

Handy Guide to the University's Financial Regulations and Procedures

The Board of Governors approve Financial Regulations and Procedures to ensure efficient, effective and economic financial control over the business processes of the University (Ordinance VIII). This Handy Guide is not a replacement or substitute for the Regulations and Procedures, and staff should ensure they are familiar with them.

Scope

The Financial Regulations cover strategic matters and broad policies relating to financial control. Operational issues are dealt with in the Financial Procedures. The Financial Regulations and Procedures apply to the University and all its subsidiaries, and all funds passing through University accounts, including research expenditure.

They cover all types of income and expenditure, including invoices, petty cash, credit cards and expenses, plus issues like procurement, budgeting and financial control.

Compliance

Compliance with the Financial Regulations and Procedures is mandatory for **all** University staff (including honorary and emeritus staff), as well as other members of the University such as students and Board members. Anyone who fails to do so may be subject to action under the University's disciplinary procedures. Managers must ensure that their staff are familiar with their requirements.

The Finance Directorate may also issue guidelines to give more detailed guidance to staff on matters dealt with in the Financial Procedures. In all cases where there may be any doubt or apparent conflict, the Financial Regulations shall prevail over the Financial Procedures, which will prevail over any supplemental rules or guidelines.

Some Important Areas

Code of Conduct: This applies to all University staff, who must follow the seven Nolan Committee principles: Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty, and Leadership.

Register of Interests: All staff on Grade 6 and above (and any other staff with possible conflicts of interest) must complete an annual return (including nil returns), and update the Register more frequently if their circumstances change. Any **Conflicts of Interest** must be declared to the Head of School (or equivalent) without delay and the member of staff concerned must withdraw from the transaction.

Bribery Act: All University staff, students and agents must never give, receive or facilitate bribes. Any offer or suggestion of a bribe must be reported to management. See: <http://documents.manchester.ac.uk/DocuInfo.aspx?DocID=17994>

Money Laundering: All staff must comply at all times with the Proceeds of Crime Act (2002), the Money Laundering Regulations (2007), the Bribery Act (2010) and all other regulations on, or related to, money laundering and related offences.

Procurement: The University's rules on procurement apply equally to all goods and services. The segregation of duties applies – all iProc requisitions must be raised and approved by different people.

- **Orders over £5,000:** three competitive quotations must be obtained prior to placing an order, unless the purchase is made under a University contract or other public sector procurement contract approved by the Procurement Office, or a satisfactory explanation supplied as to why three quotes were not provided.
- **Orders over £25,000:** The Procurement Office must review and approve all requisitions before an order is placed.

- **Orders over £100,000:** the Procurement Office must be informed of the proposed purchase before the purchasing procedure begins. They will advise if the EU Public Procurement Regulations must be followed.

All the above limits exclude VAT. They are for the total value of an order over time (such as lease or rental payments). A single purchase must never be divided artificially into two or more separate orders so that individually they fall below the limits quoted above.

Income: Must be kept safely and paid over to the University's Cashiers without delay. Only the Director of Finance may open or close University bank accounts.

Fees and Expenses: All fees and expenses claims must comply with University rules, and also with the regulations set by HM Revenue and Customs (HMRC). This includes the HMRC rule that all expenses must be "*wholly, necessarily and exclusively*" for work purposes. Original receipts are required for expenses claims.

Employment Status: Self-employed people may only be set up as suppliers if the Directorate of Human Resources confirms, from information provided by the requisitioner, that they meet the tests set by HMRC. In all other cases, payment must be made via the payroll with income tax and National Insurance deducted. Staff employed by the University cannot be set up as suppliers.

Theft and Fraud: Theft or diversion of University funds or property, including the deliberate claiming of fees or expenses to which a person is not entitled, constitutes theft and/or fraud. In such cases appropriate disciplinary action will be taken. Cases may also be reported to the police. Staff must report any suspected misappropriation to their manager or the Director of Finance.

Consultancy and Outside Work: All staff must comply with the University Policy on Outside Work and Consultancy (see below). Such work must always be approved in advance by the Head of School (or equivalent).

Policies On-line

The **Financial Regulations and Procedures** are both on the University web-site:

Finance Directorate site: www.staffnet.manchester.ac.uk/services/finance

They can also be located on the University Policies and Procedures web-site:

<http://documents.manchester.ac.uk/listofpolicies.aspx>

Policy on Outside Work and Consultancy:

<http://documents.manchester.ac.uk/DocuInfo.aspx?DocID=7929>

The **Handy Guide for Expenses Claim Signatories** may also be helpful:

<http://documents.manchester.ac.uk/DocuInfo.aspx?DocID=2035>

Gift Acceptance Policy: covers all gifts to the University

<http://documents.manchester.ac.uk/DocuInfo.aspx?DocID=15157>

Queries: Financial Regulations and Procedures

Laurence Clarke: ext 52139, email laurence.a.clarke@manchester.ac.uk

Payroll, Fees and Expenses: Email: noncorepayrollteam@manchester.ac.uk

Procurement: Kevin Casey: ext 52160, email kevin.casey@manchester.ac.uk