

St Hugh's College, Oxford

Financial Regulations v3

Approved by Finance Committee 27 January 2021 and by Governing Body 10 February 2021

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Introduction

1. Background

1.1 The institution (St Hugh's College) is an eleemosynary chartered charitable corporation aggregate Corporation. The College registered with the Charities Commission on the 6th January 2011 (registered number 1139717). The College is governed by its Charter, Statutes and Bylaws dated 28 June 1926 and last amended in February 2018.

2. Status of Financial Regulations

2.1 This document sets out the institution's Financial Regulations. It translates into practical guidance the institution's broad policies relating to financial control. This document was approved by the Governing Body on 10 February 2021 and it applies to the institution and all its subsidiary undertakings.

2.2 These Financial Regulations are subordinate to the institution's Charter, Statutes and Bylaws.

2.3 Compliance with the Financial Regulations is a requirement of all employees of the institution. A member of staff who fails to comply with the Financial Regulations may be subject to disciplinary action under the institution's disciplinary policy. It is the responsibility of Budget Managers to ensure that their staff are aware of the existence and content of the institution's Financial Regulations, and that they are directed to the copy of them placed on the College Intranet.

2.4 The College Accountant is responsible for undertaking an annual review of the Financial Regulations and for recommending to the Governing Body/Finance Committee any additions or changes thought necessary.

3. Responsibilities for Financial Control

3.1 Governing Body

The Governing Body is ultimately responsible for the management and administration of the institution. Its financial responsibilities are to:

- ensure the solvency of the institution;
- safeguard the institution's assets;
- ensure the effective and efficient use of resources;
- ensure that the funds provided for specific purposes are used in accordance with the terms and conditions specified;
- ensure that financial control systems are in place and are working effectively;
- ensure that the institution complies with charity law and regulation relating to finance;
- approve the institution's strategic plan;
- approve annual estimates of income and expenditure and to approve the annual financial statements;
- appoint the institution's external auditors.

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3.2 Finance Committee

Responsibility for advising the Governing Body on all matters of financial policy and practice, and in particular on the financial implications of any proposals under consideration, presenting annual financial statements for the preceding year; approval of budgets and review of management accounts for each period, annual review of all charges made by the College; review of policy relating to conferences; review of salaries for all College employees and others paid by the College.

3.3 The Bursar

In accordance with College Bylaws, the Bursar is responsible to the Governing Body for the College's financial administration and the management of its investments, in accordance with guidelines agreed from time to time. In particular this shall include (but is not limited to):

- development and recommendation of an overall financial strategy for the institution;
- Audit, Risk Management, Business Continuity, Data Protection, Health and Safety and, Equality and Diversity.
- ensuring robust business and financial planning to implement operational effectiveness and viability to support the College's aims and objectives.

3.4 The College Accountant

The College Accountant is responsible to the Bursar for:

- monitoring progress against the agreed financial strategy and proposing amendments when required;
- providing professional advice to College staff, management and governors on all financial issues;
- development of institutional policies and procedures on financial matters;
- development of institutional strategy and policies in respect of procurement;
- leading institutional liaison with the internal and external auditors;
- preparing annual capital and revenue budgets and financial forecasts;
- providing management information at all levels to monitor expenditure against budgets;
- managing cash flow, investments and all financial operations;
- preparing the institution's annual financial statements and other financial returns which the institution is required to submit to other agencies;
- ensuring that the institution maintains robust financial control and allocation systems.

3.5 Budget Managers

3.5.1 Budget Managers are Senior Managers to whom financial resources are allocated for management as part of the annual budgetary process. They are responsible to the Bursar for financial management in their own areas. They are advised by the College Accountant in executing their financial duties and provided with guidance via the Financial Regulations and financial procedures.

3.5.2 Budget Managers are responsible for establishing and maintaining clear lines of responsibility within their area for all financial matters, and for ensuring that Financial Regulations are observed. Where purchasing authorities are further devolved, budget holders are accountable to their Budget Manager for their delegated budget.

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3.6 Contractual capacity and contract authorisation

3.6.1 Within the budgets approved by the Governing Body; the Principal, Bursar, Budget Managers and any person to whom authority has been delegated by such Budget Manager, are authorised to approve expenditure and sign contracts for the carrying out of works and the supply of goods and services subject to 3.6.3 below.

Budget Holders and any person to whom authority has been delegated by a Budget Manager should not place further orders for goods and services if such expenditure would exceed the available budget without the prior permission of the Bursar or College Accountant. Where appropriate this additional expenditure will be forwarded to Finance Committee for approval and recommendation by Governing Body.

