



THE UNIVERSITY OF ZAMBIA

FINANCIAL REGULATIONS

November 2015

FINANCIAL REGULATIONS

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FOREWORD

The University of Zambia Financial Regulations have been revised to incorporate the new changes and omissions made since the last revision in 2011. The last revision was made in 2011 and approved in 2012. The regulations were revised in 2015 and came into effect from the date of approval. It is my honour and privilege to present to you the new revised Financial Regulations which shall also be accessed on the University website at <http://www.unza.zm>.

In line with the University of Zambia Strategic Plan for the period 2013 to 2017, the institution according to strategic direction 2 is expected to **ENHANCE FINANCIAL AND ADMINISTRATIVE MANAGEMENT SYSTEMS**. This strategic direction centers on financial management, transparency and accountability in Schools, Directorates and Units.

Financial Regulations are aimed at ensuring that there is accountability in the management of the University financial resources. The University Council is the body mandated to approve these regulations which must be adhered to in order to promote the system of accountability in the management of financial resources. These regulations together with the Accounting and Procedures Manual and other relevant policies and procedures shall form part of the system of accountability as established by Council.

These financial regulations shall be monitored by both Internal and External Auditors mandated to carry out Systems and Financial audits. Compliance with the Financial Regulations is mandatory for all members of Council, staff and students. Any violations of these regulations shall lead to disciplinary action in accordance with the respective disciplinary codes of conduct.

The officer responsible for enforcing and interpretation of these regulations is the Bursar who shall be the Custodian. It is my sincere hope that everyone shall all adhere to these regulations in order to promote **“Excellence in Teaching, Research and Community Service”**.



Professor Enala T. Mwase PhD
Acting Vice-Chancellor

30 / 11 / 15

Date

How to use this document

This document shall be used together with other related policies and the *Accounting Procedures Manual* in order to promote efficiency, effectiveness and accountability of University resources. All Accounting staff are expected to use the *Accounting Procedures Manual* in carrying out the day to day activities as a guide. This is aimed at promoting uniformity and consistency in the manner financial issues are handled.

The purpose of this document, and other related financial documents, is to provide control and accountability over the University resources and provide management with assurance that the resources are properly applied and used to achieve the objectives of the institution.

The budget holders are responsible for ensuring that these regulations are disseminated to members of staff and at any given point in time, the office of the Bursar shall assist in the interpretation of the documents.

In case of any new activity not covered by these regulations, the budget holder should contact the Bursar for guidance.

1.0 DEFINITIONS

- 1.1 **“ACT”** means the *Higher Education Act* No. 4 of 2013 hereinafter referred to as **“the Act”**.
- 1.2 **“ASSETS”** means all property of the University of Zambia.
- 1.3 **“BUDGET HOLDER”** means a Dean, Director, or Head of Unit of the University charged with implementing University programme(s).
- 1.4 **“BUDGETARY UNIT”** means School, Directorate, Institute and Unit. The Head of the Budgetary Unit shall be a Budget Holder.
- 1.5 **“BURSAR”** means the Bursar of the University of Zambia appointed under Section *twelve* of the Act. For the purposes of these regulations, the Bursar shall include his/her nominees.
- 1.6 **“CHANCELLOR”** means the Chancellor of the University of Zambia appointed under Section *seven* of the Act.
- 1.7 **“CHIEF INTERNAL AUDITOR”** means the officer of the University of Zambia directly accountable to Council and responsible for carrying out reviews of University Management Systems.
- 1.8 **“COUNCIL”** means the Council of the University of Zambia established under Section *sixteen* of the Act.
- 1.9 **“DEPUTY VICE-CHANCELLOR”** means the Deputy Vice-Chancellor of the University of Zambia appointed under Section *nine* of the Act.
- 1.10 **“FINANCE AND INFRASTRUCTURE COMMITTEE”** means the Finance and Infrastructure Committee of Council.
- 1.11 **“FINANCIAL OFFICER”** means accounting officer charged with responsibility of financial matters of a budgetary unit.
- 1.12 **“FINANCIAL IRREGULARITY”** means any act which is either illegal or otherwise in conflict with the financial regulations.
- 1.13 **“IMPREST SYSTEM”** means the system for maintaining a cash float on a revolving basis.
- 1.14 **“LEGAL COUNSEL”** means the officer of the University of Zambia, charged with responsibility of providing legal services, advise and professional guidance to University Council and management.
- 1.15 **“REGISTRAR”** means the Registrar of the University of Zambia appointed under Section *ten* of the Act. For the purposes of these regulations, the Registrar shall include his/her nominees.
- 1.16 **“RESIDENT ENGINEER”** means the officer of the University of Zambia responsible for planning, directing and superintending the activities of all civil engineering, transport and mechanical maintenance sections.
- 1.17 **“SAFE”** means safes, strong rooms and cash boxes for safe custody of cash, accountable documents and other valuables of the University.

