrangements 15](#_Toc435195816)

[Petty Cash 16](#_Toc435195817)

[Cash Receipts 16](#_Toc435195818)

[The Collection of Debts 17](#_Toc435195819)

[6. RESEARCH GRANTS AND CONTRACTS 18](#_Toc435195820)

[General 18](#_Toc435195821)

[Additional Payments to Staff 18](#_Toc435195822)

[Private Consultancies and Other Paid Work 19](#_Toc435195823)

[Intellectual Property Rights and Patents 19](#_Toc435195824)

[7. PROCUREMENT 20](#_Toc435195825)

[Purchase Orders 20](#_Toc435195826)

[Contracts 21](#_Toc435195827)

[European Union (EU) Procurement Directives 21](#_Toc435195828)

[8. EXPENDITURE 23](#_Toc435195829)

[General 23](#_Toc435195830)

[Authorities and authorised Signatories 23](#_Toc435195831)

[Payment of Invoices 23](#_Toc435195832)

[9 SALARIES, WAGES AND EXPENSES 25](#_Toc435195833)

[General 25](#_Toc435195834)

[Pensions 25](#_Toc435195835)

[Travel, Subsistence and Other Allowances 25](#_Toc435195836)

[10. ASSETS 26](#_Toc435195837)

[Land, Buildings, Fixed Plant and Machinery 26](#_Toc435195838)

[Inventories 26](#_Toc435195839)

[Stocks and Stores 26](#_Toc435195840)

[Asset Disposal 26](#_Toc435195841)

[Security 26](#_Toc435195842)

[Treasury Management (Investment and Borrowings) 27](#_Toc435195843)

[11. FUNDS HELD ON TRUST 28](#_Toc435195844)

[Endowment funds 28](#_Toc435195845)

[12. FINANCIAL IT SYSTEMS 29](#_Toc435195846)

[13. OTHER 30](#_Toc435195847)

[Companies 30](#_Toc435195848)

[Appendix A - audit 31](#_Toc435195849)

[Appendix B - COMMITTEE STRUCTURE: 33](#_Toc435195850)

[APPENDIX C - ORGANISATION CHART – FINANCE DEPARTMENT 34](#_Toc435195851)

[APPENDIX D - ANTI BRIBERY POLICY 35](#_Toc435195852)

[APPENDIX E - PROCEDURES FOR OBTAINING QUOTES AND TENDERS 39](#_Toc435195853)

[APPENDIX F - FINANCIAL DELEGATION OF AUTHORITY 40](#_Toc435195854)

## 1. BACKGROUND

1.1 The University is a higher education corporation established under the Education Reform Act 1988. Its structure of governance is laid down in the Instrument and Articles of Government. The University is accountable through its Board of Governors, which has ultimate responsibility for the University’s management and administration. The University has four wholly owned active subsidiaries; USWCS Limited, USWS Limited, the Royal Welsh College of Music and Drama (RWCMD) and Merthyr Tydfil College Limited (MTC). The subsidiaries have their own financial regulations.

1.2 The University is an exempt charity within the meaning schedule of the Charities Act 1993 and the Charities Act 2006.

1.3 The Financial Memorandum, between the Higher Education Funding Council for Wales (HEFCW), the Further Education Funding Council for Wales and the University, sets out the terms and conditions on which grant is made. The Board of Governors is responsible for ensuring that conditions of the grant are met. As part of this process, the University must adhere to HEFCW’s Financial Management Code and Memorandum of Assurance & Accountability 2015, including its Audit Code of Practice, which require it to have a sound system of financial and management control. The Financial regulations of the University form part of this overall system of accountability and control.

The Memorandum abides by the following principles:-

* Protecting the exchequer interest and accountability for exchequer funds
* The need to maintain stakeholder confidence
* The protection of the student interest
* Minimising regulatory burden and removing duplication
* Recognising institutional autonomy
* Adopting a consistency of approach with other UK funding councils where possible, in order that the regulatory environment supports the ability of Welsh institutions to operate competitively.

## 2. STATUS OF FINANCIAL REGULATIONS

2.1 This document sets out the University’s financial regulations and has been approved by the Board of Governors. It applies to the University and all subsidiary undertakings unless an alternative Financial Memorandum/Financial Regulations for the operation of the subsidiary exists.

2.2 These financial regulations are subordinate to the provisions of the Further and Higher Education Act 1992, as they affect the University, the Articles of Government and to the restrictions contained within HEFCW’s Financial Management Code and Memorandum of Assurance & Accountability 2015, including its Audit Code of Practice.

2.3 Compliance with the Financial Regulations is compulsory for all staff connected with the University. A member of staff who fails to comply with the financial regulations may be subject to disciplinary action under the University’s disciplinary procedure. Any such breach will be notified to the Board of Governors through the Audit Committee. It is the responsibility of Deans of Faculty / Directors / Heads of Corporate Departments to ensure that their staff are made aware of the existence and content of and have access to the University’s Financial Regulations.

2.4 The Chief Finance Officer is responsible for maintaining a review of the Financial Regulations and advising the Board of Governors of any additions or changes necessary. A formal report will be given to the joint November meeting of the Audit Committee and Finance & Resources Committee that the regulations have been adhered to throughout the preceding financial year and up to the date of the November meeting.

2.5 The University’s financial procedures and user guides set out how the regulations will be implemented and are contained in a separate section of the Finance Manual. The relevant procedures and user guides are available in all departments.

## 3. CORPORATE GOVERNANCE

### The Board of Governors

3.1 The Board of Governors is responsible for the management and administration of the University. Its financial responsibilities are to:

* Ensure the solvency of the University.
* Safeguard the effective and efficient use of resources
* Ensure that the funds provided by HEFCW are used in accordance with the terms and conditions specified in HEFCW’s Memorandum of Assurance and Accountability 2015.
* Ensure the establishment and monitoring of financial systems of control.
* Ensure that the University complies with HEFCW’s Memorandum of Assurance and Accountability 2015, including its Audit Code of Practice.
* Approve the University’s strategic plan
* Approve annual budgets and the annual financial statements
* Appoint the University’s internal and external auditors.
* Approve annual estimates of income and expenditure

3.2 The Board of Governors has the ultimate responsibility for the University’s finances, but delegates this to committees as detailed below. These committees are accountable to the Board of Governors (a diagram detailing the committee structure is included in Appendix B)

#### **Finance and Resources Committee**

3.3 Monitoring of the University’s financial position is undertaken by the Finance and Resources Committee. The Committee will examine annual budgets and accounts and recommend their approval to the Board of Governors. It will ensure that short term budgets are in line with agreed longer term plans and that they are followed. It will consider any other matters relevant to the financial duties of the Board of Governors and make recommendations accordingly. The Committee will also ensure that the Board of Governors has adequate information to enable it to discharge its financial responsibilities.

3.4 The Finance and Resources Committee also considers the University’s strategic plan. It is responsible for ensuring that all financial implications of such plans are taken into account before their approval by the Board of Governors. Similarly, it considers and makes recommendations to the Board of Governors on the allocation of resources.

#### **Audit Committee**

3.5 The University is required by HEFCW’s Memorandum of Assurance and Accountability 2015, including its Audit Code of Practice, to appoint an Audit Committee. The Committee is independent, advisory and reports to the Board of Governors. 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. It must also satisfy itself that satisfactory arrangements are in place to promote economy, efficiency and effectiveness.

3.6 The Audit Committee monitors the financial control systems and material weaknesses will be brought to the attention of the Finance and Resources Committee and advised to the Board of Governors.

#### **The Vice-Chancellor**

3.7 The Vice-Chancellor is the University’s designated Accounting Officer and is responsible for the financial administration of the University’s affairs. As the designated officer, the Vice-Chancellor may be required to justify any of the University’s financial matters to the Public Accounts Committee at the House of Commons.

#### **Deputy Vice Chancellors**

3.8 The Deputy Vice Chancellors are responsible to the Vice-Chancellor for financial administration of those areas, which report to them in a line management capacity. Additionally, the Deputy Vice Chancellors may also be designated budget holders and have the responsibilities associated with such a position, see below for further details.

#### **The Deputy Vice Chancellor (Strategic Resources)**

3.9 The Deputy Vice Chancellor (Strategic Resources) is responsible to the Vice Chancellor for financial administration of those areas, which report to him in a line management capacity.

