



UNIVERSITY OF
CAMBRIDGE
Finance Division

Governance & Compliance

Financial Procedures Manual – Chapter 20

Version History

Version number	Issue date	Comments
3.0	Jan 2020	<p>The title of the chapter changed from <i>Compliance Issues & Procedures</i> to <i>Governance & Compliance</i> to reflect the additional content.</p> <p>Chapter converted to new format style, reordered, updated and expanded to include:</p> <ul style="list-style-type: none"> - an overview of departmental responsibilities - expanded guidance on delegation of duties , list of HOI responsibilities (App A) and sample delegation letter/form (App B) - retention periods for procurement contracts and papers - retention of electronic documents and scanning guidelines - managing actual and potential conflicts of interest - updated guidance on internal audit - Bribery Act 2010 - Corporate Criminal Finances Act - Modern Slavery Act - Money Laundering Regulations - Compliance training requirements (App C)
3.1	Feb 2020	Conflicts of interest added to the title of Department Controls section to aid navigation.

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1. Departmental responsibilities

Departments have a responsibility for ensuring that all departmental policies and procedures comply with the Financial Regulations and follow the best practice guidance in the Financial Procedures Manual.

This chapter brings together guidance on key areas of compliance which Heads of Institutions and Departmental Administrators need to be aware of.

Aspect	Summary
Financial Regulations	The role and responsibilities of the Head of Institution in relation to finance. When and how these duties can be delegated.
Retention of documents	Summary of the retention period for documents which may be held in departments. Guidance on electronic storage of documents and some hints on the best format for scanned documents.
Internal control procedures	The importance of having robust internal control procedures with examples of how these should be applied within departments.
Internal and external audit	Details about the internal and external audit processes and how these are based on the assessment of risk and risk management.
Reporting suspected fraud and whistle blowing	Guidance on the process for reporting concerns about fraud.
Relevant legislation and training required	Bribery Act 2010 An overview of the Bribery Act 2010 with details of how this should be applied in departments. Information on the Anti-Bribery and Corruption training. Summary of other compliance courses with details of the target audience for them.
	Criminal Finance Act A brief explanation of the Criminal Finances Act 2017 which is also covered in the Anti-Bribery and Corruption training.
	Payment Card Industry (PCI) standards Some overview guidance on the PCI regulations (for more detailed guidance see FPM chapter 7).
	Money Laundering Guidance on the Anti-Money Laundering regulations and the implications of this in key areas.
	Modern Slavery Act Details of the University responsibilities with regards to the Modern Slavery Act and the impact on procedures for suppliers.

2. Financial Regulations

Compliance with the Financial Regulations is a mandatory requirement for:

- All institutions and University subsidiary companies but not Cambridge University Press or Cambridge Assessment.
- All University activities.
- All University staff (and all those not directly employed by the University but who have responsibility for University funds)

They ensure the proper use of resources in a manner that satisfies our legal/financial obligations and internal control requirements. Specific direction is given on matters of:

- ethical policy,
- income and expenditure
- University assets and liabilities

Non-observance of these Regulations may result in disciplinary action.

Financial Regulations available from the Finance Division Web site:
<http://www.finance.admin.cam.ac.uk/policy-and-procedures/financial-regulations>

2.1 Heads of Institution responsibilities

The Head of Institution (HOI) is the Head of Department, the Chair of a Faculty not organised in departments, Directors of Non-School Institutions and UAS Divisions.

It is their responsibility to ensure that University policies are implemented and relevant University regulations and procedures are followed.

The Financial Regulations state that the HOI should ensure:

- proper allocation of funds;
- sound financial control, authorisation and separation of duties;
- that accounts are correctly maintained;
- that funds available for spending are not exceeded;
- that the Regulations are publicised and observed within their department; and
- that all information and explanations required by the University's internal or external auditors are provided promptly.

Acting Heads of Department may be appointed during a vacancy and count as Head of Department

The HOI works closely with the departmental/faculty administrator (and/or Institutional Finance Manager where such posts exists), to whom they will delegate many of their non-academic responsibilities.

2.2 Delegation of duties

Heads of Institution (HOI) may designate in writing one or more people to execute specified tasks for, and subject to the supervision of, the HOI. The HOI remains responsible and should be fully aware of any delegated authority. The HOI may have a deputy or deputies for specific areas (e.g. research) to whom they will delegate responsibilities as appropriate. See Appendix A

There are no specific items that cannot be delegated, although in practice all HOI are expected to certify their annual accounts as part of the University's financial reporting return.

