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UNIVERSITY OF GHANA

FINANCIAL REGULATIONS AND GOVERNANCE

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AUGUST 2012

UNIVERSITY OF GHANA
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CONTENTS

APPENDICES

UNIVERSITY OF GHANA	
POLICY TITLE	Financial Regulations and Governance
APPROVING BODY	University Council
APPROVAL DATE	28TH MARCH 2012
EFFECTIVE DATE	1st AUGUST 2012
SUPERSEDES	University of Ghana Financial and Stores Regulations
RELATED PROCEDURE	Detailed Financial Procedures
ORIGINATING BODY	Finance and General Purposes Committee
CONTACT	Director of Finance

FOREWORD

The Statutes of the University of Ghana highlight at Statute 8 (1) that "the University shall be managed and administered in accordance with sound and internationally acceptable practices, benchmarks, principles and ideas on university management and administration, including the principles of academic and financial integrity, confidentiality, accountability, transparency, fairness and equality of opportunity."

Accordingly, to conduct its business effectively, the University of Ghana needs to ensure that it has sound financial management systems in place and that they are strictly adhered to. Part of this process is the establishment of Financial Regulations and Governance which set out the University of Ghana's policies and procedures relating to financial management, control and reporting.

These Regulations are made by Council pursuant to its powers under Statute 53 of the Statutes of the University of Ghana. The purpose of the Regulations is to provide a framework and guidelines to ensure control over the totality of the University's resources and provide management and stakeholders with assurances that these resources are properly applied for the achievement of the University's Vision and Mission. The basic principles involved are:

- Ensuring financial viability;
- Achieving value for money;
- Fulfilling the University's responsibility for the provision of effective financial management of public funds;
- Ensuring that the University complies with all relevant legislation; and
- Safeguarding the assets of the University.

The Council of the University has approved these Financial Regulations and wishes to inform all employees of their existence and that they are complied with at all times.

All officers and University's bodies shall in accordance with the policy decisions of the Council, manage and administer the affairs of the University in their various capacities in strict adherence to these Financial Regulations. Thus any employee who contravenes these Regulations will be considered to be in breach of their duties towards the University and Council and will be considered open for disciplinary action to be taken against them. This will also apply to employees who are aware of deliberate deviations from these regulations by others and become complicit by not reporting their concerns or knowledge to the relevant University Authorities or any member of Council.

Professor Ernest Aryeetey
VICE-CHANCELLOR

1.0 GENERAL PROVISIONS

1.1 Introduction

The University of Ghana was established under the provisions of the University of Ghana Act, 1961 (Act 79) now repealed and replaced with the University of Ghana Act, 2010 (Act 806).

The University is regulated by the University of Ghana Act, 2010 (Act 806) and the Statutes enacted in accordance with the Act by the Council of the University. Its financial governance structure is laid down in Act 806 as referenced in paragraph of this document.

The University is obliged to have in place sound systems of financial and management control. The principles of financial and management controls are set out within the Governance Structure and the Financial Regulations. The Financial Regulations are supported by detailed procedures that set out the operational application of these principles.

The Financial Regulations contain policies relating to the financial operations of the University of Ghana. They are published through the Office of the Director of Finance which is responsible for the financial operation, implementation of fiscal policies and control of the finances of the University of Ghana.

The Financial Regulations contained herein have been assembled with reference to the following:

- The Financial Administration Act, 2003 (Act 654)
- The Public Procurement Act, 2003 (Act 663)
- The Internal Audit Agency Act, 2003 (Act 658)
- The Audit Service Act, 2000 (Act 584)
- The Fair Wages and Salaries Commission Act, 2007 (Act 737)
- The National Pensions Act, 2008 (Act 766)
- The Revenue Agencies (Governing) Board Act, 1998 Act 558
- The Internal Revenue Act, 2000 Act 592
- Policy statements incorporated from previously issued memoranda; and
- Best practices in other Universities.

The Financial Regulations apply to the University of Ghana and all its subsidiary undertakings and to all funds, irrespective of their source , passing through the University's Accounts, including subsidiary companies. All members of the University are required to comply with these Financial Regulations for the time period they are in force. These include all employees, students and all associated individuals.

[1] where the conditions attached to the Funds are not inconsistent with the University of Ghana Act and other Regulations.

1.2 Status of the Financial Regulations and Governance

These Regulations are made by Council pursuant to its powers under Statute 53 of the Statutes of the University of Ghana and it is purposed to provide a framework and guidelines to ensure control over the totality of the University's resources and provide management and stakeholders with assurances that the resources are properly applied for the achievement of the University's Vision and Mission.

It is the responsibility of the Director of Finance to ensure that all employees have access to these Financial Regulations and it is the responsibility of all employees to ensure that they comply with the provisions therein.

The Finance and General Purposes Committee is responsible for maintaining a continuous review of the Financial Regulations, on the advice of the Directors of Finance and Internal Audit, and on advising the Council on any additions or changes that are necessary.

Where there is any doubt about the interpretation of any of the financial regulations, the Vice-Chancellor, having taken appropriate advice, will act as the final arbiter in deciding on the interpretation.

Action required by the Vice-Chancellor, the Registrar, the Director of Finance and/or Provosts/Deans/ Directors, as part of these Regulations, may be delegated, in writing, to an appropriate nominee. All such delegation must be reported to and recorded by the Director of Finance.

1.3 Approvals and Amendments

- The Council may approve the Financial Regulations on the recommendation of the University's Finance and General Purposes Committee.
- The Finance and General Purposes Committee shall review the Financial Regulations at least on an annual basis.
- The Audit Committee will be consulted on amendments to the Financial Regulations.

2.0 FINANCIAL GOVERNANCE STRUCTURE

2.1 University Council

The Council is responsible for the management and administration of the University. Its primary financial responsibilities are to:

i. formulate in consultation with relevant bodies, the strategic vision and mission, long term academic and business plans and key performance indicators of the University;

ii. determine the authority limits for the use of finances of the University;

iii. control the property, funds and investments of the University and, on behalf of the University, to sell, buy, exchange, lease and accept leases of such property;

iv. borrow money on behalf of the University and use the property of the University as security;

v. control the finances of the University and determine any question of finance arising out of the administration of the University or the execution of its policy or in the execution of a Trust requiring execution by the University;

vi. determine the allocation of the funds at the disposal of the University, and in so doing, recurrent grants shall be made in the form of block grants, unless the Council otherwise determines, for expenditure by the University on those central activities of the University for which the University is wholly responsible and for the expenditure of its Units as part of their general income;

vii. determine annually the expenditure necessary for capital and revenue investments, the maintenance of the property of the University, and the human resources for transacting the business of the University, and to appropriate moneys for these purposes;

viii. prescribe the manner and form in which and the times at which Units of the University shall submit accounts or estimates of income and expenditure;

ix. act as trustee for any property, legacy, endowment, bequest, device or gift made to or belonging to the University or any of its Units;

x. determine student fees;

xi. ensure the University complies with the Government's audit code of practice;

xii. approve the appointment of external auditors;

xiii. approve the annual financial statements;

xiv. approve and authorise the opening and closing of bank accounts.

2.2 Vice-Chancellor

The Vice-Chancellor as the Chief Executive Officer of the University shall:

i. be responsible for driving the overall growth and development of the University under the direction of the Council and shall have overall authority over academic, financial and administrative controls;

ii. submit annually to the Council, a statement of the financial and human resource requirements which in his/her opinion are necessary for the effective conduct of the business of the University, for approval, and for the management of budgets and resources, within the estimates approved by the Council;

iii. advise the Council and Academic Board on matters affecting the policy, finance, governance and administration of the University;

iv. approve all accounting procedures and financial records. Such procedures are to have due regard for the need to promote probity, integrity and accountability and to any advice provided from internal and external auditors;

v. where required, justify any of the University's financial matters to the Public Accounts Committee of Parliament;

vi. ensure compliance with the Public Procurement Act, 2003 (Act 663) and approve procurement within the levels of authority as determined in that Act.

2.3 Committee Structure

The University Council has ultimate responsibility for the University's finances. Its principal committees dealing with financial matters are set out below. These committees are accountable to the University Council.

a. Finance and General Purposes Committee

Administers the finances and property of the University in accordance with its remit:

i. In so doing, the Committee will advise the Council on:

- the financial health and solvency of the University;
- safeguarding the University's assets;
- financial strategy;
- the medium-term financial forecast and the annual budget;
- financial issues arising from the annual financial statements;
- the establishment and dissolution of subsidiary companies and trusts of the University;

- the business plan of, and annual block grant to, the Students' Union; and
- the formulation of finance and resource objectives in the operational activities of the University.

ii. The Committee also has delegated authority to:

- monitor and evaluate the overall financial performance of the University;
- ensure that the University remains within the annual financial plan approved by the Council;
- ensure that an effective framework for financial management is in place;
- ensure that there are effective procedures in place for procurement and the approval of contracts;
- ensure that funds are applied in accordance with the laws of Ghana and the University's regulations, or similar obligations from other funding bodies;
- monitor and review the financial performance of the Students' Representative Council and the University's subsidiary companies and trusts;
- open and close bank accounts in the name of the University and in accordance with the University's requirements subject to ratification by Council.

iii. Deal with any other matters referred to it by the Council.

b) Resource Allocation Committee for Academic Purposes

i. Receives the recurrent estimates of programmes and academic development submitted by Provosts, Deans and Directors;

ii. Considers such capital and recurrent estimates of the University and reports on them to the Finance and General Purposes Committee;

iii. Carries out any other functions as may be referred to it by the Finance and General Purposes Committee.

c) Investment Committee

i. Determines investment policy and oversees the University's investment portfolio.

d) Physical Development and Municipal Services

i. Formulates Development Policy;

ii. Attends to detailed planning with architects and other professionals;

iii. Oversees the progress of major capital works being conducted within the University:

iv. Supervises other non-recurrent development projects of the University;

v. Advises on and supervises the expenditure of the University's capital and development funds;

vi. Responsible under the Finance and General Purposes Committee for the efficient management of the Estate, Grounds and Gardens and ensures that the policies decided by the Finance and General Purposes Committee are carried out;

vii. Recommends modifications of policy to the Finance and General Purposes Committee;

viii. Does any other acts and things as may be delegated to it.