- 1.18 “**SENATE**” means the Senate of the University of Zambia constituted under section *twenty two* of the *University Act*.
- 1.19 “**UNIVERSITY PROCUREMENT COMMITTEE**” means the Committee established under Section *fourteen* of the *Public Procurement Act* No. 12 of 2008.
- 1.20 “**UNIVERSITY**” means the University of Zambia established under the *Higher Education Act* No. 4 of 2013.
- 1.21 “**VICE-CHANCELLOR**” means the Vice-Chancellor of the University of Zambia appointed under Section *eight* of the Act. For the purposes of these regulations, the Vice-Chancellor shall include his/her nominees.

PART 1: GENERAL

A. PREAMBLE

1.1 RECOGNISING

- (a) That the University Council is the body ultimately responsible for the management of all financial resources of the University. The full functions of Council are contained in section *twenty-five* of the Act;
- (b) That the Finance and Infrastructure Committee, subject to the direction and control of the University Council, deals with, advises on all matters relating to the financial affairs and infrastructure of the University and without limiting the generality of the foregoing, the Committee is responsible for:
 - (i) Making recommendations to Council on annual estimates of income and expenditure for each financial year;
 - (ii) Making recommendation to Council the supplementary estimates of income or expenditure;
 - (iii) Considering the annual accounts and recommend to Council;
 - (iv) Considering and approve recommendation with financial implications arising from other Committees of Council;
 - (v) Approving the level of fees and other charges levied by Council from time to time;
 - (vi) Exploring and considering ways and means of diversifying the revenue base of the University;
 - (vii) Proposing the investment Policy of the University;
 - (viii) Considering financial matters referred to it by the Vice-Chancellor;
 - (ix) Considering the recommendations of external auditors and to determine audit fees as well as any other fees which are payable to auditors in respect of non-audit activities;
 - (x) Reviewing the relationship with external auditors;
 - (xi) Considering and recommending to Council (where appropriate) plans for infrastructure development of the University;
 - (xii) Considering and recommending to Council requests for allocation of University land for estate development; and
 - (xiii) Considering any other business that might be referred to the Committee by Council.
- (c) Council shall approve the procedures and systems of the University.
- (d) That the adoption of annual income and expenditure estimates by Council constitutes the authority for disbursement of funds within the approved allocations;
- (e) That the Vice-Chancellor is the University officer directly answerable to Council for the implementation of the University financial policy;
- (f) That the Registrar is responsible to the Vice-Chancellor for the implementation of the decisions of Council and Senate and that the Registrar is responsible for the custody of the seal of Council and the records and property of the University;
- (g) That the Bursar under the general direction of the Registrar is responsible for financial planning and the general administration of the finances of the University;
- (h) That the Bursar is responsible for maintaining books of accounts of the University in such form and manner as may be prescribed by Council;
- (i) That the Bursar is responsible for ensuring that yearly financial statements comprising a statement of financial position (balance sheet), statement of comprehensive income

(income and expenditure), a statement of cash flows (cash flow statement) and statement of changes in accumulated funds are prepared in accordance with the International Financial Reporting Standards (IFRS) and submitted to the Auditor General or any Auditor appointed by the Auditor General within six months after the end of each financial year as required by the Act;

- (j) That the Bursar is responsible for providing regular budgetary performance statements of the University; and
- (k) That Budget Holder shall exercise general superintendence over the academic, administrative and financial affairs of schools, directorates, institutes and units.

1.2 NOW THEREFORE these Financial Regulations make provisions for:

- (a) the collection, recording, custody, issuing, spending, and management of University assets;
- (b) the keeping of all necessary records, books, registers and accounts;
- (c) The preparation of revenue and expenditure estimates;
- (d) The preparation of financial reports;
- (e) Audit requirements;
- (f) Public disclosures;
- (g) Risk Management; and
- (h) Investment, debt and treasury management.

B. DURATION OF THE FINANCIAL REGULATIONS

These regulations may be cited as the University of Zambia Financial Regulations of 2015 and shall come into effect upon approval by Council. The regulations shall remain in force at all times subject to amendments by Council.

C. REVOCATION OF 2011 FINANCIAL REGULATIONS

The University of Zambia 2011 Financial Regulations are hereby revoked.

PART 2: GENERAL ACCOUNTING RESPONSIBILITIES

- 2.1 The Registrar shall be responsible for safeguarding of University assets.
- 2.2 The Bursar shall at all times be responsible for keeping of proper books of accounts of the University.
- 2.3 Without limiting the generality of the foregoing, the responsibilities of the Bursar shall include:
- (a) accounting for receipts and disbursement of money in accordance with these regulations;
 - (b) ensuring that proper arrangements are made for the safe keeping of money and accountable documents in accordance with these regulations;
 - (c) Attending to any audit queries received promptly.
 - (d) exercising strict supervision over all officers under his or her authority and taking precautions against fraud and irregularities.
- 2.4 Accounting staff shall abide by the Zambia Institute of Chartered Accountants (ZICA) code of ethics for professional accountants and the *Accountants' Act* No. 13 of 2008. Non accounting staff shall be expected to abide by their respective code of ethics.
- 2.5 There shall be a hand-over whenever there is need to assign duties from one officer to another. The hand-over shall be evidenced in writing and signed for by both parties and witnessed by an authorised independent person.
- 2.6 University employees, and others with responsibility for the administration or management of University property, must not use their authority or office for personal gain, and must always seek to uphold their professional ethical standards, and enhance the reputation of the University.

