



FINANCIAL POLICIES AND PROCEDURES

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FINANCIAL POLICIES AND PROCEDURES (FPPs)

1. **Principles.** The Finance Regulations set out the framework in which the University's finances will operate and are underpinned by the Financial Policies and Procedures (FPPs). Any changes to the Finance Regulations must be approved by the Trustees, with policy approval (FPPs) delegated to the University Board.
2. **Compliance.** The Finance Regulations and the FPPs apply to all staff, University officers, and independent members of the Board of Trustees. Failure to comply may be treated as misconduct leading to formal disciplinary action, as outlined in the Employee Handbook, or in accordance with the By-laws and Constitution for Trustees.
3. The Financial Policies and Procedures' overall purpose is to ensure that the University maintains and develops systems of financial controls that are legally compliant and conform with good financial management.
4. A transparent framework of financial management responsibilities and decision making is essential to the effective management of the University's financial affairs.
5. All staff have a duty to adhere to the highest standards of integrity when making decisions regarding the use of University funds.
6. **Governance**
 - a. **The Board of Trustees** has the primary responsibility for defining and ensuring compliance with the mission, vision, values, and objectives of the University. It also oversees institutional policies, financial oversight, and planning in accordance with the expectations and requirements of the Middle States Commission on Higher Education (MSCHE), the Office for Students (OfS), and other relevant regulatory and statutory bodies.
 - b. **The Audit and Risk Committee (ARC)** is recognised for its expertise in supervising, scrutinising, and reporting on the University's risk management systems, with authority delegated to it from the Board of Trustees. ARC's remit extends beyond financial matters and includes estates and facilities. ARC oversees both internal and external audit processes, providing assurance to the Trustees and having delegated authority to approve the internal audit plan. As part of the committee's risk management control remit, ARC may also consider and review the University's statutory and regulatory requirements and obligations, including but not limited to health and safety, estates and

facilities, data standards, and other areas of risk deemed appropriate by the Board of Trustees.

- c. **The Finance and Resources Committee (FRC)** has delegated authority from the Board of Trustees to monitor performance in the areas of Finance, Human Resources, Estates and Facilities, Information Technology, as well as resources and assets in their widest sense. This includes the authority to approve financial, human resource, and contractual commitments, as well as capital projects and infrastructure investment on behalf of the Board of Trustees, in accordance with the powers of the Board as set out in the Constitution and By-Laws of the University.
- d. The University Board (UB) is the senior policy-making and budgeting body of the University, responsible for ensuring that all staff and faculty work to deliver the University's vision, mission, and values, while maintaining compliance with legal, regulatory, and financial obligations. The UB formally agrees the University Strategic Plan and annual budget for recommendation to the Board of Trustees and holds ultimate responsibility for University finances, the final approval of operational policies, commercial ventures, and decisions related to the opening or closing of degree programmes, as outlined in the University's By-laws, Constitution, Academic Regulations, and Operational Regulations. It also monitors and sets policies for finances, budgets, and risk in non-academic operations, often through oversight of the Operations Committee and the Student Affairs Committee. Additionally, the UB oversees academic and academic-related work through its committees and departments, adhering to the Academic Regulations, with final decisions in some areas, such as academic standards, made by the Academic Board and the University Exam Board.
- e.
- f. **The Planning and Resources Committee (PRC)** is an occasional working committee of the University Board. PRC considers and assures the integration of all aspects of planning and resource allocation, for the University as a whole and for its constituent Schools and

Departments as part of the annual budget process. PRC makes recommendations to the University Board.

- g. **The Operations Committee (OC)** is entrusted by the University Board to develop, deliver, and review policies and procedures related to the operations of the University in accordance with its terms of reference and the University's Operational Regulations; ultimate budgetary decisions remain with the University Board. OC is responsible for the University's operational planning and delivery, including the Marketing, Recruitment and Public Relations Plan, the Estates and Facilities Plan, the IT Plan, the HR Plan, and the delivery of specified Major Projects as may be allocated by the University Board from time to time.