e) Strategy Committee

i. Provides overall strategic direction for the University in order to ensure the attainment of its core objectives;

ii. Ensures coherence in the formulation and implementation of policies and programmes by the various organs of the University, including the Council;

iii. Reviews the plans and programmes of the various organs of the University to ensure consistency with the aims and objectives of the University.

f) Procurement and Tender Committee

i. Reviews procurement plans in order to ensure that they support the objectives and operations of the University;

ii. Confirms the range of acceptable costs of items to be procured and matches these with the available funds in the approved budget;

iii. Reviews the schedules for procurement and specifications and also ensures that the procurement procedures to be followed are in strict conformity with the provisions of the Public Procurement Act, 2003 (Act 663);

iv. Ensures that the necessary concurrent approval is secured from the relevant Tender Review Board, in terms of the applicable threshold in the Third Schedule to the Public Procurement Act, 2003 (Act 663) prior to the award of contracts;

v. Facilitates contract administration and ensures compliance with all reporting requirements under the Procurement Act, 2003 (Act 663);

vi. Ensures that stores and equipment are disposed of in compliance with the Procurement Act, 2003 (Act 663).

g) Internal Audit Committee.

i. Receives and reviews the annual report of the Director of Internal Audit;

ii. Ensures that internal auditing is carried out by the Directorate of Internal Audit in accordance with the Internal Audit Act, 2003 (Act 565);

iii. Ensures that the internal financial control systems of the University are functioning efficiently and effectively and that they meet the objectives of the University;

iv. Ensures that the Vice-Chancellor pursues the implementation of matters in all audit reports (internal and external) as well as financial matters raised in the reports of internal monitoring units in the University;

v. Prepares annual statements showing the status of implementation of recommendations made in all audit reports. Such reports shall show remedial action taken or proposed to be taken to avoid or minimise the recurrence of undesirable features in the accounts and operations of the University and the time frame for action to be completed;

vi. Recommends to Council measures to improve the quality of the internal audit system of the University.

h) Ghana University Staff Superannuation Scheme Management Committee

i. Administers and keeps the University's Superannuation Scheme under review;

ii. Advises from time to time on which securities/investments, monies accumulated under the Superannuation Scheme should be invested;

iii. Ensures that funds are invested in approved securities/ investments;

iv. Ensures that at the end of each accounting year, the administrator prepares a Statement of Income and Expenditure and a Statement of Financial Position for that financial year;

v. Causes the Accounts to be audited annually; and

vi. Ensures timely distribution of individual statements, etc.

i) College Councils

The financial functions of the College Councils are:

i. To ensure the financial integrity of the College as well as its Units;

ii. To oversee the development and progress of the College;

iii. To keep the College's objectives under constant review;

iv. To monitor and advise the University on conditions of service of employees of the College;

v. To allocate funds at the disposal of the College;

vi. To determine annually the expenditure necessary for the academic purposes of the College, and for the maintenance of:

- The property of the College; and
- The requisite number of employees for transacting the financial and administrative business of the College and the appropriation of moneys for these purposes.

In exercising its functions, the College Council shall act within the general policy of the University. For the avoidance of doubt, all policy decisions of the College Council shall be in the form of recommendations to the University Council.

j) College Finance and Development Committee

i. Shall advise the College Academic Committee and the College Council on the financial, academic and other aspects of the development of the College;

ii. Shall formulate and review policies and establish criteria with a view to recommending to the College Academic Committee the order of priorities in the College's academic development and keep the policies in constant review;

iii. Shall exercise control over the property and expenditure of the College subject to the directions of the College Council;

iv. Shall scrutinise the annual estimates of expenditure submitted by Schools, Institutes and the Units in the College and moderate them where necessary for presentation to the College Council;

Shall consider all requests for authorisation of expenditure in excess of the approved annual estimates and make recommendations thereon to the College Council;

v. Shall consider such matters of a financial nature as may be referred by other committees of the College Council.

2.4 Officers with Special Financial Responsibilities

a. Registrar

The Registrar is responsible, under the supervision of the Vice-Chancellor, for the conduct of University business.

The Registrar is the Chief Operating Officer of the University and under the Vice-Chancellor is responsible for ensuring the effective administration of the University.

b. Director of Finance

The day-to-day financial administration of the University is controlled by the Director of Finance, who shall, under the Registrar, be responsible for the financial business of the University and for such other business as Council may prescribe. The Director of Finance shall ensure that Provosts, Deans and Directors, in acting as Budget Holders, are notified of their responsibilities within these Financial Regulations and shall review and propose amendments to the Regulations as appropriate.

The specific responsibilities of the Director of Finance are described throughout these Financial Regulations and include the following[2]:

i. preparing annual capital and revenue financial plans;

ii. calling for and receiving moneys due to the University and making the authorised payments on behalf of the University;

iii. ensuring that throughout the University proper books of accounts and records of the properties of the University are kept in a manner and form required by Council;

iv. preparing accounts and management information, monitoring and controlling income and expenditure against financial plans and all financial operations;

v. preparing the University's annual accounts and other financial statements, and accounts which the University is required to submit to other authorities;

vi. ensuring that the University maintains satisfactory financial systems;

vii. providing professional advice on all matters relating to financial policies and procedures;

viii. liaising with internal and external auditors in order to achieve efficient processes and effective internal control.

[2] There is a need to highlight that the responsibility extends to all Units within the University and that the lines of reporting of all Finance Officers is through to the Director of Finance.

c. Director of Internal Audit

The Director of Internal Audit shall:

i. assure Management regarding the establishment and continuous operation of efficient and effective financial control systems within the University;

ii. have responsibility of ensuring that Risk Management policies are complied with and ensure that a regular review of the processes are maintained by management;

iii. conduct periodic management audits and submit reports to the Vice-Chancellor and the Council;

iv. liaise with External Auditors and ensure that appropriate action is taken on reported audit findings;

v. submit periodic audit reports on the activities of the Units to the Vice-Chancellor and to Council; and

vi. generally be responsible for ensuring that the University complies with the Internal Audit Agency Act, 2003 (Act 565).

d. Provosts, Deans and Directors

Provosts, Deans and Directors are responsible to the Vice-Chancellor for the financial management in the areas and for the activities they administer. They are advised by the Director of Finance, through the Finance Officers appointed to their Units, in executing their financial duties. The Director of Finance will also supervise and approve the financial systems operating within the Units including the form in which accounts and financial records are kept.

Provosts, Deans and Directors are responsible for establishing and maintaining clear lines of responsibility within their Units for all financial matters. Where resources are delegated to other officers, these officers are accountable to their Provosts, Deans and Directors, who retain overall oversight and responsibility for the results of their own budget.

Provosts, Deans and Directors shall provide the Director of Finance with such information as may be required to enable the:

- Implementation of financial planning and budget implementation;
- Compilation of the University's financial statements;
- Implementation of audit and financial reviews, recommendations, projects and value for money studies.

e. All Employees

All employees shall, in accordance with the policy decisions of the Council, manage and administer the affairs of the University in their various capacities in strict adherence to these Financial Regulations and Governance. In so doing:

- All employees have a general responsibility for the security of the University's properties, for avoiding loss, and for due efficacy, efficiency and economy in the use of resources.
- They must ensure that they operate at all times within the scope of authority which has been delegated to them and in accordance with these Regulations.
- They shall make available promptly any relevant records or information to the Director of Finance, or his/her authorised representative, in connection with the implementation of the University's financial policies, regulations and the systems of financial control.
- They shall provide the Director of Finance with such financial and other information as they may deem necessary, from time to time, to carry out the requirements of the Council.
- They shall immediately notify the Director of Finance whenever any matter emerges which involves, or is thought to involve, irregularities concerning, *inter alia,* cash or properties of the University. The Director of Finance shall take such steps as he or she considers necessary by way of investigation and report.

f. Risk Management

The University acknowledges the risks inherent in its business, and is committed to managing those risks that pose a significant threat to the achievement of its business objectives and financial health.

The Council has overall responsibility for ensuring that there is a Risk Management Strategy and a common approach to the management of risks throughout the University. This will be done through the development, implementation and embedding within the organisation of a formal, structured risk management process.

In line with this policy, the Council requires that the Risk Management Strategy and supporting procedures include:

i. the adoption of common terminology in relation to the definition of risk and risk management;

ii. the establishment of University-wide criteria for the measurement of risk, linking the threats arising with their potential impact and the likelihood of their occurrence;

iii. a decision on the acceptable level of risk;

iv. detailed regular reviews at each Unit to identify significant risks associated with the achievement of key objectives and other relevant areas;

v. development of risk management and contingency plans for all significant risks, to include a designated 'risk owner' who will be responsible and accountable for managing the risk in question;

vi. maintenance of the necessary Risk Registers and Risk Action Plans to ensure risks are properly managed;

vii. regular reporting to the Finance and General Purposes Committee of all risks above established tolerance levels;

viii. an annual report from the Finance and General Purposes Committee to the Council giving assurance that risk has been properly managed;

ix. an annual review of the implementation of risk management arrangements;

x. an annual report from the Audit Committee on risk.

In line with this, a Risk Management Committee shall be set up to ensure that there are appropriate controls for managing the key risk areas. The risk areas covering financial management which have been identified as requiring adequate monitoring and assessment include:

Funding	Financial/Commercial
• Potential future change in Government funding policy; • Infrastructure funding requiring commitments and financial inputs from the Government and the University; • Relationship with the National Health Insurance Scheme in respect of funding for patients at the University Hospital; • Funders reneging on commitments for research and development	• Inadequate financial strategy • Poorly devolved financial control • Over-extension of resources resulting from increased activity, both teaching and research • Investments • Fraud and theft • Compliance with legal and governance requirements
Property and related items • Crime • Maintenance backlog • Service breakdown - electricity, water, • Insurance adequacy	**Human resources** • Attracting and retaining employees • Labour relations • Health and safety • Funding of gratuities
Student and related issues • Collection of student fees • Insufficient student housing • Financial aid	**Information technology** • Disaster recovery and losses due to changes to the IT environment • Overdependence on individuals, both internal and external

Budget Holders must ensure that any agreements negotiated within their specified area of operation with external bodies cover any legal, financial or commercial liabilities to which the University may be exposed. The advice of the Registrar or his authorised representative should be sought in all cases.

g. Code of Conduct

The University is committed to the highest standards of openness, integrity and accountability. It seeks to conduct its affairs in a responsible manner, having regard to the principles established by the Committee on Standards in Public Life *(formerly known as the Nolan Committee)* which employees at all levels are expected to observe. *(This is included as Appendix I to these Regulations).*

In addition, members of the Council, Statutory Officers and those employees with the ability to commit the University to a significant level of expenditure are required by Council Standing Orders and the University's Procurement Policy to disclose interests in the University's Register of Interests maintained by the Registrar. They will also be responsible for ensuring that entries in the Register relating to them are kept up to date regularly and promptly.