PART 3: BUDGETARY CYCLE

- 3.1 (a) By March 31st, each year the Bursar shall:
- (i) Produce a detailed budget performance report for the preceding twelve months to 31 December.
 - (ii) Distribute the detailed budget performance report to the budget holders.
- (b) By 30th April each year the Vice-Chancellor shall:
- (i) Issue budgeting guidelines to all Budget Holders;
 - (ii) Request Budget Holders to submit their detailed estimates of income including donor support; and
 - (iii) Request Budget Holders to submit their detailed expenditure requirements for the following year under separate headings:
 - (a) Recurrent Expenditure and
 - (b) Capital Expenditure
- 3.2 By 31st August, all submissions from Budgetary Units should be received by the Bursar.

- 3.3 By 30th September, the Bursar shall consolidate budget submissions from budget holders to produce a draft proposed budget for onward submission to the Ministry.
- 3.4 By 30th November, the Vice-Chancellor shall submit the amended draft consolidated budget to the Finance and Infrastructure Committee for consideration.
- 3.5 By 31st December, a consolidated draft proposed budget shall be submitted to the Council for adoption.
- 3.6 Once approved by Council, the budget shall form authority for expenditure and shall be communicated to the Budget Holders by the Vice-Chancellor.

PART 4: BUDGETARY CONTROL

- 4.1 It is the responsibility of the Budget Holder to ensure that expenditure is in accordance with approved budget.
- 4.2 Budget Holders shall submit budget performance reports on a monthly basis to the Vice-Chancellor, who shall report to Council on a quarterly basis.
- 4.3 Variations of budget sums from one budget line to another may be proposed by the Budget Holder who shall seek permission of the Vice-Chancellor for each variation. The Vice-Chancellor shall exercise discretion to approve or disapprove an application to vary budget line.
- 4.4 Bursar shall refer to the Vice-Chancellor of any claim of unusual nature, or any claim the validity of which is doubtful and any claim in respect of expenditure which is not provided for in the approved estimates.
- 4.5 Where Bursar receives instructions to make a payment, which is not covered by a financial authority, the Bursar shall advise the Vice-Chancellor in writing of the lack of financial authority.
- 4.6 Where in spite of the advice given under regulation (4.5) an instruction to pay is given in writing to the Bursar by the Vice-Chancellor, a payment may be made or accepted by the Bursar, but responsibility for the payment shall rest with the Vice-Chancellor, who shall be held personally liable.
- 4.7 After payment is made pursuant to regulation (4.5), the Vice-Chancellor shall in writing inform the Finance and Infrastructure Committee and Audit Committee of Council of the circumstances under which such payment is made.
- 4.8 All authorities to incur expenditure under the budget shall expire on the last business day of the financial year to which they refer. No payment may be made against these authorities after that date.
- 4.9 Where funds are received after the budget is finalised, the Vice-Chancellor shall submit an application to Council for supplementary estimates to regularise the expenditure.

PART 5: AUTHORITY FOR EXPENDITURE

- 5.1 Authority for expenditure shall rest with the Budget Holder or his or her nominee who shall not permit any expenditure to be incurred unless there is confirmation by the Bursar or his or her nominee on availability of funds and that such expenditure is in line with the budget.
- 5.2 The Vice-Chancellor and the following officers are authorised to commit the University as

follows:

- (i) Vice-Chancellor up to K50, 000
- (ii) Deans and Directors up to K30, 000
- (iii) Head of Unit up to K15, 000

- 5.3 Any procurement above K50 thousand and up to K10 million shall be approved by the University Procurement Committee. The authority limits indicated above shall vary in line with guidelines provided by the Zambia Public Procurement Authority.
- 5.4 The above thresholds shall not apply to requests for imprest advance.
- 5.5 When the expenditure is of an emergency nature which was not envisaged when budget was prepared or when the excess expenditure on an item cannot be met from savings on another budget line, the Budget Holder shall submit to the Vice-Chancellor an application for supplementary variation budget. The Vice-Chancellor shall submit such application to Council and the outcome shall be communicated to the Budget Holder.

PART 6: BANKING ARRANGEMENTS

- 6.1 All arrangements for opening of bank accounts in the name of the University shall be approved by Council. Proposed signatories on all bank accounts and any subsequent changes shall also be approved by Council.
- 6.2 Each of the bank accounts shall have at least two panels of signatories; A and B. Panel A shall comprise signatories from the accounting staff and Panel B shall comprise signatories from the non-accounting staff. Each category shall have not more than four (4) signatories.
- 6.3 Lists of authorised officers together with their specimen signatures shall be sent to the Chief Internal Auditor by the Bursar.
- 6.4 The use in the Financial Regulations of the term “authorised signatory” shall encompass electronic as well as written signatures.
- 6.5 The term “electronic signature” means data in electronic form which are attached to or logically associated with other electronic data and which serve as a method of authentication. Electronic signatures must only be used in such circumstances and for such transactions as have been approved in advance by the Bursar.
- 6.6 All such electronic signatures shall take such form and technical specification as required by the Bank.
- 6.7 The ordering of cheques shall be done by the authorised signatories. All cheque books received shall be properly recorded and kept in a safe.
- 6.8 The authorised signatories may transact with the Banks on a day to day basis through an authorised agent.
- 6.9 Cheque books and cheque forms shall be kept safe when not in use. The Bursar shall be responsible for the custody and control of cheque books and shall maintain a record of receipts and issuance of cheque books.
- 6.10 Where a cheque has been lost or mislaid or misplaced, the budget holder shall be informed and a ‘stop payment’ order raised to the issuing bank.