2.2.1 Delegation format

A delegated authority letter/form (see template at Appendix B) should be completed for the following circumstances to:

- add delegation
- revoke delegation
- change the scope of existing delegation
- transfer the delegation to another individual

The completed document should be retained in the department.

Payroll

Heads of Institution must provide the Payroll Section with, and keep up to date, a list (signed by the Head of Institution) of persons authorised to sign salary documents for departmental staff paid through the payroll. Where the proposed signatory is not a University employee the approval of the Director of Finance is also required.

Delegated authority for Research Grants

The Head of Institution may delegate their responsibility to a suitably nominated individual within the department. This is done on a template letter provided by the Research Operations Office which lists the areas of delegation as well as the limits granted to individuals. The letter will also stipulate what may not be delegated as well as a maximum level for delegation which may vary from time to time.

This letter needs to be updated and sent to the Research Operations Office at least annually as requested or as soon as any changes need to be made. Failure to provide this information may result in unnecessary delays whilst the relevant approval is sought from the Head of Institution.

Late submission of grant applications

Requests for late submission of grant applications to the Research Operations Office must be made in writing by the Head of Institution (or their Delegate), using the template on the Research Operations Office website.

<https://www.research-operations.admin.cam.ac.uk/submitgrantapp#roochecks>

3. Retention of financial documents

3.1 Recommended guidelines

What is a document?

Documents do not have to be in physical paper form, although there will inevitably be paper documents. A document can also be an electronic document. For example, paper bank statements may not be received and a PDF bank statement could be downloaded; and suppliers are increasingly sending their invoices out in PDF, or other electronic, format. Such alternatives would still be considered to be documents.

A document can also be a web page, an electronic file or a spreadsheet. Automation has meant that documents are wider in scope than information contained on pieces of A4 paper. Whatever form the document is in, it may well be subject to legislation that dictates how long it needs to be retained.

Retention periods

In determining appropriate retention periods, departments need to consider the following:

- legal and related requirements
- potential demand within the organisation
- historical value
- cost of storage

The guidance below is not intended to be a comprehensive list of all the documents held in a department and does not imply that all other documentation can be destroyed.

Further information and examples are detailed in the *Statement of Records Management Practice and Master Records Retention Schedule* issued by the Information Compliance Office

<https://www.information-compliance.admin.cam.ac.uk/records-management>

Document	Length of time to be retained
Credit/debit card receipts and details	18 months
Banking daily balancing sheets	End of current financial year + 3 years
Purchase requisitions, orders, goods received notes (<i>but see para 3.2 below for grant funded items</i>)	
Daily till rolls (<i>see para 3.3 below</i>)	End of current financial year + 6 years
Fixed asset disposal notes	
Paying in counterfoils	
Payments to staff – UFS Payroll information	<i>(Though longer retention periods may be necessary due to the specific contractual requirements of a research project funder)</i>
Sales invoices	
VAT returns – supporting documentation	End of tax year + 6 years

Document	Length of time to be retained
External grants : -original contracts -timesheets and other internal documents	End of the grant + 6 years
Contracts with customers, suppliers or agents <i>NB if the contract is executed as a deed then the limitation period is 12 years</i>	Expiry or termination of the contract + 6 years

Format

Documents can be retained either as hard copies or electronically, HMRC¹ specify that they need to be:

- accurate and up to date
- legible
- readily accessible
- available for inspection at all reasonable times by HMRC, auditors etc.

Where held electronically there should also be an adequate back up and disaster recovery system. Therefore, if the document was generated in UFS (e.g. a purchase order) all of these criteria are met and there is no need to print it out solely for the purposes of document retention: likewise, for purchase invoices received by the University for eInvoicing.

Scanning documents

Resolution of at least 300dpi (dots per inch) is recommended when scanning documents. This resolution is a good balance between readability and file size. A significantly higher resolution is not usually required and would result in unnecessarily large file sizes. Standard font size 10-point and up are readable at 300dpi.

This is essential where a document is to be kept as a digital copy for reference purposes, and good practice for other documents.

The auditors may wish to see original documentation - where a document has been scanned and the original paper document since destroyed, then the scanned document (stored in a way where it can be retrieved and vouched for as a true copy of the original) is deemed to be original source document.