In addition, University employees with shareholdings in spin-off businesses are required to declare any such holdings. In particular, no person shall be a signatory to a University contract where he/ she also has an interest in the activities of the other party.

h. Receiving gifts or hospitality

Sections 240 to 245 of the Criminal Offences Act, 1960 (Act 29) and the Corrupt Practices (Prevention) Act, 1964 (Act 230) indicate that it is an offence for employees to accept any gift or consideration as an inducement or reward for doing, or refraining from doing, anything in an official capacity or showing favour or disfavour to any person in an official capacity. The guiding principles to be followed by all employees therefore, must be:

- the conduct of individuals should not create suspicion of any conflict between their official duty and their private interest;
- the action of individuals acting in an official capacity should not give the impression (to any member of the public, to any organisation with whom they deal or to their colleagues) that they have been (or may have been) influenced by a benefit to show favour or disfavour to any person or organisation.

Thus employees should not accept any gifts, rewards or hospitality (or have them given to members of their families) from any organisation or individual with whom they have contact in the course of their work that would cause them to reach a position whereby they might be, or might be deemed by others to have been, influenced in making a business decision as a consequence of accepting such hospitality. The frequency and scale of hospitality accepted should not be significantly greater than the University would be likely to provide in return.

When it is not easy to decide between what is and what is not acceptable in terms of gifts or hospitality, the offer should be declined or advice sought from the relevant Provost, Dean or Director or the Director of Finance. Guidance on acceptable hospitality is contained in the detailed financial procedures. For the protection of those involved, the Director of Finance (or other designated officer) will maintain a register of gifts and hospitality received.[3] Employees in receipt of such gifts or hospitality are obliged to notify the Director of Finance (or other designated officer) promptly.

2.5 Organisation and Functional Responsibilities of the Finance Directorate

The objective of the Finance function of the University of Ghana is to maintain a fiscally sound organisation that provides efficient and effective financial management services to the University. It also seeks to protect the assets of the University and to provide assurance to all stakeholders that the University's funds are managed prudently and in accordance with the objectives for which these are raised.

a. Organisation

The Organisation of the University's Finance Directorate is set out below with the details highlighted in Appendix II. The Directorate is headed by the Director of Finance and is assisted by three Deputy Directors and Finance Officers for the Colleges.

The Finance Directorate shall comprise of four sections[4], namely:

- Management Accounting and Payroll Management
- Financial Accounting and Treasury Management
- Research and Academic Project Management
- College Financial Administration
- Procurement

[3] The Finance & General Purpose Committee shall on annual basis determine the minimum level of gifts and hospitality which shall be disclosed in the Register of Gifts and Hospitality.
[4] The Procurement Section should eventually be developed to the status of a Directorate under the Vice-Chancellor with the functions highlighted in Appendix V.

The Directorate will be supported by:

- User Support Coordination: the development of training and management of the logistics within the University Software (ITS) system.
- Secretariat: personnel in charge of records & archives, secretaries, drivers, messengers and cleaners.

i. Management Accounting and Payroll Section

This section will develop the co-ordination of the university-wide budget and reporting system and will ensure that the cost control mechanisms available in the ITS system are managed. For separation of duties, the section will also be responsible for the logistics in the supply chain (i.e. stores management). The responsibilities include:

- **Budgets:** preparation and administration of the University's Annual Operating Budgets for both Recurrent and Capital Expenditure, including the implementation of Budgetary Controls.
- **Management Accounting:** preparation of cost control mechanisms throughout the University; carrying out evaluations of the activities of the University to ensure that internal controls applicable to both financial and programme areas provide reasonable assurance to management.
- **Performance Reports:** Ensuring the preparation and submission of management reports to internal constituent units and external bodies like the National Council for Tertiary Education, Ministry of Education, Vice-Chancellors Ghana (VCG) etc.

- **Stores Management:** overseeing the administration for each location (i.e. maintenance, general, electrical, etc.) as well as the institution of regular stores verification and reconciliation with the general ledger.
- **Payroll Management and Reconciliation** including the management of the link with Human Resources in the ITS module, management of Superannuation (including Pensions) as well as processing of Insurance payments for cars and assets.

ii. Financial Accounting and Treasury Management Section

This section will oversee all matters pertaining to the recording and reporting of information and transactions through the General Ledger and ensuring the integrity of the information through robust financial accounting policies using the highest levels of internal control mechanisms. The responsibilities include:

- **Treasury Management:** The development of Cash Flow and Cash Forecast schedules; cashiering operations including receiving and disbursing funds and banking transactions; preparation and submission of cash transcripts; subvention claims and collection of state funding.
- **Bank Reconciliations:** Confirmation of bank balances and preparation of monthly bank reconciliation statements.
- **General Ledger Reconciliations:** reconciliation of all general ledger figures and reporting on monthly actual figures.
- **Financial Accounting:** The preparation of Annual Financial Statements (including development of accounting policies required to comply with Generally Accepted Accounting Practice and appropriate International Accounting Standards).
- **Accounts Payable:** Reconciliation of Supplier Account statements and payment of accounts when due.

Accounts Receivables including:

- **Staff and Other Receivables:** Collection of money due the University and ensuring that approved policies and procedures regarding debt are followed to ensure ability to make collections.
- **Students' Accounts Receivables:** The management of the Students' Accounts.
- **Provision of Oversight** for all the accounting functions undertaken at all units with limited financial and operational autonomy.
- **Capital Projects Management and Fixed Assets Control:** Providing oversight for the management of expenditures on physical development and equipment.

iii. Research and Project Management Section

The University has a new and growing emphasis on Research and to ensure proper oversight, this section is to ensure that appropriate governance and accounting is in place for all projects using funders' money throughout the University. It will also give expert advice on the methods and information required for proposals and by being involved from the outset, will be able to closely monitor funders' requirements and give assurances of compliance with conditions. In conjunction with the Office of Research, Innovation and Development (ORID), it will also ensure that correct levels of income and benefits are generated for the promotion of Research throughout the University.

The section will also perform the necessary training to ensure prompt reaction to researchers' requirements throughout the system. The core functions will include:

- Budget Preparation and Fundraising;
- Disbursement of Research and Project Funds;
- Research and Project Report preparation and dissemination.

iv. College Financial Administration

College financial administration encompasses the financial management of the College of Agriculture & Consumer Sciences, the College of Health Sciences and the University of Ghana Business School.

The Director of Finance will provide oversight for all the accounting/finance functions undertaken at the Colleges and Business School. The Director of Finance will also be the co-ordinating point for ensuring consistency with policies and reports preparation to facilitate easy consolidation and reporting to Council and other Committees.

3.0 CATEGORIES OF REGULATIONS & POLICIES

3.1 Organisation of the Regulations & Policies

The Financial Regulations and related policies are divided into eleven (11) active subject areas, each of which contains (or will in the future contain) a group of related policies. For example, all Policies related to Procurement can be found in section 1500.

Policy statements are sequenced by section and identified by a four digit numeric code. The first two digits identify the subject area, while the third and fourth digits indicate the specific policy within the subject area, e.g. policy number 1502 identifies the second policy of subject area 15, PROCURING GOODS & SERVICES.

Each policy statement is presented in a standardised format. The first section identifies the policy number and policy title. The next section of each page indicates the subject area, responsible office, the office or group having the authority to approve changes to the policy, issue date, and revision date. This is followed by the actual policy information.

The responsible office has the responsibility to develop, promulgate, monitor and revise the applicable policy. When additional guidance or interpretation of a specific policy is required, that office should be consulted. The Office of the Director of Finance should be consulted when an issue arises which is not addressed by the Financial Regulations and related policies.

3.2 Detailed Regulations & Policies

1000 Budgetary Management & Control
1100 Accounting Policies
1200 Reporting Requirements
1300 Treasury Management
1400 Income
1500 Procurement of Goods and Services
1600 Disbursements
1700 Management of Fixed Assets
1800 Financial Reporting
1900 Audit Requirements
2000 Other Matters

3.2.1 BUDGETARY MANAGEMENT & CONTROL

POLICY No. 1001	
BUDGET PREPARATION	
Subject Area	**Budgetary Management & Control**
Responsible Officer	Deputy Director of Finance (Management Accounting & Payroll)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To detail the processes and procedures involved in the University's budgetary preparation and approval.

POLICY:

Introduction

1. The University of Ghana has adopted a budgetary control framework for ensuring financial integrity and control. In basic terms, the Council approves, on the basis of a three-year rolling financial plan an annual plan of both targeted recurrent income and expenditure and potential capital expenditure, relating to development, investment and other capital acquisitions. This is done in conformity with and is determined with reference to the University Strategic Plan and subsequent Development and Unit plans and targets of financial results for the University over the current and subsequent years. Forecasts are made of potential income and related expenditure to ensure that the net results fall within the parameters set by the Council.

Budget Objectives

2. The Council will, from time to time, set budget objectives in line with the Strategic Plan of the University. These will help the Director of Finance in preparing more detailed financial plans for the University.

Resource Allocation

3. Resources are allocated annually by the Council on the basis of the above objectives and on the recommendations of the Resource Allocation Committee for Academic Purposes through the Finance & General Purpose Committee. Provosts, Deans and Directors are responsible for the economic, effective and efficient use of resources allocated to them.

Budget Committees

4. The University's Finance & General Purposes Committee shall be responsible for the:
   - review and formulation of strategic plans;
   - review of the University's revenue collection activities;
   - co-ordination and consolidation of the budget;
   - monitoring and evaluation of budget performance; and
   - report to the Council on matters relating to the budget.

5. The relevant Boards and Committees of the Colleges of Agriculture & Consumer Sciences and Health Sciences shall perform the above services in the colleges. The University shall also set up Budget Committees at the other Units which will contribute inputs to the University's budget preparation.

Budget Guidelines

6. The various Units in the University will prepare their budgets in line with the Budget Guidelines issued by the Director of Finance. Prior to the preparation of their budgets, briefings shall be organised to discuss issues relating to the budgets.