The form of agreement to be used in respect of any transaction shall generally be as provided for use in the College finance system, or as specified by the Finance Office.

3.6.2 Any proposal for projects, asset purchases, linked procurement contracts or major schemes of development over £100k which commits or potentially commits the College's financial resources, shall be submitted to the Governing Body via Finance Committee for approval in advance of commitment to such expenditure.

3.6.3 Within annual budgets of the College approved by the Governing Body, and utilising the workflow processes on the College finance system where possible, any individual contract for the carrying out of works and the supply of goods and services which commits or potentially commits the College's resources, financial or other, (i.e. expenditure or income), should be approved by the nominated employees on behalf of the College banded as follows:

- | | |
|----------------------|---|
| • £0 to £1,500 | Named budget holder within section |
| • £1,500 to £3,000 | Budget Manager |
| • £1,500 to £5,000 | Specified Budget Manager (Estates Manager, Domestic Bursar, Catering Manager, IT Manager) |
| • £5,000 to £20,000 | Budget Manager and or Bursar/College Accountant |
| • £20,000 to £49,999 | Bursar and Principal |
| • £50,000 to £99,999 | Finance Committee |
| • £100,000 + | Governing Body |

3.6.4 Approved Employees shall be nominated to approve expenditure or sign contracts to the limits set out above by their Budget Holder and notified to Finance for set up on the College's financial system.

3.6.5 In periods of absence the College Accountant may act on behalf of the Bursar. The Finance committee or Governing Body should act on behalf of the Principal.

Financial Arrangements

4. Financial Planning

4.1 The College Accountant is responsible to the Bursar for preparing annually updated five-year financial forecasts for approval by the Governing Body/Finance Committee. The financial forecasts will be consistent with the current strategic plan, annual operating statements, College Private Placement and loan agreements and any resource strategies approved by the Governing Body.

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5. Annual Budget Preparation and Budgetary Control

5a General Revenue

5.1 Revenue estimates relating to all College activities shall be prepared annually by the College Accountant in consultation with the Senior Management Team and Budget Managers. They shall be submitted, together with a commentary from the Bursar, to the Finance Committee and Governing Body for consideration and approval prior to the commencement of the College financial year.

5.2 The detailed process of financial allocation shall be determined by the College Accountant and comply with such directions, procedures and timetables as may from time to time be laid down by the Bursar and the Governing Body.

5.3 The approval by Governing Body of the revenue budget shall constitute authority for Budget Managers to incur expenditure in the financial year. Budget Managers will be responsible for ensuring that total expenditure less total income in the year (net expenditure) or total income less total expenditure (net income) is in line with the approved budget.

5.4 Should a staff or non-staff expense budget be underspent, there should be no presumption that the extra money can be used elsewhere in the department or be carried over to the following year's budget. Virement between staff and non-staff budgets is not allowed unless approved by the College Accountant or the Bursar.

5.5 Without prior notification to and approval from the Bursar and the College Accountant, no Budget Manager shall incur expenditure which exceeds the budget for the area. Any shortfall in projected budgeted income should also be notified.

5.6 As a general principle, Budget Managers will be allocated an income or expenditure target and it will be for individual Budget Managers to manage staff, non-staff and income in any one year to deliver the target. Budget Managers will be required to profile these three sources over the financial year to assist budget monitoring.

5.7 The Bursar will wish to exercise control over the total College establishment and increases in permanent or temporary staff establishment shall be the subject of an appointment approval form which shall have final authorisation by the Bursar. Casual staff may be appointed according to 18.5.

5.8 The Bursar/College Accountant shall report to each meeting of the Finance Committee and Governing Body progress of income and expenditure against budget and profiles in accordance with best practice and the Governing body's specific requirements.

5.9 Budget Managers are responsible for the economic, effective and efficient use of monies under their management.

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5b Capital/Projects

5.14 Material capital expenditure over £100,000 may only be incurred if it falls within an expenditure project approved by the Governing Body.

5.15 Any proposed expenditure on a major scheme (being a project or series of projects with a total value, including fees but excluding VAT, in excess of £100,000 within a financial year) must first be referred to the Finance Committee for approval to the Governing Body for detailed consideration.

6. Accounting Policies and Records

6.1 The consolidated financial statements shall be prepared on the historical cost basis of accounting and in accordance with applicable accounting standards.

6.2 The statements shall be prepared for a financial year end of 31 July in the format prescribed by the Statement of Recommended Practice (SORP) for the sector.