3.10 The Chief Finance Officer is responsible to the Deputy Vice-Chancellor (Strategic Resources) for:

* Preparing annual budgets and financial plans
* Preparing accounts, management information, monitoring and control of expenditure against budgets and all financial operations.
* Preparing the University’s annual financial statements and other financial statements and accounts, which the University is required to submit to other authorities.
* Ensuring that the University maintains satisfactory financial systems.
* Providing professional advice on all matters relating to financial policies and procedures

3.11 The Deputy Vice Chancellor (Strategic Resources) and Chief Finance Officer has the right of direct access to the Vice-Chancellor for matters of financial propriety.

3.12 A diagram indicating the structure of the finance department including all sections and lines of responsibility is shown at Appendix C.

#### **Dean of Faculty / Director / Head of Corporate Department**

3.13 Deans of Faculty / Directors / Heads of Corporate Departments and other designated budget holders are responsible to the Vice-Chancellor, through the Executive Line Manager for financial management in their own areas. They are advised by the Deputy Vice Chancellor (Strategic Resources) and Chief Finance Officer in executing their financial duties.

3.14 Dean of Faculty / Director / Head of Corporate Department is responsible for establishing and maintaining clear lines of responsibility within their department for all financial matters.

3.15 Where budgets are devolved within departments, the budget holder is accountable to their Dean of Faculty / Director / Head of Corporate Department for that budget. The Dean of Faculty / Director / Head of Corporate Department remains accountable to their appropriate Executive Line Manager.

### Audit Requirements

3.16 The audit framework for the University within which the internal and external auditors operate is set out in the HEFCW Memorandum of Assurance and Accountability 2015, including its Audit Code of Practice. These are described in Appendix A of this document.

### Risk Management

3.17 The University Secretary and Clerk to the Governors is responsible for developing a risk management strategy in order to identify the risks facing the University and types of protection required to cover the risks. The strategy should include cover for important potential liabilities such as terrorism and be sufficient to meet any potential risks to all assets. This will be considered and approved by the Finance and Resources Committee on an annual basis.

3.18 The Chief Finance Officer is responsible for effecting insurance cover as determined by the Finance and Resources Committee. He or she is therefore responsible for obtaining quotes, negotiating claims and maintaining the necessary records. The Group Financial Controller will deal with the University’s insurers and advisers about specific insurance problems.

3.19 Dean of Faculty / Director / Head of Corporate Departments must ensure that any agreements negotiated within their departments with external bodies cover any legal liabilities to which the University may be exposed. The advice of the Chief Finance Officer should be sought to ensure that this is the case. Dean of Faculty / Director / Head of Corporate Departments must give prompt notification to the Chief Finance Officer of any potential new risks and additional property and equipment which may require insurance and any alterations affecting existing risks.

3.20 Dean of Faculty / Director / Head of Corporate Departments must advise the Group Financial Controller immediately, of any event which may give rise to an insurance claim. The Insurance Officer will notify the University’s insurers and, if appropriate, prepare a claim in conjunction with the Dean of Faculty / Director / Head of Corporate Department for transmission to the insurers.

3.21 The Insurance Officer will keep a register of all insurances affected by the University and the property and risks covered.

3.22 The Head of Estates is responsible for keeping suitable records of plant which is subject to inspection by an insurance company and for ensuring that inspection is carried out in the periods prescribed.

3.23 All staff using their own vehicles on behalf of the University shall maintain appropriate insurance cover for business use.

### Conflicts of Interest

*General Principles*

3.24 The general principle on registering conflicts of interest is to consider whether the circumstances could reasonably be perceived to affect the judgment of the individual making a decision affecting the University. This includes any interest in a business which may supply or trade with the University, which might reasonably be thought by others to influence their actions or decisions as employees.

 3.25 Any member of staff or external committee member who has a connection with any outside organisation which sells to or buys from the University must declare his/her interest in writing to the University Secretary and Clerk to the Governors or to any member of the Executive, and should not in any circumstances have any implicit or explicit contact such an organisation concerning transactions or discussion involving the University.

3.26 These interests are required to be recorded in the University’s Register of Interests.

*Conflict of interest (staff members)*

3.27 Staff members are reminded of the duty to disclose personal interests;

* Employees becoming aware of any personal financial or other beneficial interest in a transaction or financial arrangement of the University shall immediately disclose the fact and nature of the interest to their line manager, to the Chief Finance Officer, or to any member of the executive.
* Employees shall declare to the Chief Finance Officer any interest in business which may supply, or trade with, the University and any other matter which might reasonably be thought by others to influence their actions or decisions as employees.
* A member of staff who is in doubt whether a declarable interest exists should consult the Chief Finance Officer.

3.28 Each budget holder (normally Dean/Director/Head) is responsible for maintaining financial records in respect of gifts, benefactions and donations made to the University and initiating claims for the recovery of tax where appropriate and making an annual return to the Chief Finance Officer.

3.29 The Chief Finance Officer should be notified of all gifts to the University or of gifts accepted by staff and gifted to the University.

3.30 Further information can be found on the University Website under Gifts and Hospitality using the following link: <https://thehub.southwales.ac.uk/Interact/Pages/Content/Document.aspx?id=6799>

### Confidentiality

3.31 Staff must respect the confidentiality of information received in the course of employment. Similarly, information given out should be true and not intended to mislead. Staff should not discuss matters confidential to the University with outside parties.

### Fraud and Irregularities

3.32 It is the responsibility of all officers and members of staff to ensure the correct and honest use of all University resources and to report any circumstances which may indicate the improper use of these resources.

3.33 Whenever any matters arise which involves, or is thought to involve, irregularities, fraud or theft concerning cash, stores or other property, of the University or any other suspected irregularity in the exercise of the activities of the University, the Dean of Faculty / Director / Head of Corporate Department concerned shall notify the Deputy Vice Chancellor (Strategic Resources) or Chief Finance Officer who will take such steps as he/she considers necessary by way of investigation and involvement of internal audit.

### Bribery Act 2010

3.34 The Chief Finance Officer is responsible for compliance with the Bribery Act 2010. Further information can be found in Appendix D – Anti Bribery Policy.

### Whistleblowing

3.35 Whistleblowing in the context of the Public Interest Disclosure Act is the disclosure by an employee (or other party) about malpractice in the workplace. The University’s policy is set out in the document, *Public interest disclosure (Whistleblowing Procedure).*

.

## FINANCIAL MANAGEMENT AND CONTROL

### Budgeting

#### General Principles

4.1 A budget is prepared annually and submitted to the Board of Governors for approval.

4.2 Deans of Faculty / Directors / Heads of Corporate Departments are responsible for achieving their budget.

#### Budget Preparation

4.3 The Chief Finance Officer is responsible for preparing annually a revenue budget and capital programme for consideration by Finance and Resources Committee before submission to the Board of Governors. The Chief Finance Officer will ensure that detailed budgets are prepared in co-operation with the Dean of Faculty / Director / Head of Corporate Department prior to their approval by the Board of Governors.

4.4 During the year, the Chief Finance Officer is responsible for preparing a revised budget for consideration by Finance and Resources Committee before submission to the Board of Governors for approval. In general, a revised budget will be prepared to reflect the results of actual enrolment.

#### Capital Programmes

4.5 Capital expenditure on land, buildings, furniture, hardware, software and associated costs will be considered as part of a capital programme approved by the Board of Governors or alternatively as the requirement arises.

4.6 The Deputy Vice Chancellor (Strategic Resources) is responsible for submitting regular statements concerning all capital expenditure to Finance and Resources Committee for monitoring purposes.

4.7 Proposed capital projects that require Finance and Resources Committee or Board of Governors approval will be supported by:

* A statement which demonstrates the project’s consistency with the strategic plan and, if appropriate, the estates strategy approved by the Board of Governors.
* A budget for the project prepared in co-operation with the appropriate budget holder. In the case of estates minor works projects, an annual estates programme, is prepared by the Head of Estates in consultation with the Deputy Vice Chancellor (Strategic Resources) and submitted to the Vice-Chancellor. Budget will include a breakdown of costs including professional fees, VAT and funding sources.
* A financial evaluation of the plans together with their impact on revenue plus advice on the impact of alternative plans
* A demonstration of compliance with normal tendering procedures and Funding Council regulations
* A cash flow forecast

4.8 Approval for the project must be obtained from the relevant authority as specified by the authorisation limits. In the case of the annual estates programme, the approval shall rest with the Board of Governors.