The budget guidelines shall cover:

- The form of budgetary documents and statements
- Classification of budgetary transactions
- Information to be submitted in support of budgetary proposals by heads of Units
- Costing of activities
- Procedures involved in the preparation, submission and implementation of the budget
- Income & Expenditure Ceilings for each Unit.
- Expected outputs in terms of documentation and reports that must accompany the draft estimates of each establishment
- Work plans and cash flow forecasts, and
- Deadlines for the submission of estimates

Budget Preparation

7. Each year, in advance of the financial year to which they refer, the Provosts, Deans and Directors will propose income and expenditure and capital budgets. The Finance and General Purposes Committee will determine the priorities for expenditure taking into account available funds and the strategic priorities of the University. The Director of Finance will prepare the budgets, both revenue and capital, on this basis, for consideration by the Finance and General Purposes Committee, before submission to the Council.

8. These budgets should include:

- Revenue budget;
- Capital budget;
- Monthly cash flow forecast;
- Projected year-end statement of financial position.

Budget Approval

9. The Budget of the University shall be approved by the University Council upon the recommendations of the Finance and General Purposes Committee.

10. The Director of Finance must ensure that the approved budgets are communicated to Provosts, Deans and Directors as soon as possible following their approval by the Council.

Revised Budgets

11. During the year, the Director of Finance is responsible for submitting revised budgets to the Finance and General Purposes Committee for consideration and submission to the Council for approval, and thereafter communicating the revised budgetary position to the Provosts, Deans and Directors.

POLICY No. 1002	
CAPITAL PROGRAMMES	
Subject Area	**Budgetary Management & Control**
Responsible Officer	The Director of Finance/Director – Physical Development & Municipal Services
Approval	The Finance & General Purposes Committee/ Physical Development & Municipal Services Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To establish the process for obtaining approval for capital programmes and to define project leadership roles during project development and implementation in the University.

POLICY:

Introduction

1. The capital programmes include all expenditure on land, buildings, equipment, and furniture and associated costs, whether or not they are funded from capital grants, to be capitalised for inclusion in the University's financial statements.

Capital Programme Approval

2. The University's capital programme will be approved by the Council on the recommendation of the Physical Development and Municipal Services Committee *(for architectural drawings in line with the University's Master Plan on land development)* and the Finance and General Purposes Committee *(for the cost and funding of projects in terms of their sustainability).*

3. The Directors of Finance and Physical Development and Municipal Services shall establish procedures for the inclusion of capital projects in the capital programme for approval by the Council. These will set out the information that is required for each proposed project as well as the financial criteria that they are required to meet.

4. The Director of Finance shall also establish procedures for the approval of significant variations to approved projects.

5. The University will appraise formally, before approval, all major capital expenditures including non-building projects, equipment etc., to conform to best practice.

In considering these major capital programmes, the University must satisfy itself that:

- the project is consistent with the strategic objectives of the University including, for building work, the University's estate strategy. *(It is possible to envisage the need to support a project notwithstanding its non-compliance with institutional strategic plans. However, in such cases, a decision by the Finance and General Purposes Committee will be required and recorded with regard to the reasons why such a course of action was taken);*
- the project is fully costed (including VAT and any other taxes), to enable the production of a financial evaluation of the project *(including an assessment of the impact, if relevant, on revenue accounts, including the capitalisation policy as recommended by the Director of Finance)* concerned and its potential impact on University accounts;
- the project has been subject to an approved investment appraisal analysis;
- the project conforms to relevant planning legislation including the requirement for planning permission and listed building consent;
- consideration has been given to any associated tax implications and the options to address such matters;
- any restrictions or requirements that will result from the use of external funding have been taken into account;
- a cash flow analysis has been produced; and
- the project conforms to best practice on tendering and procurement and complies with the Public Procurement Act, 2003 (Act 663) and all other relevant legislation.

The University will:

- consider, where appropriate, methods by which projects might be funded and forward, with the appropriate recommendations, cases to the Physical Development & Municipal Services Committee and thence to the Finance & General Purposes Committee for approval; and
- monitor and report on projects previously approved.

6. Where projects are externally funded and financial and investment assessments have already been undertaken, the University may be able to “fast-track” such cases but nonetheless these projects must meet the criteria with regard to institutional plans.

7. The Registrar, Director of Finance or the Director of Physical Development & Municipal Services must be contacted at an early stage in the process in order that the issues covered in the paragraphs above may be addressed.

Capital Programmes Implementation

8. The University will follow Procurement Policy 1502 in the Capital Programmes procurement process.

9. Upon the completion of a capital expenditure project, a final report must be submitted to the Physical Development & Municipal Services Committee and Finance & General Purposes Committee regarding an analysis of actual expenditure against budget.

10. The Director of Finance will also establish procedures for providing regular statements concerning capital expenditure to the Physical Development & Municipal Services and Finance & General Purposes Committees for monitoring purposes.

11. Following the completion of any capital project approved as a business case, a final report should be submitted to the Finance & General Purposes Committee including an analysis of actual expenditure against budget and reconciling funding arrangements where a variance has occurred, as well as other issues affecting completion of the project. Where applicable, a post-project evaluation report may also be produced (where such an evaluation has taken place) and submitted to the Physical Development & Municipal Services and Finance & General Purposes Committees.

POLICY No. 1003	
OTHER MAJOR BUSINESS DEVELOPMENTS	
Subject Area	**Budgetary Management & Control**
Responsible Officer	The Director of Finance
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To provide for the processes establishing other Major Business Developments in the University.

POLICY:

1. Any proposed establishment of a company or joint venture arrangement or any new business proposal, which will require an investment in buildings, resources or employees time beyond existing budgets, should be presented as a business case for approval to the Finance & General Purposes Committee.

2. The Director of Finance will establish procedures for these major business developments to enable them to be considered for approval by the appropriate committee. These will set out the information that is required for each proposed development as well as the financial criteria that they are required to meet.

3. The proposals should be supported by a business plan for three (3) years which sets out:

   - A demonstration of the proposal's consistency with the Strategic Plan approved by the University Council.
   - Details of the market need and the assumptions of the level of business available.
   - Details of the business and what product or service will be delivered.
   - An outline plan for promoting the business to the identified market and achieving planned levels of business.
   - Details of the employees required to deliver, promote and manage the business, together with any re-skilling or recruitment issues.
   - Details of any premises and other resources required.

- A financial evaluation of the proposal together with its impact on revenue and profit, plus advice on the impact of possible alternative plans and sensitivity analyses in respect of key assumptions.
- Contingency plans for managing adverse sensitivities.
- Consideration of taxation and other legislative or regulatory issues.
- A three year financial forecast for the proposal including a monthly cash flow forecast and details of the impact on the University cash flow forecast for the financial years in question.

POLICY No. 1004	
BUDGETARY CONTROL	
Subject Area	**Budgetary Management & Control**
Responsible Officer	The Deputy Director of Finance (Management Accounting & Payroll)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To detail the mechanisms for ensuring budgetary controls in the University.

POLICY:

1. The Director of Finance shall keep the Vice-Chancellor, Finance & General Purposes Committee and Council informed of the financial consequences of changes in policy, pay awards, and other events and trends affecting budgets, and shall advise on the financial and economic aspects of future plans and projects.

2. The control of income and expenditure within an agreed budget is the responsibility of the designated Provost, Dean or Director who must ensure that day-to-day monitoring is undertaken effectively. These Provosts, Deans and Directors are responsible for managing their budgets such that income targets are achieved and expenditure limits are not exceeded. They will be assisted in this duty by management information provided by the Director of Finance.

3. The Provosts, Deans and Directors are responsible for the overall financial management across their Units including the control of approved income and expenditure, budgetary control and monitoring. Where appropriate, they may delegate responsibility to a designated Officer.

4. Significant departures from agreed budgetary targets must be reported immediately to the Director of Finance and the Finance & General Purposes Committee by the Provost, Dean or Director and, if necessary, corrective action taken.

5. The Director of Finance will establish and maintain a system of budgetary control which incorporates the reporting of, and, investigation into variances from budget. All employees involved in initiating or authorising financial transactions shall comply with these budgetary control procedures.

6. The Director of Finance will advise the Director of Human Resources on such training as may be required by the Provost, Dean or Director and their Officers to enable them to operate the procedures relating to budgetary control.

7. The Provosts, Deans, Directors and their Officers are assisted in their duties by management information provided under arrangements approved by the Director of Finance. The types of management information available to the different levels of management together with the timing at which they can be expected shall be designed by the Director of Finance.

8. The Director of Finance is responsible for supplying Budgetary Reports (Tables 1-4) on all aspects of the University's finances to the Finance & General Purposes Committee on a basis determined by them. The report shall outline the Income and Expenditure of the University for the financial year to date, compared with the corresponding Approved Budget and showing a forecast of anticipated year-end values, which gets updated quarterly.

9. Changes proposed to the approved budget will be considered by the Finance & General Purposes Committee which will make proposals to the Council unless they fall within delegated approval arrangements.

10. Provosts, Deans and Directors may not, (in general), authorise payment to be made out of funds earmarked for specific activities for purposes other than those activities. Provosts, Deans, and Directors shall, however, have authority to re-allocate amounts between approved heads of income and expenditure in accordance with virement rules specified in the University's budgeting procedures.

11. Virement Rules:

- **Within each Establishment:** Virement is permitted of up to 15% of the budget from which virement is sought, with the written approval of the Provost, Dean or Director.
- **Virement between budgets** held by different Units in the University is permitted up to 15% of the budget from which virement is sought with the written approval of the transferring Provost, Dean or Director.
- The Director of Finance is responsible for submitting requests for virement of resources above 15% to the Finance and General Purposes Committee for consideration before submission to Council for approval.

All agreements for virement should be notified to the Director of Finance or his/ her nominated representative for action in approved budgets. All reporting of variances will be by comparison of actual income or expenditure against the approved budget.

12. No balances will be permitted to be carried forward to the next financial year unless income has been received for a specific purpose which has not yet been fulfilled (in which case an appropriate credit balance will be created).

13. All other surplus income will be credited to the University's Income and Expenditure Reserve and will be available for expenditure only if approved as part of the budget setting or virement process. Funds specifically earmarked within the University's Income and Expenditure Reserve may be approved for expenditure by the appropriate Provost, Dean or Director if there is capacity within the approved budget to do so.

