



Financial Procedures

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Exeter College Financial Procedures

Contents

Section 1	Forward
Section 2	Customer Account billing and Credit Control
Section 3	Ordering & Payments and Contract Tendering under £100,000
Section 4	Contract Tendering in excess of £100,000
Section 5	Cash/online payments collection
Section 6	Stock of Goods and Small Equipment
Section 7	Purchasing of Information and Communications Technology items
Section 8	Information Governance
Section 9	Payroll Systems
Section 10	Petty Cash Expenditure
Section 11	Travel and Subsistence costs
Section 12	Treasury management
Section 13	Budget Management
Section 14	Budget Setting

Appendices:	A	Financial year end procedures
	B	Expenses policy
	C	Timetable for production of Financial Statements

SECTION 1: FORWARD

This manual is devised to advise staff of the correct procedures to follow when undertaking financial transactions for the Exeter College Group. It is not an exhaustive list and may be added to at any time without further notice.

The procedures manual should be used in conjunction with the College Group's Financial Regulations manual.

If the reader is at all uncertain with a financial process, consultation with a member of the Finance Department is encouraged.

Finance Department
September 2024

SECTION 2: CUSTOMER ACCOUNT BILLING & CREDIT CONTROL (Payment must be made)

- 2.1 Official college invoices are used when required for course fees, grant / project income, lettings and other relevant income due to the College.
- 2.2 All student invoices are raised in finance and are generated by the student record interface at least monthly and weekly at busier periods. Invoices are generally emailed directly to the customer.
- 2.3 All other invoices can be raised by co-ordinators / administrators using FIS and will be emailed to the customer. Correct billing for all of these activities is the responsibility of the Head of Faculty / Department.
- 2.4 Responsibility for additional budgets will be assigned by the Principal, depending on the nature of the project. Information on invoicing is passed to the Finance Department.
- 2.5 Where an employer is being invoiced for a student's fees, an employer's authorisation form is required. By signing this form, the employer agrees to pay for the student's fees even if they do not complete the course or leave their employment. This form is attached to the invoice, and can be used as a legal document in the event of legal action. Invoices are raised via the Student Records Interface or on an individual basis. If a student does not obtain an employers authorisation form they become liable for payment of their own fees.
- 2.6 Copies of all paperwork are scanned to FIS and attached to the relevant customer file.

CREDIT CONTROL

- 2.7 Credit terms are 28 days from the date of invoice, unless an instalment agreement has been set up.

If payment is not received on the due date, an e mail is sent or a phone call is made to the customer reminding them that payment is overdue.

If an invoice is not paid by the due date, a first reminder should be generated from FIS, 14 days after the due date. A second reminder is generated 28 days after the due date and a final reminder is sent after 42 days.

A print run of reminder letters is generated from FIS weekly. The system automatically notes on the customer record the severity and date of the letter.

Final demands threatening legal action are sent to customers who do not pay after the third reminder.

A note is put on the description screen in FIS to say what action has been taken.

If the invoice is still not paid, a check is made to ensure that there are no queries with the account, i.e. check address on student records, email tutor to see if student still attending, re-check paperwork to ensure invoice is correct. If all appears to be correct the debt is passed to STA International. For minors no further action is taken apart from the system being flagged to prevent them from re enrolling at the College.

If the tutor confirms that the student is still attending, the Head of Faculty and tutor will meet with the Finance Manager to discuss whether the student should be withdrawn from the course.

The Finance Manager meets with the Director of Finance on a regular basis to discuss any concerns about outstanding debts. Debt reports are taken to the Senior Resources (Finance) Committee for approval.

REFUNDS

2.8 Refunds are available for students in the following situations;

- The College cancels the course
- The course is not appropriate for the student's level of qualification / experience
- Withdrawal due to medical reasons – supported by a medical certificate. A pro-rata refund may be granted.
- Withdrawal in accordance with the course fees policy

If the payment was made by credit / debit card the refund is credited to the same card. A credit card refund form is completed and passed to the Finance Manager of the refund is credited to the card and the cardholder copy of the receipt is sent to the learner.

If the payment was by cash / cheque then refund is issued as a BACs payment. A payment request form is completed and passed to the Finance Manager along with the supporting evidence. Once signed this is passed to the Accounts Team and a payment raised. If a whole course is cancelled, the Faculty Co-ordinator / Administrator provides the Accounts Team with the information so that any learner who has made payment can be refunded.

CREDIT NOTES & WRITE OFFS

2.9 Credit Notes

Credit notes can be issued for a number of reasons:

- Duplicate invoice
- Already paid – receipt number given
- Concession evidence received
- Student invoiced but employer authorisation form received
- Overcharged

Credit notes are raised in FIS via the workflow, for the Finance Manager or College Accountant approval.

Evidence of reason for credit must be attached to the credit note i.e. copy of the receipt etc.

A copy of the credit note is distributed if required.

Copies of all paperwork are scanned to FIS and attached to the relevant customer file.

2.10 **Write Offs**

Write offs can be made if all attempts to recover the debt have failed and it is uneconomical to pursue the debt further.

Write offs under £5,000 can also be made on the agreement of the College Accountant and Finance Manager. Each case is judged on an individual basis depending on the circumstances involved and the likelihood of being able to collect the debt.