6.3 The detailed accounting procedures and financial records of the College shall be determined by the College Accountant in accordance with these Financial Regulations and best practice. No changes to these procedures and records shall be made, or new procedures or records introduced, without the College Accountant's prior agreement.

6.4 All accounts and accounting records of the College shall be compiled by the College Accountant (or staff under their control) except where the Bursar has expressly authorised alternative arrangements.

6.5 The College's financial accounting system shall be the source of the institution's prime data for financial control.

6.6 Financial records shall not be destroyed or otherwise disposed of other than in accordance with the arrangements approved by the College Accountant and published in the college's GDPR retention schedule

7. Banking Arrangements and Cheques

7.1 The College's bankers shall be appointed by the Finance Committee on the recommendation of the Bursar.

7.2 All arrangements with the College's bankers shall be made by the Bursar or the College Accountant, who shall be authorised to operate such banking accounts and arrangements as they may consider necessary.

7.3 Cheque and electronic signing arrangements are set out in Appendix A & B to these regulations.

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8. Borrowing

8.1 All borrowings shall be effected in the name of the College or its approved subsidiary and, with the exception of short-term overdrafts, be authorised by the Governing Body. The limits to borrowing must be fully observed and be in accordance with any College loan agreement.

8.2 The College Accountant shall be the College's registrar of loan debt and shall maintain records of all borrowing of money by the College.

Income and Expenditure

9. Income

9.1 The collection of all money due to the College shall be in accordance with arrangements designed by the Bursar on behalf of the Governing Body.

9.2 Unless income is received at the point of sale, each Budget Manager will provide the Finance department with details of work done, goods supplied or services rendered and of any other amounts due, thus enabling the prompt raising of Invoices for the recovery of income due.

9.3 All money received by the College's Finance department shall be paid into the College's banking account. Money received initially outside the Finance department will be delivered to that office on a daily or weekly basis. Cash held will not exceed insured amounts at any time.

9.4 Transfers of official money from other areas to the Finance department will be evidenced in writing via receipts.

9.5 No deductions may be made from any cash collected on behalf of the institution prior to its being paid over or banked.

9.6 No personal cheques will be cashed out of money held on behalf of the College.

9.7 The College Accountant (or staff under their control) shall be responsible for pursuing the late payment of monies due to the College, utilising professional and legal services as appropriate.

9.8 Refunds and the issue of credit notes will be in accordance with procedures laid down by the College Accountant.

10. Building, Refurbishment and Works programmes

10.1 A major scheme shall be defined as one with a total value, including fees but excluding VAT payable, in excess of £100,000. Major schemes will be subject to the College Finance approval process through first the Finance Committee and then being recommended through Governing Body.

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10.2 Competition for all such schemes over £100,000 (as per Section 11.5) shall be by formal competitive tender, unless the Bursar waives this requirement in a particular case, on the advice of the College's professional advisers. The advice and the waiver shall be formally recorded and reported to the Governing body, via Finance Committee.

10.3 Providing that a major scheme has been approved by the Governing body in accordance with its agreed procedure, the Bursar shall be authorised to accept the best value for money tenders for the scheme and sign the resultant contracts on behalf of the institution except where the seal of the institution needs to be placed on the contracts. In this case, the appropriate members of Governing body shall also sign the contracts.

10.4 If the total of the planned expenditure or actual expenditure for a major scheme exceeds the estimate given to the Governing body by more than 10%, the Chair, Deputy Chair of the Governing body shall be required to approve any tender acceptances in respect of the scheme.

10.5 Where applicable, the requirements of the European public procurement directives and the corresponding UK legislation shall be observed in the advertising and tendering of projects and scheme.

10.6 The College Accountant shall establish a separate accounting code for each scheme and shall report expenditure to date against budget and anticipated cost outturn to each meeting of the Governing body, via Finance Committee, as part of their financial monitoring statement.

10.7 Variations to any agreed contract shall be in writing and shall be authorised by the Bursar or the College's professional advisers. If the total net cumulative effect of such variations is expected to lead to total actual expenditure exceeding the scheme budget by 15% a report shall be made to the Governing body, via Finance Committee.

10.8 All payments against the scheme shall be by certified invoice or certificate and will be managed by the College's external professional advisers or internal project manager where appropriate.

10.9 The Bursar shall, when considering it necessary, examine any documents, records and accounts relating to the scheme and shall be entitled to receive such information and explanations as may be required.

10.10 Claims from contractors for additional payments shall be handled by the College's professional staff or advisers, the College's solicitors and the Finance Committee as appropriate. Where these represent 10% of the original budget or £100,000, whichever is the lower, a report will be made to the Governing body via Finance Committee.