4.9 Following completion of a capital project approved by the Finance and Resources Committee and/or Board of Governors, a final report shall be submitted to Finance and Resources Committee recording actual expenditure against budget and reconciling funding arrangements where a variance has occurred.

#### Financial Planning

4.10 The Chief Finance Officer is responsible for preparing annually a rolling financial forecast for approval by the Board of Governors on the recommendation of Finance and Resources Committee and for preparing financial forecasts for submission to the Funding Council. Financial plans should be consistent with the strategic plans and estates strategy approved by the Board of Governors.

#### Budgetary Control

4.11 The control of income and expenditure within an agreed budget is the responsibility of the designated budget holder who must ensure that day to day monitoring is undertaken effectively. Budget holders are responsible to their Dean of Faculty / Director / Head of Corporate Department for the income and expenditure appropriate to their budget. The budget holder will be assisted in this duty by management information provided by the Chief Finance Officer. The types of management information available to different levels of management are described in the University’s detailed financial procedures together with the timing at which they can be expected.

4.12 Significant departures from agreed budgetary targets must be reported immediately to the Chief Finance Officer by the Dean of Faculty / Director / Head of Corporate Department concerned, if necessary, agreed corrective action taken.

4.13 The Chief Finance Officer is responsible for supplying quarterly accounts of the University to the Finance and Resources Committee on a basis determined by Finance and Resources Committee.

#### Virement

4.14 Where a budget holder is responsible for more than one budget, virement is permitted with the approval of the Deputy Director of Finance within the Finance Department.

4.15 Virement between budgets held by different budget holders is permitted with the agreement of the transferring budget holder and the receiving budget holder and the approval of the Deputy Director of Finance within the Finance Department.

### Accounting Returns

4.16 The Group Financial Controller is responsible for drawing up a timetable for final financial statement purposes and will advise staff and the external auditors accordingly.

4.17 The annual financial statements will be considered at a joint meeting of the Finance and Resources Committee and Audit Committee. On recommendation of Finance and Resources Committee and Audit Committee they will be submitted to the Board of Governors for approval.

4.18The Chief Finance Officer is responsible for consolidating and dispatching financial returns and other periodic financial reports to HEFCW and other agencies as required. The Chief Finance Officer is also responsible for ensuring that all grants notified by HEFCW and other bodies are received**.**

### Basis of Accounting

4.19 The consolidated financial statements are prepared on the historical cost basis of accounting as modified by the revaluation of land and buildings and in accordance with applicable accounting standards.

4.20 All other accounting policies are contained within the notes of the annual financial statements.

#### Format of the Accounts

4.21 The accounts are prepared for the financial year ending 31st July, in the format required by the Funding Council and in accordance with the provisions of the Companies Act 2006, the appropriate Accounting Statements of Recommended Practices and other relevant accounting standards.

#### Basis of Consolidation

4.22 The consolidated financial statements consolidate the financial statements of the University and all its subsidiary undertakings for the financial year.

###

### Accounting Records

4.23 The Chief Finance Officer is responsible for the retention of financial documents. These should be kept in a form acceptable to the relevant authorities.

4.24 The University is required by law to retain prime documents. The retention period of these documents is set out in the institutions document retention policy.

### Use of the University Seal

* 1. The application of the seal of the Corporation shall be authenticated by the signature of the Chairman of the Board of Governors or some other member authorised generally or specifically by the Board of Governors to act for that purpose together with that of any other member of the Board of Governors. The Corporation Seal shall be held under secure arrangements by the University Secretary and Clerk to the Governors.

4.26 The University Secretary and Clerk to the Governors is responsible for submitting a report to each meeting of the Board of Governors detailing the use of the University’s seal since the last meeting.

### Taxation

4.27 The Chief Finance Officer, in the light of relevant legislation and guidance issued by appropriate bodies, is responsible for advising Dean of Faculty / Director / Head of Corporate Department on all taxation issues applicable to the University.

4.28 The Chief Finance Officer is responsible for maintaining the University’s tax records, receiving tax credits and making tax returns and payments by the due date, in respect of income tax, National Insurance, Value Added Tax and corporation tax.

### Security of Documents

4.29 The University Secretary and Clerk to the Governors is responsible for the arrangements for the safekeeping of official legal documents relating to the University. Signed originals of such documents must, therefore, be forwarded to the University Secretary and Clerk to the Governors. All such documents shall be held in an appropriately secure, fireproof location and copies held at a separate location.

### Data Protection

4.30 The University of South Wales is registered as a data controller with the office of the Information Commissioner. The University has a Data Protection Officer responsible for all relevant aspects of the Data Protection Act 1998. Data Protection and other information governance matters are reported to every meeting of the Executive.

## 5. INCOME AND BANKING

### General

5.1 The Chief Finance Officer is responsible for ensuring that appropriate procedures are in operation to enable the University to receive all income to which it is entitled. All receipt forms, invoices, tickets or other official documents in use to record or acknowledge financial transactions must have the approval of the Chief Finance Officer.

5.2 Levels of charges for contract research, services rendered, goods supplied and rents and lettings are approved by the Chief Finance Officer to ensure that full cost is recovered.

5.3 The Chief Finance Officer is responsible for the prompt collection, security and banking of all income received.

5.4 The Chief Finance Officer is responsible for ensuring that all grants notified by HEFCW and other bodies are received and appropriately recorded in the University’s financial statements.

5.5 The Chief Finance Officer is responsible for ensuring that all claims for funds, including research grants and contracts, are made by the due dates.

### Student fees

5.6 Student tuition fees and fee discounts are approved by Executive and reported to the Finance and Resources Committee. They may not be waived or varied other than with the express authority of the Deputy Vice Chancellor (Strategic Resources) or the Deputy Director of Finance.

5.7 Residence fees, discounts and key deposits are approved annually by the Chief Finance Officer. They may not be varied without the express approval of the Deputy Vice Chancellor (Strategic Resources).

5.8 The procedures for collecting tuition and residence fees must be approved by the Chief Finance Officer. The Chief Finance Officer is responsible for ensuring that all student fees due to the University are collected in accordance with the procedures.

### Appointment of Bankers

5.9 The Board of Governors is responsible for the appointment of the University’s bankers on the recommendation of Finance and Resources Committee. The appointment shall be for a specified period after which consideration shall be given by Finance and Resources Committee to competitively tendering the service.

### Banking Arrangements

5.10 The Chief Finance Officer is responsible for liaising with the University’s bankers on behalf of the Finance and Resources Committee on matters relating to the University’s bank accounts and the issue of cheques. All cheques shall be ordered on the authority of the Chief Finance Officer who shall make proper arrangements for their safe custody.

5.11 Bank accounts for dealing with the University’s funds may only be opened on the express authority of the Chief Finance Officer.

5.12 The name of the University may not be used to identify bank accounts unless approved by the Finance and Resources Committee.

5.13 All cheques drawn on behalf of the University must be signed in the form approved by Finance and Resources Committee. Cheque signatories and limits must be approved by the Finance and Resources Committee. Current arrangements are noted in Appendix C.

5.14 The Chief Finance Officer is responsible for ensuring that all bank accounts are subject to regular reconciliation and that large or unusual items are investigated as appropriate.

### Petty Cash

5.15 The Chief Finance Officer shall make available to departments such imprest petty cash floats as are considered necessary for the effective operation of the University.

5.16 The Dean of Faculty / Director / Head of Corporate Department is responsible for the safe keeping of the petty cash float. The cash must be kept secure in accordance with the requirements of the University’s insurers. The float will be subject to periodic checks by persons nominated by the Chief Finance Officer.

5.17 At the end of each month, a confirmation of the balance held must be submitted to the Chief Finance Officer in accordance with the finance operating procedures.

5.18 Small items of expenditure may be paid out of petty cash. The maximum value of individual petty cash expenditure is laid down in the finance operating procedures. This method of payment should be the exception as other methods exist for the purchase of small value items.

5.19 Receipts (including VAT receipts where applicable) to substantiate the claim must be attached to all petty cash vouchers.