- 6.11 All cheques issued by the University shall have cash cover in the bank account. Any temporary advance obtained from the bank shall have prior permission in writing from the Vice-Chancellor.
- 6.12 Where payments above certain limits requiring supporting documents as deemed by the Bank, the Bursar shall ensure that such documents are provided.
- 6.13 Where no banking facilities exist, the Bursar shall bring to account all revenues collected through the nearest bank to their station, at least twice every month.
- 6.14 No other currencies may be accepted as payment for any transaction without the specific authority of the Bursar.
- 6.15 Foreign currencies shall be exchanged for Zambian currency only at any commercial bank or bureau-de-change.

PART 7: CHARGE OUT FEES/RATES

- 7.1 Levels of charges for all University services provided shall be reviewed regularly by the Bursar in consultation with Registrar and approved by Council.

PART 8: INCOME AND RECEIPTS

- 8.1 The Bursar shall be the chief receiver, custodian and paymaster of the University.
- 8.2 Tuition, accommodation and other fees must be paid direct into the University bank account through the Student Bill Muster or other arrangements as approved by Council
- 8.3 All monies received by the University shall be banked intact within 24 hours of receipting or on the following business day. Post-dated cheques shall not be accepted.
- 8.4 Cash received on behalf of the University shall not be used to defray expenditure.
- 8.5 Under no circumstances shall University funds be used for private purposes.
- 8.6 Whenever money is received on behalf of the University, an official receipt shall be issued by an authorised officer.
- 8.7 Authorised receivers of University funds shall bring to account daily all monies collected.
- 8.8 Receipts shall be issued and used in consecutive order. All copies of cancelled receipts shall be retained in the receipt book.
- 8.9 Under no circumstances shall post dated cheques be accepted as payment for goods or services of the University.
- 8.10 When a cheque is dishonoured, immediate action shall be taken to secure payment of the amount owed, including referral of the matter to the Legal Counsel.
- 8.11 If the dishonoured cheque was originally received in payment of tuition fees, the Registrar shall be informed.
- 8.12 Before acceptance of a cheque, Bursar shall ensure that;
 - (a) the identity of the person presenting the cheque is ascertained;
 - (b) the cheque is not post dated or stale;

- (c) the amount in words and figures agree; and
- (d) the cheque is correctly signed and dated by the drawer;
- (e) alterations of any kind are duly signed for by every signatory to the cheque.

8.13 Investment of idle or surplus funds shall be in accordance of the University Investment Policy.

PART 9: REFUNDS

- 9.1 There shall be no refunds in respect of properly invoiced tuition and other fees paid, except where the student withdrawals with permission and the refund is authorised by the Registrar.
- 9.2 Where a refund has been authorised, an appropriate surcharge shall be applicable
- 9.3 No refunds shall be made to any person other than from whom the original payment was received.
- 9.4 No refunds shall be paid on photocopies of receipts.

PART 10: RECEIVABLES (DEBTORS)

- 10.1 Administration of receivables shall be in line with the Credit policy
- 10.2 No bad debts shall be written off unless prior consent has been obtained from Council. All efforts must be made to collect debts before recommendation to Council for write-off.
- 10.3 In an event that the University owes any amounts (creditors) and vice-versa and there is an intention to off-set the debt, the Vice-Chancellor shall approve such a request to off-set the debt. The Vice-Chancellor reserves the right to off-set debt.
- 10.4 Any student owing the University shall not be re-enrolled by the University and shall have no access to University facilities.
- 10.5 Any student owing the University at the time of graduation shall not receive the certificate until fees are paid in full.

PART 11: PAYMENTS

- 11.1 Payments shall only be made on official pre-numbered payment vouchers.
- 11.2 All payments must be supported by appropriate and relevant documentation.
- 11.3 No payments shall be made on the basis of a statement of account.
- 11.4 Payments shall only be made to the persons to whom the payment is due.
- 11.5 Only in the following circumstances may payments be made other than to the person to whom payment is due:
 - (a) on the written authority of the person or firm to whom the payment is due or on the production of a power of attorney or letters of administration;
 - (b) where there is a court order directing that payment be made to a duly appointed receiver, an official receiver, a trustee in bankruptcy or a named third person.
- 11.6 All payments shall be made by a crossed cheque and or a bank transfer. Payments by open

cheque shall only be drawn in the name of the Cashier and other authorised agents to meet cash disbursements.