Deputy Vice Chancellor, Finance and Operations (DVC FO)

7. The Deputy Vice Chancellor, Finance and Operations (DVC FO) is responsible for:
 - a) Ensuring that the University complies with financial laws and regulations.
 - b) The proper administration of all aspects of the university's financial affairs.
 - c) Determining and ensuring compliance with the Financial Regulations, policies, and procedures.
 - d) Managing the University's accounting procedures and records, ensuring that they are applied consistently.
 - e) Delivering the University's statutory and regulatory statements, and annual budget to the Board of Trustees for approval, following review through the Finance and Resources Committee and the Audit and Risk Committee.
 - f) Maintaining an effective anti-fraud and corruption strategy, reporting irregularities to the Audit and Risk Committee Chair before pursuing more detailed investigation.
 - g) Ensuring the University has an appropriate Risk Management Strategy and Register in place, supporting the mitigation of the risks highlighted on all local registers supported by the Office of Planning, Research and Institutional Assessment.
 - h) Ensuring the University has appropriate insurance arrangements in place.
 - i) The management of non-faculty operational departments; namely IT, Buildings and Estates, Marketing and HR in addition to Finance

Budget Holders

8. Budget holders are responsible for:
 - a) Day-to-day management of their area's finances including ensuring compliance with the Financial Policies and Procedures.
 - b) Liaising with the Deputy Vice Chancellor, Finance and Operations (DVC FO) and the University Board on any matter which is liable to materially affect the resources of

the University before any commitments are incurred.

- c) Ensuring internal controls are in place and effective and acting upon audit recommendations.

- d) Complying with all policies relating to appropriate staff behaviours and reporting suspected fraud and financial irregularities to the DVC FO or other appropriate individual for investigation.
- e) Operate delegations in accordance with the Schedule of Delegated Financial Authority.

All Staff

9. In addition to the specific responsibilities set out above, the University expects all colleagues to:
 - a) Act in good faith, impartially, and in accordance with their positions of trust.
 - b) Exercise due care for all resources, assets, income, and expenditure within their care or control.
 - c) Comply with the Financial Regulations, the Financial Policies and Procedures, and any additional guidance issued to ensure the effective control of the University's resources.
 - d) Report any suspected financial irregularities for investigation to the DVC FO or other appropriate individual.

FINANCIAL PLANNING AND BUDGETING POLICY

PRINCIPLES

1. Financial planning aims to communicate the University's financial objectives, resource allocations, and performance targets, providing an agreed basis for financial control, accountability, and reporting.
2. Budgets allow the University to plan, monitor, and control the way money and resources are allocated.

BUDGET

3. The Deputy Vice Chancellor, Finance and Operations (DVC FO) is responsible for:
 - a) Identifying and highlighting any significant risk areas within the budget to the University Board (UB). Presenting the University's budget to the Board of Trustees via the Finance and Resources Committee and UB. Supporting UB in preparing and delivering the University's budget and reporting it to the Board of Trustees via the Finance and Resources Committee and the Audit and Risk Committee.
 - b) Ensuring that detailed budgets, including the plans for fixed assets purchases, are set within the agreed annual limits that supports the University Strategic Plan, subject to affordability.
 - c) Ensuring the submission of timely and accurate budgets to the relevant US and UK regulatory and statutory bodies.
 - d) Reporting six times a year to UB, and quarterly to the Board of Trustees via the Finance and Resources Committee and the Audit and Risk Committee on performance against budget.
 - e) Supporting a Spending Review Group, as and when required or instructed by the President or Trustees.
4. The Head of Finance is responsible for:
 - a) Ensuring the submission of timely and accurate budgets to the relevant US and UK regulatory and statutory bodies.
 - b) The management of the finance function, ensuring that
 - Management accounts are accurate and produced on a timely basis
 - The information derived from the management accounts is used to inform forecasts and budgets
 - Support budget holders in terms of ad hoc analysis, decision making or any other matter where there is a financial impact
 - Timely submissions are made to external regulatory and statutory bodies

- There is regular and appropriate engagement with internal and external stakeholders

5. Budget holders are responsible for:

- a) Preparing information for budgets, forecasts, integrating budget plans with service planning, and highlighting risks to UB.
- b) Ensuring spending remains within limits by controlling income and expenditure, monitoring performance, and taking corrective action.