10.11 Where a contract which provides for liquidated damages is not completed within the contract period or an extension thereof, the Bursar shall be informed so that appropriate action may be taken. Any waiver of damages shall only be on the advice of the College's professional staff or advisers or its solicitors and shall be reported to the Governing body, via Finance Committee.

11. Commitments for Goods, Services and Non-Major Works

11.1 No financial commitment shall be issued for goods, services or non-major works unless financial provision for the expenditure can be met within an approved budget.

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11.2 Where the College's financial procurement system is used, currently within the estates department, purchase orders will be required for all goods, services or non-major works to be supplied to the College. Purchase orders are not required for supplies of utility services, for periodical payments such as rent or rates, for petty cash purchases, purchasing card transactions or such other exceptions as the College Accountant may approve.

Utilities invoices will be reviewed and approved for accuracy by the Head of Estates, or nominated deputy, and passed through to the Finance Office for payment.

11.3 Purchase orders will be raised on the finance system by authorised staff and after appropriate training. Budget Managers shall bear full responsibility for all purchase orders requested and shall nominate suitable staff to receipt goods and approve invoices in accordance with the delegated authorities set out in section 3.6.3.

11.4 For purchases of any goods and services estimated to exceed £5,000 in value but less than £50,000, at least two competitive quotations against the same specification must be obtained, unless this requirement is waived by the College Accountant with subsequent approval from the Bursar. For example when specialist goods or services being procured which has a limited number of providers, or specialist equipment to work in conjunction with existing specialist equipment.

11.5 For purchases of goods and services estimated to exceed £50,000 in value, or where the College Accountant considers that better value for money will be achieved through competition, at least three competitive tenders will be required unless the Bursar and the College Accountant waives this requirement, in writing, in a particular case (for example, the purchase of specialist equipment to work in conjunction with existing specialist equipment). The tendering process will be undertaken by the budget holder.

11.6 Acceptance of tenders after approval by the Bursar and the signing of the subsequent order/contract shall be as in 3.6 above, except where the seal of the College needs to be placed on the contract. Any recommendation to accept a tender other than the best value for money shall be accompanied by a report from the Budget Manager and be subject to approval by the College Accountant.

11.7 All tender documents shall seek the best value for money payment terms available for the College.

11.8 Where applicable, the requirements of the European public procurement directives and the corresponding UK legislation shall be observed in the advertising of tenders.

11.9 All figures within this section are inclusive of VAT and represent the College's total outlay over the period of the agreement.

12. Payment of Accounts

12.1 The normal method of payment of money due from the College and its subsidiary companies shall be by BACS/CHAPS, faster payment, cheque, standing order, direct debit or other electronic transfer, under procedures maintained by the College Accountant.

12.2 The Budget Manager under whose authority an order has been issued, is responsible for arranging for the receipting or independent certification of the related invoice(s) and similarly for any other payment vouchers or accounts arising from sources in that area.

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12.3 Authority to purchase goods and services will arise at the point of final budget. The Bursar/College Accountant shall be entitled to make such enquiries and to receive such information and explanations as may be required before or after payment has been made.

12.4 Any amendment required to an invoice or supplier account shall be made by requesting a revised invoice from the supplier or a credit note to be raised.

13. Card Payments

13.1 The use of College credit/purchase card shall be in accordance with procedures and controls determined by the College Accountant.

13.2 The Finance department shall be responsible for the nomination of staff who shall be allowed to hold such cards and for ensuring that the staff comply fully with the procedures and controls.

13.3 The College Accountant may, at any time, cancel or suspend a card which he believes has been used improperly, or the details of which have been disclosed to other parties by the nominated cardholder, or where the cardholder fails to submit proper receipts as required for their expenditure on the card within the required period.

14. Payment of Expenses and Travelling and Subsistence Payments

14.1 The mileage rates and other allowances to be paid to staff whilst travelling on official business shall be determined from time to time by the Bursar in accordance with HMRC guidelines on non-taxable expense reimbursement as stated within the HR Manual.

14.2 Claims for payment of expenses incurred on College business will be made on forms provided for this purpose by the Finance Office and be signed by the member of staff making the claim and their approving manager. You should make sure that any money you reclaim through expenses is supported by receipts.

15. Travel on behalf of the College within the UK

15.1 A business journey is one undertaken by a claimant to carry out their duties on behalf of the University, including attending approved training courses or conferences.

15.2 Any travel between the traveller's permanent workplace and another workplace is considered as a business journey. In contrast, the cost of travelling from home to their permanent place of work is not claimable under income tax rules.