5.20 Completed petty cash vouchers must be signed and dated by an authorised signatory in the budget holders department.

###

### Cash Receipts

5.21 All monies received within departments from whatever source must be recorded by the department on a daily basis together with the form in which they were received and paid to the Cashier or collected by the University’s Cash Security Service provider as soon as practicable.

5.22 Dean of Faculty / Director / Head of Corporate Departments will be responsible for the safe keeping of any income until it is either paid to the Cash Office or collected by the University’s Cash Security Service Provider. Custody and transportation of all cash holdings must comply with the requirement of the University’s insurers.

5.23 No deductions may be made from any cash collected on behalf of the University.

5.24 Personal or other cheques must not be cashed out of money received on behalf of the University.

5.25 Custody of all cash holdings must comply with the requirements of the University’s insurers.

### The Collection of Debts

5.26 The Chief Finance Officer is responsible for ensuring that proper procedures are in place for:

* The prompt issue of invoices for income due to the University
* The timely and effective collection of overdue accounts
* The regular monitoring and management reporting of overdue accounts.

5.27 The Chief Finance Officer is responsible for specifying credit arrangements and indicating a period in which different types of invoice must be paid.

5.28 Any student who is in debt to the University for tuition fees may be excluded from any or all University services and may be refused permission by Academic Registry to re-enrol with the University until the debt is paid. Award certificates will not normally be issued until all tuition fee debt is cleared.

5.29 The authorisation and write-off of bad debts must be in accordance with those detailed in the financial delegation of authority.

## 6. RESEARCH GRANTS AND CONTRACTS

### General

6.1 Research can be defined as original investigation, undertaken to gain new knowledge and understanding, which may be directed towards a specific aim or objective.

6.2 The term ‘research grant’ is restricted to research projects funded by the UK research councils, charities, Higher Education Funding Councils and EU funding councils.

6.3 All other externally financed research projects are classified as ‘research contracts’

6.4 On occasions where both UK and EU funding councils issue financial regulations concerning research project expenditure, then these regulations will supersede these Financial Regulations, unless the Deputy Director of Finance can receive confirmation in writing from the relevant funder that the University of South Wales Financial Regulations will apply. Any such instances must be reported to the Chief Finance Officer.

6.5 Where approaches are to be made to outside bodies for support for research projects or where contracts are to be undertaken on behalf of such bodies, it is the responsibility of the Dean of Faculty / Director / Head of Corporate Departments to ensure that the financial implications have been appraised by the Deputy Director of Finance within the Finance Department.

6.6 The Deputy Director of Finance is responsible for examining every formal application for grant and ensure that there is adequate provision of resources to meet all commitments. The Deputy Director of Finance should ensure that the full economic cost of research contracts has been calculated. The research agreement must be in line with the University’s policy with regard to indirect costs and other expenses and take account of different procedures for the pricing of research projects depending on the nature of the funding body.

6.7 Research grants and contracts shall be accepted on behalf of the University by the Pro Vice Chancellor (Academic Research)

6.8 The Chief Finance Officer shall maintain all financial records relating to research grants and contracts.

6.9 Each grant or contract will have a named supervisor or grant holder and will be assigned to a specific budget centre.

6.10 Control of pay and non-pay expenditure will be contained within the budget centre. The head of the budget centre may delegate day to day control of the account to a supervisor or grant holder, but any overspend or under recovery of overheads is to be the clear responsibility of the budget centre with any loss being a charge on departmental funds.

### Additional Payments to Staff

6.11 Any proposal which involves additional payments to members of staff in connection with research or consultancy work should be supported by a schedule of names and values and must be approved by the Dean of Faculty / Director / Head of Corporate Department, and in the case of a Dean of Faculty / Director / Head of Corporate Department, the Vice-Chancellor.

### Private Consultancies and Other Paid Work

6.12 Unless otherwise stated in a member of staff’s contract:

* Outside consultancies or other paid work may not be accepted without the consent of the Dean of Faculty / Director / Head of Corporate Departments (in the case of a Dean of Faculty / Director / Head of Corporate Departments, the Executive line manager and in case of Executive members the Vice-Chancellor)
* Applications for permission to undertake work as a purely private activity must be submitted to the Dean of Faculty / Director / Head of Corporate Department or Executive line manager, as appropriate and include the following information
	+ The name of the member(s) of staff concerned.
	+ Title of the project and a brief description of the work involved.
	+ The proposed start date and duration of the work
	+ Full details of any University resources required (for the calculation of the full economic cost)
	+ An understanding that the work will not interfere with the teaching and normal University duties of member(s) of staff concerned.

### Intellectual Property Rights and Patents

#### General

6.13 Certain activities undertaken within the University including research and consultancy may give rise to ideas, designs and inventions which may be patentable or subject to copyright (including computer software). These are collectively known as intellectual property.

#### Intellectual Property Rights (including Patents and Copyright)

6.14 In the event of the University deciding to become involved in the commercial exploitation of inventions and research, the matter should proceed in accordance with the provision included within lecturer’s contracts of employment and any other related documentation.

## 7. PROCUREMENT

### Purchase Orders

7.1 The ordering of goods and services shall be in accordance with the University’s detailed financial procedures / purchasing policies.

7.2 Official University Purchase Requisitions forms or the online purchase requisition system must be used for the raising of all Purchase Orders for all goods or services, except those made using petty cash or purchasing cards.

7.3 It is the responsibility of the Chief Finance Officer (through the University’s Procurement Manager) to ensure that all purchase orders refer to the University’s conditions of contract.

#### Placing Orders

7.4 All orders for works, goods and services shall be issued via the University’s financial system workflow using the University’s official order and trading conditions.

7.5 University staff do not have the authority to order goods or services from suppliers nor to enter contracts on behalf of the University or commit its resources or finances without an official approved purchase order and unless using a pre approved supplier.

7.6 A purchase order cannot be placed unless the order has been approved in accordance with the authority limits established in the financial delegation of authority.

7.7 Purchase orders must be raised in accordance with Procurement regulations as listed in the Procurement manual.

#### Obtaining quotes and tenders

7.8 Depending on the value of goods and services, quotations or EU regulations on these purchases may apply. A summary of the requirements have been detailed in Appendix E and more detail can be obtained from the Procurement regulations manual.

#### Authority to sign Purchase Requests

7.9 Only employees properly authorised, in writing, by the budget holder have the authority to authorise Purchase Requisitions.

7.10 The originator of a Purchase Requisition is responsible for ensuring that all details of the required goods and services are accurate and that the finance code against which they are charged is correct.

7.11 The authoriser, being the budget holder or other authorising officer, on the Purchase Requisition will indicate acceptance of the subsequent charge for the goods and services against the budget holders designated.

####

#### Adequacy of Budget Provision

7.12 Principal budget holders are responsible for ensuring there is adequate budget provision before Purchase Requisitions are submitted.

.

#### Receipt of Goods or Services and Payment of Invoices

7.13 The Faculty Finance Officer will be responsible for confirming to the Invoice Payments team of the Finance Department that the goods and services have been received in good order and the supplier’s invoice may be paid.

### Contracts

7.15 An annual Estates Programme is approved by the Board of Governors on recommendation of the Finance and Resources Committee and forms the approved list of building works for which contracts may be placed after appropriate University tendering procedures have been completed. Within the approved list, building contracts are the responsibilities of the Director of Estates.

7.16 Proposals will normally be initiated by the Director of Estates in respect of planned replacements, general improvement schemes, space planning or in response to requests from departments.

7.17 Consultants may be appointed if the project, as determined by the Director of Estates in conjunction with the Deputy Vice Chancellor (Strategic Resources), is too large or too specialised for Estates Department resources. Appointments shall be subject to tendering and other financial procedures where appropriate.

7.18 Contracts will be forwarded to the appropriate authority for approval, as governed by the Financial Delegation of Authority contained within Appendix F. HEFCW guidance on best practice will be followed.

7.19 All contracts will attempt to ensure best value for money.

7.20 Conditions of quotations, tender and contract for the purchase of works, goods or services will be followed as described in the University’s detailed financial procedures.