3.2.2 ACCOUNTING POLICIES

POLICY No. 1101	
GENERAL ACCOUNTING POLICIES	
Subject Area	**Accounting Policies**
Responsible Officer	The Deputy Director of Finance (Financial Accounting & Treasury Management)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To set out and explain the policies for accounting for the funds used and for the preparation of the financial statements[5] for the University of Ghana.

POLICY:

1. The Accounting Policies are the specific principles, bases, conventions, rules and practices adopted in preparing and presenting financial statements in the University. The Accounting Policies clarify how the relevant accounting standards apply to individual transactions and balances.

2. The Council is responsible for accounting for the University's financial activity in accordance with the International Public Sector Accounting Standards (IPSAS).

3. The accounting policies on which the financial statements of the University are produced should be in accordance with applicable accounting standards and consistent with the requirements to present a true and fair view.

4. The constraints that the University should take into account in judging the appropriateness of accounting policies to its particular circumstances are:

    - the need to balance the four objectives (relevance, reliability, comparability and understandability); and

    - the need to balance the cost of providing information with the likely benefit of such information to users of the financial statements.

5. The Accounting policies shall be applied consistently over the years.

[5] The financial statements shall cover all transactions and events of the Units that utilise budgetary allocations from the University's Funds.

6. The University should regularly review its accounting policies to ensure that they remain the most appropriate to its own particular circumstances. Where this is judged not to be the case, a new policy should be adopted giving due weight to the impact a change would have on comparability between periods.

7. No changes shall be made to the accounting policies except by the authority of the Director of Finance with approval from the Finance and General Purpose Committee.

POLICY No. 1102	
BASIS OF PRESENTATION OF FINANCIAL STATEMENTS	
Subject Area	**Accounting Policies**
Responsible Officer	The Deputy Director of Finance (Financial Accounting & Treasury Management)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To set out and explain the policies for accounting for the funds used and the basis for the preparation of the financial statements for the University of Ghana.

POLICY:

1. The financial statements will be prepared in accordance with International Public Sector Accounting Standards (IPSAS)[6] and International Financial Reporting Standards (IFRS) where necessary.

2. The financial statements will be prepared under the historical cost convention, except where stated otherwise.

Statement of Compliance

3. The consolidated annual financial statements of the University and its subsidiaries will be prepared in accordance with Internationally Accepted Standards.

Basis of Consolidation

4. The consolidated financial statements comprise the financial statements of the University[7] and its subsidiaries as at the end of the financial year. The financial statements of the subsidiaries are consolidated from the date on which the University acquires effective control, up to the date that such effective control ceases. For this purpose, subsidiaries are entities over which the University, directly or indirectly, has the power to govern the financial and operating policies of the entity, so as to obtain the benefits from its activities.

[6] The aim is to provide the policies for a cautious transition to full Accrual Accounting basis in line with the recommendations of the International Public Sector Accounting Standards Board (IPSAS) of the International Federation of Accountants.
[7] The University covers all Units for which the University Council has jurisdiction.

Segment Information and Accumulated Funds

5. 'Segmental Reporting' requires the disclosure of income, segment result and segment net assets by class of business and geographical segment where material other segments exist. A segment is a recognised component of the University that is engaged in undertaking activities and providing services that are subject to risks and returns different from those of other segments.

6. The operating businesses which are managed separately but fall under the oversight of the University of Ghana executive leadership and their treatment in the financial statements include:

   a. **Endowment Funds Income:** Income from specific endowments, comprising investment income and realised profits arising from the sale of investments, is recognised in the Statement of Income and Expenditure as designated for specific purposes in the period when it accrues. The University may agree to utilise a portion of this income and to reinvest the unutilised portion in the underlying endowment funds in order to grow the capital base. Funds made available to operations which cannot be utilised due to a specific event not having occurred, are also capitalised. The utilisation of these funds for operational purposes, and the capitalisation of all unutilised funds are effected by transfer within the Statement of Changes in Fund Balances.

   b. **Specifically funded activities restricted:** The Specifically funded activities restricted consist mainly of research activity. Here, decision-making rights over income earned and related expenses rest with researchers. The Office of Research, Innovation and Development Board (ORID) retains an oversight role with regard to ensuring that expenditure is in accordance with the mandate received from funders and the University's policies.

   c. **Unrestricted University controlled funds:** This segment predominantly represents the teaching component of the University's funds. Decision-making rights relating to income earned in this segment rest with the Council.

POLICY No. 1103	
SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES	
Subject Area	**Accounting Policies**
Responsible Officer	The Deputy Director of Finance (Financial Accounting & Treasury Management)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To set out and explain the policies for accounting for the funds used and the significant accounting judgments and estimates used for the preparation of financial statements for the University of Ghana.

POLICY

1. The preparation of the University's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities, and the disclosure of contingent liabilities, at reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require material adjustments to the carrying amount of the asset or liability affected in the future.

Judgments

2. In the process of applying the University's accounting policies, management will make the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements.

3. All investments, with the exception of specific investments which are held-to-maturity, are considered to be available-for-sale investments, as the intention is to grow the value of the investment portfolios over a long term horizon.

Estimations

4. Where estimation techniques are required to enable the accounting policies adopted to be applied, the University should select the estimation techniques that enable its financial statements to give a true and fair view and that are consistent with the requirements of the accounting standards adopted.

5. The key assumptions concerning the future and other key sources of estimation of uncertainty at the Statement of Financial Position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are set out below:

- *Impairment:* The University assesses whether there are any indicators of impairment for all assets at each reporting date. The University classifies certain assets as available-for-sale investments and recognises movements in their fair value in the Statement of Income. When the fair value declines, management makes assumptions about the decline in value to determine whether it is an impairment that should be recognised in the Income Statement. **An investment is considered to be impaired if either the fair value at the end of the year is more than 30% below cost or the fair value has been below cost for a period of twelve months.**

- *Depreciation:* At the end of each financial year, management reviews the assets to assess whether the estimated useful lives and estimated residual values applied to each asset are appropriate.

- *Gratuity provision for employees:* The University pays a gratuity on retirement, retrenchment, or death, in special circumstances. In order to estimate the probability of incurring this liability, management makes assumptions in respect of the number of employees who will reach retirement within the year at the University. In addition, to arrive at a fair value for the liability, the University needs to make assumptions regarding both expected future salary increases and a suitable discount rate.

- *Student fees receivables:* At year end, management makes an estimate of the amount of total outstanding student fee debt. In addition, management estimates the amounts that it expects to recover from the outstanding balances. A provision of impairment is raised based on these estimates.

POLICY No. 1104	
FINANCIAL STATEMENTS PRESENTATION & DISCLOSURE	
Subject Area	**Accounting Policies**
Responsible Officer	The Deputy Director of Finance (Financial Accounting & Treasury Management)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To set out and explain the policies for accounting of the financial statements presentation and disclosure for the University of Ghana.

POLICY

Basis of accounting and preparation

1. The financial statements should show a true and fair view, or present fairly, the financial position of the University's performance and changes in financial position. This is achieved by the application of the appropriate accounting standards. The University may depart from these standards in extremely rare circumstances in which it concludes that compliance with these standards would be so misleading as to conflict with the objective of the financial statements. The nature, reason and financial impact of the departure should be explained in the financial statements.

2. The financial statements shall be prepared in accordance with generally accepted accounting principles. The Accounts submitted by the University shall be in accordance with the policies stated in these Regulations.

3. If the basis has not been stated in these Regulations, the Director of Finance shall disclose the basis of accounting used in the preparation of the accounts and identify any significant departures and the reasons for the departures from provisions in the Regulations.

4. The Financial Statements for the University of Ghana shall include:

- a **Statement of Financial Position** showing the assets and liabilities at the end of the year;
- a **Statement of Changes in Net Assets/Equity** for the year;
- a **Statement of Financial Performance** for the year;
- a **Cash Flow Statement** for the year; and
- the **accounting policies and explanatory notes** that form part of the accounts, which shall include particulars of the extent to which the performance criteria specified in the budget estimate in relation to the provision of the University's output were satisfied.

Extraordinary items

5. It is required that in preparation of the financial statements the University shall separately disclose the nature and amount of each extraordinary item. The disclosure may be made on the face of the financial statements and in the notes to the financial statements.

6. Extraordinary items are characterised by the fact that they arise from events or transactions that are distinct from the University's ordinary activities, are not expected to recur frequently or regularly and are outside the control or influence of the University. Accordingly, extraordinary items are rare, unusual and material.

Fundamental Errors

7. The correction of fundamental errors that relate to prior periods requires the restatement of comparative information. Fundamental errors are errors that have such a significant effect on the financial statements of one or more prior periods that those financial statements can no longer be considered to have been reliable at the date of their issue. An example of a fundamental error is the omission of a major class of receipt or payment from the financial statements.

Reporting Currency

8. The consolidated financial statements are presented in Ghana Cedis, which is the University's functional and presentation currency. Transactions in foreign currencies are recorded at the currency exchange rate ruling at the date of the transaction.

Foreign Currency translation

9. Monetary assets and liabilities denominated in foreign currencies are translated at the prevailing currency exchange rate at the statement of financial position date. All differences are recorded in the statement of income and expenditure in the year in which they arise.

10. Non-monetary items are carried at cost and translated using the exchange rate at the date of the transaction, whilst assets carried at fair value are translated at the exchange rate when the fair value was determined.

11. When a gain or loss on a non- monetary item is recognised directly in other income, any exchange component of that gain or loss shall be recognised directly in other income. Conversely, when a gain or loss on a non-monetary item is recognised directly in the statement of income and expenditure, any exchange component of that gain or loss shall be recognised directly in the income and expenditure statement.

Non-Financial Reporting

12. Non-Financial Reporting is reporting wholly or partly on information not contained in the financial statements. The University may report on such information.

POLICY No. 1105	
ACCOUNTING POLICIES: RECEIPTS AND INCOMES	
Subject Area	**Accounting Policies**
Responsible Officer	The Deputy Director of Finance (Financial Accounting & Treasury Management)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To set out and explain the policies for accounting for receipts and related income in the preparation of the financial statements for the University of Ghana.

POLICY

Recognition of Income

1. Income is recognised to the extent that it is probable that the economic benefits will flow to the University and the revenue can be reliably measured. Income is measured at the fair value of the consideration received, excluding discounts, rebates, and other sales taxes or duty.