15.3 Claims for business journeys that start or end at home should only be for distances that are in excess of normal travel to work.

15.4 Private vehicles should only be used when it is the most cost effective means of transport, having taken into account the cost of travelling on public transport, using a hire car, car sharing possibilities and considering the best use of staff member's time.

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15.5 Staff using their private vehicle on company business must ensure that it is road legal and that they have insurance cover for business use.

15.6 Claimants using their private vehicles for business travel (car, motorcycle or pedal cycle) should claim reimbursement at the appropriate HMRC standard mileage rates.

15.7 Wherever possible, rail travel should be booked in advance to take advantage of the reduced fares. This should be an appropriate second-class rail fare.

15.8 Taxis may be used where cost effective and reasonable. For local journeys they must be booked through the College approved taxi supplier. Please note that the current taxi supplier, as at June 2019, charges a 10% admin fee plus Vat.

16. Travel on behalf of the College outside the UK

16.1 The College's insurance policies will provide appropriate insurance cover for staff and students whilst on University business and privately obtained insurance cover will not be reimbursed. The Finance Office must be notified in advance of any overseas travel booking.

16.2 Staff should travel in standard/economy class, taking advantage wherever possible of any reduced rates or special fares.

16.3 Upgrades of travel may be permitted if authorised by the Bursar in advance of the journey. This may be for;

- a journey exceeds six hours in duration flight time
- the member of staff is required to travel with someone who is travelling non-standard class.
- Other reasonable business justification agreed with the Bursar.

16.5 Staff travelling abroad may order foreign currency advances on expenditure by contacting the Finance Office. Five days' notice from the date the approval reaches Finance is required for ordering currency. Return of unused currency should be done as soon as possible after the trip.

16.6 Claimants are responsible for ensuring that they have valid passports for overseas business travel. For any journey, the expiry date of the passport must be at least 6 months after the date of returning to the United Kingdom. Any cost of replacing lost or stolen passports whilst on College business must be claimed through the College Insurance Policy.

17. Travel on behalf of the College both within and outside the UK

17.1 Hotel accommodation should be booked in advance. Generally, staff are expected to use the best value accommodation, unless special discounts to reduce costs on superior rooms or hotels have been negotiated. Any deviations should be approved by the Bursar.

17.2 Expense reimbursement claims for hotels will not be allowed unless booking was approved in advance, or it is resulting from an emergency situation.

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17.3 The claimant is responsible for settling the cost of any additional items, e.g. newspapers, phone calls, bar, mini-bar, restaurant etc. before leaving the hotel. These additional items, where they are permissible, may be claimed using the monthly expenses claim form and should be supported by original receipts.

17.4 When claimants are away from their normal place of work on College business, they may claim reasonable subsistence to cover the cost of meals. The cost of beverages or food purchased in connection with business meetings may be claimed as entertaining expense, listing all those entertained.

17.5 Reimbursement via personal expenses of entertainment expenses incurred with external visitors, on a College business trip is allowed. The entertaining must be reasonable and proportionate to the seniority and status of the people being entertained. Under HMRC rules the claim must set out the names and organisations of all those entertained, i.e. external visitors and staff members, together with reasons for the entertainment having taken place.

17.6 Reimbursement of costs and catering for staff events via personal expenses will not be allowed. Any events with staff entertaining should be part of a formal development session or recognition event and be booked through the College conference team or by College credit card with prior approval.

17.7 At any event where College funded entertaining takes place, claims should be of a moderate and reasonable nature and settled by the most senior staff member present.

17.8 Members of staff seeking reimbursement of business telephone calls or internet charges from a private device must produce an itemised bill with the relevant expenses highlighted and totalled.

17.9 All claims made for business travel and subsistence, other than mileage claims, must be for actual expenditure incurred and must be supported with original receipts, except where not provided (e.g. car parking).
Authorisation of Claims

Claims must be authorised by approved budget managers who should ensure that;

- All travel and expenses claims on College business are justified and are in accordance with College guidance.
- Each claim entry contains sufficient detail to that the cost is a valid claim on College resources. Claimants must not authorise their own claims.

17.10 Claims for reimbursement should be made on a Expenses Claim Form available from the Finance Office. Claims must always be supported by original receipts or other supporting documentation. Please note Credit/Debit card vouchers are not admissible as receipts under HMRC rules. Incorrect claims will be returned for correction and be subject to delays in payment. Claims for reimbursement should be made as soon as possible.

17.11 Some claimants with regular travel commitments hold a College Credit Card. These must be used only for College related expenditure. Under no circumstances should they be used for private travel or other private expenses.