A proposal is produced by the Accounts Team detailing action that has been taken and the reason for the write off. This is then passed to the College Accountant and Finance Manager for approval.

For write offs in excess of £5,000, a proposal is submitted to Senior Resources (Finance) Committee for approval.

Once approved, the write offs are processed on the FIS system by the Accounts Team.

SECTION 3: ORDERING & PAYMENTS AND CONTRACT TENDERING UNDER £100,000

- 3.1 Heads of Faculties / Departments and other budget holders are responsible for the management of their own delegated budgets.
- 3.2 Heads of Faculties / Departments are responsible for ensuring their procedures for ordering and tendering comply with College Financial Regulations. Heads should refer to the College procurement policy.
- 3.3 The College finance system has a password entry system. Passwords must never be divulged to a third party and are set in a format comparable to the main network passwords for the College. Passwords expire every 56 days.
- 3.4 All faculties / departments orders are to be processed on the College finance system (FIS).
- 3.5 Departments complete a requisition when ordering goods and services. This is entered by the administrative staff onto the finance system. The budget holder authorises the requisition electronically. The requisition is superseded by a Purchase order.
- 3.6 The order number is held on the College's commitment system.
- 3.7 Confirmation orders must be noted as such.
- 3.8 Authorisation limits for orders are as follows:

Heads of Faculty / department	-	Five thousand pounds
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Director of Finance and College Accountant	-	unlimited
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These limits are subject to the overriding requirement that where a purchase is part of a project exceeding five hundred thousand pounds then the project must have been approved by the Business Services Committee of the Corporation (Financial Regulations 17.6).

The Financial Regulations state:

- under £5,000 – the budget holder shall have the discretion to decide whether or not to obtain

Quotations, but value-for-money must always be obtained.

- From £5,000 to £100,000 – the budget holder shall be required to obtain at least three quotations

The 'Register of Interests' form should be completed by all present at the opening of responses and when complete held with the Head of Governance

- 3.9 An electronic Purchase Order is emailed to the requisitioner and the supplier
- 3.10 Once the goods or service have been received and the requisitioner is content the invoice should be paid, the purchase order is marked as good received and will then be ready for payment once the invoice is received in the Finance Department.
- 3.11 Once the invoice is received and matched with the receipted order the invoice will automatically be paid.

SECTION 4 CONTRACT TENDERING IN EXCESS OF £100,000

4.1 Single Source Authority (for the Purchase / Tender to Supply, Install and Maintain)

Where it has been identified that the issue of competitive documentation would be futile as there is only one available provider in the marketplace or that a 'Framework Agreement' supplier has indicated a sole provider, the 'Single Source Authority' form should be completed by the Head of Department or Faculty and counter-signed by the college accountant and held on the Procurement file.

4.2 (ITT) Invitation to Tender Procedure will be led by the Director of Finance.

The Financial Regulations state;

- Over £100,000 – all items will require a minimum of three competitive tenders.
- Over (*) £189,330 – Supply, Service & Design (*) £4,733,252 – Works Contracts. Governed by the Public Contracts Regulations 2015 (note the thresholds are before VAT). Please liaise with College Accountant or Director of Finance (*) Revised on 1st January 2020)

Ensure that the 'Register of Interests' form is completed by the originator and that any conflict of interest is clearly stated. The Register of Interest document is held with the Head of Governance.

Once evaluation has been concluded;

- Complete Tender Register with successful company
- Quality Assessed (Yes / No)
- Complete 'Savings Report' on 'Procurement Portal (if applicable)
- Issue of Purchase Order and Letter issued to successful provider
- Unsuccessful letters or e-mails issued and feedback provided by College Accountant (if requested). Note: if subject to the Public Contracts Regulations 2015 / Find a Tender, then the unsuccessful letters must set out the full scores and reasons for both successful and unsuccessful bidder.
- Public Contracts Regulations 2015, please liaise the College Accountant or Director of Finance

Unsuccessful documentation should be retained for 3 years but further guidance is available from the Finance Department.

SECTION 5: CASH/ONLINE PAYMENT COLLECTION

5.1 Cash Income could be received from the following sources:

- Trip, residential and resource fees
- Sports Academy
- Hairdressing and Beauty Salons
- Catering
- Nursery
- Course Fees
- Learning Centres
- Kit

5.2 All student income should be collected through the online payment system where possible. The college aims to be a cashless campus. If any cash is collected by departments/faculties, including fees, it is to be paid into a till within twenty four hours. A till receipt must be given to the person paying in the money. The cashier enters details on a miscellaneous sheet for miscellaneous income (e.g. residential fees). The details include Cost Centre, Account Code, Sub Code, trip name, amount paid, Initials of person paying money in, and the receipt number.

If a student is paying for course fees, the enrolment form is validated with the receipt number.

All income received must be paid into a College till. No cash is to be held to make purchases. Funds must be withdrawn separately for this purpose.

Payments by debit / credit card must be taken in the customer presence, the full card details, including the security code must not be recorded or stored. This is to ensure compliance with the Payment Card Industry Data Security Standards. If the method of payment is debit / credit card, the receipt number should be written on the top of the debit / credit card slip along with the student's name. Payments by debit / credit card can be taken over the phone with the card holder's permission. The details must be entered directly into the card reader and the transaction entered into the card reader as 'customer not present'.