###

### European Union (EU) Procurement Directives

7.21 The Procurement Manager is responsible for ensuring that the University complies with its legal obligations concerning European procurement legislation for the supply of goods, works and services. EU procurement regulations may apply to written contracts for all forms of procurement, purchase or hire (whether or not hire purchase) where the total value exceeds the threshold value detailed in the financial procedures. A breach of these regulations is actionable by a supplier or potential supplier.

7.22 It is the responsibility of the Dean of Faculty / Director / Head of Corporate Department to ensure that their members of staff comply by notifying the Procurement Manager of any purchases likely to exceed the thresholds noted above. This must be done well in advance in order to permit advertisements in the Official Journal of the European Union (OJEU).

## 8. EXPENDITURE

### General

8.1 The Chief Finance Officer is responsible for all payments due by the University and must approve all payment procedures. The University’s standard terms and conditions relating to payments must not be changed without prior authority from the Chief Finance Officer.

8.2 All individuals are responsible for ensuring the University obtains good value for money and that all purchases are made in accordance with the purchasing policies described in the Purchasing Manual.

### Authorities and authorised Signatories

8.3 Dean of Faculty / Director / Head of Corporate Department is responsible for ensuring that purchases within their department are carried out in accordance with the detailed financial operating procedures and departmental user guides. Authority to request a purchase (but not ordering authority) may be delegated to a named individual within the department.

8.4 The Chief Finance Officer, shall maintain a register of authorised signatories. Any changes to the authorised signatories must be notified to the Chief Finance Officer immediately. Dean of Faculty / Director / Head of Corporate Department must supply the Chief Finance Officer with specimen signatures of those authorised to certify invoices for payment.

8.5 Dean of Faculty / Director / Head of Corporate Department and budget holders must not commit the University to expenditure without satisfying themselves that sufficient funds to meet the purchase cost are available from within their designated budgets.

8.6 The person authorising the invoice for payment should be different from the person who signs the purchase order requisition form.

8.7 Authorised staff must ensure sufficient funds are available within their budget prior to placing a purchase order.

### Payment of Invoices

8.8 The procedures for making all payments shall be specified by the Chief Finance Officer.

8.9 The Chief Finance Officer is responsible for deciding the most appropriate method of payment of invoices. Payments to UK suppliers will normally be made by BACS in accordance with the detailed finance operating procedures. In exceptional circumstances and at the request of the Dean of Faculty / Director / Head of Corporate Department, approved by the Chief Finance Officer, CHAPS may be prepared manually for urgent payments.

8.10 All invoices must be submitted by suppliers direct to the Finance Department. Budget holders must not instruct suppliers to submit invoice for goods, works or services direct to their department.

8.11 Dean of Faculty / Director / Head of Corporate Department is responsible for ensuring that expenditure within their department does not exceed funds available.

8.12 Payments will only be made by the Chief Finance Officer against invoices which have been certified for payment by the appropriate Dean of Faculty / Director / Head of Corporate Department or budget holder or one of the departments authorised signatories. Certification of an invoice confirms that:

* The goods have been received, examined and approved with regard to quantity and quality, or that services rendered or work done is satisfactory.
* Where appropriate, it is matched to the order
* Invoice details (quantity, price, discount) are correct
* The invoice is arithmetically correct
* The invoice has not previously been passed for payment
* Where appropriate, an entry has been made on a stores record or departmental; inventory.
* An appropriate cost centre is quoted. This must be one of the cost centre codes included in the budget holder’s areas of responsibility and must correspond with the types of goods or service described on the invoice.

8.13 Invoices must be returned to the Finance Department as soon as they have been checked and certified for payment by the budget holder department. Care must be taken by the budget holder to ensure that discounts receivable are obtained.

8.14 It is the policy of the University that properly submitted invoices are paid within 30 days.

## 9 SALARIES, WAGES AND EXPENSES

### General

9.1 The Director of Organisational Development, Human Resources is responsible for all payments of salaries and wages to all staff including payments for overtime or services rendered. All time sheets and other pay documents will be in a form prescribed or approved by the Director of Human Resources.

9.2 All University staff will be appointed to the salary scales approved by the Board of Governors and in accordance with appropriate conditions of service. All appointments must be made via Human Resources in accordance with approved procedures. Letters of appointment, contracts of employment and statements of terms and conditions will be issued by Human Resources.

9.3 All casual and part-time employees for whom tax should be deducted under PAYE and/or NI deductions should be made, will be included on the payroll.

9.4 The Chief Finance Officer is responsible for payments to non-employees and for informing the appropriate authorities of such payments.

9.5 The Director of Organisational Development, Human Resources shall be responsible for keeping all records relating to payroll including those of a statutory nature

9.6 All payments must be made in accordance with the University’s detailed payroll procedures and comply with HMRC regulations.

### Pensions

9.7 The Board of Governors is responsible for undertaking the role of employer in relation to appropriate pension arrangements for employees.

9.8 The Director of Organisational Development, Human Resources is responsible for day to day pension matters including:

* Authorising payment of contributions to various authorised pension schemes.
* Preparing the annual return to various pension schemes
* Administering the University’s membership to the TPS, LGPS and USS pension funds.

### Travel, Subsistence and Other Allowances

9.9 Employees must follow guidance given in the Travel, subsistence and business entertainment manual.

## 10. ASSETS

### Land, Buildings, Fixed Plant and Machinery

10.1 The purchase, lease or rent of land or buildings or fixed plant can only be undertaken by reference to the Framework of Delegation of Authority detailed within Appendix F.

10.2 The Chief Finance Officer is responsible for maintaining the University’s register of land, buildings, fixed plant and machinery.

### Inventories

10.3 In addition to the asset register, Dean of Faculty / Director / Head of Corporate Department is responsible for maintaining inventories for all plant and equipment and furniture and stores in their departments with a value in excess of £150.

10.4 Office furniture may be excluded unless the original value of the item exceeds £5,000

10.5 The inventory must include items donated or held on trust.

10.6 Inventories must be checked by Dean of Faculty / Director / Head of Corporate Departments at least annually, and retained in the form prescribed by the Chief Finance Officer as described in the University’s detailed Financial Procedures.

### Stocks and Stores

10.7 Dean of Faculty / Director / Head of Corporate Department is responsible for establishing adequate arrangements for the custody and control of stocks within their departments. The system used for stores accounting in departments must have the approval of the Chief Finance Officer.

10.8 Dean of Faculty / Director / Head of Corporate Department is responsible for ensuring that regular inspections and stock checks are carried out. Stocks and stores of a hazardous nature should be subject to appropriate security checks.

10.9 Those Dean of Faculty / Director / Head of Corporate Department whose stocks require valuation in the balance sheet must ensure that the stock-taking procedures in place have the approval of the Chief Finance Officer and that instructions to appropriate staff within their departments are issued in accordance with advice contained in the University’s detailed financial procedures.

### Asset Disposal

10.10 Disposal of equipment and furniture must be in accordance with the University’s detailed financial procedures.

10.11 Disposal of land and buildings must only take place with the authorisation of the Board of Governors. HEFCW consent may also be required.

### Security

10.12 Dean of Faculty / Director / Head of Corporate Department are responsible for maintaining proper security at all times for buildings, stock, stores, furniture, cash etc under their control. He or she shall consult the Chief Finance Officer in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.

10.13 Keys to safes or other similar containers are to be carried with the person responsible at all times. The loss of such keys must be reported to the Chief Finance Officer immediately.

10.14 An officer shall be responsible for maintaining proper security and privacy of information held on computer. The restriction of access to computer areas to authorised persons only by the use of passwords are the types of security control available that will be used. Information relating to individuals held on computer will be subject to the provisions of the Data Protection Act. A data protection officer shall be nominated to ensure compliance of the Act.

### Treasury Management (Investment and Borrowings)

10.15 The Finance and Resources Committee is responsible for approving a Treasury Management Policy Statement setting out a strategy and policies for cash management, long term investments and borrowing. The Finance and Resources Committee has a responsibility to ensure implementation, monitoring and review of such policies.

10.16 All executive decisions concerning borrowing, investment or financing (within policy parameters) shall be delegated to the Deputy Vice Chancellor (Strategic Resources) under an appropriate reporting system. All borrowing shall be undertaken in the name of the University and shall conform to any relevant HEFCW requirement.

10.17 The Chief Finance Officer will report to Finance and Resources Committee during each financial year on the activities of the treasury management operation and on the exercise of treasury management powers delegated to him/her.

