1. Introduction & Background

The purpose of this document is to outline the Financial Control Framework in place within the University of St Andrews. The University Court is empowered to enter into financial transactions by the University of St Andrews Ordinance No. 119, enacted on 15 July 1992. In conducting its business the University Court will ensure that there is a comprehensive framework of internal controls in place. This framework should ensure that the powers of the Court are appropriately delegated and communicated to officers, to ensure that the powers are exercised appropriately, effectively and efficiently.

The powers of the Court and individual officers are summarised in the ‘Handbook for Court members’ which is available on the University website at https://www.st-andrews.ac.uk/media/core/documents/about/court/university-court-handbook.pdf

Observation of these Standing Financial Instructions (SFI’s) and adherence to the related Scheme of Delegation (SoD) and Financial Operating Procedures (FOP’s) are mandatory for all those employed by the University or by its subsidiaries in relation to all monies, from whatever source. This is to ensure that all the University’s financial matters are managed to the highest professional standards and in accordance with best current practice and, more specifically, that there is total compliance with the terms of the financial memoranda which are agreed from time to time between the University and Scottish Funding Council (SFC).

This document is issued under the authority of the Court of the University of St. Andrews (hereinafter referred to as ‘Court’), as the University’s supreme governing body. The SFI’s may be substantively amended only with the consent of Court; changes to the SoD in so far as they apply to the powers of Court or its Standing Committees, can only be changed by Court; otherwise, adoption and amendment of the SoD and/or the FOP’s procedures are subject to approval by the Finance Director with periodic review by the Audit & Risk Committee.

All references to the University should be deemed also to apply to its wholly owned subsidiaries.

2. Audit Requirements

2.1 External Audit

2.1.1 Court is responsible for the appointment of the University’s external auditors. The process for this appointment is delegated to the Audit & Risk Committee who must report to Court on any significant changes to the external audit appointment and the reasons for any change. The appointment shall be made by way of a competitive tendering process with performance reviewed annually.
The Audit & Risk Committee has responsibility for monitoring the performance of the external audit service.

2.1.2 The duties of external audit will, at a minimum, be in accordance with advice set out by the SFC and the Auditing Practices Board's auditing standards.

2.1.3 The Director of Finance is responsible for drawing up a reasonable timetable for the purpose of producing annual financial statements and ensuring that these are audited by the appointed External Auditor.

2.2 Internal Audit

2.2.1 Court is responsible for the appointment of the University's Internal Auditors. The process of this appointment is delegated to the Audit & Risk Committee who must report to Court on any significant changes to the Internal Auditor appointment and the reasons for those changes. The appointment shall be made by way of a competitive tendering process, with performance reviewed annually. The Audit & Risk Committee has responsibility for monitoring the performance of the Internal Audit Service.

2.2.2 The main purpose of Internal Audit is to provide Court, the Principal and senior management with assurance on the adequacy of the Internal Control systems, including risk management and governance.

2.2.3 The Internal Auditor remains independent of University line management in its planning and operation and is responsible to and has direct access to Court, the Principal and the Convener of the Audit & Risk Committee.

2.2.4 The formal responsibilities of Internal Audit are detailed in their letter of engagement. The Internal Auditor will also comply with the Auditing Practices Board's auditing guideline ‘Guidance for Internal Auditors’. Due regard will also be given to the advice given in the ‘Government Internal Audit Standards’ issued by HM Treasury.

2.3 Authority of Internal and External Auditors

External Auditors and Internal Auditors shall have authority to:

2.3.1 access University premises at reasonable times;

2.3.2 access all assets, records, documents, and correspondence relating to financial and other transactions of the University;

2.3.3 interview any member of the University as required including staff, students, Court and Court Sub-Committee members;

2.3.4 require and receive such explanations as are necessary concerning any matter under examination;
2.3.5 require any employee of the University to account for cash, stores or any other University property under their control; and

2.3.6 access records belonging to third parties, such as contractors, when required. Such authority shall also be extended to other bodies (such as SFC, Audit Scotland, European Auditors, HM Revenue & Customs) that may subject the University to investigation or audit.