In the unlikely event the method of payment is cheque, the receipt number should be validated on the back of the cheque.

5.3 A member of the Accounts Team visits the various sites around the college with a member of the security team and collects the income on a weekly basis. The Hospitality, Hair and Beauty faculty bring their income to Finance on a regular basis. The z read and till journal roll must be included with the banking.

Income taken at the tills in reception is counted by reception staff at the end of each day and put into a sealed bag along with an analysis of the money taken. This is checked by a member of the Accounts team when they bank the money. The Head of Advice, admissions and learning centres and Finance Manager are notified of any significant variances (over £50).

Income collected at remote sites is delivered to the Finance Department by the faculty staff for paying into a till and the issuing of receipts.

The income is counted and reconciled by a member of the Accounts Team. If the till is over or under by £5.00, the difference is posted to the "under's & Overs" account code. Significant variances are investigated by the Finance Manager (over £50). The Team Leader Income reconciles the unders / overs code on FIS to ensure there is not a significant credit balance.

All void receipts which are identified on cash registers shall be signed by the till operator and marked void. The receipts are voided out by a member of the Accounts Team on collection of the till.

Educational Visits

- 5.4 All student money should be collected using the online payment system. This will record details of payments and will allow the faculty co-ordinator to monitor the payments by using the online reporting tools. All new trips can be set up by the faculty co-ordinator and once all the coding is complete the finance team will publish the product on the College website. Students will receive an online confirmation of any payments. Any refunds required need to be submitted to the accounts team which will be approved and actioned by the Finance Manager / College Accountant.
- 5.5 All trips, visits or residential of any nature require an individual sub-code where possible in order to monitor the Income and expenditure attributable to the trip.
- 5.6 An income target for trips is given at the start of the Academic year, together with an expenditure budget to match. Should the income target be exceeded, the budget for both income and expenditure will be increased to the relevant account and sub code. This will be completed by the Management accounts team at the end of each month.

Hairdressing / Beauty Therapy

- 5.7. All bookings are by prior appointment only. Customers check in at the reception area on arrival and details are entered in the treatment ledger.
- 5.8 Customers pay at reception after they have received their service / treatment and a till receipt is issued from the Departments till.
- 5.9 All Cash received is transported to the Finance Department on a regular basis.
- 5.10 The Hair Salon Supervisor reconciles the income against the treatment ledger and completes an Income form on a daily basis.

Catering Department

- 5.11 Cash receipts are recorded through a till and details recorded on a daily account sheet. The income is reconciled against the till readings by Catering Staff and all shortages or surpluses are investigated by the catering staff. If the difference is greater than £5.00, the Head of Faculty has to sign to confirm that he / she has been made aware of the discrepancy. The Head of Faculty should investigate on going discrepancies and discuss matters with the Finance Manager.

The income is then put in a pre-printed envelope with a breakdown of the fees etc and kept in a safe until the Finance team collect the envelopes. The Finance team collect envelopes weekly. The z read and the till journal role must be included with the banking.

- 5.12 When the income is brought to the Finance Department, the envelope is opened and the income counted. The net and vat amount are noted on the envelope and signed by the member of staff counting the money.

Learning Centres

- 5.13 Fines are charged in the Learning Centres. Fines are charged at the relevant current rate. This applies to both staff and learners.
- 5.14 Money received is kept in a cash box which is securely held.
- 5.15 All income for the Learning Centres is paid into one of the reception tills depending on the Learning Centre location on a weekly basis.

Presentation Resources

- 5.16 Cash is received from the sales of stationery, art and graphics items. Till receipts are issued if requested.
- 5.17. A cash register is kept and is balanced on a weekly basis. Income received is kept in a locked cupboard. The cash is paid into a reception till.

SECTION 6: STOCK OF GOODS AND SMALL EQUIPMENT

- 6.1 Official College inventories are to be used, and supplemented by a College Fixed Asset Register.
- 6.2 The responsibility for maintenance of the inventories has been delegated to the individual Budget Holders.
- 6.3 Heads of Faculty / Departments are required to countersign the inventories after the updating and checking has been completed. Inventories should be checked on an annual basis.
- 6.4 Items of non-consumable equipment, purchased or donated and having a value of more than two hundred and fifty pounds, or items smaller in value but of an 'attractive' and portable nature should be reported to the Finance Department for adding to the attractive asset register.