FINANCIAL IMPLICATIONS OF DECISIONS

6. The DVC FO is responsible for reviewing and validating financial implications flagged within reports presented to UB and the risk mitigations proposed.
7. Budget holders are responsible for:
 - a) Reporting through the Committee structure and to UB the financial implications of significant decisions and to propose risk mitigation plans.
 - b) Consulting with relevant parties where there may be financial implications for other areas.
8. To enable SCUB to make informed decisions: all reports pertaining to strategic financial decisions submitted UB, the Board of Trustees, and its Board committees should normally incorporate a separate section on 'financial implications' where relevant. Reports must address short- term and long-term implications and potential risks.

FINANCIAL MONITORING AND CONTROL POLICY

PRINCIPLES

1. To ensure that the University does not exceed its overall budget, each Budget Holder is required to manage their own income and expenditure within their allocated budgets.
2. To actively engage in a forecasting process regularly reported to the Board of Trustees and, if required, reduce the budget holder spend in-year.
3. All adverse budget variances need to be mitigated by management action or escalated as soon as evident to the Deputy Vice Chancellor, Finance and Operations (DVC FO) as part of the forecasting process.
4. Every year is a discrete budget period, and under- and over-achievement of budgets is not carried forward into future years. There is no 'year end flexibility'.
5. The University's external audit provides an independent assessment of the University's financial statements, and the external auditors are currently PEM.
6. The University's internal audit evaluates and reports on the adequacy of the University's control systems in securing the best use of resources, and the internal auditors are currently KCG Ltd. The internal audit programme, audits, and recommendations are approved and monitored by the Audit and Risk Committee.
7. All staff are required to act with integrity concerning the receipt of gifts and hospitality and the declaration of conflicts of interest. Gifts or hospitality with a value of £15 or more must be reported to the DVC FO, who will maintain a register of these items. Reference should be made to the University's Expenses Policy T
8. No one should authorise any transaction from which they will personally benefit. This leaves the individual open to claims of impropriety and calls into question the integrity of the University. Reference should be made to the University's Anti-Fraud Policy.
9. The University will not tolerate fraud or corruption in any form, whether perpetrated by staff, faculty, customers of its services, third party organisations contracting with it, or other agencies or individuals with which it has business dealings.

BANKING CONTROLS

10. The Head of Finance is responsible for:
 - a) Managing all bank accounts and ensuring that the mandates are regularly reviewed and updated.
 - b) Effecting all investments and arranging borrowings within the limits imposed by the Board of Trustees and reporting on the funding methods used.
 - c) Ensuring compliance with all applicable laws, regulations, and codes of practice for treasury management.
 - d) Ensuring that cash flow monitoring systems are in place.
 - e) Reviewing, signing, and collating all contracts subject to the delegated authority limit

ACCOUNTING CONTROLS

11. All journals in PS Financials are verified by supporting documents. Each journal is subject to review by the appropriate finance team member prior to posting where this is deemed to be a control recommended by either External or Internal audit.