3.2. Purchase invoices

All original paid invoices should be retained by departments for seven years (six years plus the current year). Any photocopies of invoices are only for reference purposes and can be disposed of as appropriate. Purchase invoices received in UFS via the University's eInvoicing system do not need to be printed out for documentation retention purposes.

Supporting requisitions, purchase orders and goods received notes should be kept for three years or, in the case of research grant contracts for the duration of the

¹ <https://www.gov.uk/guidance/archiving-your-trade-documents> [accessed 23/10/19]

award if longer (see 3.5). If desired hard copies of requisitions and purchase orders raised on UFS do not need to be kept as these can be retrieved electronically if required.

3.3 Sales

Copies of all sales VAT documents, which include sales invoices and daily till rolls from shops, must be held for seven years, i.e. six years plus the current year.

If a department has particular difficulty in keeping six years of till rolls, it is possible to apply to HM Revenue & Customs, via the Taxation Section of the Finance Division, to request a shorter period of retention.

Also, departments do not need to keep hard copies locally of sales invoices and credit notes raised on UFS as these can be retrieved electronically if required. Although backup documentation as to why the invoice was raised and how it was calculated should be available for the retention period.

3.4 VAT returns

The Finance Division keeps copies of all VAT returns including the Intrastat and EC returns. However, as only the actual returns are held by the Finance Division, all supporting documentation used to compile the return, including invoices, must be retained by departments for a period of seven years, i.e. six years plus the current year².

3.5 Outside grants

The University's Research Operations Office (ROO) holds the original contracts/agreements, related correspondence and financial documents for at least six years after expiry of the grant. If a department holds any further relevant original documentation then this should be held for a similar period.

Any detailed records supporting charges against the grant, e.g. time sheets, should also be retained for a period of six years after the expiry of the grant. However, any specific terms within a particular contract relating to the retention of records will take precedence. If in doubt consult ROO.

3.6 Banking

The Finance Division keeps copies of all receipt records and as the daily banking sheets are not prime documents supporting individual sales transactions there is no need to keep these sheets beyond three years. Bank paying-in counterfoils should be kept for six years.

² <https://www.gov.uk/vat-record-keeping> [Accessed 07/11/19]

3.7 Payments to staff

All documents relating to payments to staff, including expenses, overtime forms and P11D declarations should be kept for at least seven years, i.e. six years plus the current year. Any supporting documentation held in the departments and not copied to the centre should be retained for a similar period.

3.8 Fixed Asset Register

Fixed Asset registers should be kept indefinitely. Copies of asset disposal notes should be kept for six years.

3.9 UFS/payroll information

The Finance Division retains copies of the general ledger (via UFS) and all payroll records for at least seven years.

3.10 Credit/debit card receipts

Original retailer copies of transactions must be retained in a **secure** and accessible place for a minimum period of 18 months. Stored documents should be reviewed quarterly and securely destroyed/deleted if no longer required.

The security requirements for card and customer data are mandatory and there is certain information that must **NOT** be stored at any time.

For further details see the FPM chapter 7 - Cash and Banking

4 . Internal control procedures

4.1 Definition

It is essential that effective internal controls exist throughout departments, faculties, institutions and the University to:

- safeguard University assets
- prevent and detect errors and fraud
- protect the interests of the staff
- help to ensure the accuracy of accounting records

Internal controls can be a mix of financial procedures and actions of the staff who are involved with the finances in their workplace.

Examples include

- segregation of duties
- authorisation of purchase orders
- safe custody of petty cash
- a register for departmental assets
- validation of a UFS accounting code
- monitoring of research grant expenditure in accordance with the terms of the grant
- secondary approval of a purchase invoice
- manage potential and actual conflicts of interest
- compliance with Financial Regulations.

4.2 Departmental controls and conflicts of interest

In order to ensure that their internal controls are appropriate and operating well each department should:

- Ensure all staff are aware of the **University's Financial Regulations**.
- Identify where risks for **conflicts of interest** could lie, maintain a register of interests and implement a policy and procedure to manage potential and actual conflicts of interest.

See *Conflict of Interest Guidance on Procurement Services* website

- https://www.admin.cam.ac.uk/cam-only/offices/purchasing/forms/Conflict_of_interest_guidance_vs1.0_26.06.19.pdf
- examples of conflicts of interest and corruption risks
 - considerations for migrating the risk
 - a Conflict of Interest Disclosure form

- Understand and follow recommended UFS procedures.