##

## 11. FUNDS HELD ON TRUST

### Endowment funds

11.1 The Chief Finance Officer is responsible for maintaining, monitoring and keeping a record of the requirements for each endowment fund and for advising the Finance and Resources Committee on the control and investment of fund balances.

11.2 The Finance and Resources Committee is responsible for ensuring that all University’s trust funds are operated within any relevant legislation and the specific requirements for each trust.

.

## 12. FINANCIAL IT SYSTEMS

12.1 The use if the University’s IT equipment and systems shall be in compliance with the IT Computing Regulations relating to the University’s financial systems, including the Finance system and shall be operated within guidelines and regulations on the use of Information Technology facilities and systems. Access to the financial systems shall be authorised by the Group Financial Controller, who will provide each authorised user with a personal profile. Any attempt to gain unauthorised access to the University’s financial systems will be regarded as a disciplinary offence.

12.2 All users, with the exception of certain designated user names which have been given special profiles in order to perform specific authorised functions, shall access the financial systems under their own personal user name and password. They must not use the user name and password of another user, nor allow their own password to become known or to be used by anyone else. Terminals shall not be left unattended whilst logged into the financial systems, thus leaving them useable by someone else. Failure to observe these requirements will be regarded as a disciplinary offence.

.

## 13. OTHER

### Companies

13.1 In certain circumstances it may be advantageous to the University to establish a company to undertake services on its behalf.

13.2 The Board of Governors is responsible for approving the establishment of companies and the procedure to be followed in order to do so. The arrangements for monitoring and reporting on the activities of subsidiary undertakings are documented in the University’s financial procedures.

13.3 It is the responsibility of the Board of Governors to establish the share holdings or membership arrangements of companies wholly or partly owned by the University. Arrangements for appointments to the Board of Directors of companies will be determined by the Board of Governors.

13.4 The Directors of companies where the University is a majority shareholder must submit, via Finance and Resources Committee, an annual report to the Board of Governors.

**UNIVERSITY OF SOUTH WALES**

**PRIFYSGOL DE CYMRU CAU**

## Appendix A - audit

#### A.1 Auditors’ Authority

1. External auditors and internal auditors shall 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 properly under his/her control.
* Access records belonging to third parties, such as contractors, when required.

#### A.2 External Audit

1. The appointment of external auditors is the responsibility of the Board of Governors on the recommendation of the Audit Committee. The appointment shall be for five years after which consideration shall be given by the Audit Committee to competitively tender the service.
2. The primary role of external audit is to report on the University’s financial statements and to carry out such examination of the statements and underlying records and control systems as are necessary to reach their opinion on the statements and to report on the appropriate use of funds. Their duties will be in accordance with the advice set out in HEFCW’s Financial Management Code and the Audit Code of Practice regarding the length of time an external partner should be appointed and the Auditing Practices Board’s auditing standards.

#### A.3 Internal Audit

1. The internal auditor is appointed by the Board of Governors on the recommendation of Audit Committee. The appointment shall be for five years, after which consideration shall be given by the Audit Committee to competitively tender the service.
2. The University’s financial memorandum with HEFCW requires that it has an effective internal audit function. The main responsibility of internal audit is to provide the Board of Governors, the Vice Chancellor and senior management with assurances on the adequacy of the internal control system.
3. The internal audit service remains independent in its planning and operation and has direct access to the Board of Governors, Vice-Chancellor and Chairman of Audit Committee.
4. The formal responsibilities of internal audit are detailed below. The internal auditor will also comply with the Auditing Practices Board’s Auditing Guideline *Guidance for Internal Auditors*
5. The responsibilities of Internal audit are to achieve the following objectives:
* To review and appraise the soundness, adequacy and application of internal controls.
* To ascertain the extent to which the systems of control ensure compliance with legislation, the Financial Memorandum between the University and the Funding Council, the University’s Articles of Government, regulations and established policies and procedures.
* To ascertain that accounting and other information is reliable as a basis for the production of accounts and other returns.
* To ascertain the integrity and reliability of financial and other information provided to management including that used in decision-making.
* To ascertain that systems of control are laid down and operate to achieve the most economic, efficient and effective use of resources.

#### A.4 Other Auditors

1. The University may, from time to time, be subject to audit or investigation by external bodies such as HEFCW, National Audit Office, European Court of Auditors, H.M. Revenue & Customs. They have the same rights of access as external and internal auditors.

## Appendix B: COMMITTEE STRUCTURE:



**UNIVERSITY OF SOUTH WALES HEC**

**PRIFYSGOL DE CYMRU CAU**

**APPENDIX C: ORGANISATION CHART – FINANCE DEPARTMENT**

Current bank signatories within the Finance department are:

* Deputy Director of Finance
* Group Financial Controller

**UNIVERSITY OF SOUTH WALES HEC**

**PRIFYSGOL DE CYMRU CAU**

## APPENDIX D ANTI BRIBERY POLICY

**INTRODUCTION**

The Bribery Act 2010 came into force on July 1st 2011, creating a single comprehensive code in relation to Bribery and Corruption. The Act creates new offences and places responsibility on organisations as well as the individual. The Act has a wide geographical reach, covers any country in the world, and includes any bribes paid by third parties on behalf of the organisation. The Act also covers the acts of agents or associates acting on behalf of the organisation. The penalties are severe with potentially unlimited fines and the possibility of imprisonment up to a maximum of 10 years for individuals.

The Act creates two new offences:-

* Bribing a foreign official.

A person is guilty of the offence if their intention is to influence the official in the official’s capacity as a foreign public official. Foreign public officials include government officials and those working for international organisations. The offence does not cover accepting bribes, only offering, promising or giving bribes. It does not matter whether the offer, promise, or gift is made directly to the official or through a third party.

* Failing to prevent bribery.

The Bribery Act introduces a new offence for commercial organisations of failing to prevent bribery by persons associated with them. This is committed where a person associated with the organisation commits an act of corruption with the intention of obtaining or retaining business or of obtaining or retaining an advantage in the conduct of business. A person is deemed to be “associated” if he or she performs services for or on behalf of the company or partnership, without regard to whether the person is an employee, agent or subsidiary company. There is a statutory defence if the organisation can show that it had in place “adequate procedures” designed to prevent bribery.

**OFFENCES UNDER THE ACT**

The Act creates four offences. The first three are offences that are committed by individuals:-

* Promising or offering a bribe;
* Requesting, agreeing to receive or accepting a bribe;
* Bribing a foreign public official; and
* A corporate offence of “failure to prevent bribery” by “persons associated” with an organisation.

**DEFINITIONS**

A traditional definition of bribery is the receiving or offering of undue reward by or to any person whatsoever in a public office, private employee, colleague or representative of another organisation in order to influence their behaviour in office and to incline them to act contrary to known rules if honesty and integrity.

**POLICY STATEMENT**

The University of South Wales Group Anti Bribery Policy applies to all staff and officials including Directors of any subsidiary or associated companies. The policy also includes third parties such as agency workers, consultants, sub-contractors and others working on behalf of the University Group irrespective of their location, function or grade.

The University Group does not wish to stifle the development of good working relationships with suppliers, agents, contractors or officials; however, the actions must be transparent, proportionate and auditable. The University Group expects our business partners, agents, suppliers and contractors to act with integrity and without any actions that may be considered as an offence within the meaning of the Bribery Act 2010.

University Group employees or any other person working on behalf of the University Group must not:-

* Offer or make a bribe, unauthorised payment or inducement of any kind to anyone;
* Solicit business by offering a bribe, unauthorised payment or inducement to a third party;
* Accept any kind of bribe, unauthorised payment or inducement that would not be authorised by the University in the normal course of events.

University Group employees or any other person working on behalf of the University Group must:-

* Refuse any bribe, inducement or unauthorised payment that is offered in a clear manner that could not be lead to any misunderstanding;
* Report all such offers received under the University Group Public Interest Disclosure (Whistleblowing) Procedure;
* Report all perceived or potential breaches of this policy to the Executive Director of Governance, Legal and Assurance under the University Group Public Interest Disclosure (Whistleblowing) Procedure.

**GIFTS AND HOSPITALITY**

The occasional exchange of business gifts, meals or low level entertainment is a common practice and is meant to create goodwill and enhance relationships. However, if the receipt of business courtesies becomes excessive, it can create a sense of personal obligation on the part of the recipient. Such sense of obligation can interfere with the individual’s ability to be impartial in the transaction.