- 6.5 Basic furniture and consumable items are not recorded.
- 6.6 Any serial numbers of other identifying details should be recorded.
- 6.7 Items included in the inventory are to be marked as College property.
- 6.8 Heads of Faculty / Department are authorised to write off items of equipment to a level of two hundred and fifty pounds. All write offs must be included in the inventory.
- 6.9 Loans of equipment from the Learning Centres are allowed subject to proper authorisation. If loaned items are not returned by the specified date the procedure of overdue accounts is followed. A copy of this policy is available from the Learning Centres.
- 6.10 In the Hospitality Faculty, copies of menu's and requisitions are filed daily along with receipts from the shop and restaurant. A spreadsheet is updated to record actual spend and income received. These records are reviewed weekly by the Head of Faculty or Deputy Head of Faculty.
- Paper stock records are kept for freezer contents. These are updated daily and a stock record of wine and spirits is checked monthly. The fridge contents and dried goods are monitored visually daily before new orders are raised.
- All fresh deliveries are checked on arrival and fish and meat temperatures are checked and recorded along with weight and quantity.
- 6.11 All Heads of Faculty / departments and Budget Holders are responsible for the security of stock held on College premises.
- 6.12 Assets disposed should be notified to the College Accountant prior to disposal. The College Accountant will check the register and make arrangements for the asset to be removed. Any costs / loss of disposal will be advised to the Director of Finance. Any proceeds from disposal will be notified to the College Accountant.

SECTION 7: PURCHASING OF INFORMATION AND COMMUNICATIONS TECHNOLOGY ITEMS

- 7.1 All purchases of ICT hardware, software or services must be approved by the Director of College Information Services or the IT Manager.
- 7.2 ICT purchasing shall be carried out to achieve best value and in accordance with requirements set down by the Finance Department. Purchasing consortia and procurement frameworks shall be used wherever possible.
- 7.3 ICT Services shall ensure that all portable ICT assets having a value in excess of £100 carry security markings.
- 7.4 ICT equipment shall be deployed such that its useful life is extended so far as is practical. Redundant equipment shall be returned to ICT Services for disposal in accordance with applicable legislation. ICT Services shall maintain full documentation of such disposals.

Where equipment for disposal includes magnetic, optical or solid state storage devices, these must be subject to certified data destruction procedures set out by ICT Services.

- 7.5 ICT Services shall maintain records of equipment supplied to departments and faculties. It is the responsibility of the departments and faculties to keep appropriate records where they make portable equipment available to employees for their use on and off college premises.
- 7.6 The College is legally bound to comply with copyright law in respect of computer software. ICT Services shall maintain a definitive software library describing applications that are permitted on college systems; this shall include details of all software licences owned by the College; strict adherence to licensing requirements shall be enforced. User accounts shall be configured to prevent the un-authorised installation of software. Users should contact IT Support for advice on acquiring new software. Some software may be purchased from the college, at advantageous rates, for professional use "at home". The Learning Supplies shop can provide further information on this.

SECTION 8: INFORMATION GOVERNANCE

- 8.1 In the event of third-party requests under Freedom of Information legislation budget holders and purchasing decision makers may be required to demonstrate due process leading to purchasing decisions.
- 8.2 The College's Information Governance framework including Information Security Policy, Data Protection Policy and guidance documents are available on the Portal. Advice on Information Governance matters may be obtained from the College's Information Governance / Data Protection Officer.

SECTION 9: PAYROLL SYSTEMS

- 9.1 The Senior Leadership Team are responsible for the correct appointment of all staff.
- 9.2 Starter Forms are completed for all new employees. A HR representative signs the completed form and passes it to the Finance Department (Payroll Officer) along with the P45 or Starter Checklist, if applicable, for actioning onto the College's payroll system.
- All new members of staff shall be subject to an enquiry under the Disclosure and Barring Service (DBS). The People department will administer this enquiry.
- 9.3 All staff must notify the HR department in writing when they wish to terminate their employment. A leaver's form is completed by the HR department and passed to the payroll section for processing. Other than in the probationary period, lecturing staff must give three months notice. If they intend to leave at the end of the academic year, they must tender their notice by May half term. Business support staff on contracts below EC7 are required

to give one months notice. Above EC7 and Management contracts are required to give three months notice and members of the CLT and SLT are required to give four months notice.

- 9.4 The Head of People operations is responsible for ensuring any amendments to pay are advised to the payroll section immediately to ensure that appropriate changes are made prior to the relevant pay run.
- 9.5 Each month the College payroll is reconciled, within the Finance Department, to the salaries budget and Finance system.
- 9.6 Personal records are held for each member of staff within the People Team. The records contain all personal details relating to employment – i.e. application form and appointment details, medical information, reference etc. Staff access to their own personal file is allowed in the presence of the Head of People. Normal limitations regarding confidential items will apply. A payroll file is held within the Finance Department detailing all paperwork received regarding salary information.
- 9.7 Annual leave for support staff is controlled by the Head of Faculty/department or designated line manager. Flexi and leave cards (paper and electronic) are completed by staff and monitored within the individual Faculty / Department.
- 9.8 Flexitime for support and manual staff is governed by separate procedures.
- 9.9 No overtime payments are made to staff without prior approval from the Senior Leadership Team.
- 9.10 All sickness absence should be reported to the People Team by the department / faculty Co-ordinator / Administrator on a weekly basis. This should be done in the relevant form prescribed by HR. HR should be advised when the member of staff returns to work following their period of absence.
- 9.11 Pay slips are available on-line, via a secure portal.
- 9.12 Associate Lecturers are issued with a letter detailing the total number of Associate Lecturer hours to be worked for the Academic year. In most cases the associate lecturer need make no claim as salary payments will be calculated and made automatically. Payments will be made over the period September to August but will vary in time depending on the nature of the hours and the conditions of the pay award, if applicable, each academic year.