UFS procedures on the Finance website
<http://www.finance.admin.cam.ac.uk/training/docs>

- Read and follow the good practice guidance in the Financial Procedures Manual.

- Implement all of the recommendations contained within any departmental Internal Audit report.
- Write financial procedures for departmental specific areas that can be used as a point of reference and training for new finance staff.
- Seek advice from and share good practice with Finance Division staff and/or colleagues within the University.
- Ensure those involved in financial activities complete the appropriate Compliance training courses (see Appendix C).

5. Internal audit and external audit

Both the University's internal and external auditors have access to all records, assets, personnel and premises and the right to obtain such explanations as they consider necessary.

5.1 Internal Audit

Purpose

Reporting to the University's Audit Committee, the Internal Audit function provides independent assurance of the University's financial and operational activities.

The University's Internal Audit function is currently outsourced to an external firm:

Deloitte LLP

Office for Students guidance and good practice require that market testing is undertaken regularly.

Among the internal auditors' main areas of audit are:

- key financial issues
- risk management
- value for money
- internal controls
- governance

Annual internal audit plan

Each year, an Annual Audit Plan is drawn up, linked to the key risk areas identified in the University's Risk Register (<https://www.registraryoffice.admin.cam.ac.uk/audit-regulatory-compliance/risk-management/university-risk-register>), and assesses the internal controls and accounting systems in place in the University.

The annual internal audit plan includes:

- 1) specific themed audits which are agreed by the Audit Committee; and
- 2) an online Departmental Assurance Survey which is completed by all institutions.

Internal Audit Departmental visits

Pre-audit	<p>If the audit programme includes a thematic visit to a specific department the Department will be contacted in advance</p> <p>Heads of audited institutions and Departmental Administrators will attend an initial scoping meeting where the Internal Auditor will explain:</p> <ul style="list-style-type: none"> • the purpose of the audit; and • what information will be required.
During the audit	<p>The Internal Auditors must be provided with all relevant information. Departmental staff are required to assist the auditor by responding to all</p>

reasonable requests for information and providing explanations to queries in a timely fashion.

Post audit Following the audit, a draft audit report will be prepared for the department to comment upon. There will be a closing meeting, which Heads of institutions are encouraged to attend as well as completing and signing feedback forms for consideration by the Audit Committee.

The final report is then issued to the Audit Sponsor, Head of Institution and Audit Committee.

5.2 External Audit

The University is required by Office for Students and by its Statutes to appoint an external auditor to provide an independent opinion on its annual financial statements. The financial statements provide a summary of the University's financial performance during the year by showing its income and expenditure, and its assets and liabilities.

The Council on advice of the Audit Committee appoints the external auditor. The Audit Committee will again advise Council of the key issues arising from the external audit process.

The current external auditors for the University are
**PriceWaterhouseCoopers (PwC) and
 Peters Elworthy & Moore (PEM)**

The University has adopted a hybrid approach to the appointment of external auditors for accounting periods beginning on or after 31st July 2018. In summary this approach means that UK based University subsidiary companies, trusts and Joint ventures are audited either by the main Academic Universities external auditors, PriceWaterhouseCoopers (PWC) or Peters, Elworthy & Moore (PEM) dependent upon materiality to the group position and complexity of the subsidiaries undertaking from an accounting perspective.

Oversees based subsidiaries of the University are also required to be audited, though given the specific local requirements and regulations, these have greater flexibility with regard appointment. All auditors of University subsidiaries must however be audited to meets the International Auditing and Assurance Standards Board (IAASB) standards, details of which can be found here <https://www.iaasb.org/about-iaasb>.

If there are any queries with regard the appointment of auditors, please contact the group reporting team for support.

External Audit department visits

To establish an opinion on the University's financial statements, the external auditor will undertake audit work in both departments and the central Finance Division. This audit process will involve several departmental audits each year.

Pre-visit Any department selected will be notified in advance of the audit visit and also on the specific issues to be covered during the audit.

During the audit	As with internal audit, the external auditor has the right to access all accounting records and information and departmental staff must support the auditor by providing information and explanations to questions.
Post audit	Although the external auditor will be testing the operation of the financial controls in the department they will not usually issue a specific report for that department.

6. Reporting suspected fraud and whistle blowing

6.1 University Council's policy

When financial internal controls are operating satisfactorily within a department the likelihood of theft or fraud is reduced, although it cannot be completely eliminated.