2. Income is also recognised when cash or services associated with the transaction flow to the university. For cash transactions, the income is recognised on receipt of payments. For other transactions, income is recognised when it is earned by law or contract (e.g. goods or service are supplied by the University).

   The following specific recognition criteria must also be met before income is recognised:

Government appropriations: subsidies and grants

3. Government appropriations and grants for general purposes are recognised as income in the financial year in which they are received.

4. Government subsidies and grants for specific research purposes are brought into the Statement of Income and Expenditure in the financial period in which they accrue to the University and in accordance with the relevant grants and agreements. Such subsidies and grants are presented separately as credits in the Statement of Income and Expenditure.

5. Government subsidies and grants relating to specific expenses are not offset against the expense but are included in the disclosure of Government appropriations - subsidies and grants.

6. Where the grant is received to finance, or partly finance, the purchase, construction or development of an asset, and the asset is capitalised, it is recognised as *deferred capital grants*. An annual transfer is then made to the statement of income and expenditure over the useful economic life of the asset at the same rate as the *depreciation* charge on the asset for which the grant was awarded. Furthermore, the condition that normally has to be satisfied for the recipient to comply with the terms of the grant is that the capital item should be used for the purposes for which the grant was given.

Designated income from contracts, grants and donations

7. **Income received for designated specific purposes** arises from contracts, grants, endowments and donations. Such income is recognised in the Statement of Income and Expenditure in the financial period in which it accrues to the University in accordance with the relevant agreement.

8. **Academic and Residential Facility User fees** charged are applicable to one academic and financial year and are recognised in that year.

9. **Interest Income:** Income is recognised as interest accrues, using the effective interest method which is the rate that discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

10. **Dividends** are recognised when the right to receive payment is established.

11. **Rendering of services:** Income, involving the rendering of services, is recognised to the extent the service has been provided and it is probable and can be reliably measured. Where the contract outcome cannot be measured reliably, income is recognised only to the extent that expenses incurred are eligible to be recovered.

POLICY No. 1106	
ACCOUNTING POLICIES: EXPENDITURE	
Subject Area	**Accounting Policies**
Responsible Officer	The Deputy Director of Finance (Financial Accounting & Treasury Management)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To set out and explain the policies for accounting for expenditure in the preparation of the financial statements for the University of Ghana.

POLICY

Recognition of Expenditure

1. Expenditures are payments made in respect of cash transactions by the University and liabilities incurred in relation to the reporting period for goods and services received from vendors.

2. The University recognises expenditure when goods or services from suppliers are delivered to the University and its Units. Expenditure is also recognised when an obligation or the impairment of an asset has occurred.

   The following specific recognition criteria must also be met before expenditure is recognised:

3. **Employer contribution to retirement plan:** Employer contributions to the University Superannuation (Retirement) Fund are recognised in the Statement of Income and Expenditure in the year in which they are incurred.

4. **Borrowing costs** that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of that asset. Other borrowing costs are recognised as an expense.

5. **Research costs** are expensed as incurred.

6. **Library books** are written off in the year in which they are acquired.

POLICY No. 1107	
ACCOUNTING POLICIES: FIXED ASSETS	
Subject Area	**Accounting Policies**
Responsible Officer	The Deputy Director of Finance (Financial Accounting & Treasury Management)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To establish guidelines for the control of assets owned by the University and to set out and explain the policies for accounting for Fixed Assets in the preparation of the financial statements of the University of Ghana.

POLICY

1. This policy applies only to land, buildings, furniture and equipment used in the operations of the University. Land, buildings, and equipment not used in the operations should be treated as investment properties rather than a capitalised asset.

2. Fixed Assets are initially stated at cost. The cost of an asset comprises the purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to operate as intended by management.

3. Consistent with the definition of assets, the following policies have been proposed for the capitalisation of assets and the recording of depreciation:

ASSET	CAPITALISATION POLICY
Land	Costs to be capitalised include all costs connected with acquisition and costs incurred in preparing the land for its ultimate use. These include but are not limited to the cost of purchase, appraisals, professional services, and title insurance.
Land Improvements	Improvements to be capitalised include the cost of landscape, surface parking lots, and outdoor public recreational fields having a cost in excess of GH¢5,000. All costs of land improvements associated with newly constructed buildings will be capitalised.
Buildings	Costs to be capitalised include all costs related to acquisition or construction. Acquisition costs include but are not limited to the cost of purchase, professional services, appraisals and title insurance. Construction costs include but are not limited to the cost of professional services, materials, labour, and site preparation.
Infrastructure	Costs to be capitalised include underground utility and tunnels or any other external, stationary assets that are not part of a building's construction costs or the cost of land improvements. The costs should be in excess of GH¢5,000 and have an expected life beyond the year they are placed in service. Examples of Infrastructure are - sewage tunnels, electrical vaults, campus lighting, sport grounds, entertainment parks, etc.
Building renovations	to be capitalised are significant alterations or structural changes that: a. cost in excess of GH¢5,000 and b. meet one or more of the following conditions: - The project extends the useful life of the building beyond what was originally scheduled. - The project substantially changes the use or purpose of the original space. - The project expands the total square footage of the building. Renovation costs which do not meet either of these criteria are treated as maintenance expenditure and charged to the statement of income and expenditure. The book value of a renovated building will be reduced by the cost of the components being replaced if such costs can be easily ascertained. If the book value of the asset being renovated is unknown, there will be no cost reduction of the fixed asset.

ASSET	CAPITALISATION POLICY
Planning Costs	Capital project planning costs associated with the planned construction, renovation, or purchase of a specific building will be capitalised in advance of the capital project being approved to the extent that such costs exceed GH¢5,000. Planning costs include but are not limited to feasibility studies, preliminary drawings, and initial cost estimates. Previously capitalised planning costs will be written off to expense in the period if it is clear the specific project will not move forward in the approval process.
Demolition of Buildings	The book value of the building will be written off when a building is demolished. If the land is maintained and the original value cannot be determined, the land will be recorded at a nominal value of GH¢1.
Purchased Equipment	Purchased equipment to be capitalised is an article of nonexpendable tangible personal property with a useful life of more than one year or a cost of GH¢1,000 or more per unit.
Constructed Equipment	For equipment constructed at the University, the acquisition cost includes costs similar to those for purchased equipment as well as the costs incurred for materials and recharge centre services used in the course of construction. University labour expense, other than that embodied in a recharge centre charge, is not included in the acquisition cost.
Software	Operating software included in the price of the hardware will be capitalised. When purchased separately, software will be capitalised if the cost exceeds GH¢1,000. Internally developed software with material and labour costs in excess of GH¢1,000 will also be capitalised.
Donated Assets	Land and buildings received as a gift will be capitalised at the fair market or appraised value at the date of the gift. If market value or appraised value is not available, the gifts will be recorded at GH¢1 nominal value. Equipment received as a gift having a fair market or appraised value of GH¢1,000 or more will be capitalised.
Sales or Disposals of Capitalised Assets	The book value of land, buildings, and equipment will be removed from the accounting system when sold or disposed of.

4. Subsequently, fixed assets are stated at cost less accumulated depreciation and any provision for impairment. Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits will flow to the University and the cost of the item can be measured reliably. Maintenance and repairs, which do not meet these criteria, are charged against income as incurred. Donated assets are initially recorded at fair value at the date of donation.

5. Freehold Land is not depreciated as it is deemed to have an indefinite life.

6. Fixed Assets are depreciated on a straight - line basis estimated to write each asset down to its estimated residual value over the estimated useful lives of the assets:

   a. The following table displays the rates of depreciation to be applied to each category of assets.

Assets	Rates of Depreciation (%)
Buildings	2
Leasehold improvements	Over the terms of the lease
Land improvements other than buildings	10
Motor vehicles	20
Furniture and equipment	15
Telephone equipment	33.3
General equipment	25
Computer and hardware	33.3

   b. Assets in the course of construction (work in progress) are accounted for at cost, based on the value of architect's certificates and other direct costs incurred to the end of the year. They are not depreciated until they are brought into use.

   c. If equipment is acquired in the first half of the fiscal year, a full year's depreciation is recorded in the first year. If the asset is acquired in the second half of the fiscal year, no depreciation is recorded in that fiscal year.

   d. A full year's depreciation will be recorded for buildings, building renovations, land improvements, and leasehold improvements in the year they are capitalised.

   e. Depreciation of newly constructed buildings will commence in the year of useful occupancy.

   f. Leasehold Improvements will be depreciated using the straight line method over the remaining life of the lease or the useful life of the improvement, whichever is shorter.

7. The asset's residual value and useful lives are reviewed, and adjusted if appropriate, at each Statement of Financial Position date. An item of asset is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Income and Expenditure in the year the asset is de-recognised.

Impairment of non-financial assets

8. The University assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the University shall make an estimate of the asset's recoverable amount.

9. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and it is written down to its recoverable amount.

10. An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount.

11. The increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Income and Expenditure unless the asset is carried at the revalued amount, in which case the reversal is treated as a revaluation increase.

12. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

POLICY No. 1108	
ACCOUNTING POLICIES: NON-FIXED ASSETS	
Subject Area	**Accounting Policies**
Responsible Officer	The Deputy Director of Finance (Financial Accounting & Treasury Management)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To set out and explain the policies for accounting for the Non-Fixed Assets/ Investments in the preparation of the financial statements for the University of Ghana.

POLICY

Investment in Subsidiaries/ Associates

1. Where the University has investments in subsidiaries/ associates, the financial statements should be prepared on a consolidated basis with FRS 2 (revised) 'Subsidiary Undertakings' and/or FRS9 'Associates and Joint Ventures' and where relevant, the Companies Act.

2. The University of Ghana's investment in its associate companies is vested in the University of Ghana Enterprises Limited (UGEL).