In cases where a claim must still be made (for example 'one off' or short term contract) a form is completed by the Associate Lecturer, claim forms are checked and signed by the Head of Faculty and should be submitted to the payroll section at the end of the month in which the work was carried out.

- 9.13 In exceptional circumstances, self employed consultants providing various services to the college may be paid through the purchase ledger system without deduction of Income Tax and National Insurance contributions. The proof of self-employment required for a consultant to be paid other than through the College payroll system is:

Confirmation from HMRC via the Employment Status Indicator

Invoice received from a limited company

On the recommendation of the Colleges employment tax advisors

Where individuals fall within the categorisation of earnings criteria, they may be paid via payroll but on a self employed basis, with class 1 national insurance deductions being taken.

SECTION 10: PETTY CASH EXPENDITURE

- 10.1 Faculties and departments maintain their floats and provide claim forms to Finance for reimbursement of the monies spent.
- 10.2 On a weekly basis, a reconciliation is carried out by the Finance Department to confirm claim forms received match income reimbursed.
- 10.3 Reimbursement for receipts up to a maximum of £50.00 is allowed. The total for reimbursement on each petty cash slip may include multiple receipts where each individual receipt does not exceed £50.00. Any receipts for above this amount must be approved by the Finance Manager or College Accountant only in exceptional circumstances.
- 10.4 Designated Finance staff hold the safe keys and these are removed from College premises out of office hours.
- 10.5 A person requiring a petty cash disbursement must submit a VAT receipt to the Finance Department. Those who have not obtained a receipt must have the appropriate authorisation from the budget holder. Those requiring a petty cash advance before purchase must complete the relevant form held by the Finance Department. Following purchase they must return receipts and any change to the Finance Department.

SECTION 11: TRAVEL AND SUBSISTENCE COSTS

- 11.1 Vehicles are hired from local firms, via the normal requisition/order procedures. All hire must be authorised and records kept in the form of copy orders. Any user must first explore using a college pool car or co-car and its availability for the journey
- 11.2 Reference should be made to any consortium contract in place.
- 11.3 All travel must be approved by the budget holder. Where an employees' car is used, full details of travel undertaken should be included on the official Travel Claim Form. This should include a full breakdown of places visited and purpose of the visit.
- 11.4 These are signed by the budget holder and claims passed to the Finance Department for processing via the payroll.
- 11.5 The College's dispensation allows for reimbursement of actual costs incurred provided receipts are available.

- 11.6 Where there is a need for a cash advance to be made, this should be approved in writing by the Director of Finance . Where a cash advance is given, details of all expenditure must be provided, as should receipts where possible. Any amount remaining from the advance must be immediately returned to the Finance Department.
- 11.7 On occasions, staff may be required to travel overseas as part of their working duties. Receipts must be provided and payment will be made in line with the College's dispensation.

SECTION 12: TREASURY MANAGEMENT

- 12.1 Investment or deposit of Exeter College funds shall be in accordance with the Treasury Management Policy in force and approved by the Corporation's Business Services Committee.
- 12.2 The General account balance is reviewed daily and any excess above the agreed limit is transferred into the Business Call account on a short term basis to maximise interest when interest rates are favourable. Transfers are signed off by the College Accountant or Director of Finance.
- 12.2 Transfers of funds from any Exeter College Bank account into deposit or investment accounts shall be subject to the approval of authorised signatories as set out in paragraph 14.3 of the College's Financial Regulations.

- 12.3 The College Accountant is responsible for ensuring compliance with the College's Treasury Management Policy.
- 12.4 The College Accountant is also responsible for assessing the timing and amounts of funds available for placement, and for making recommendations to authorised signatories in this regard.
- 12.5 The College Accountant is further responsible for liaison with relevant Banks regarding day to day administrative arrangements of funds placement.

SECTION 13: BUDGET MANAGEMENT

- 13.1 Budget/cost transfers must be authorised by the initiating and receiving Budget Holders via e-mail. These are checked by the Management Accountant for checks the relevance and appropriateness of coding used.
- 13.2 New budget cost centre and account codes must be requested to the Finance Department.
- 13.3 When organising students' trips, visits or residentials of any nature due regard must be given to VAT. In considering the cost of items, transport and other services provided, VAT must be considered as part of the cost to be recharged to the students. The rate of students' contributions must be set accordingly to meet all the costs of the trip, unless the budget holder has agreed to contribute to the fund, from their expense budget.

13.4 All income received by the College (including that for enrolment support fees and till income, such as student contributions to trips, visits and residentials) will be paid into an income code. Where this income needs to be reflected in an expenditure budget, the expenditure budget is increased to an amount that does not exceed the income received.

13.5 When breaches of financial regulations are identified, the Head of Faculty / Department will be contacted to ascertain the reason for the breach.

The College Accountant will review the reasons given and make a judgement as to whether the breach was justified. If justified, the breach is not considered reportable.

Breaches of financial regulations, identified by the Finance Department, will be reported to the Senior Resources (Finance) Committee on at least a termly basis.

Persistent offenders could be called to the Audit and Risk Assurance Committee to explain their actions and reason for breaching regulations.

13.6 Allocations of budget to Budget Holders will, be made on the first day of the Academic year. It is the responsibility of the budget holder to spend their allocated budget accordingly.