It is the responsibility of the Head of Institution, and for other senior staff within the Department, to establish suitable controls to both prevent and detect fraud. However, where there is suspicion of any financial irregularity, then any member of staff aware of such an irregularity should notify the Director of Finance immediately.

The Director of Finance may then advise the Internal Audit function and, where relevant, the University's security adviser. Departments are advised not to take action until the Director of Finance is informed and an appropriate fraud response plan prepared.

The Council is committed to maintaining an honest and open atmosphere within the University. It is therefore, committed to the elimination of fraud and to the rigorous investigation of any such cases.

The Council wishes to encourage anyone who has reasonable suspicions of fraud to report them.

6.2 Definition of fraud and purpose of this procedure

For the purposes of these procedures, fraud is defined as the use of deception, or intentional misrepresentation, to obtain an unjust or illegal financial advantage or deprive the University of any value or property.

This procedure note provides guidance on the steps to be taken by a member of staff within any institution, who has reasonable grounds for suspecting a fraud.

6.3 Fraud response procedures for Institutions

6.3.1 Communicating concerns

Suspicion of fraud or irregularity may be communicated through a number of channels, including the following:

- Financial Regulations: requirement to report fraud or irregularity to the Director of Finance
- Internal and external audit work
- "Whistle blowing" policy
- Routine operation of procedures in accordance with the University's Finance Procedures Manual.

All actual or suspected incidents of fraud should be reported without delay to the Director of Finance (Financial Regulation 20.1). If the incident relates to the Director of Finance then the incident should be reported to the Registry. Reporting an incident can be by means of e-mail, telephone or memorandum, and can be done anonymously.

Depending on the nature of the reported incident, the Director of Finance may convene a group to decide on the action to be taken. There will normally be an investigation, assisted by the internal auditor and if necessary the University Security Adviser and police.

All information provided will be treated in absolute confidence.

6.3.2 Prevention of further loss

Where initial investigation confirms that there are reasonable grounds for suspecting a member or members of staff of fraud, the Director of Finance will decide how to prevent or reduce further loss. This may justify the suspension, with pay, of the suspect(s) in accordance with any legal and relevant University procedures.

6.3.3 Establishing and securing the evidence

It is essential that concerns are reported immediately to the Director of Finance so that action can be taken to secure evidence of a fraud. Members of staff, including the Head of Department, must not undertake their own internal investigation, as this may undermine any future investigation. It is important to ensure that the appropriate procedures under the Police and Criminal Evidence act are followed, that any investigation is, and is seen to be, objective and independent, and that all relevant University financial procedures and staffing policies are followed.

6.3.4 Reporting

The Director of Finance, when it is appropriate, will advise the Head of department of any relevant feedback, in particular of the outcome of the investigation and if there may be on-going implications for financial control within the institution.

Director of Finance	Telephone: 01223 (7) 61221 E-mail: David.Hughes@admin.cam.ac.uk
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Heads of Institution shall report to the Audit Committee and the Vice-Chancellor any fraud or irregularity which has any of the following characteristics:

- exceeds £10,000
- is unusual or complex
- public interest is likely

6.4 Whistle blowing

Whistle blowing is a term used to describe incidents where an employee publicly discloses some alleged wrong doing within an organisation.

The University policy on whistle blowing
<http://www.admin.cam.ac.uk/offices/hr/policy/whistleblowing.html>

Any member of staff who reasonably believes that there is serious malpractice relating to any 'protected matter' specified in the University's whistle blowing policies should raise such an issue using the specified procedure.

7. Bribery Act 2010

All staff have a responsibility to ensure that neither their conduct, nor the conduct of any person or organisation entering into any contract or arrangement with the University contravenes the Bribery Act 2010. Staff must not use their authority or office for personal gain and must always seek to uphold the reputation and good standing of the University.

University's Policy against Bribery and Corruption

<https://www.registraryoffice.admin.cam.ac.uk/governance-and-strategy/policy-against-bribery-and-corruption>

Where instances of bribery are found in organisations, the behaviour of senior management is being subjected to as much scrutiny as that of the perpetrators. Leaders within organisations are seen as personally responsible for ensuring that a culture is fostered where bribery is not tolerated. A failure to do so may lead to prosecution of that institution itself for failure to prevent bribery and in extreme cases to prosecution of senior managers themselves.