2.4 Discovery of Fraud or Financial Irregularity

Whenever any matter arises which involves, or is thought to involve, irregularities or fraud concerning cash, stores or other property of the University or any other suspected irregularity in the exercise of the activities of the University, this matter should be reported immediately to the Director of Finance who will take such steps as (s)he considers necessary by way of investigation and involvement of Internal Audit, or external agencies where appropriate and if necessary in consultation with the Convener of the Audit & Risk Committee or Court members. It is the responsibility of all members of the University to report fraud or irregularities whenever they are detected or suspected of being detected. Specific guidance on the reporting and management of fraud are outlined in the relevant Operating Procedure. Where significant instances of fraud or irregularities are detected, these should be reported to Court via the Planning and Resources Committee (PARC) or the Audit & Risk Committee as appropriate.

2.5 Breaches of SFI’s

2.5.1 Whenever any matter arises which involves, or is thought to involve, any breach of these SFI’s in the exercise of the activities of the University, the Head of School/Central Department concerned must notify the Finance Director immediately who will take such steps as (s)he considers necessary by way of investigation and involvement of internal audit. It is the responsibility of the Finance Director to ensure that appropriate action has been taken to address such instances and to inform Court, via the Audit & Risk Committee as appropriate.

2.5.2 Circumstances may arise where for sound operational management decisions it is necessary for FOP’s to be breached (e.g. where an insufficient number of suppliers exists to fulfil the minimum number required by the University to complete a Tendering exercise). In such circumstances such a breach may be authorised in advance with the appropriate member of the Principal’s Office.

3. Responsibilities

3.1 The Principal

The Principal, the University's designated Accounting Officer, is responsible for the financial administration of the University's affairs and for the implementation and maintenance of an effective framework of internal controls. As the designated Accounting Officer the Principal may be required to justify any of the University's financial matters to the Audit & Risk Committee of the Scottish Government.
3.2 The Director of Finance

The Director of Finance is responsible for the operational financial administration of the University. The Director of Finance is responsible to the Principal for:

3.2.1 preparing annual capital and revenue budgets, cash flow forecasts and financial plans;

3.2.2 preparing accounts and management information, monitoring and control of income & expenditure against budgets and all financial operations;

3.2.3 preparing the University's annual financial statements and other financial information which the University is required to submit to other authorities;

3.2.4 ensuring that the University maintains proper financial systems;

3.2.5 development and maintenance of a framework of FOP’s which will provide guidance to staff and assist in ensuring that these SFI’s are adhered to;

3.2.6 providing the University with advice on the financial implications of its various strategies and;

3.2.7 providing professional advice on all matters relating to financial policies and procedures.

3.3 Heads of School/ Directors of Unit

Heads of School/ Directors of Unit are allocated budgets for their respective School / Unit. Heads of School/ Directors of Unit are responsible to the Principal for the management of that budget. This overall responsibility cannot be delegated to other staff. They should seek the advice of the Director of Finance to ensure that the financial systems operating within School/ Unit provide satisfactory levels of internal financial control. Heads of School/ Directors of Unit are responsible for establishing and maintaining clear lines of responsibility within their School/ Unit for all financial matters. Where authority for resources is delegated to subordinate budget holders, the subordinate budget holders are accountable to their Heads of School/ Director of Unit for such resources.

4. Budgets

Court allocates resources annually on the recommendation of PARC. Heads of School/ Directors of Unit are responsible for the economic, effective and efficient use of resources allocated to them.

4.1 Budget Preparation

4.1.1 The Director of Finance is responsible for preparing annually a revenue budget and capital programme, including working capital requirements for consideration by PARC before submission to Court for approval. The budget should include a three-year forecast for the University encompassing all
significant financial impacts arising from University Strategies including Teaching, Research, Staff, Information Management & Estates. This forecast should be capable of supporting the Financial Planning Requirements of SFC.

4.1.2 The Director of Finance must ensure that detailed budgets are prepared in order to support the University’s financial planning process and that these are communicated to Heads of School/Directors of Units as soon as possible following their approval by Court.

4.1.3 Should circumstances arise which require a material adjustment to the University budget, the Director of Finance should report this to Court via PARC at the earliest opportunity.

4.2 Budgetary Control

4.2.1 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. The University will regard each Head of School/ Director of Unit to be the designated budget holder for their respective School or Unit. The Budget holder may delegate authority to utilise resources within their budget, but they may not delegate their responsibility for management of such resources. Each budget holder is responsible for the income and expenditure appropriate to their budget and will be assisted in this duty by management information provided by the Director of Finance.