13.7 On the first working day of each month, the Finance Department will carry out the 'month end closedown' procedures on the College's finance system. The system will be closed to users for this purpose.

13.8 Every budget holder has access to the Finance section on the CIS system for the faculties they are responsible for. They will have live information for the following reports:

- Actual expenditure in the financial year to date;
- Commitments outstanding; and
- Residual budget available to spend (expenditure in excess of budget allocations to date).

The Senior Leadership Team, also have access to these reports covering the areas for which they are responsible.

13.9 The College Accountant is responsible for the preparation of monthly management accounts for the college, summarising the income and expenditure for the month and financial year to date. This information will be reported in comparison with the original budget, previous year actual and will include forecast information.

The management accounts will comply with current perceived best practice and will, inter alia, include the following information:

- Balance sheet as at the month end in comparison with the end of the previous financial year;
- Cash flow forecast for the remainder of the year and subsequent twelve month period;
- Commentary on the variances identified between actual results to date and budgeted results;

- A review on the college's permanent staff and part time teaching budget line monitoring actual costs against budget and forecast.

The management accounts will be available in draft from ten working days after the end of the month to which they relate. The figures will then be presented to the Director of Finance for approval. Once approved they will be presented to Business Services Committee.

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13.10 The Management Accounts will be submitted to the relevant banks, 15 days after the end of the following reported month. For example, management accounts for the period ended 31 December are due to be received by the bank by 15 February.

13.11 The projected out-turn forecast will be reviewed in line with the preparation of the management accounts.

The Management Accountant/College Accountant will liaise with budget holders to establish the reason for under/overspends and present to the Director of Finance.

13.12 On the first working day of August each year, the Finance Department will carry out the 'year end closedown' procedures on the College's finance system.

Separate procedures have been drawn up by the Management Accountant to provide guidance to the Finance Department and Budget Holders on the year-end procedures.

Scheme of delegation

The Management of college resources is part of the duties of certain posts within the organisation. Certain members of staff, usually College Managers, are responsible for the management of budgets delegated to them. These include the following:

Heads of Faculties	Part time budget issued from Academic plan Consumables budget issued from Academic plan
Head of Business Support / Cross College Departments	Administration budgets for operational units
Senior Managers	Development Funding
Departments that generate income	Budgets to source units e.g. Catering, Hairdressing, Nursery
Apprenticeships	Travel allowances for trainees, Payments for sub contracted work and monitoring income achievement against target
Director of Estates & Sustainability	Utility budgets, maintenance budgets, summer works budget, rent and rates

Capital expenditure

Heads of Support Departments	Annual Contracts e.g. Finance System, CIS system, HR system
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Heads of Delivery Department	Short Course income and expenditure
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Director of People and Organisational Development	Staff development budget
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Director of College Information Services	Exam Board expenditure
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Budget holders should manage their budgets with due regard for efficiency, effectiveness and economy, and should not overspend their budgets.

Budget holders can assess information to their budgets through the FIS finance system.

SECTION 14: BUDGET SETTING

- 14.1 Each year, the college will set an income and expenditure account, forecast balance sheet and capital budget as the basis for budgetary control throughout the year. The Director of Finance is responsible for the preparation of this budget. This is presented to SLT in May prior to the start of the financial year, for consideration by the Business Services Committee in June each year.
- 14.2 The Board of the Corporation is responsible for the approval of the College budget. The corporation prior to the start of the financial year must approve the provisional budget for any financial year. Any changes to the college budget can only be made with the approval of the Board of the Corporation. The budget is the basis for monitoring the college management accounts.
- 14.3 Each budget line is set based on relevant information. For example, when setting the budget, due regard is given to: demographic information, historical trends, previous out turn statements, known changes in pricing, the College's Academic Plan, the College's Estate

portfolio, the College's Strategic Plan, cash reserves and current interest rates, and other known information which drive the college budget lines. These factors apply to both income and expenditure lines.

- 14.4 The approved budget is continually reviewed and monitored for variance throughout the year. An updated forecast out-turn is included in the management accounts and is reviewed on a monthly basis.
- 14.5 Once the Board of the Corporation has approved the budget, it is entered onto the colleges finance system and budget allocations made in accordance with the approved figures.
- 14.6 Budget allocations are profiled to be entered into departmental budgets. The annual allocation is given from the first day of the financial year (1 August).
- 14.7 The College Accountant monitors the Capital expenditure on a monthly basis, and includes the information in the monthly management accounts.
- 14.8 When setting the Capital budget, regard is given to revenue implications of capital expenditure every year.
- 14.9 No changes to the approved budget can be made without the written agreement of the Board of the Corporation.

APPENDIX A



FINANCE DEPARTMENT

CLOSEDOWN PROCEDURES – JULY 2025

The College's financial year runs from 1 August to 31 July each year, therefore the accounts closedown will take place on the morning of Friday 1st August 2025 for the end of financial year 2024/25

There are procedures that should be followed in order for the true year-end financial position of the College to be established, and to enable the statutory accounts (financial statements) to be produced.

Commitment system

FIS will be closed for ordering from [Wednesday 16th July 2025](#). Any requests for exceptional orders to be raised after this date should be made via e mail to Kate Barczok.