- 11.7 Payment vouchers shall be made out in ink or in electronic print and all copies must be legible.
- 11.8 The payment voucher shall be prepared, checked and authorised in the Bursar's department.
- 11.9 Where an original invoice has been misplaced or lost, a duplicate shall be obtained from the supplier.
- 11.10 The duplicate shall be clearly marked "Copy Invoice".
- 11.11 Certification that payment has not previously been made shall be recorded on the voucher by the officer making payment, after the officer is satisfied that payment of the account has not in fact been made.
- 11.12 Where a misplaced or lost invoice is found after payment on a certified duplicate copy, the invoice shall be attached to the payment voucher and shall form part of the supporting documents.
- 11.13 The Officer signing a voucher or document certifies the accuracy and validity of the payment and should therefore ensure that:
 - (a) all deductions due to be made from salaries or wages have in fact been made;
 - (b) the goods have been supplied or services rendered as certified by the receiving officer;
 - (c) the prices charged are either according to the contract or approved rates, and are fair and reasonable according to current rates;
 - (d) that all documents are stamped "PAID" and cheque number indicated;
 - (e) the payment is based on proper authority and is a proper charge to institutional funds;
 - (f) the calculations are correct;
 - (g) the person named as payee is entitled to receive payment;
 - (h) the voucher is properly coded;
 - (i) payment of the amount stated on the voucher will not cause an excess over the amount available;
 - (j) adequate arrangements have been made for recoveries of advances; and
 - (k) all payments are recorded in a register.
- 11.14 Payment vouchers relating to purchases must be supported by original copies of supplier's invoice, goods received note, purchase order, quotations, comparative statement and purchase requisition.
- 11.15 Where a duplicate or photocopy of the original supporting documents in '63' above has been used, the Purchasing Manager shall certify them as true copies of the original
- 11.16 No payment should be made to a supplier for the purchase of goods or services without evidence that goods or services have been delivered, except in special cases as approved by the Registrar.
- 11.17 All cheque signatories are responsible, when signing, for ensuring -
 - (a) that all payments are supported by appropriate and relevant documentation.
 - (b) that the payment documents are correctly made out in every respect.
- 11.18 Paying officers shall satisfy themselves that the person claiming the payment is in fact the person authorised to receive the payment. They shall also ensure that the person collecting

the payment is identified by production of an official identification document such as National Registration Card, Driving Licence or Passport.

- 11.19 All payment vouchers together with supporting documents shall be filed and secured against loss.
- 11.20 Access to payment documents shall be restricted to authorised personnel.
- 11.21 All payments by cheque or cash for goods, services and works shall be acknowledged by receipts.
- 11.22 Any document which is acquitted, certified and approved by a responsible officer shall form part of receipts.
- 11.23 All payments shall be subject to pre-audit.
- 11.24 Bursar shall ensure that payments for foreign procurements are secured against loss.
- 11.25 Consultancy expenditure for the University shall be handled in line with the Consultancy Policy as approved by Council.

PART 12: INVESTMENTS AND DEBT (BORROWINGS OR LOANS)

- 12.1 The Finance and Infrastructure Committee is responsible for devising treasury policy to outline both investment and borrowing policies which shall be in line with Government regulations for both secured and unsecured loans.
- 12.2 All investments shall be approved by Council with prior authority of the Minister.
- 12.3 All borrowings shall be approved by Council and where applicable by Government.
- 12.4 All borrowing shall be undertaken in the name of the University and shall be in line with Government requirements.

PART 13: IMPREST

- 13.1 Except for Imprest paid to students for research purposes, Imprest shall only be paid to full time University employees.
- 13.2 All requests to establish the standing imprest floats shall be authorised by the Registrar.
- 13.3 In addition to monies authorised for expenditure under Part 5 of these regulations, the Bursar shall make such advances in consultation with Budget Holders to meet small cash payments.
- 13.4 The Budget Holder shall authorise all expenses incurred through standing imprest.
- 13.5 Petty cash shall be maintained on an imprest system. Where reimbursement of petty cash has been requested, the Petty Cash Book shall be supported by paid petty cash vouchers and approved by the budget holder.
- 13.6 All persons receiving money from petty cash and/or other imprest must acknowledge receipt of the money by signature and the purpose of the expenditure must be recorded.
- 13.7 All imprest shall be used for the purpose for which it is intended. The Budget Holder shall at no time authorise any amounts of 'I Owe You' (I O U) to staff out of imprest.
- 13.8 Under no circumstances shall any officer be issued with another imprest while there is already an imprest outstanding in the officer's name.

- 13.9 No student with outstanding imprest shall be allowed to graduate.
- 13.10 At the end of each financial year each imprest holder shall sign a Cash Count Certificate.
- 13.11 Special or accountable imprest obtained for the purposes of:
- (a) research and consultancy work;
 - (b) workshops, seminars and conferences; and
 - (c) any other official activities.

Shall be retired within 48 hours after the purpose for which it was obtained has been fulfilled. Under exceptional circumstances, imprest shall be retired at the next opportunity in the next working day. For imprest obtained by Officers in provincial centres, retirement shall form part of the monthly returns.