4.2.2 Some items of expenditure (for example expenses such as food, travel and accommodation) are governed explicitly by HMRC rules. These rules are outlined in the Expenses Financial Operating Procedure and the guidelines must be followed, no matter the source of the income which is funding the spend, the method of payment (i.e. invoice, credit card or expense claim) or whether there is sufficient budget to go beyond that which is allowed in the guidance.

4.2.3 Further guidance and best practice for budget holders can be found in the Budget Monitoring Financial Operating Procedure.

4.2.4 Significant deviations from agreed budgetary levels of income and/or expenditure must be reported as soon as the departure or likely departure becomes apparent, by the Head of School/Director of Central Unit concerned to the Deputy Director of Finance and any necessary action taken promptly.

4.2.5 The Director of Finance is responsible for supplying budgetary reports on all aspects of the University's finances to PARC on a basis determined by PARC.

4.3 Virement of budgets

4.3.1 Budgets within a School or Unit can be moved between different ‘pots’ (as long as there are not specific terms and conditions attached to the income) and if this is allowable in agreement with the Director of Finance or a nominated Deputy.
4.3.2 Treatment of Year-End Budgetary Balances will be carried forward within the rules laid down by the Principal. These rules will be detailed in the relevant Financial Operating Procedure.

4.4 **Financial Statements**

4.4.1 The financial statements will be in accordance with the Statement of Recommended Practice on Accounting in Further & Higher Education, together with such other approved accounting standards as are applicable. Any changes to Accounting Policies will require the approval of Audit & Risk Committee and should be reported to Court.

4.4.2 The financial statements shall consolidate the accounts of the University and all its subsidiary undertakings for the financial year ending 31 July, and will be prepared in accordance with timescales required for University, SFC and HMRC reporting requirements.

4.5 **Accounting Records**

The Director of Finance is responsible for the retention of financial documents in accordance with the Operating Procedures and the University’s requirements in law.

5. **Treasury Management**

5.1 **Treasury Management Policy**

The day to day operations in relation to Treasury Management are delegated to the Finance Unit. The Director of Finance shall have responsibility for maintaining a Treasury Management Policy, which will ensure that the University manages its cash resources securely and efficiently. This policy will be described by way of a Financial Operating Procedure.

5.2 **Appointment of Bankers**

Court is responsible for the appointment of the University’s Bankers on the recommendation of PARC. The process for this is delegated to the Director of Finance. Authorised signatories to the University’s main retail bank accounts must be approved by the Principal and Deputy Principal. It should be noted that the placing of cash deposits with individual banks is considered separately through Treasury Management and such a deposit would not constitute appointment of a Banker. Such deposits should be in line with the relevant Financial Operating Procedure.

5.3 **Bank Accounts**

All bank accounts shall be operated in the name of the University Court or in the name of one of the University’s subsidiaries or associate companies. The Director of Finance or the Deputy Director of Finance may authorise the opening or closing of a University Bank Account in line with the existing bank mandate. No other staff member may
open or operate bank accounts or payment facilitation accounts (such as Pay-Pal or Amazon) etc to deal with funds held by or due to the University Court.

All cheques drawn and automated transfers on behalf of the University, such as BACS or CHAPS must be authorised in accordance with the Scheme of Delegation. No Standing Orders or Direct Debits should be set up against any University bank account without the prior approval of the relevant authority.

5.4 Borrowing Arrangements

The approval of Court is required prior to the University entering into any borrowing arrangements either by way of a loan agreement or a finance lease agreement. The only permitted deviations from this general rule are outlined below:

5.4.1 Where the University is proposing to enter into a Finance Lease arrangement, such arrangements with a value of less that £0.500 million do not need approval of Court, but Court should be notified of such transactions via PARC. The Director of Finance (or the Quaestor & Factor in his/her absence) can give approval for such arrangements.

5.4.2 The approval of the Principal or Deputy Principal in agreement with either the Director of Finance or the Quaestor & Factor in his/her absence will be required to allow the University to enter into additional borrowing arrangements for up to £5 million with an expected repayment period of 3 months or less. Such arrangements to be notified to PARC.