INTERNAL AND EXTERNAL AUDIT

12. The Head of Finance is responsible for:
 - a) Managing the external audit service, ensuring that plans and results are reported to the Audit and Risk Committee, and ensuring that statutory accounts are approved by the Board of Trustees.
 - b) Ensuring that the external audit statutory requirements are complied with.
 - c) Advising on effective systems of internal control to ensure funds are properly safeguarded and used economically, efficiently, and in accordance with authorities that govern their use.
 - d) Acting when weaknesses are identified within control systems to ensure they are eliminated or sufficiently mitigated.
13. Budget holders are responsible for:
 - a) Aiding the production of audit plans by flagging control concerns for internal audit review and then implementing agreed recommendations within the timescale.
 - b) Providing all documentation requested to support the audit process.

RISK MANAGEMENT

14. The DVC FO will regularly review the University risk management strategy advising the the University Board, and the Board of

Trustees through the Finance and Resources Committee and the Audit and Risk Committee on the key strategic, financial, and operational risks at least quarterly.

15. Budget holders are responsible for:
 - a) Implementing the risk management strategy and integrating risk management within business planning and performance management arrangements.
 - b) Maintaining, updating, and testing department risk registers and, where appropriate, business continuity plans.
 - c) Reporting any changes to existing risks and any new risks in their remit to the relevant risk manager or budget holder.

FINANCIAL SYSTEMS AND PROCEDURES FRAMEWORK

PRINCIPLES

1. Strong systems and procedures are essential to the effective management and administration of the University's financial affairs.

ACCOUNTING

2. The Head of Finance is responsible for:
 - a) The accounting system prepares financial statements within statutory accounts deadlines and delivers effective financial controls.
 - b) Ensuring guidance procedures are in place for all financial systems (PS Financials) and that supporting records and documents are retained and stored appropriately.
 - c) The Finance system complies with legislation and proper accounting practice, ensuring that all information is recorded accurately, completely, and in a timely manner, and that any errors are detected promptly and rectified.
 - d) Ensuring that appropriate procedures are in operation to enable the University to receive all income to which it is entitled.
 - e) Ensuring regular reconciliations of control accounts take place.

INCOME

3. Debts should be actively pursued and only be written off once all reasonable avenues have been exhausted or where it would prove uneconomical to pursue.
4. Research Grants: The researcher will obtain and comply with the set of grant terms and conditions from each organisation providing funding. The research grant financial terms and conditions and funding levels must be reviewed and approved by the finance department prior to the inception of the project.
5. Short courses: Any staff wishing to run a short course must have Budget Holder permission. The Curriculum Development Committee is responsible for examining the financial implications of every short course and shall ensure that there is adequate provision of resources to meet all commitments.
6. The Head of Finance is:
 - a) Responsible for arranging the collection of all income due to the University by ensuring effective administration of invoices, debt management, and recovery.
 - b) Ensuring that monies received are receipted, recorded, promptly banked, and

reconciled.

The DVC FO is:

- c) Able to authorise the write-off of individual debts up to £10,000, the President up to £25,000 and the Finance and Resources Committee in excess of £25,000.

EXPENDITURE STAFF RELATED

7. All staff expense claims must be completed in a standardised form approved by the DVC FO and available from the Finance department. The form must be submitted on a monthly basis and approved with appropriate delegated authority limits.
8. The President will have expenses approved by the Chair of the Board of Trustees or authorised nominee.
9. The Head of Finance is responsible for:
 - a) Ensuring a corporate payroll system is in place to generate accurate staff payments, including pensions and expenses.
 - b) Ensuring that all payments to staff are processed through this system and that the calculation of balances owing to third parties (HMRC, pension providers, etc.) is accurate and reconcilable.
 - c) Ensuring that individuals working on a permanent arrangement for the University shall not be paid through a corporate or other invoicing arrangement rather than through payroll.
10. Budget holders are responsible for:
 - a) Controlling resources and staff numbers within approved budget and subsequent forecast levels.
 - b) Ensuring that all employee appointments, including temporary staff, are made in compliance with policies, and that the HR Department is notified of leavers promptly.