7.1 Application

The policy applies to all staff and "staff" are defined as all individuals working within the University at all levels and grades, including officers, employees (whether permanent, fixed term or temporary), workers, trainees, seconded staff, agency staff, volunteers, interns or any other person working in any context within the institution.

The University could also be liable for the actions of others therefore:

- the University's prohibition of bribery and fraud should also be communicated to all suppliers, contractors and business partners at the outset of any business relationship with them and as appropriate thereafter; and
- compliance with the University's anti-bribery policy should be included within terms and conditions agreed.

7.2 Implementation and training requirements

Heads of Institutions are responsible for assessing the risk of any activities to exposure or vulnerability to corruption and ensuring that all staff are aware of the scope and reach of the Act. In particular this includes those involved at any level in procurement, seeking donations, research funding, or those involved in international activities. The simplest and most effective way of doing this is to require their staff to undertake the short on-line Anti-Bribery and Corruption training course which guides individuals through the scope of the Act and highlights some of the situations to be aware of.

Anti-bribery and Corruption training

<https://www.finance.admin.cam.ac.uk/training/anti-bribery-and-corruption-training>

8. Criminal Finances Act 2017

The new Criminal Finances Act (CFA) 2017 will make companies and organisations including universities criminally liable if they fail to prevent tax evasion by either a member of their staff or an external agent, even where the organisation was not involved in the act or was unaware of it.

This Act is included in the Anti-Bribery and Corruption course.

Anti-bribery and Corruption training

<https://www.finance.admin.cam.ac.uk/training/anti-bribery-and-corruption-training>

9. Payment Card Industry Data Security Standard

Payment Card Industry Data Security Standard (PCI DSS) is an auditable set of standards designed to ensure certain card data is stored securely by us and any third party which stores, transmits or processes such card data on our behalf.

The University must be PCI DSS compliant at all times to remain a member of the card scheme. An annual audit is carried out based on our Merchant Level which is dependent on the number of card transactions processed per year.

9.1 Departmental actions

Departments must restrict access to Cardholder Data by business need-to-know and assign a unique ID to each person with computer access. All staff involved with such transactions should receive training annually.

PCI DSS Compliance Training

This course is mandatory for anyone involved in processing customer card payments and paperwork on behalf of the University.

<https://www.training.cam.ac.uk/fin/course/fin-comp-pci>

When considering purchasing new payment software, departments must speak to the Finance Division in the first instance to ensure full compliance with the regulations. There may be a solution already in use in another department.

The Finance Division and UIS are responsible for ensuring the University is PCI DSS compliant. If a Department breaches, or suspects there has been a breach in cardholder data security, they must contact the University PCI Compliance Officer.

University PCI Compliance Officer: Chris Patten
Head of Accounting Services
Tel: 01223 766733

For further details, including the Data Security Standards, see FPM Chapter 7 - Cash and Banking

10. Money Laundering Regulations

Money laundering is the process of taking profits from crime and corruption and transforming them into legitimate assets. It takes criminally-derived 'dirty funds' and converts them into other assets so they can be reintroduced into legitimate commerce.

In the UK, severe penalties are imposed on individuals connected with any stage of laundering money, including unlimited fines and/or terms of imprisonment ranging from 2 to 14 years. Offences include:

- failing to report knowledge and/or suspicion of money laundering
- failing to have adequate procedures to guard against money laundering
- knowingly assisting money launderers
- tipping-off suspected money launderers
- recklessly making a false or misleading statement in the context of money laundering

The University is required to adopt a risk-based approach towards anti-money laundering, and in how they conduct due diligence which will be set out in both policies and procedures.

10.1 Departmental actions

Customer set up	<p>It is essential that customers only exist once in the UFS customer database (even if they are invoiced by multiple departments).</p> <p>Therefore, all customer amendments and new customers should be set up by Shared Services in the Finance Division who will check for duplicates on your behalf and undertake credit checks.</p>
Monetary limits on cash payments and receipts	<p>Departments are not allowed to make or receive any payments in cash in excess of €10,000 or the sterling equivalent.</p>
Transfers of donated funds	<p>Transfers of donated funds to other institutions can only be to other charitable bodies and must always be approved by the Head of Department and be in accordance with the terms of the gift and the University's general charitable purposes.</p> <p>Donations cannot be transferred to individuals, except where the individual is the original donor and the University is unable to meet the terms of the original gift.</p>

11. Modern Slavery Act

In accordance with Section 54 of the Modern Slavery Act 2015, the University is required to prepare an anti-slavery and anti-trafficking statement for each financial year, setting out what steps it has taken to ensure that modern slavery is not taking place in its business or supply chains.