Staff may accept business courtesies, but such courtesies must be modest enough not to interfere with the ethical judgement of the member of staff and must not create an appearance of impropriety. Corporate hospitality and gifts (whether received or provided) must be transparent, auditable and proportionate. Modest gifts and hospitality may be accepted unless an inducement is intended or suspected.

If a gift or hospitality is not in keeping with the circumstances then every effort must be made to refuse the offer without offending the person or organisation making the offer. If the gift cannot be refused, it should be declared in accordance with the University Group Gift & Hospitality Policy. <https://thehub.southwales.ac.uk/Interact/Pages/Content/Document.aspx?id=6799>

Any gift received or given must not have any influence or intention to influence the party receiving the gift or hospitality.

In no circumstances must any gift of money be made or received by an official of the University Group.

**REPORTING**

The University Group takes compliance with the Act very seriously and any known or perceived breach of the policy or Act should be reported immediately to the Executive Director of Governance, Legal and Assurance under the procedures outlined in the University Group Public Interest Disclosure (Whistleblowing) Procedure. Any breach of the procedure, policy or law will be treated as a disciplinary offence and may result in dismissal following investigation.

**DUE DILIGENCE**

Thorough due diligence should be undertaken prior to participation in a business relationship or project with the completion of the checklist attached as Attachment A assisting with the associated risk assessment.

**REVIEW**

This policy will be reviewed by the Executive annually or as and when any legislative changes occur to ensure compliance with one of the principles of the Act.

**ATTACHMENT A**

**DUE DILIGENCE CHECKLIST**

|  |  |  |  |
| --- | --- | --- | --- |
| **Key Questions** | **Yes** | **No** | **Comments** |
| Has there been any bribery in the past? |  |  |  |
| Is it likely or possible that bribery is currently taking place? |  |  |  |
| Is such bribery widespread? |  |  |  |
| Does the organization have an adequate anti bribery programme in place? |  |  |  |
| What would be the impact if bribery was discovered after the transaction is completed? |  |  |  |
| Has any gift or hospitality been accepted and noted within the Gifts & Hospitality Register within the past 12 months? |  |  |  |

## APPENDIX E PROCEDURES FOR OBTAINING QUOTES AND TENDERS

**Obtaining Quotations (if Goods/Services not on contract or a framework – contact Procurement for advice)**

* Up to a value of £5,000 discretion of budget holder on quotes, but Value for Money (VFM) to be demonstrated at all times e.g. if Executive Board, Auditors etc request
* Between £5,000 and £25,000 must be in writing – minimum of 3 quotes

**Obtaining Tenders (contact Procurement for advice)**

* Between £25,000 and £181,302 – Procurement will, in conjunction with the Faculty/Department, issue a tender or advise accordingly if other options available e.g. HE frameworks / contracts.

**Goods/ Services – over £181,302 – Legal Requirement; EU regulations still applicable**

**(contact Procurement for advice)**

* Contact Procurement immediately the purchase is proposed. Advice can be provided as to what options are available which may negate the requirement to conduct an EU Procurement.
* Tender requirements for items over the threshold value where there are no alternative options e.g. framework agreements must be advertised under the EU regulations and the procedure takes a number of months to complete.

The source of the EU thresholds can be found from the following link:-

[www.ojec.com/thresholds.aspx](http://www.ojec.com/thresholds.aspx)

## APPENDIX F FINANCIAL DELEGATION OF AUTHORITY

**Scope**

These regulations set out the framework for the delegation of authority in the University. They are not a comprehensive list since it is difficult to define all situations that may occur but are intended to act as a framework so that even if the specific situation is not defined, they should still provide a guide on the appropriate level for a specific decision.

The regulations seek to define the decision making powers reserved for a specific level of authority and do not seek to describe roles, remits and responsibilities of Individual officers or Committees.

Any Committee or individual may decide that a particular issue requires consideration or ratification by a higher level of authority.

**Principles**

The following principles should underpin all decisions taken under the delegation of authority framework;

* The decision should be consistent with the University’s aims and objectives.
* The person to whom the authority has been delegated should only act within his/her sphere of influence; one academic or service unit should not take a decision that commits another academic or service unit without their consent.
* Decisions should not be taken unless relevant documentation has been reviewed in line with University policies and procedures (including the Financial Regulations) and, where necessary, external legal advice has been sought.
* Where a third party has provided funding, decisions should only be taken once any required approval of the third party has been obtained.
* An assessment of the risk should be undertaken including the legal implications, if any
* Acceptable terms and conditions should be agreed through the relevant University unit.
* Appropriate documentation must be produced and a record of the decision made available, in keeping with the University’s policy on document retention.
* Decisions which require a financial commitment should observe the following additional principles:
	+ The approval of the relevant budget holder or their nominee should always be obtained
	+ The decision should demonstrate that value for money considerations have been taken into account

**Chair’s action**

A chair of a committee or working group is empowered to take action on behalf of that committee or working group between meetings on routine matters or where the business is urgent and the interests of the University would be harmed by a delay.

Care must be taken when exercising Chair’s action on urgent matters and consultation with committee or working group members should normally be undertaken. Chair’s action on urgent matters must be reported to the next meeting of the committee or working group.

**Financial Regulations**

The University’s Financial Regulations are approved by the Board of Governors. Compliance with the financial regulations is compulsory for all members of staff. The financial delegations of authority form part of the Financial Regulations.

**Framework of delegated authority**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Category** | **Level One** | **Level Two** | **Deans/ Corporate Heads** | **Deputy Director of Finance** | **Chief Finance Officer** | **Director of Research & Business Engagement** | **Deputy Vice Chancellor**  | **Vice Chancellor** | **The Finance & Resources Committee** | **The Board of Governors** |
| External Funding applications prior to contract acceptance (full economic cost value) | - | - | - | - | - | £500,000 | £1,000,000 | £2,500,000 | £5,000,000 | >£5,000,000 |
| Partnership & Collaborative Agreements (not subject to full economic costing) | - | - | £500,000 | - | - | - | £1,000,000 | £2,500,000 | £5,000,000 | >£5,000,000 |

All bids are to go through an internal process, the External Funding Application Submission (EFAS), where the Dean, RBE/Finance and Director of Research and Business Engagement sign off prior to submission of bid. The value corresponds to the USW elements of a project unless leading a collaboration where the full consortium costs are considered. The additional approval levels are for those, which are successful and prior to contract acceptance.

For commercial bids and tenders (in relation to consultancy, contract research, and commercial training services) please refer to the USW Commercial Services Ltd Financial Regulations. All Contract Research bids must also go through the EFAS process, and in some instances Faculties may request EFAS is used for other commercial bids.

Expenditure incurred as part of Partnership and Collaborative Agreements, will be the responsibility of the Deans/Corporate Heads to ensure they comply with the original signed contract. Any variation to the contract will need to be approved at the appropriate level.

**Framework of delegated authority – Non staff costs**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Expenditure Category** | **Level One – list of individuals in appendix one** | **Level Two – list of individuals in appendix one** | **Deans/ Corporate Heads** | **Director of IT Services / PVC** | **Head of Estates** | **Chief Finance Officer** | **Deputy Vice Chancellor**  | **Vice Chancellor**  | **The Finance & Resources Committee** | **The Board of Governors** |
|  | ***Operating Expenses – excluding staff costs*** |
| Non Staff expenditure excluding specific items detailed below; | £5,000 | £10,000 | £25,000 | £100,000 | £100,000 | £100,000 | £500,000 | £1,000,000 | £5,000,000 | > £5,000,000  |
| Energy purchases | - | - | - | - | £3,000,000 | £3,000,000 | £3,000,000 | £5,000,000 | - |  > £5,000,000 |
| Property Lease rentals (annual lease value) | - | - | - | - | £350,000  | £350,000 | £350,000 | £500,000 | £5,000,000 |  > £5,000,000 |
| Non property leases (annual lease value) | - | - | £10,000 | - | £10,000 | £100,000 | £250,000 | £500,000 | £5,000,000 | > £5,000,000  |
| Insurance policy – annual renewal of existing policy | - | - | - | - | - | £750,000 | £750,000 | £1,000,000 | - | > £5,000,000 |
| Insurance – any new policies | - | - | - | - | - | £250,000 | £350,000 | £500,000 | £5,000,000 | > £5,000,000  |
| Annual grant to the students Union | - | - | - | - | - | - | - | - | - | Unlimited –authorised annually |
| Legal, professional and consultancy fees | - | - | £10,000 | £100,000 | £100,000 | £100,000 | £250,000 | £500,000 | £5,000,000 | > £5,000,000  |