NON-STAFF EXPENDITURE

11. Supplies, equipment, and services should be obtained at the lowest possible cost consistent with quality, delivery requirements, and sustainability, and from approved suppliers. Approvals for expenditure will be in line with delegated authorities.
12. Purchase orders must be placed for the purchase of all goods or services, except in

instances where the University credit card is used.

13. The Head of Finance is responsible for administering corporate credit cards and processing payments
14. Budget Holders are not authorised to commit the University to expenditure without first reserving sufficient budget funds to meet the purchase cost.
15. Under exceptional circumstances only, the DVC FO may agree Emergency/Hardship advance to students following recommendation from a member of the Committee. Requests must be made in writing to the DVC FO, who can agree advances up to a maximum of £500.

FIXED ASSETS

16. All assets must be properly recorded, safeguarded from loss/harm, and utilised effectively. The DVC FO is responsible for maintaining the register of fixed assets.
17. Budget holders are required to inform the Finance and IT Departments of any information required to maintain the register, including disposal of assets.
18. Safeguarding Assets: All staff are responsible for the care, custody, and security of the University's assets under their control.
19. Fixed assets can only be purchased if a budget has been approved.
20. Finance will engage with the IT Team to ensure that fixed asset registers are accurate and up to date.

TAXATION

21. The Head of Finance is responsible for:
 - a) Ensuring all financial transactions comply with statutory requirements and optimising tax efficiency.
 - b) Reporting and accounting for tax liabilities and obligations properly, including VAT returns to HMRC.
 - c) Providing advice and up-to-date guidance for the University on taxation issues and avoiding fines.
 - d) Ensuring all P11D obligations are paid to HMRC.

EXTERNAL ARRANGEMENTS FRAMEWORK

PRINCIPLES

1. All arrangements with outside bodies must be properly evaluated for risk and commerciality before they are entered into and be supported by clear governance and accounting arrangements.

PARTNERSHIPS AND JOINT WORKING

2. Research and consultancy contracts: Where the University wishes to provide a service to a third party it must be subject to a contract. There shall be a contract signed by the Deputy Vice Chancellor, Finance and Operations (DVC FO), or a delegated member of Standing Committee of the University Board (SCUB), and by the partner organisation.
3. Off-site collaborative provision: There shall be a contract signed by the President, in line with the delegated authority values, between the University and any partner organisation. The contract must comply with the standards of both the US and UK regulators of the University.
4. The DVC FO is responsible for:
 - a) Reporting to and advising the University Board (UB) on the financial viability in current and future years and the impact on external services, in advance of any possible approval.
 - b) Reviewing the risk appraisal and risk management arrangements.
5. Budget holders are responsible for:
 - a) Ensuring that arrangements do not adversely impact the University, that risk assessments are carried out, and that appropriate approvals are obtained before entering into any agreements.
 - b) Escalate adverse budget variances or changes to the risk profile to appropriate line manager.
6. The Head of Finance is responsible for the day to day financial modelling of such operations.

PRIVATE CONSULTANCIES AND OTHER PAID WORK

6. Unless otherwise stated in a member of staff's contract, outside consultancies or other paid work may not be accepted without the consent of the relevant Budget Holder and