5.4.3 The approval of PARC will be required to allow the University to enter into additional borrowing arrangements for amounts up to £5 million with an expected repayment period of greater than 3 months but not exceeding 12 months. All such approvals should be notified to Court.

6. Income

6.1 The Director of Finance is responsible for ensuring that appropriate procedures are in place to enable the University to receive all income to which it is entitled, and that all monies due are collected promptly. All sales will be deemed to adhere to the University’s standard terms and condition of sale unless appropriate authorisation has been given to sign the University up to alternative arrangements. Delegated signatories for bespoke contracts are noted in the Scheme of Delegation. Further guidance relating to the credit checks which will be carried out before extending credit to customers are contained in the Credit Check Procedure.

6.2 All invoices shall be raised in a manner as outlined by the Financial Operating procedure.

6.3 All monies received within Schools/Units from whatever source must be recorded promptly by the School/Unit on a regular basis in line with the Financial Operating Procedure.
6.4 Money must be paid to the Finance Department, or remitted directly to the Bank, in accordance with the University’s Financial Operating Procedure. Custody and handling of all cash must comply with the requirements of the University’s insurers as specified in the Cash-Handling Financial Operating Procedure. Regulations for handling credit card data are contained in the University’s PCIDSS policy document and all processes for collecting credit card details must be reviewed and approved by the Chief Information Officer.

6.5 Commercial or research debts that are overdue by more than six months or are deemed irrecoverable before that date may be written-off at the discretion of the Director or Deputy Director of Finance. The cost will be charged to the School or Unit that was originally credited with the income.

6.6 Requests to write-off individual debts in excess of £30,000 must be referred in writing to the Director of Finance for submission to PARC for approval and reporting to Court. Individual debts below this level may be written off with the authority of the Director or Deputy Director of Finance.

6.7 The procedures for collecting tuition and residence fees must be approved by the Director of Finance. (S)he is responsible for ensuring that all student fees due to the University are received. Where a student who owes tuition fees or other charges fails to meet agreed payment deadlines, the University’s Failure to Pay policy will come into effect. Any student who has not paid an account for fees or any other item owing to the University may not be awarded a degree or any diploma, certificate or qualifications from the University until all outstanding debts have been cleared. The names of such students shall not be included on any pass lists until all outstanding accounts have been settled in full. Such students shall be prevented from re-enrolling at the University and from using any of the University’s facilities.

6.8 The setting of tuition fee levels is the responsibility of the Director of Finance in conjunction with the Quaestor & Factor. PARC approval is required for any changes to tuition fee levels other than inflation related or currency matching increases. Supplementary academic-related (i.e. non-tuition) fee levels can be approved by the Director of Finance in conjunction with the Quaestor & Factor.

7. Research Grants & Contracts, Research Services, Consultancy & Intellectual Property

7.1 Research Grants, research contracts and research services

7.1.1 ‘Research’ is defined as ‘original investigation undertaken to gain new knowledge, insight and understanding’.

7.1.2 Research Services include testing and analysis of materials where no new knowledge is obtained

7.1.3 The Director of Finance shall have responsibility for ensuring that a framework of procedures is in place to ensure that where Research Grants & Contracts are awarded to the University that all costs associated with those Grants &
Contracts may be identified and recovered within the rules permitted by funders. It is the University’s policy that all externally funded research grant projects will be costed on a fEC basis except for travel grants, equipment grants, fellowships and studentships. Any diversion from this policy must be approved by the Head of School.

7.1.4 Research grants, research contracts and contracts for research services must be approved in line with the Scheme of Delegation.

7.2 Consultancy

7.2.1 The Vice-Principal (Research) shall have responsibility for ensuring that a framework of procedures is in place giving clear guidance on the opportunities and approval process for staff to undertake work for external bodies. These procedures are outlined in the External Work Policy.

7.2.1 The University is liable for the actions of its employees entering into work related consultancy arrangements with outside agencies. Therefore consultancy arrangements (whether paid or unpaid) require approval by line managers and authorised persons in line with the Scheme of Delegation.