University's Anti-slavery and Anti-trafficking statement and policy

<https://www.registraryoffice.admin.cam.ac.uk/governance-and-strategy/anti-slavery-and-anti-trafficking>

11.1 University policy

The University is committed to a zero tolerance approach to modern slavery and to acting with integrity in all its dealings, relationships, and supply chains. It expects the same high standards from all its staff, suppliers, contractors, and those with whom it does business. This policy applies to all employees, workers, consultants, and other persons doing business with the University including all its wholly owned companies, contractors, and suppliers.

11.2 Supplier set-up

In support of the University Council policy - Anti-slavery and anti-trafficking statement and policy it is a requirement within the new Online Supplier Search and request Database, for departments to seek confirmation that our suppliers conform to the Anti-slavery and Anti-trafficking policy.

11.3 Compliance Statement

From September 2018 all requests to set up, amend or reactivate a supplier will require written confirmation from the supplier that they comply with the Modern Slavery Act 2015. The confirmation needs to be attached to the online request.

A supporting document outlines the basic policy, provides guidance on what is required from departments and includes a 'Modern Slavery Supplier Compliance Statement' that suppliers are required to sign and return.

Anti-slavery and Anti-trafficking background document

<https://www.finance.admin.cam.ac.uk/files/modernslavery.pdf>

11.4 Procurement Services

If the purchase is part of a formal tender/procurement process in conjunction with Procurement Services (Finance Division) then no further confirmation is required as compliance is part of that process. The relevant section of the signed contract should be attached to the online request.

Appendix A: Head of Institution financial responsibilities

Specific process	Reference
To sign contracts in the course of ordinary business (for those funds they are responsible for)	Fin Regs 6.1
Provide prior written consent for non-University commercial activities to be carried out	Fin Regs 25.1
Approve any sales to staff at below cost	Fin Regs 12.1
Authorise legal recovery for any outstanding debts	Fin Regs 12.2
Authorise bad-debt write offs up to £10k	Fin Regs 12.3
Authorise each grant funding application	Fin Regs 13.2
Provide justification for any grant applications submitted late to ROO and acceptance of the associated risk	ROO webpages
Annually notify ROO in writing of any delegated authority	FPM 19 (2.2)
Obtain advice from School Finance Managers (and HR) before costings provided to potential donors	Fin Regs 13.2
Accept single gifts up to £100,000 and notify CUDAR	Fin Regs 14.2 FPM 14 (2.5)
Approve the transfer of any donated funds	Fin Regs 14.4
Authorise dispensations from competitive procurement procedures where Total Value ≤£50k	Fin Regs 18.3
Provide written consent for procurement where Total Value ≤£50k	Fin Regs 18.3
Provide prior written consent for payments in advance >£10k	Fin Regs 18.4
Authorise IPO requests against invoices or for advance payments >£10k	FPM 6 (4.4)
Requests for a petty cash float and any subsequent increases in value	FPM 7 (4.2)
Complete request, application and T&C forms for departmental credit cards	FPM 6 (5)
Authorise monthly credit card expenses and expenses forms	FPM 6 (5)
Authorise claims for business entertainment	FPM 5b
Grant and monitor advances	FPM 5b
Authorise flight upgrades from Economy	FPM 5b
Authorise and submit claims for relocation expenses	HR webpages
Maintain a register of staff personal interests	Fin Regs 2.3
Authorise the acceptance of business gifts and hospitality	Fin Regs 2.4
Complete the University's Anti-Bribery and Corruption Training every two years	Memo from Emma Rampton to HOI Feb18

Specific process	Reference
Completion of P11D returns	Fin Reg 21.2
Provide a list of authorised payroll signatories	Fin Reg 31.4
Undertake cost space analysis for embedded companies	Fin Reg 27.2
Register proposed building works and provides required business cases, Concept Papers as required for PRAO	Sites and buildings regulations
Review and approval of the Financial Forecast	FPM 2
Receive and review copies of the monthly Financial Summary Reports	FPM 2
Maintain up to date risk registers	Risk management policy
Yearly confirmation of responsibilities under Financial Regulations and all material aspects of the institutions accounts are up to date	