- 13.12 Subsistence allowance shall be paid as imprest and shall be retired upon submission of a report for the activity.
- 13.13 Any unspent balance shall be surrendered to the Accountant or Cashier immediately on the officer's return to the station and a receipt shall be issued to that effect.
- 13.14 Accountants shall submit to the Budget Holder a schedule of outstanding imprest every month and the budget holder shall take action against any officer who has unretired imprest.
- 13.15 If imprest is not cleared within 48 hours, the Accountant shall inform the Budget Holder who shall instruct in writing, the Bursar through the Registrar to deduct the whole amount outstanding from the salary of the imprest holder.
- 13.16 A record of the issue and retirement of all imprest shall be in a register of imprest.
- 13.17 Retirement of imprest shall be by filling in the imprest retirement form by the imprest holder. The imprest retirement form shall be certified by the supervisor and approved by the Head of Department.
- 13.18 When reimbursing petty cash and/or imprest, any cash at hand shall be evidenced by a cash certificate from the Cashier.
- 13.19 Partial retirement of imprest shall not be allowed.

PART 14: FOREIGN TRAVEL

- 14.1 The following documents shall be required for foreign travel payments:
- (i) When an employee has been invited (non sponsored or fully sponsored);
 - (a) invitation letter
 - (b) authority to travel from the Vice-Chancellor
 - (ii) Travel initiated by the University;
 - (a) confirmation of registration or participation
 - (b) authority to travel from the Vice-Chancellor

PART 15: PERSONAL EMOLUMENTS

- 15.1 The Registrar shall notify the Bursar, of all appointments, promotions, demotions, re-grading, resignations, dismissals, retirements, deaths, terminations of contracts, absence from duty, loan and advances to employees or any other circumstances that affect the payroll. This should be in line with the Remuneration and Recruitment Policy.
- 15.2 All personal emoluments shall be paid through the Bursar's department.
- 15.3 Salaries, wages and allowances for any part of the month shall be calculated on a proportion to the number of days in that particular month.
- 15.4 Salaries, wages and allowances shall be paid directly to the credit of an employee's account at any bank using the approved bankers Electronic Funds Transfer System (EFT) unless under exceptional circumstances which shall be approved by the Bursar.
- 15.5 The Bursar shall ensure that third party obligations including statutory obligations are paid in full and distributed to the beneficiaries on a monthly basis.
- 15.6 The Bursar shall be responsible for the preparation of the University payroll and ensure that it is verified and reconciled.
- 15.7 The Registrar shall maintain the following records:
 - (a) establishment register as approved by Council;
 - (b) payroll schedules;
 - (c) payslips for the tax year; and
 - (d) individual records on salary progression for all employees.
- 15.8 Budget Holders shall ensure that attendance registers of employees working outside normal working hours are maintained.
- 15.9 The payroll shall be subject to pre-audit.
- 15.10 The Registrar shall approve the payroll.
- 15.11 All Budget Holders shall be responsible for scrutinising the monthly payroll under their control and notifying the Registrar of any anomalies.
- 15.12 Salaries shall be paid monthly in arrears.
- 15.13 Payment of personal emoluments shall be made in accordance with the terms and conditions of service of the employee.
- 15.14 The Registrar shall ensure that all recoveries of advances and loans are made.
- 15.15 The Registrar shall ensure that no employee takes home less than 25 percent of their basic pay.

PART 16: STAFF LOANS AND ADVANCES

- 16.1 Loans and advances shall be approved by the Registrar.
- 16.2 All loans and advances shall be paid in Bursar's Department through the Salaries Office.
- 16.3 The University may guarantee employee's loans with a Building Society or any financial institution. Such guarantees shall be communicated to the legal office.
- 16.4 No loans or advances shall be approved for any purpose to an employee who is on suspension or while his or her case is pending decision.

- 16.5 No loans or advances shall be made to an employee whose indebtedness to the University results into their take home pay reducing to less than 25 percent of his or her basic pay or as provided in the labour law.
- 16.6 The repayment terms shall be determined by the Registrar.

PART 17: PROCUREMENT AND STORES

- 17.1 Procurement of all goods, services and works of the University shall be the responsibility of the Purchasing and Supplies Unit.
- 17.2 The Procurement Department is responsible for purchasing plan.
- 17.3 All procurement by the University shall be in accordance with the *The Public Procurement Act* No. 12 of 2008 and the University of Zambia Procurement Policy.
- 17.4 Direct bidding or Single sourcing of goods and services shall be approved by the Vice-Chancellor. Circumstances or conditions under which direct bidding or single sourcing can be allowed are as stipulated in the *Public Procurement Act* No. 12 of 2008.
- 17.5 The purchase, lease or rent of land, buildings or plant shall be approved by Council.
- 17.6 The Resident Engineer shall be responsible for providing regular reports and updates on contracts related to works and other infrastructure related works.
- 17.7 Officers signing purchase requisitions shall be responsible for ensuring that there is proper authority for the expenditure being incurred.
- 17.8 Under no circumstances shall requisitions for local supplies be issued in arrears if goods have already been supplied. Where goods are supplied before a requisition is issued, the responsible officer shall certify the voucher giving reasons for the failure to issue a requisition before hand.
- 17.9 Official orders must be issued for all goods and services to be supplied with the exception of goods and services for the following supplies:
- (a) Public Utility Services;
 - (b) Periodic payments such as rents or rates;
 - (c) Petty cash payments and imprest;
 - (d) Running contract for provision of services; and
 - (e) Annual renewals such as Subscription, software licences and membership.
- 17.10 The Stores Controller shall be responsible for stocks and stores held at the Central and other Satellite Stores of the University. Apart from purchases made through petty cash, all procurements made by the University shall be delivered to Stores. This shall include all supplies from Donors.
- 17.11 The Stores Controller shall produce a monthly report of the stock position including receipts, issues, balances and values.
- 17.12 Issues from Stores may only be made when a Stores Requisition has been raised and authorised by the budget holder.
- 17.13 A system of continuous stock taking shall be carried out at Stores. All stocks shall be counted at least once every year.