7.2.3 Where consultancy is undertaken in a private capacity (and this is allowed under terms and conditions of contract), employees should inform their line manager. They must also inform their client that they are acting in a private capacity and that Court will not in any circumstances accept responsibility for their work. Correspondence with the client should not bear the University name or crest or in any other way give the impression that the individual is acting as an agent, or trading on behalf of the University. Use of any University facilities or staff time should be declared and paid for by the employee at an appropriate rate and staff are responsible for any insurance or personal tax liabilities arising from this work.

7.2.4 No costs (travel/ accommodation etc) incurred in relation to private consultancy should be charged to the University at any time, even if there is an intention to repay the monies.

7.3 Intellectual Property Rights, Commercialisation & Patents

Certain activities undertaken by the University, including research & consultancy will give rise to ideas, designs and inventions which may be patentable or marketable in some form. The Director of the Knowledge Transfer Centre, managed through the Principal’s Office will be responsible for ensuring that the most effective outcomes are achieved. Guidelines and procedures, which will be prepared and maintained by the Director of Knowledge Transfer, can be found in the External Work Policy.
8. Non-Pay Expenditure

8.1 Budgetary Authority

8.1.1 Heads of School/ Directors of Unit have the authority to spend within the non-pay budget allocated to them by Court at the start of each financial year taking account of any in year variations agreed with the Director of Finance and any relevant procurement regulations.

8.1.2 Heads of School/ Directors of Central Units can delegate their authority to members of staff within their School/ Central Unit. The Director of Finance or nominated deputy must be notified of such delegation. If the Director of Finance has cause to question the level of control within a School or Units delegation practice then (s)he has the authority to amend delegated limits.

8.2 Requests for Additional Revenue Expenditure Authority (net of income)

8.2.1 Requests for additional (outwith approved budgetary resources) revenue expenditure of up to £0.500million in a single financial year may be approved by the Principal, Deputy Principal, Director of Finance or Quaestor & Factor.

8.2.2 Requests for additional revenue expenditure in a single financial year of between £0.500million and £1.000million may be approved by the Principal or Deputy Principal in agreement with either the Director of Finance or the Quaestor & Factor.

8.2.3 Requests for additional revenue expenditure, of £1million or more, but not exceeding £5m must have PARC approval to be taken forward.

8.2.4 Requests for additional revenue expenditure of over £5million in a single financial year must have the approval of Court to be taken forward.

8.3 Major Capital Investments

8.3.1 Major Capital Investment proposals (that is, projects with an investment value of £1million or more) should be supported by a business case demonstrating, inter alia, how the proposal should be funded and how any associated recurring costs will be funded. These projects should be managed in accordance with the appropriate Financial Operating Procedure.

8.3.2 Projects with a value of more than £1million but not exceeding £5million must have the approval of PARC to be taken forward. PARC should report all such projects to Court.

8.3.3 Projects with a value of more than £5million must have the approval of Court to be taken forward.
8.4 **Procurement of Goods and Services**

8.4.1 All goods and services must be ordered in accordance with the appropriate [Methods of Ordering](#) and [Financial Operating Procedures](#).

8.4.2 All goods and services must be procured in accordance with statutory guidelines and in line with European Union Procurement Legislation. If individual staff members are in any doubt as to their compliance with procurement legislation then they should immediately consult the University’s Procurement Office.

8.4.3 The Director of Procurement shall be responsible for maintaining a contracts register and reviewing non-tendered spend to secure value for money.

8.5 **Payment of Invoices**

8.5.1 All invoices will be paid in line with the appropriate [Financial Operating Procedure](#).

8.5.2 Invoices will only be paid for amounts authorised by an appropriate authoriser with a sufficient delegated limit.

8.5.3 Payments shall only be made on invoices where the goods or services have been satisfactorily received. However, in circumstances where advance payment (partial or full) is required as a condition of contract, and the University can be satisfied that it will ultimately receive the goods and services, then such payments may be made.

8.5.4 Invoices must be passed for payment as soon as they are received. Any late payment charges incurred due to delays in passing invoices for payment will be charged to the relevant School or Unit.

8.6 **Payment of Travel/ Subsistence & Other Allowances**

8.6.1 In line with HMRC requirements, the University will only pay for business related expenses that are wholly, exclusively and necessarily incurred as part of University business - whatever the source of the funding. These will be paid in line with the appropriate Financial Operating Procedure. Any queries or ambiguities should be checked with the Salaries manager before incurring spend.