Before that date, could budget holders please ensure that all commitments to suppliers are recorded onto the system and authorised.

The following week, all budget holders will be provided with a hard copy listing of all outstanding commitments on the system, and asked to complete a return showing if the commitment is likely to materialise into an invoice for goods or services for work completed before the end of July 2025.

Providing that the technical aspect of closedown works, FIS will be on-line for ordering, from [Monday 4th August 2025](#).

Part time teaching and travel claims

If there are any claims for pay outstanding, either for exceptional work, or staff who are over hours, could budget holders please ensure that all these are sent to payroll in time for the July 2025 pay run.

The deadline for getting this information to payroll is no later than [Wednesday 2nd July 2025](#). Receipt after this date will not guarantee payment in July's salary.

Important

Where full time staff are over their contracted hours, a "teaching staff annual overtime claim form" must be completed. [The claim form must be countersigned by the sector Assistant Principal](#). The form can be found on the payroll button on the Finance portal.

Please remember that any overtime payment calculations for full time staff over hours [should not](#) include the holiday rate element of pay.

All staff should be reminded of the need to submit any outstanding travel claims relating to year 2024/25 by [Friday 1st August 2025](#) in order that the true picture of the travel line can be identified. Claims submitted by this date will be paid in the August pay run.

Transfer of Costs

Please can you ensure that all transfer of cost requests, relating to 2024/25 are authorised, and emailed to Management Accounts, by [Wednesday 16th July 2025](#).

Payment of invoices – Important!

Budget holders must ensure that there are no invoices held in their faculties / departments that are awaiting authorisation for payment.

All invoices, which have been logged onto the finance system and work-flowed to the faculty / department Co-ordinators / Administrator for authorisation should be authorised immediately. Co-ordinators / Administrators must please advise the Finance department if there is a dispute regarding payment of an invoice.

Petty cash

The last payment for petty cash will be the [Wednesday 23rd July 2025](#). The reimbursement for petty cash, will commence again from [Monday 4th August 2025](#)

We are also asking that you complete a certificate to confirm the balance of your petty cash floats as at the [31st July 2025](#). Please return this to Management Accounts by [Monday 4th August 2025](#)

Income

Budget holders must ensure that all income due to the College has actually been received and banked. All income which has been received from students should be paid into a cash register as soon as it is received.

All invoices to third parties from the College, must be raised and authorised on FIS by [Wednesday 23rd July 2025](#).

Any queries regarding this should be directed to Wayne Chant.

Finally, if there are any matters that you need further clarification on, please let me know, and I will go through them in greater detail with you.

Kind regards and thank you in advance for your support.

Kate Barczok
College Accountant

APPENDIX B

Exeter College Details of Expenses Payable and Allowable

This document is for the purpose of clarification of the payment expenses of all kinds to members of staff and to outline the procedure to be followed to obtain reimbursement.

1. Travel and Subsistence Rates

Before a journey is undertaken, permission must be sought from the appropriate budget holder who will be funding the journey. Expenses must be claimed on the appropriate claim form which is obtainable from the Department Co-ordinator / Administrator or the Finance Department or on the Finance Department intranet.

When the claim form has been completed and appropriate receipts attached, it must be signed by the Budget Holder and returned to the Finance Department for processing.

Any claim received after the 3rd of the month will be processed for payment at the end of the following month.

Any claim not submitted within two months of the journey or expense having taken place, will need approval from the Director of Finance before payment can be made as per the College's Financial Regulations.

Reimbursement of costs actually incurred by employees, when supported by receipts, on journeys undertaken for business purposes by road, rail, air and sea, but excluding ordinary commuting.

Minor business travel expenditure such as parking, road and bridge tolls and tube fares for which receipts are not available may be reimbursed under the terms of the College's dispensation notice providing that there is alternative supporting documentation to confirm that the expenses were necessarily incurred.

The rate payable by the College for travel in a private motor car for business use is 40p per mile up to a maximum of 10,000 miles. Any mileage over that amount will be paid at the appropriate HMRC approved rate.

These amounts are payable irrespective of the vehicle engine capacity.

Use of Pool Cars

Pool cars must only be used for business journeys. Pool cars must not normally be kept at home overnight but if they are, private use of the pool car must be merely incidental to a business journey.

Approval of the use of a pool car must be given by the Estates department.

Please refer to the Driving College Vehicles policy on the Estates Portal.

Subsistence Allowances

In order to qualify for a payment for subsistence, a member of staff must demonstrate that their duties have led to their being actually & necessarily absent from their normal College workplace for the times listed below.

When meal costs are claimed, supporting receipts must be submitted.

The maximum rates of allowance are:

Breakfast	£7.50 Claimable if left home on College business before 7.30am or stayed overnight
Lunch	£7.50 Claimable if away from normal place where lunch would be taken, on College business
Evening Meal	£15.00 Claimable if travelling on College business after 7.00pm as part of a continuous day

All of the above amounts include beverages however the college will not reimburse for the costs of any alcoholic beverages.

To qualify for these allowances, staff must have travelled more than 3 miles from the College and their home and must have incurred additional expense as a result of the business trip.