- 17.14 A stock take report shall be issued after a stock taking exercise.
- 17.15 The annual stock-taking exercise shall be supervised by Bursars department and witnessed by Auditors.
- 17.16 Officers signing requisitions and stores order shall be responsible for ensuring that proper authority exists for the expenditure being incurred.

PART 18: CUSTODY OF PROPERTY

- 18.1 The management and custody of assets shall be in line with the Asset Management and Disposal Policy.
- 18.2 The Registrar is responsible for overall custody of assets of the University.
- 18.3 The Registrar shall maintain a record of all assets of the University and produce a status report monthly.
- 18.4 The Budget Holders shall be responsible for custody of assets in the respective budgetary units.
- 18.5 No property of the University shall be used for other than the intended purpose.
- 18.6 Any movement of University assets shall be authorised and documented.
- 18.7 A fixed Asset Register shall be maintained by the Bursar for accounting purposes.
- 18.8 The custodians of University assets shall ensure that risk mitigation measures are instituted in accordance with the University Risk Management Policy.

PART 19: DISPOSAL OF ASSETS

- 19.1 The University shall dispose off all redundant and obsolete assets through the Movable Assets Disposal Committee on a regular basis in accordance with the Asset Management and Disposal Policy.
- 19.2 All Assets identified for disposal shall be transferred from the Fixed Asset register of the owner unit to that of Central Stores.
- 19.3 The Movable Assets Disposal Committee shall seek authority from the Registrar for disposal of assets.
- 19.4 The Movable Assets Disposal Committee shall produce a report which shall be used to amend the assets records.
- 19.5 Personal-to-holder vehicles and household furniture shall be disposed off in accordance with employment contract terms.

PART 20: LOSS OF ASSETS

- 20.1 Losses of assets may occur, through wilful action, negligence, fraud, forgery, misappropriation, theft, burglary, accidents and natural causes.
- 20.2 Whenever a loss of any kind occurs, the incident shall immediately be:
- (a) reported to the immediate supervisor by the quickest means and shall be confirmed in writing soon after;
 - (b) investigated; and

- (c) reported to the police where the Registrar considers that the circumstances of the case makes it necessary to do so.
- 20.3 Arising from the foregoing (20.1 above) the immediate supervisor shall submit a report to the relevant authorities recommending the next course of action.
- 20.4 Where evidence of an offence is established, Registrar shall take appropriate action in accordance with the University's Disciplinary Code of Conduct.
- 20.5 Registrar shall prepare a loss report and submit to Council for approval to write-off.

PART 21: ACCOUNTABLE DOCUMENTS

- 21.1 The Bursar or his or her nominee's shall have control over custody and issue of all the following documents:
 - (a) Cheque Books or Forms
 - (b) Receipt Books
 - (c) Debit Note Books
 - (d) Credit Note Books
 - (e) Invoice Books
- 21.2 The Purchasing and Supplies Manager his or her nominees shall have control over custody and issue of all the following documents:
 - (a) Order Books
 - (b) Purchase Requisition
 - (c) Goods Received Notes
 - (d) Stores Requisitions/Issue Notes.
- 21.3 Under no circumstances shall any officer make arrangements for the printing of accountable documents without the approval of the Registrar.
- 21.4 Accountable Documents shall be issued and used in consecutive order.
- 21.5 The Budget Holder shall authorise a requisition of all Accountable Documents.
- 21.6 No Accountable Documents may be transferred between Budgetary Units.
- 21.7 Each Budgetary Unit shall maintain a register of all Accountable Documents.
- 21.8 The Budget Holder shall ensure that Accountable Documents are kept safely.
- 21.9 All losses of Accountable Documents shall be reported to the Registrar for the purpose of taking appropriate measures to protect the University and the general public.
- 21.10 Where an accountable document is cancelled, the original and all the copies shall be cancelled and signed for by a responsible officer and retained in the book.
- 21.11 Accounting records shall be preserved for the following periods of time:
 - (a) ordinary commercial transactions - 6 years

(b) transactions relating to land - 11 years

- 21.12 Under no circumstances shall records be destroyed before the external audit of the year to which they relate has been completed.
- 21.13 Vice-Chancellor shall obtain authority from Council for the destruction of obsolete receipt forms which are complete and unused.
- 21.14 The destruction of obsolete receipt forms shall be carried out in the presence of the Bursar and Chief Internal Auditor who shall check that the obsolete receipt forms which are to be destroyed are complete and unused.
- 21.15 A certificate of destruction, listing the serial numbers of all obsolete receipt forms which have been destroyed, shall be signed by both officers referred to in regulation 21.14.
- 21.16 The original certificate of destruction shall be filled by the Bursar and a copy of the certificate shall be sent to the Vice-Chancellor.