17.12 Partners, spouses or other persons not connected with the College shall not travel at the College's expense unless authorised by the Bursar. Retrospective authorisation will not be accepted.

17.13 A partner may accompany a member of staff for personal reasons. In such instances the College must not be charged more than if the member of staff had travelled alone. Wherever possible the partner's travel costs should be invoiced separately and paid privately. Private insurance must be taken out to cover the partner's travel.

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17.14 Additional travel costs, subsistence or other expenses must not be claimed for days taken as holiday when linked to a business trip. Private insurance must be taken out to cover any days taken as holiday.

18. Salaries, Wages and Pensions

18.1 The payment of all salaries, wages, pensions, ex-gratia payments, compensation and other emoluments to all employees or former employees of the College shall be made under arrangements approved by the Bursar.

18.2 Human Resources shall maintain records of staffing, salary scales and terms and conditions of employment determined by the Governing Body and shall ensure that these are followed.

18.3 Appointments of all employees shall be made in accordance with the policies and procedures of the College and approved posts, grades and rates of pay.

18.4 Human Resources shall issue all letters of engagement, contracts of employment and amendments thereto and shall provide information to the Finance department as required.

18.5 Casual staff may be engaged by Budget Managers only if their costs can be met from approved budgets and the College's procedures for the appointment of temporary staff are followed.

18.6 All temporary and permanent re-grading of existing staff shall be conducted in accordance with the College's policies and procedures.

18.7 Each Budget Manager shall notify Human Resources as soon as possible, and in the form prescribed, of all matters affecting the payment of emoluments, and in particular:

- appointments, resignations, secondments and transfers;
- absences from duty for sickness or other reason, apart from approved leave;
- changes in remuneration, other than normal increments and pay awards and agreements of general application;
- Information necessary to maintain records of service for superannuation, income tax, national insurance and the like.

18.8 All time records or other pay documents shall be in a form approved by Human Resources and Finance and shall be certified by or on behalf of the Budget Manager. The names of persons authorised to sign such records shall be sent to Human Resources and Finance by each Budget Manager, together with specimen signatures, and shall be amended on the occasion of any change.

18.9 It shall be a condition of employment that salaries are paid directly to a bank or building society account.

19. Staff Loans

19.1 St Hugh's is prepared to consider making loans to employees. These loans are made at the

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discretion of the College, and do not form an entitlement to employees. Loans will be considered for the following purposes:

- The purchase of a season ticket for travel to work;
- Costs of study or career development;
- Financial hardship brought about by sudden and unforeseen circumstances

19.2 To qualify for a College loan, you must:

- Be currently employed directly by the College
- Have satisfactorily completed your initial probationary period
- Not be subject of any current disciplinary procedure

19.3 If you wish to apply for a career development or hardship loan, you must arrange for your Manager to write to the Bursar, setting out the reasons for the loan request and the reasons why the Manager supports it. (Note: In the case of academic employees, for 'Manager' please read 'Senior Tutor'.)

19.4 All loans are discretionary and not everyone who fulfils the eligibility criteria will be successful in their application. The rules governing each category of loan are as follows:

1. Season ticket loans

The College is able to obtain annual season tickets (bus travel) at a discounted rate. Loans are available for annual season tickets only. The loan will be for the full cost of the season ticket. The College will obtain the ticket and the employee shall a letter agreeing to the repayment of the cost of the ticket via payroll deduction in twelve equal monthly instalments. The application for a season ticket loan should be handed to the Finance Office for processing.

Rail travel season tickets are also available under this College loan policy.

2. Study loans

The loan will be for a maximum of the full cost of the course of study. Your application for a study loan should include copies of the relevant documentation from your training provider (including a letter offering you a place on the course, and the full costs of your study) and should be accompanied by a written letter of support from your Manager. The application for a study loan should be handed to the HR Department for processing. You will need to sign a letter agreeing to the repayment of the cost of the study via payroll deduction in twelve equal monthly instalments.

3. Hardship loans

From time to time, you may experience unforeseen financial hardship for a variety of reasons. The kinds of unforeseen circumstances which merit consideration include:

- Living costs (gas, electricity etc)
- Disability costs
- Child care
- Severely adverse family circumstances affecting income (e.g. a marital breakdown, bereavement etc).

These are only examples, there are many reasons for a loan being considered.