Staying overnight

Reimbursement for overnight accommodation will be made providing that the expenditure has been agreed in advance with the line manager. Receipts must be provided for all expenditure claimed.

The maximum rates of allowance are:

London Hotels	£130.00 per night
Other Destinations	£90.00 per night

Wherever possible, accommodation arrangements should be ordered in advance through the College, with payment to be made directly by the College.

Reimbursement for any accommodation costs incurred directly by the employee will be **limited to the total of valid original receipts** or up to the maximum allowance detailed above.

If staying with friends or relatives, no accommodation expenses can be claimed, although meal allowances can be claimed in full if additional expenses have been incurred by the member of staff.

Incidental Expenses

No reimbursement will be made for personal subsistence expenses (newspapers, personal telephone calls, Personal WIFI access, alcoholic drinks, pay TV etc). Business telephone calls are allowable, if itemised and the claimant identifies the destination of the call.

2. Eye Tests and Medical Aids

I. Eye Screening and Eye Tests

Where an employee is an established VDU user, they may contact the Occupational Health Nurse who will arrange an Eye Screening. Where appropriate, the nurse may advise an Eye Test for which the cost will be reclaimable to the value of £16.00.

II. Spectacles

Where an employee is required to wear spectacles for VDU purposes, an amount of up to £64.00 is claimable towards an appropriate pair of spectacles (including eye test). An amount of up to £16.00 is claimable towards an eye test not resulting in the need for spectacles.. Consultation should be made with the Occupational Health Nurse before a purchase is made. No reimbursement will take place without the approval of the Occupational Health Nurse.

III. Safety Wear and Equipment

Where safety wear or equipment is required such as boots or goggles, the employee concerned should liaise with their Head of Department who will purchase the necessary items through the College's Financial System. If an individual wished

to receive an item of superior quality than the standard item purchased, they may pay the difference in cost to obtain the superior item.

Items I, II and III must be approved by the Occupational Health Nurse before reimbursement can be made and the appropriate form should be completed and signed by the Occupational Health Nurse and appropriate Budget Holder.

Claim forms should then be submitted to the Finance Department who will process the claim for payment. Payment will be made by bacs to the individual concerned. Receipts must be provided for all purchases.

3 Cycle scheme

This is an employee benefit offered by the college that saves an employee between 25% and 39% on a bike and accessories.

The employee will pay nothing up front and payments are taken tax efficiently from the staff members salary by the College on a monthly basis, for twelve months.

For further information, please refer to the HR portal.

4 Subscriptions and Memberships

Staff

Subscription and membership fees paid by staff members are considered by HMRC to be personal expenses. These cannot be reimbursed or paid directly by the College.

Where the membership or subscription is in the name of Exeter College the invoice will be paid through the College finance system.

5 Course Fees

Each member of staff is eligible to attend one course at Exeter College per academic year and the tuition element of that course will be free of cost to them.

The request to attend a course must be approved by the Staff Development Officer and the appropriate forms completed.

If you have any queries relating to any of the items in this document, please contact the Finance Department.

APPENDIX C

Approved timetable for the preparation of the Annual Financial statements

The College's financial year runs from 1 August to 31 July. Towards the end of the Financial year, detailed instructions are given to College staff that use the finance function regarding the preparation for the Closedown of the finance system in order for the year end accounts to be prepared.

On 31 July, all bank accounts are fully reconciled from the ledger balance held on the finance system, and the cash balance held at the bank. The Accounts Team control account, and the purchase ledger control account are also reconciled at that date.

All income and expenditure received/incurred in August is closely monitored to identify the correct financial year that it relates to.

External Auditors

The College external Audit team (currently Bishop Fleming) visit the college to meet with Senior Finance staff after the end of the financial year. The following issues are discussed.

- Sector issues
- College issues (changes in systems)
- Internal control
- Issues from Internal Audit
- Subsidiaries
- Audit Processes
- Specific Accounting issues
- Funding body accounting policies
- Cash position
- Property issues
- Capital expenditure
- Performance in year
- Funding streams – new and existing
- Provisions
- Predicted out turn
- Issues from Previous years
- In-year issues
- Funding issues
- Dates of fieldwork
- Personnel involved in Audit team
- Dates of meeting cycle

Notes are taken at these meetings.

Following the 31 July closedown of the financial year, during August and September, College Finance staff produce the annual accounts for the College, calculating full accruals, creditors, debtors and provisions.

The accounts files are kept with the College Accountant and are available for the audit team at the start of the fieldwork.

The external Auditors visit the College for two to three weeks to carry out the fieldwork during late September/early October.

College Committees

Following the clearance meeting with the Director of Finance, and College Accountant, the accounts are sent to the relevant College Sub Committees.

It is normal practice for the Audit Partner to attend the Colleges Audit and Risk Assurance and Business Services committee at which the accounts are discussed. At the Audit Committee, the partner presents the Auditors management letter, as this is under the remit of this committee.

At the Business Services Committee, the numbers contained in the accounts are discussed in detail and all Exeter College Board members are invited to attend for this agenda item.

Once approved by the Board of the Corporation, the accounts are signed by the Auditors, College Chair of the Corporation, and Chief Executive, and sent by the College to the relevant funding body.