Appendix B – Delegated authority form template

Delegator information	Name	
	Position	
	Institution	
	Email	
	Telephone	

Type of Request Select one of the options		Add delegation (<i>complete Sections II and V only</i>)
		Revoke delegation (<i>complete Sections III and V only</i>)
		Change delegation (<i>complete Sections IV and V only</i>)
		Add, revoke or make changes to a sub-delegation (<i>also complete section V</i>)

II. Add New Delegation <u>Delegated powers</u> <i>Please list all delegations and reference where appropriate the relevant section of the Financial Regulations</i>	Name of Delegatee	
	Position	
	Institution	
	Effective date of delegation	
	Expiration date of delegation	

<u>Sub-delegations</u> <i>An additional form must be completed for any sub-delegations and approval of HOI obtained</i>	Delegated powers and authority <i>e.g. Authority to Sign Contracts (Fin Regs 2012, subsection 6)</i>	Scope and limitations <i>e.g. GBP limits, dual signatures, approvals required</i>	Sub-delegations allowed-Y/N?

III. Revoke Existing Delegation <i>Enter the details for individual to whom the delegation was made.</i>	Name of Delegatee	
	Position	
	Institution	
	Effective date of revocation	
	Description of delegation to be revoked	

IV. Change scope of existing delegation	Name of Delegatee	
	Position	
	Institution	
	Effective date of change	
	Existing delegation	
	Required change	

V. Signatures <i>Must always be completed</i>	Delegator signature	
	Date	

Complete when adding new or changing existing delegations

By signing below, I accept full responsibility for the delegation of authority granted herein and agree to comply with the limitations on such authority and the University of Cambridge Financial Regulations. Any misuse of delegated authority by me may result in disciplinary action.

Delegatee signature	
Name	
Date	

Complete when revoking delegations

I understand that the delegation authority previously granted has now been revoked as detailed above. Any misuse of delegated authority by me may result in disciplinary action.

Previous Delegatee signature	
Name	
Date	

VI Approval of sub-delegations

The HOI must approve all new sub-delegations and any changes to or revocations of existing arrangements.

Approver title	
Signature	
Name	
Date	

Appendix C – Target audience for compliance courses

The University Training Booking System (UTBS) records those who have undertaken the training and provides direct evidence of the extent to which it has been successfully promulgated within the University.

A monthly report is sent from Finance Training to the nominated departmental key contact. The report lists all individuals who have completed the following training:

- Anti-Bribery and Corruption
- Modern Slavery
- PCI Compliance

Departmental Administrators should monitor who has successfully completed the training within their department.

Online course	Target audience	Repeated
Anti-Bribery and Corruption	<p>At the very least, training should be completed by all those, at any level of seniority, who:</p> <ul style="list-style-type: none"> • hold any kind of management role (e.g. all principal investigators) and/or have the authority to incur any level of expenditure • have international dealings of any kind, but particularly in emerging markets or areas of the world where risk of corruption is higher • work with contractors • contract on behalf of CUTS • are involved at any level in a decision to contract, i.e. to offer or receive goods, services, donations or research grants or contracts. <p>In this instance "staff" refers to all individuals working within the University at all levels and grades, including officers, employees (whether permanent, fixed term or temporary), workers, trainees, seconded staff, agency staff, volunteers, interns or any other person working in any context within the institution</p>	<p>Every two years</p>
Modern Slavery Act	<p>Mandatory for: All Finance Division staff</p> <p>As a pre-requisite for all new:</p> <ul style="list-style-type: none"> • transactional CUFS users (iProcurement users within 6 months of responsibility request) • users requiring update access to the Supplier Database • petty cash administrators • departmental credit card administrators • credit card applicants • CUFS Key Contacts • cash advances 	<p>One-off</p>

	<p>Existing credit card holders and individuals who already hold the above roles</p> <p>Users of other approved purchasing systems (PLANET, Alma, JProc, EDRS)</p>	<p>One-off</p>
	<p>Highly recommended for:</p> <p>Those with overall departmental purchasing responsibility and those involved with making procurement decisions</p> <p>Accounts staff in departments and other University institutions</p> <p>All those who wish to stay informed about current world issues that affect them</p>	
<p>PCI DSS Compliance</p>	<p>Mandatory for anyone involved in processing customer card payments and paperwork on behalf of the University.</p>	<p>Repeat annually</p>