**Framework of delegated authority – Expenditure Other**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Expenditure Category** | **Level One** | **Level Two** | **Deans/ Corporate Heads** | **Deputy Director of Finance** | **Head of Estates** | **Chief Finance Officer** | **Deputy Vice Chancellor – Strategic Resources** | **Vice Chancellor** | **The Finance & Resources Committee** | **The Board of Governors** |
| ***Expenditure – other*** |
| Purchasing Cards – authorisation of monthly expenditure  | - | - | £25,000\*\* | £10,000 | £25,000 | £25,000 | £25,000 | >£50,000 | - | - |
| Staff expenses (must be signed by at least a grade higher than proposer) | £1,000 | £3,000 | £5,000 | £5,000 | £5,000 | £10,000 | £20,000 | >£20,000 | - | Vice Chancellor’s Expenses |
| Capital Expenditure | - | - | £25,000 | - | £125,000 | £250,000 | £500,000 | £1,000,000 | £5,000,000 | >£5,000,000 |
| Contracts excluding capital expenditure and external funding applications\*  | £5,000 | £10,000 | £25,000 | £10,000 | £125,000 | £250,000 | £500,000 | £1,000,000 | £5,000,000 | >£5,000,000 |
| Bad debts (monthly write off value) | - | - | - | £50,000 | - | £100,000 | £250,000 | £500,000 | £5,000,000 | > £5,000,000 |

**In the absence of the approved individuals, appropriate delegation needs to be in place.**

\* Total contract costs over life of contract

\*\* Up to £10,000 can be authorised by the relevant departments’ resource manager at the authorisation of the faculty/corporate departments’ dean/head.

**Staff costs**

All recruitment must follow the RD1 process which requires authorisation of new roles at a faculty/department, HR & Finance and Directorate level. Further details of the process are available at <https://thehub.southwales.ac.uk/Interact/Pages/Section/ContentListing.aspx?subsection=5533>

**Treasury**

The Chief Finance Officer is authorised to invest the University’s cash balances. In the absence of the Executive Director of Finance & Infrastructure Services the Deputy Vice Chancellor of Strategic Resources is authorised to invest these balances.

Funds must be invested in accordance with the details of the Treasury policy. All counterparties and investment managers must be authorised by both the Chief Finance Officer and the Deputy Vice Chancellor of Strategic resources prior to an Investment being made.

**Framework of delegated authority – Other**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Category** | **Deans/ Corporate Heads** | **Chief Finance Officer** | **The Vice Chancellor** | **The Finance & Resources Committee** | **The Board of Governors** |
| Approval of Tuition fees & Discounts |  |  | **X** | Reported to the Committee |  |
| Approval of Student Residence fees |  |  | **X** | Reported to the Committee |  |
| Authorisation of the Budget |  |  |  | Recommendation to the board | **X** |
| Authorisation of the revised Budget |  |  |  | Recommendation to the board | **X** |
| Appointment of Internal auditors |  |  |  | Recommendation to the board | **X** |
| Appointment of External auditors |  |  |  | Recommendation to the board | **X** |
| Opening and closing University bank accounts or setting up bank mandates |  | **X** | **X** |  |  |
| Investment of monies belonging to the University |  | X – within policy approved by Finance and Resources Committee |  | Recommend policy to the Board | **X** |
| Power to borrow money and give security on behalf of the University |  |  |  | X –as advised by the Chief Finance Officer |  |
| Establishment of a spin out company |  |  | **X** |  |  |
| Cash investment in a subsidiary or guarantee  |  |  | £500,000 | £1,000,000 | > £1,000,000 |

**Appendix One**

**Level One role**

**FLSE**

Academic Managers

Faculty Support Manager

Contracts Manager

Chiropractor Clinic Manager

WIHSC Administration Manager

Head of WIHSC

**FCI**

Academic Managers

Technical Support Manager

**FBS**

Academic Managers

Erasmus Developing Entrepreneurial Changing Horizons project – Project Manager

**FCES**

Academic Managers

Project Manager CAPSE

Faculty Support Manager

Commercial Manager

Programme manager CEMAS

Academic Admissions Manager

Aviation Licence Compliance and Training Manager

Specialist Resources Officer

Professor In Computer Forensics

Management Coordinator

Senior Lecturer Aeronautical Engineering

Chief Technical Officer

Head of the Sustainable Environment Research Centre (SERC)

**Student services**

Wellbeing & Disability Service Manager

Manager Progression and Student Money Team

Advice Zone Manager

**Learning Services**

Careers Team Manager

Employability Development Manager

Student Development & Study Skills Manager

Head of Digital Services – Library Services

Head of Academic Services – Library Services

System and Content Manager

Library Collections Manager

**Campus Services**

Head of Accommodation Services

Administration Manager – Accommodation

Head of Hospitality Services

Catering Operations Manager

Conference Team Leader

Conference Business Development Manager

Operations Manager - Sport

Sports and Business Development manager

Catering Campus Co-Ordinator Cardiff and Merthyr

**Academic Registry**

Exams, Certification and Graduation Manager

Timetabling Manager

**MSR**

First Campus Assistant Manager

**Commercial Services**

Programme manager

Funding Development Manager

**Governance and Quality**

Governance Manager

Head of Compliance and Tier 4 Compliance Officer

**HR**

HR Operations Manager

HR Information & Systems Manager

Academic Manager (Curriculum Development) - CELT

**IT Services**

Senior Software & Assets Co-ordinator

Senior Graphics Designer

**Level Two roles**

**FLSE**

Heads of School

Deputy Head of School

Resource Manager

Head of Research

Director of ITE

Faculty Contracts Manager

**FCI**

Directors of Schools

Resource Manager

**FBS**

Heads of School

Associate Heads of School

Resource Manager

Head of Welsh for Adults

Faculty Support Manager

**FCES**

Heads of School

Associate Heads of School

Resource Manager

Head of International development

Head of Learning, Teaching and Student Experience

CAPSE Director

Professor – Innovation & Engagement

CAPSE Deputy Director

**USW International (including China Office, Partnerships and International English)**

International Partnerships Manager

Manager, Centre for International English

International Recruitment Manager

Resource Manager

**Estates**

Finance/ Resource Manager - Estates

Senior Maintenance Manager

Estates Planning Manager

Head of Property Services

**Campus and Student services**

Finance and Resource Manager – Campuses & Student Services

**Academic Registry**

Associate Registrars

Deputy Academic Registrar

**MSR**

Deputy Director of Marketing

Resource Manager

First Campus Manager

**Governance and Quality**

Assistant University Secretary and Head of Welsh

**CELT**

Director of CELT

**Commercial Services**

Head of Commercial and Client Services

Finance and Resources Manager

**Alumni**

Head of Alumni Relations and Development

Finance & Resource Manager

**Research**

Head of Research and Innovation Services

**IT Services**

IT Support Manager

Print and Design Services Manager

Customer Support Manager

Chief Technology Officer

**HR**

Director of Human Resources

Head of HR & Development

**Finance**

Deputy Director of Finance

Group Financial Controller

**Executive**

Head of Operational Planning & Performance

**Dean/ Corporate Head roles**

Dean of FCI

Dean of FBS

Dean of FCES

Dean of FLSE

Deputy Dean of FCI

Deputy Dean of FBS

Deputy Dean of FCES

Deputy Dean of FLSE

University Secretary and Clerk to the Governors

Director of Marketing and Student Recruitment

Director of International Recruitment

Director of Campus Services

Director of Learning Services

Director of Student Services

Director of Organisational Development

Director of Research and Business Engagement

Director of Strategy & Development

Director of IT Services

Head of Estates and Facilities

Head of Faculty administration - FCI

Head of Faculty administration - FBS

Head Faculty administration – FCES

Head of Faculty administration – FLSE

Academic Registrar