3. The University of Ghana's investment in its associate companies is accounted for using the equity method of accounting.

    a. Under the equity method, the investment in the associate is initially recognised at cost and the carrying amount is increased or decreased to recognise the University's share of the profit or loss of the associate after the date of acquisition. The University's share of the profit or loss is recognised in the Statement of Income and Expenditure.

    b. If the University's share of losses of an associate equal or exceeds its interest in the associate, the University will discontinue recognising its share of further losses.

    c. After the University's interest is reduced to zero, additional losses will be provided for, and a liability recognised only to the extent that the University has incurred legal or constructive obligations or made payments on behalf of the associate.

    d. After application of the equity method, including recognising the associate's losses, the University will determine whether it is necessary to recognise any additional impairment loss with respect to the University's net investment in the associate.

e. Where there has been a change recognised directly in the equity of the associate, the University will recognise its share of any changes and disclose this, when applicable, in the Statement of Changes in Funds.

f. The University will indicate if the reporting dates of the associates and the University are identical and the associate's accounting policies conform to those used by the University for like - transactions and events in similar circumstances.

Other Investments

4. Endowment asset investments are included in the Statement of Financial Position at market value. Current asset investments are included at the lower of cost and net realisable value.

Inventories

5. Inventories are valued at the lower of cost and/or net realisable value.

6. Cost includes all direct expenses incurred in bringing the inventories to their current state under normal operating conditions.

7. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

8. Damaged and obsolete inventories are written off. Provision for inventory losses during the year is charged to the Statement of Income and Expenditure.

Provisions

9. Provisions are recognised when the University has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

10. The amount recognised as provision should be the best estimate of the expenditure required to settle the obligation at the Statement of Financial Position date. The best estimate should be determined by the judgment of the University's management and should take account of:

- Past experience of similar transactions;
- Opinions of independent experts (where appropriate);
- Uncertainties caused by weighting all possible outcomes (i.e. expected value);
- Appropriate policies.

11. Where the University expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Income and Expenditure net of any reimbursement.

Leases

12. The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date and whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset. A reassessment is made after inception of the lease only if one of the following applies:

    a. There is a change in contractual terms, other than a renewal or extension of the arrangement;

    b. A renewal option is exercised or extension granted, unless the term of the renewal or extension was initially included in the lease term;

    c. There is a change in the determination of whether fulfillment is dependent on a specified asset; or

    d. There is a substantial change to the asset.

13. Where a reassessment is made, lease accounting shall commence or cease from the date when the change in circumstances gave rise to the reassessment for scenarios (a) (c) or (d) and at the date of renewal or extension period for scenario (b).

University as a lessee

14. Finance Leases *(which transfer to the University substantially all the risks and benefits incidental to ownership of the leased item)* are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the Statement of Income and Expenditure.

15. Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the University will obtain ownership by the end of the lease term.

16. Operating lease payments are recognised as an expense in the Statement of Income and Expenditure on a straight line basis over the lease term.

University as a lessor

17. Leases where the University does not transfer substantially all the risks and benefits of ownership of the asset are classified as Operating Leases. Initial direct costs incurred in negotiating an Operating Lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as income in the period in which they are earned.

3.2.3 REPORTING REQUIREMENTS

POLICY No. 1201	
GENERAL REPORTING REQUIREMENTS	
Subject Area	**Reporting Requirements**
Responsible Officer	The Deputy Director of Finance (Financial Accounting & Treasury Management)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To summarise the main reporting requirements prescribed by the Statutes and Laws of the University of Ghana.

POLICY

Responsibilities

1. It is the responsibility of the Director of Finance to prepare the financial statements of the University. The financial statements shall cover all transactions and events of the University that utilise budgetary allocations from the University's Funds.

Reporting Period

2. The financial year of the University shall extend from the first day of January until the thirty-first day of December. The annual financial statements shall be prepared and submitted on or before the 31st of March in the following year to the Auditor-General for audit.

Reporting Currency

3. The consolidated financial statements are presented in Ghana Cedis, which is the University's functional and presentation currency.

Disclosure of Accounting Policies

4. The policies used in the preparation of the accounts should be the Generally Accepted Accounting Principles and in accordance with Section 38(1 and 2) of the Financial Administration Act, 2003 (Act 654). The policies used for the preparation of the accounts shall be disclosed in the notes to the accounts as well as any significant departures from the policies and the reasons thereof.

General Presentation and Disclosure

5. The financial statements shall be prepared in accordance with generally accepted accounting principles and in compliance with policies stated in these Regulations. The Director of Finance shall also identify any significant departures and the reasons for the departures from provisions in the Regulations.

Financial Statements

6. The financial statements for the University shall include:

- a **Statement of Financial Position** showing the assets and liabilities at the end of the year;
- a **Statement of Financial Performance** for the year;
- a **Cash Flow Statement** for the year; and
- **Accounting Policies and Explanatory Notes** that form part of the accounts which shall include particulars of the extent to which the performance criteria specified in the budget estimate in relation to the provision of the University's output were satisfied.

POLICY No. 1202	
STATEMENT OF FINANCIAL POSITION	
Subject Area	**Reporting Requirements**
Responsible Officer	The Deputy Director of Finance (Financial Accounting & Treasury Management)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To summarise the main reporting requirements prescribed by the Statutes and Regulations of the University of Ghana.

POLICY

1. The Statement of Financial Position presents the University's financial position at a specific point in time. The adopted format provides how detailed sub-classifications are to be presented and what information is to be disclosed on the face of the Statement of Financial Position or in the notes in addition to the minimum requirements.

2. The following items, as a minimum, have to be presented on the face of the Statement of Financial Position:

   - Assets
   - Liabilities
   - Net Assets
   - Financing which is made up of:
     - Accumulated Fund
     - Deferred Capital Grants
     - General Reserve Fund
     - Endowment Funds
     - Restricted funds designated for specific activities
       - Special Research Funds
       - Employees Housing Loan Scheme Fund
       - Research and Awards Fund
     - Other Funds

Assets

3. Assets are resources controlled by the University as a result of past events and from which future economic benefits or service potential are expected to flow to the University.

4. Assets are recognised when they are procured instead of when payment is made except for cash transactions where the two may occur at the same time. Therefore, the transactions and events are recorded in the accounting records and recognised in the financial statements of the periods to which they relate.

Current/non-current distinction

5. Current and non-current assets should be presented as separate classifications on the face of the Statement of Financial Position, unless presentation based on liquidity provides information that is reliable and more relevant.

6. An asset is classified as current if it is expected to be:

   a. realised, sold or consumed in the University's normal operating cycle;

   b. primarily held for the purpose of being traded;

   c. realised within 12 months after the Statement of Financial Position date;

   d. or cash and cash equivalent (unless restrictions apply).

7. **Classification of Assets**

   The following classifications shall be adopted under Assets:

   7.1 Fixed Assets
   - Land
   - Buildings
   - Furniture and Equipment (by type)
   - Vehicles (by types)
   - Leased Assets
   - Information Technology Assets (Hardware and Software)
   - Biological Assets

   7.2 Long Term Investment

   7.3 Other Assets (e.g. Goodwill)

   7.4 Current Assets
   - Inventories
   - Accounts Receivable (by type)
   - Prepayments (by type)

- Employees Personal Accounts
- Student Fees Receivable
- Short-term Investments
- Cash at Bank and Cash Equivalents
- Other Current Assets

Liabilities

8. Liabilities are present obligations of the University arising from past events, the settlement of which is expected to result in an outflow from the university resources embodying economic benefits or service potential.

   In some cases it is not clear whether there is a present obligation. In these cases, a past event is deemed to give rise to a present obligation if, taking into account all available evidence, it is more likely than not that a present obligation exists at the reporting date.

9. The amount of work required to recognise liabilities depends on the extent to which the University already has information available on those liabilities. General steps in the recognition of liabilities include:

   - compiling a list of all types of liabilities incurred by the University;
   - determining the categories of liabilities that will be used in the chart of accounts and the financial statements;
   - preparing accounting policies for each category;
   - assessing the accuracy and completeness of existing information on each category;
   - compiling accurate opening balances for each category (identification, application of the definition of a liability, and measurement); and
   - establishing systems to support the ongoing requirements of accrual accounting.

Current/non-current distinction

10. Current and non-current liabilities should be presented as separate classifications on the face of the Statement of Financial Position, unless presentation based on liquidity provides information that is reliable and more relevant.

A liability is classified as current if:

- it is expected to be settled in the University's normal operating cycle;
- it is primarily held for the purpose of being traded;
- it is expected to be settled within 12 months after the Statement of Financial Position date [8];

Classifications of liabilities

11. The following classifications shall be adopted under Liabilities:

- Liabilities in excess of one year
- Borrowings
- Suppliers' Invoice Payable and Accrued Expenses
- Student Deposits
- Provisions for Employee Entitlements
- Other Provisions
- Contingent Liabilities

Net Assets

12. Net Assets is the difference between the total value of all assets and the total value of all liabilities. The Composition of Net Assets is:

- Accumulated Fund (Surplus/Deficit)
- Deferred Capital Grants
- General Reserve Fund
- Endowment Funds
  - Permanent
  - Expendable
- Restricted funds designated for specific activities
  - Special Research Funds
  - Employees Housing Loan Scheme Fund
  - Research and Awards Fund
- Other Funds

[8] The university does not have an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date (even if the original term was for a period of longer than 12 months and an agreement to refinance is completed after the statement of financial position date).

Accumulated Surplus/ (Deficit)

13. A surplus/(deficit) is the residual amount that remains after expenses arising from ordinary activities have been deducted from income arising from ordinary activities. This net surplus/(deficit) is accumulated over subsequent reporting periods. All items of income and expense recognised in a period should be included in the determination of the net surplus or deficit for the period.

Other Funds or Reserves

14. Other Funds or Reserves cover the University Capital Reserve which arises from the Revaluation of Fixed Assets and Other Reserves.

Events after Reporting Date

15. These are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified -

16. **Adjustable and Non Adjustable:**

- **Adjustable Events:** Those that provide evidence of conditions that existed at the reporting date. These are adjusting events after the reporting date. The adjustment shall be made in the Accumulated Fund after the balance brought forward.
- **Non Adjustable Events:** Those that are indicative of conditions that arose after the reporting date and do not require any adjustment.

Comparatives

17. The Statement of Financial Position, the Statement of Income and Expenditure and the Cash Flow Statement shall have the comparative figures for the previous period. Comparative information should be included in narrative and descriptive information when it is relevant to an understanding of the current period's financial statements.

18. In some cases narrative information provided in the financial statements for the previous period(s) continues to be relevant in the current period. For example, details of a legal dispute, the outcome of which was uncertain at the last reporting date and is yet to be resolved, are disclosed in the current period. Users benefit from knowing that the uncertainty existed at the last reporting date, and the steps that have been taken during the period to resolve the uncertainty.