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The College uses agreed criteria to ensure equity of treatment for all applicants. These criteria are:

- Whether the debt/shortfall was of the employee's own making
- Whether the debt/shortfall could have been foreseen
- Whether suitable financial assistance is available from other sources (e.g. banks or building societies)
- The employee's work record
- The measures the employee has taken/will take to ensure the situation does not re-occur
- The impact/extent of the hardship caused on the employee's personal and work life.

If a loan is granted it will be for a maximum three times the employee's monthly take-home pay (i.e. after all deductions), but excluding overtime pay, up to a maximum of £5,000. An employee may apply once in any five-year period for a hardship loan. Repayment of the loan will be by payroll deduction in monthly instalments, each instalment being for one-twelfth of the employee's monthly take-home pay. An interest rate of Barclay's base rate plus 1% will be charged. The application for a hardship loan is subject to approval by HR, College Accountant and the Bursar.

20. Joint Equity Scheme Loans

20.1 In line with the Colleges Joint Equity Scheme, eligible Fellows may apply for a loan to support the additional costs related to stamp duty. If a loan is granted it will be limited in maximum value to the increased stamp duty liability that arises from the property transaction. The loan will be a capital and interest repayable loan over a fixed period of 10 years. An interest rate of Barclay's base rate plus 1% will be charged.

21. External Audit

21.1 The appointment of external auditors shall be by the Governing Body, advised in its decision by the Finance Committee, after an appropriate tender process.

Assets

22. Estates

22.1 The Bursar shall ensure the maintenance of a register of all properties owned or occupied by the College. This will record the purpose for which held, location, area and purchase or rent payable details.

22.2 The Bursar shall ensure the maintenance of a register of any tenancies of College property granted to third parties.

22.3 The Bursar shall arrange the secure custody of all College title deeds.

23. College Assets

23.1 Asset registers shall be maintained by the Finance Office and these will record the dates of purchase and a description of equipment, plant and machinery with an individual purchase value.

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23.2 Any surpluses and deficiencies identified in College assets should be investigated and the asset registers noted accordingly. Any deficiencies must be reported to the College Accountant for write-off.

23.3 The College's property shall not be removed from the site unless on College business and with the authority of the Budget Manager. A record of approved removals shall be maintained in each area.

23.4 Working items which are not obsolete and are surplus to requirements shall, in the first instance, be offered to other departments. Thereafter, they shall be disposed of by competitive tender or public auction except where, in the opinion of the College Accountant, such procedures would not be cost effective. Regulatory restrictions on the disposal of assets (e.g. Waste Electrical and Electronic Equipment regulations) shall be observed.

23.5 Broken or obsolete items shall be written off and disposed of using the relevant financial procedure and observing any regulatory restrictions.

24. Depreciation of Assets

24.1 The policy for the depreciation of assets will be as stated in the College Annual Financial Statements.

25. Stocks and Stores

25.1 Budget Managers shall be responsible for the custody and physical control of stocks and stores in their area and the level of stocks shall not exceed normal operational requirements.

25.2 Records of stocks and stores must be kept where required by the College Accountant or budget holder and in an approved form.

25.3 Where records are required, Budget Managers shall arrange for periodical examination of stocks by persons other than store-keepers and shall ensure that all stocks are checked at least once in every year, surpluses and deficiencies investigated and the records noted accordingly. Deficiencies must be reported to the College Accountant for write-off.

25.4 The College Accountant shall be entitled to receive from each Budget Manager such information as may be required in relation to stocks for the accounting, costing and financial records.

25.5 Surplus stocks shall be disposed of by competitive tender or public auction except where, in the opinion of the College Accountant, such procedures would not be cost effective.

26. Security

26.1 Each Budget Manager is responsible for maintaining proper security at all times over all cash and other College assets under their management.

26.2 Money shall not be left unattended and shall be kept in a safe if available, or other secure place which must be kept locked and the key removed. The keys should be carried on the persons of those responsible or kept otherwise secure. The loss of safe keys must be reported to the College Accountant immediately.

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26.3 Budget Managers shall be responsible for maintaining proper security and privacy in respect of personal information held on computer and in paper form in compliance with relevant legislation and College policies and procedures.

27. Investments

27.1 An Investment policy shall be prepared and regularly updated by the Bursar and College Accountant and approved by the Investment Committee.

27.2 All investments of money shall be made in the name of the College. The Investment Committee shall authorise the Bursar to undertake investment of funds of the College not immediately required for the discharge of its functions subject to the regular reporting to the Investment Committee.

27.3 A report on investments made on behalf of the College shall be prepared by the investment managers and presented to each meeting of the Investment Committee in a format to be agreed with the Committee.