8.6.2 In cases where staff have charged expenses directly to the university through purchase invoices or via credit cards, and this spend is deemed not to be appropriate by reference to the principles and guidelines laid out in the financial operating procedure, the University retains the right to recover these costs directly from staff.
8.6.3 Claims by individual members of staff shall be authorised by their Head of School/ Director of Unit or nominated deputy with appropriate seniority and budget authority. ‘Appropriate seniority’ means someone of the same grade or higher than the individual making the purchase.

8.6.4 Heads of School/ Director of Unit shall have their claims authorised by an appropriate member of the Principal’s Office.

8.6.5 Members of the Principal’s Office (excluding the Principal) shall have their claims authorised by the Principal or, in the event that the Principal is not available, the Quaestor & Factor.

8.6.6 The Principal shall have his/her claim authorised by the Senior Governor.

8.6.7 The Senior Governor and other Non-Executive / lay Court members shall have his/her claim authorised by the Deputy Principal, Vice-Principal for Governance & Planning or the Quaestor & Factor.

8.7 Project Management

8.7.1 All large projects (value of £1 million or more, but excluding research Grants and Contracts) undertaken by the University will be managed in line with the appropriate Financial Operating Procedure.

8.7.2 Physical works involving the creation or adaption of University heritable property are the responsibility of the Quaestor & Factor and will be managed on behalf of the University by the Director of Estates.

8.8 Petty Cash

The Director of Finance shall make available petty cash as appropriate to meet the University’s business needs. This process is outlined in the appropriate Financial Operating Procedure.

9. Salaries & Wages

9.1 All University staff will be appointed to the salary scales approved by Court and in accordance with appropriate conditions of services.

9.2 The Director of Human Resources is responsible for establishing and maintaining detailed payroll and pensions procedures. All payments must be made in accordance with these detailed procedures and comply with HM Revenue & Customs and other statutory requirements.

9.3 The Director of Human Resources shall be responsible for the maintenance and implementation of a Financial Operating Procedure to regulate the appointment of staff.

10. Assets
10.1 In general, the purchase, disposal lease or rent of Land & Buildings by the University can only be undertaken with the authority of Court and with reference to SFC requirements where exchequer funded assets or exchequer funds are involved or borrowing outwith agreed limits with SFC is necessary.

10.2 Authority is delegated to the Quaestor & Factor to enter transactions with capital values or total payments under lease arrangements up to a total value in line with the budgetary limits set out in 8.3.1 above.

10.3 Authority is delegated to PARC to enter transactions with capital values or total payments under lease arrangements up to a total value in line with the budgetary limits set out in 8.3.2 above.

10.4 The Director of Estates has responsibility for maintaining a register of the University’s Land & Building Assets.

10.5 The Director of Finance will maintain a register of all assets capitalised by the University in line with its accounting policy.

10.6 Heads of Schools/ Directors of Central Units are responsible for establishing adequate arrangements for the custody and control of stocks and stores of their respective School/ Unit. The systems used for accounting for stocks should be approved by the Director of Finance or nominated deputy. Where stores are maintained, Heads of Schools/ Central Units will undertake at least an annual stock take in line with the Director of Finance’s instructions for inclusion of these stocks in the University’s Annual Accounts.

10.7 The Director of Finance is responsible for arranging appropriate insurance for the University, with such arrangements to be reviewed from time to time by the Audit & Risk Committee.

10.8 The Keeper of the University Collections is responsible for ensuring the secure custody of the University’s Collections.

10.9 The Keeper of Special Collections is responsible for ensuring the secure custody of the University’s Special Collections.

11. **Other**

11.1 **Companies**

11.1.1 The University may establish a company to undertake services on its behalf.

11.1.2 Where the company is to be formed as a subsidiary company (deemed as where the University will hold more than 50% of the share capital with voting rights, thereby able to substantially direct and control its financial and operating policies), the Quaestor & Factor is required to approve the establishment of such companies. Any such new arrangements should be reported periodically to the Audit & Risk Committee.
11.1.3 Where the company is to be formed as an associate company (deemed as where the University will hold between 20% and 49% of the share capital with voting rights, thereby able to exercise significant influence over its financial and operating policies), the Quaestor & Factor or the Director of Finance is required to approve the establishment of such companies. Any such new arrangements should be reported to subsequent meeting of the Audit & Risk Committee.