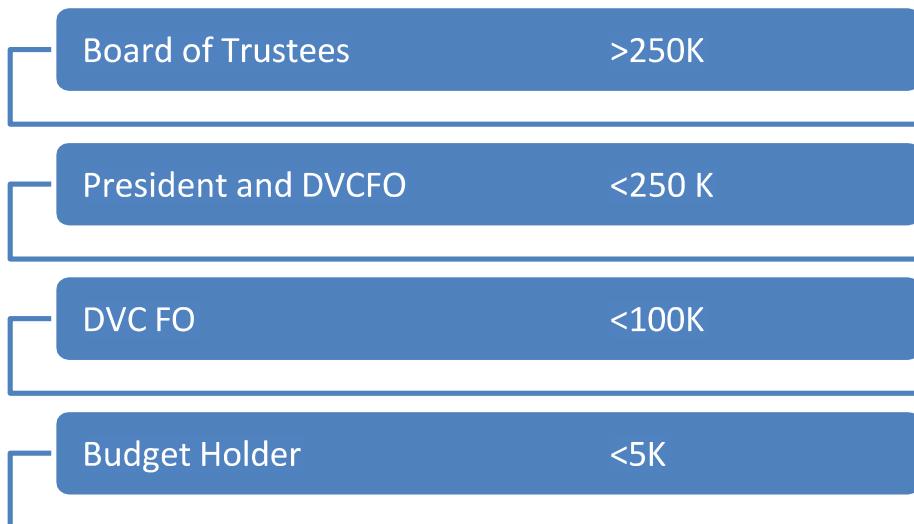
DVC FO.

7. Additional payments will only be made to staff where the work undertaken is over and above that stated in their substantive contracts. The University will share the income received with the staff involved in delivering such work after the full cost of delivery has been accounted for. An annual return will be completed in September each year and collected by the HR department

APPENDIX A: SCHEDULE OF DELEGATED FINANCIAL AUTHORITY

1. The purpose of the University's Schedule of Delegated Financial Authority is to clarify who has the authority to make decisions, commit expenditure, and sign legal undertakings on behalf of the University.
2. The Schedule of Delegated Financial Authority is approved by the University Board and is reviewed annually to ensure that it is appropriate to current needs. A breach of delegated authority is a serious matter and may lead to formal disciplinary action following the guidelines outlined in the Employment Handbook.
3. The Board of Trustees delegates authority through the President and Vice-Chancellor for the day-to-day running of the University. The Schedule of Delegated Financial Authority sets out the approved financial limits within which officers may conduct University business. Changes may only be made to the Schedule with the approval of the Board of Trustees following a recommendation from the University Board.
4. In the event of absence of the Deputy Vice Chancellor, Finance and Operations (DVC FO) and the President, another University Board member is delegated to sign an approval, countersigned by the Finance and Resources Committee Chair or Chair of the Board.

UNIVERSITY SCHEME OF DELEGATION



APPENDIX B: SCHEDULE OF AUTHORISED EXPENDITURE ON CORPORATE CARDS

1. Each card holder has an approved credit card limit depending on the requirements of their role.
2. Cardholders must ensure that they do not exceed their expenditure limits set out in the schedule of authorised expenditure.
3. Cardholders must use their Corporate Card for University expenditure only. Corporate Cards must not be used for personal expenditure under any circumstances, and Corporate Cards may not be used to withdraw cash from ATMs.
4. In special circumstances if personal expenditure is incurred, this must be reimbursed to the University
5. Cards must not be loaned to another person. In all cases, the cardholder remains accountable for the effective operation of the schedule of authorised expenditure.
6. Purchases made using a Corporate Card are subject to compliance with the usual purchase approval policies and regulations of the University. Cardholders are responsible for retaining and submitting receipts to support the purchases made on their Corporate Card.

This document should be read in conjunction with:

- Credit Card Policy
- Expenses Policy
- Debt Management Policy
- Anti-Fraud Policy

VERSION MANAGEMENT

Responsible Department: Finance			
Approving Body: Board of Trustees			
Version no.	Key Changes	Date of Approval	Date of Effect
1.0	Initial version	01/11/2022	01/11/2022
2.0	Inclusion of Operations Committee; Inclusion of Planning and Resources Committee; Replacement of CFO to DVC Finance & Operations (DVC FO); Replacement of Executive to SCUB; Removal of regulation about Petty Cash under Banking Control; Removal of Corporate Card Standards Limit; Minor Changes to the Format.	25/01/2024	25/01/2024
3.0	Updated to be consistent with other policies and reflective of new Finance structure.	24 July 2025	September 2025
		Restricted Access? <i>Tick as appropriate: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></i>	