PART 22: PROJECT MANAGEMENT

- 22.1 Externally funded projects shall be approved by the Vice-Chancellor and shall be managed using procedures outlined in these financial regulations except as agreed in the Memorandum of Understanding (MOU).
- 22.2 All MOUs shall be signed by the Vice-Chancellor.
- 22.3 Separate bank accounts shall be maintained for each project which shall close immediately the project comes to an end.
- 22.4 Records, in respect of all projects, shall be maintained separate from University accounting records.
- 22.5 Where applicable, the University management fee shall be paid in accordance with the University of Zambia Consultancy Regulations.
- 22.6 Project Financial Reports shall be included as appendices to the University Financial Report.
- 22.7 It is the responsibility of the Budget holder to ensure that conditions set in the agreement are followed including Financial Reporting to avoid putting the institution's image at risk. Any Loss or failure to meet the conditions in the agreement will lead to disciplinary action.

PART 23: AUDIT ENVIRONMENT

- 23.1 The University shall be audited by both Internal and External Auditors.
- 23.2 **Internal Audit:** The Unit shall be responsible for conducting an independent appraisal of all the University activities, process, financial and otherwise. The activities of Internal Audit shall be approved by Audit Committee and carried out according to the Audit Charter approved by Council.
- 23.3 The existence of internal audit shall not relieve authorising officers of their individual responsibilities, nor shall it remove the need for normal checks within the University.
- 23.4 **External Audit:** The office mandated by law to conduct external audits of the University is the Office of the Auditor General (unless permission is granted to the institution to subcontract other private firms). The appointment of the private firm is conducted by the Auditor General in

consultation with the University Council. The audit fees shall be determined by Council.

- 23.5 Both the external and internal auditors have the right to access, at all reasonable times, the books, records, accounts and vouchers of the University.

PART 24: RISK MANAGEMENT

- 24.1 Management shall take into account provisions of the Risk Management Policy and procedures in its decision making process.

PART 25: PUBLIC INTEREST DISCLOSURES

- 25.1 **Conflicts of interest;** A conflict of interest is deemed to exist whenever an employee is in a position to further any personal financial interest for himself or herself or a member of his or her family, as a result of the nature or responsibility of his or her employment with the institution.

Examples of what would be considered as conflict of interest include the following:

- (a) Where an employee has an investment or financial interest in, or holds a position with, any supplier, customer or competitor of the University.
- (b) Where an employee discloses or uses confidential information gained by reason of employment by the University for profit or advantage for himself or herself or anyone else.

This clause should be read together with the Conflict of interest policy where it is expected that every year each employee shall be required to fill in a declaration of interest form which shall be included on their personal file.

- 25.2 **Business Ethics:** The University shall conduct all its affairs in line with business ethics.
- 25.3 **Confidential information:** Unless published by the University, all Information shall be treated as confidential (both financial and otherwise) in line with the Information Security and Confidentiality Policy.

PART 26: OTHER PROVISIONS

26.1 STUDENTS' UNION

Finances for the Students' Union shall be managed by the Union Executive under the supervision of the Dean of Students. The Union funds shall be kept in a separate bank account.

26.2 GIFTS, ENTERTAINMENT AND HOSPITALITY

No staff in his or her own capacity should accept a gift of nominal value in his or her name but in the name, and to benefit the institution. . Gifts of money shall not be entertained. Any hospitality extended to any member of staff shall not be accepted if it appears to duly influence decisions in favour of the provider.

Reasonable amounts of expenditure for any hospitality and/or entertainment of third parties to further the business of the University shall be approved by the Registrar

26.3 SIGNING AND SEALING OF CONTRACT

Signing of contracts and sealing shall be in accordance with the Act.

26.4 RECORDS MANAGEMENT

Records management, whether financial and otherwise shall be in accordance with the Records Management policy.

PART 27: FINANCIAL IRREGULARITIES

- 27.1 **Fraudulent and Corrupt Activities:** Whenever a matter arises which involves or is perceived

to involve irregularities, concerning income, expenditure, cash, stores or other property of the University, or irregularities in the exercise of the functions of the University, the Registrar, the Bursar and the Chief Internal Auditor shall be notified immediately. All employees of the University shall in their operations comply with the Bribery and Corruption Policy.

- 27.2 When the Registrar, the Bursar and the Chief Internal Auditor receive information concerning suspected irregularities, necessary steps shall be taken to investigate the matter and report on it.
- 27.3 Any decision to hand over a case involving suspected financial irregularities to the police or any law enforcement agency shall only be taken by the Registrar or his or her nominees.
- 27.4 Any member of staff who fails to abide by these regulations shall be deemed to have breached University regulations and may be subject to disciplinary action in accordance with the University Code of Conduct.

PART 28: PART REVIEW OF DOCUMENT

- 28.1 The Financial Regulation shall be reviewed periodically.