27.4 The Investment Committee is to report formally to the full Governing Body after each of its meetings. One of these reports in each year should include a review of asset allocation strategy, performance, risk profile and consistency with the long term investment objective.

28. Insurances and Ex-gratia Payments

28.1 The College shall engage the services of a professional insurance broker to assist in the delivery of its insurance requirements.

28.2 The Bursar and College Accountant shall effect all insurance cover deemed necessary and economically justified following an assessment of institutional risk. The Bursar and College Accountant, or their nominee, shall negotiate and settle annual premium renewals in conjunction with the brokers and deal with all claims in consultation with the broker and other persons where necessary.

28.3 The College Accountant shall keep a register of all insurances effected by the institution and any claims submitted thereon.

28.4 Budget Managers shall give prompt notification to the College Accountant of all new risks, legal liabilities, properties or vehicles which need to be assessed and of any alterations affecting existing insurances.

28.5 Budget Managers shall notify the College Accountant promptly in writing of any loss, liability or damage or any event likely to lead to a claim.

29. Taxation

29.1 The College Accountant shall be responsible for ensuring that all statutory requirements are complied with and shall issue detailed guidance to Budget Managers via the financial regulations.

29.2 Budget Managers shall ensure that the guidance from the College Accountant is fully implemented within their areas of responsibility.

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30. College Companies, Joint Venture Companies and Company Investments

30.1 The Governing body, advised in its decision by the Finance Committee, shall be responsible for approving the establishment of any new College companies, joint venture arrangements or acquisition of a controlling interest in any company, including any new subsidiaries of those companies and for the procedure to be followed to do so. In addition, the Governing body shall also be responsible for approving investment in another company's share capital.

30.2 The Governing body shall be responsible for agreeing the appointment or approval of company directors to represent the College.

30.3 The Governing body shall receive an annual report of all existing College companies, Joint Ventures and any investments, via presentation at the Finance Committee.

31. Legal proceedings

31.1 The Governing body shall delegate authority to the Bursar to institute and defend legal proceedings and subject to the provisions of the Charter, Statutes and Bylaws, to do such other things as may be necessary or incidental to the exercise of such powers and duties, provided no proceedings incurring anticipated legal costs above £50,000 shall be brought without the prior approval of the Governing body.

31.2 The Governing body shall delegate authority to the Principal to arrange for the College to be represented at any public or local inquiry or tribunal by Counsel, Solicitor or other person, where the interests of the College so require.

31.3 Where significant legal proceedings arise during the year a report shall be made to the next available meeting of Governing body.

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Appendix A

Cheque and Electronic Payment Signing Arrangements

(i) By cheque or instruction to the bank

- a. Up to £3,000 one bank signatory
- b. Over £3,000 two bank signatories

There are five signatories on the Barclays Accounts and three on Nat West Account. Barclays is used for day to day transactions and the Nat West Account is the recipient account for donations. All signatories have full authority to sign.

Table of Bank Signatories

<u>Barclay Signatories</u>	<u>Nat West Signatories</u>
Principal	Principal
Bursar	Bursar
College Accountant	College Accountant
2 x nominated Tutorial Fellows (Trustees)	

(i) Payment by Business Internet Banking

A payment can be created through Business Internet Banking and this payment authorized by a second party. Access to internet banking required the use of a card, a card reader and user names and pin codes known individually to each user. There is no limit other than available funds. The following persons have access to Internet banking.

<u>Internet Banking Access</u>	<u>Access</u>
Bursar	Administrator
College Accountant	Administrator
Financial Controller	Administrator
Assistant Accountant	Can create a payment but not verify
Finance Officer	Can create a payment but not verify

Administrators can make changes to the authority of other users, via dual authorisation, and can either create or verify a payment.

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Appendix B

Banking Arrangements: Delegation of Authority

This authority applies to all accounts 'the Accounts'.

St Hugh's College 'the Customer':

1. has in place a Global Banking Authority with Barclays Bank Plc (the Bank) for the Accounts.
2. authorises with joint authority on behalf of the College:
 - a. Positions of individuals (the 'Main Signatories')

The Principle, Bursar, College Accountant, Financial Controller and 2 x nominated Trustees

to:

- a. add or remove any Authorised Signatories.
 - b. change the Signing Rules applicable to Authorised Signatories.
 - c. sign the Global Banking Authority.
 - d. sign documents in relation to electronic banking channels and to delegate to individuals the power to decide matters dealt with for electronic banking channels and to allow those individuals to sub-delegate the power to other individuals to make payments and give other instructions in respect of those electronic banking channels.
3. will promptly give the Bank notice if this authority is revoked by the Customer'.