11.1.4 Spin-out companies, (deemed as being based on University intellectual property and with the intent that the University partners with investors and inventors to develop the company) may be established by the Director of the Knowledge Transfer Centre with the approval of the University’s Business Venture Group. Any such new arrangements should be reported to subsequent meeting of the Audit & Risk Committee.

11.2 Risk Management

11.2.1 Responsibility for continued development and implementation of the University’s Risk Management Strategy lies with the Vice-Principal (Governance & Planning) with oversight by the Audit & Risk Committee who will delegate the operational lead role to an appropriate member of the Principal’s Office.

11.2.2 Insurance arrangements are a key element of Risk Management. The Director of Finance will have responsibility for arranging appropriate insurance in line with the agreed risk management strategy. Heads of School/ Directors of Unit must notify the Director of Finance or nominated deputy immediately of any event that may give rise to an insurance claim. The Director of Finance will notify the insurers and if necessary prepare a claim in conjunction with the Head of School/ Director of Unit for submission to the Insurers.

11.2.3 Heads of School/ Directors of Units must ensure that any agreements negotiated by their respective School/ Unit with external bodies cover any legal liabilities to which the University may be exposed. The Director of Finance should be informed immediately of any change in circumstances or contractual arrangements which may give rise to a significant change in the University’s exposure to risk or requirement for insurance. Where there is uncertainty of impact, the Head of School/ Director of Unit should seek the advice of the Director of Finance or nominated deputy.

11.3 Taxation

11.3.1 The Director of Finance is responsible for all corporate taxes (both direct and indirect) within the University including the provision of advice, submission of returns and making of payments.

11.3.2 The Director of Human Resources is responsible in relation to tax issues arising from the employment and/or engagement of individuals (i.e. the payment to staff, students, visiting scholars, sub-contractors etc) including National Insurance Contributions for employees.
11.4 Security

11.4.1 Heads of School/ Directors of Unit are responsible for maintaining proper security at all times for all assets under the control of their School/ Unit, including buildings, stocks, stores, furniture and cash. Any breaches of security or identified weaknesses should be reported immediately to the Quaestor & Factor.

11.4.2 The Chief Information Officer shall be responsible for maintaining security and privacy of information held on central computer servers. The restriction of access to central computer locations to authorised persons, and the use of passwords are the types of security control currently enforced. Individuals will be responsible for maintaining proper security and privacy of information held on their desktop machines with advice from Information Technology Services. Information relating to individuals held on computer and in paper form will be subject to the provisions of the Data Protection Act. A Data Protection Officer is nominated to ensure compliance with the Act.

11.4.3 The Director of Finance shall be responsible for the safe keeping of financial instruments, loan agreements, share certificates and other securities.

11.4.4 The Quaestor & Factor shall ensure that deeds, leases and other agreements shall be held in an appropriately secure location.

11.5 Use of the University Court Seal

Where a deed or document is in the name of the Court, it should be sealed with the University Court Seal and signed by one member of Court and the Principal or Deputy Principal, or Quaestor & Factor or Vice-Principal for Governance & Planning and the necessary entry made in the University Court Seal register. The Vice-Principal for Governance & Planning is responsible for ensuring the safe custody of the University Court Seal when not in use. The register is available to Court members to inspect on request.

11.6 Charitable Donations & Endowment Funds

The Director of Development is responsible for ensuring donor wishes are properly documented, that donor records are properly maintained and for reporting fund performance to donors.

The Director of Finance is responsible for advising the Planning and Resources Committee on the control and investment of endowment fund balances.

Further guidance on the management of and accounting for charitable donations is contained within the Charitable Donations Financial Operating Procedure.

11.7 Hardship Funds
The Hardship Funds are to be used to provide financial help to students where access to, or continuance in further or higher education might be inhibited by financial considerations, or where students, for whatever reasons, including physical or other disabilities, face financial difficulties. The fund is granted by the Scottish Government for disbursement by the University. The fund does not form part of the income of the University. It shall be the responsibility of the Director of Student Services to ensure that adequate arrangements exist to govern the use and distribution of funds whilst ensuring the maintenance of proper records in this area.