POLICY No. 1203	
STATEMENT OF FINANCIAL PERFORMANCE	
Subject Area	**Reporting Requirements**
Responsible Officer	The Deputy Director of Finance (Financial Accounting & Treasury Management)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To summarise the main reporting requirements prescribed by the Statutes and Regulations of the University of Ghana.

POLICY

1. The Statement of Financial Performance presents the University's financial performance over a specific period of time. The adopted format provides how detailed sub-classifications are to be presented and what information is to be disclosed on the face of the Statement of Financial Performance or in the notes, in addition to the minimum requirements.

2. The Statement of Financial Performance should present the following amounts for the reporting period:

    - total income of the University showing separately a sub-classification using a classification basis appropriate to the University's operations; and
    - total expenditure of the University showing separately a sub-classification using a classification basis appropriate to the University's operations.

3. The Income and Expenditure for each Unit and sub-classification shall be reported gross in the University's Statement of Financial Performance.

4. The Income and Expenditure may be reported on a net basis only when they arise from transactions which the University administers on behalf of other parties and which are recognised in the Statement of Financial Performance.

3.2.4 TREASURY MANAGEMENT

POLICY No. 1301	
GENERAL TREASURY POLICIES	
Subject Area	**Treasury Measurement**
Responsible Officer	The Deputy Director of Finance (Financial Accounting & Treasury Management)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To establish responsibility for the efficient operations of the University's Treasury relationships.

POLICY

1. The Finance and General Purposes Committee is responsible for approving a Treasury Policy Statement setting out a strategy and policies for cash management, investments and borrowings. The Committee has a responsibility to ensure implementation, monitoring and review of such policies.

2. All executive decisions concerning borrowing, investment or financing (within policy parameters) shall be delegated to the Director of Finance who will prepare procedures including an appropriate reporting system. All borrowing shall be undertaken in the name of the University.

3. The Director of Finance will report to the Finance and General Purposes Committee on the activities of the Treasury operations and on the exercise of treasury powers delegated to him/her.

4. The Council is responsible for the appointment of the University's bankers and other professional advisers on the recommendation of the Finance and General Purposes Committee.

5. The Director of Finance with the authorisation of the Vice-Chancellor may open or close bank accounts with the University's bankers. All requests to the University's bankers to open or close a bank account shall be in writing and signed by both the Director of Finance and one other individual authorised to sign cheques.

6. The Director of Finance shall inform the Finance and General Purposes Committee whenever an account has been opened or closed.

7. All bank accounts shall be in the name of the University or one of its subsidiaries.

8. In the case of a subsidiary company, the Memorandum of Understanding between the company and the University shall describe responsibility for the company's bank accounts.

9. A summary of all bank accounts and trust arrangements with banks must be reported annually to the Director of Finance by the Treasury Office for review.

10. The Director of Finance is responsible for ensuring that University bank accounts are regularly reconciled, and that there are adequate procedures to ensure security over cheques and any other means of transferring funds.

POLICY No. 1302	
SIGNATORIES TO BANK ACCOUNTS	
Subject Area	**Treasury Management**
Responsible Officer	The Deputy Director of Finance (Financial Accounting & Treasury Management)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To define and outline University policy with respect to the establishment and management of bank accounts.

POLICY

1. Details of bank mandates and of authorised signatories and limits shall be provided for in the procedures which are available internally to the Finance Directorate. Details of bank mandates and of authorised signatories shall be approved by the Finance & General Purposes Committee.

2. Officers responsible for committing, certifying, or authorising the receipt/ disbursement of funds shall judiciously and honestly carry out their duties in the best interest of the University. For this and other control reasons, two signatures are required on all cheques drawn on the University of Ghana-controlled bank accounts.

3. All cheques drawn on behalf of the University must be signed in the form approved by the Finance & General Purposes Committee. The number of authorised signatories that exist in the University must be kept to a minimum. Provosts, Deans and Directors must conduct a regular review of the number of signatories that are required to permit the optimal financial management in their Departments. A review must be undertaken at least once a year by the Director of Finance to ensure that only current members of the University are included.

4. Provosts, Deans and Directors must inform the Director of Finance whenever an authorised signatory ceases to be a member of the University.

5. All requests for the creation of authorised signatories must be in the prescribed format. A copy of the relevant form may be obtained from the Finance Directorate.

6. In accepting the role of an authorised signatory the individuals concerned must familiarise themselves with the Financial Regulations and ensure compliance thereto.

7. The use in the Financial Regulations of the term “authorised signatory” shall encompass electronic as well as written signatures. 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 Director of Finance.

8. All such electronic signatures shall take such form and technical specification as required by the Director of Finance. In all cases, electronic signatures must be:

- uniquely linked to the signatory;
- capable of identifying the signatory;
- applied using means that the signatory can maintain under his or her sole control;
- linked to the data to which it relates in such a manner that any subsequent change of the data is detectable.

9. Employees are reminded that the misuse of electronic signatures, including using the signature of another person, is forbidden with regard to electronic signatures as it is for written signatures. In both cases, misuse shall lead to disciplinary action and a report to the Police.

10. It is forbidden for a member of staff to apply another person's signature, whether written or electronic, even if this is done at their request. In such cases, both persons are at fault and may face disciplinary and / or criminal sanctions.

11. Details of authorised persons and their limits shall be provided for in the University's detailed financial procedures.

POLICY No. 1303	
SEPARATELY ADMINISTERED BANK ACCOUNTS	
Subject Area	**Treasury Management**
Responsible Officer	The Deputy Director of Finance (Financial Accounting & Treasury Management)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: The purpose of this policy is to define and outline University policy with respect to the establishment and management of separately administered bank accounts.

POLICY

1. As a matter of efficiency and control it is the practice of the Finance Directorate to maintain as few bank accounts as possible. There may, however, be circumstances which require the establishment of separate bank accounts for a Unit's use. An example would be an off-campus facility that does not have convenient access to the University Accounts Payable Department.
2. Separately administered bank accounts must be established through the Finance Directorate.
3. All accounts and authorised signatories must be authorised by the Finance and General Purposes Committee.
4. All accounts must have authorised signatories including representatives from the Finance Directorate.
5. Separately administered bank accounts are to be used only for their intended purpose.
6. The custodian of the fund is responsible for (a) the fund's safeguarding and security, and (b) performance of reconciliations as frequently as possible (the frequency should not exceed one month) which must be submitted to Finance Directorate for review and approval.
7. The Director of Finance will report to the Finance & General Purposes Committee quarterly on the activities of the Treasury management operation and on the exercise of Treasury management powers delegated to him/ her. The Director of Finance will also submit an annual report to the Finance & General Purposes Committee.

POLICY No. 1304	
CASH MANAGEMENT	
Subject Area	**Treasury Management**
Responsible Officer	The Deputy Director of Finance (Financial Accounting & Treasury Management)
Approval	Investment Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To establish policy guidelines which address the management and investment of University of Ghana funds.

POLICY

1. The Council may invest the funds of the University that are not required for immediate use as it considers appropriate.

2. The Investment Committee is responsible for the University's cash management system. The Director of Finance is responsible for the University's investment activities carried out in accordance with the policy established by the Investment Committee.

3. The Investment Committee is responsible for developing, implementing, and maintaining a cash management system that meets the following objectives:

    - Provide the capacity to forecast operating cash requirements and provide an early warning system for potential problems.
    - Assist the Treasury Office in maximising the rate of return on the investment of University cash balances by providing cash flow forecasts that establish the amount of cash needed to meet daily working capital requirements as well as the amount of cash that can be committed to long-term rather than short-term investments.
    - Identify individual accounts and funds that contribute to negative cash flow situations and recommend corrective action steps.
    - Establish and maintain appropriate corporate banking relationships to provide for the receipt and disbursement of all University funds.
    - Establish and maintain a bank line of credit to provide for unexpected cash needs.

4. The Budget Officer will be responsible for providing input on long term strategic cash needs and the effect on the operating budget.

5. After receiving the approved budget, the Budget Officer prepares quarterly cash forecast (plans) indicating the timing of the cash requirements. These cash plans are approved by the Investment Committee. Any excess funds would then be invested in approved investments. Cash needed to meet daily working capital requirements will be invested in Call Accounts whereas cash not needed for daily working capital requirements will be invested in Short Term Securities.

6. The Investment Office will report on the performance of the Investments at each meeting of the Investment Committee.

POLICY No. 1305	
CASH COLLECTION AND DEPOSIT	
Subject Area	**Treasury Management**
Responsible Officer	The Deputy Director of Finance (Financial Accounting & Treasury Management)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To establish sound internal control practices to safeguard cash receipts and deposits against theft or loss.

POLICY

Cash

1. The term cash includes currency, cheques and money orders and direct deposit to the bank.

2. All monies received within Units from whatever source must be recorded on a daily basis together with the form in which they were received. Receipts must be given where money is paid using official receipt stationery.

Endorsement

3. All cheques must be restrictively endorsed to the University immediately upon receipt. The endorsement must include "For Deposit Only to University of Ghana". Endorsement stamps are available from the Cash Office.

Frequency of Deposit

4. To safeguard cash and to ensure the timely and proper posting of accounts, cash receipts from the Units must be deposited intact on the day of receipt at the bank or for deposit in the University Cash Office. If this is not possible (e.g., the cash receipts were received after the Cashier's Office has closed for the day), the cash receipts from the Units must be safely secured overnight and deposited on the next business day, or deposited in the after-hours depository available in the Bank.

Place of Deposit

5. Cash must be deposited with the University Cash Office or at designated Banks.

Safekeeping of Cash

6. Cash must be physically protected through the use of vaults, locked cash drawers, cash registers, locked metal boxes, etc. Each establishment is responsible for making whatever provisions are necessary to properly safeguard cash receipts prior to deposit with the University Cash Office/Bank.

Separation of Duties

7. Accountability for the handling of cash must be assigned to a specific individual or individuals and there must be a clear separation of duties between the individual(s) receiving cash and the individual(s) responsible for maintaining the accounting records.

Reconciliation

8. The Cash Office must acknowledge each deposit with a written receipt and each Unit must reconcile cash received and deposited to the University Financial Accounting System on a monthly basis.

Compliance

9. Each Provost, Dean or Director is responsible for complying with this policy and for developing detailed written operating procedures. The Cash Office is available for consultation and review of detailed procedures.

Private Use of Balances

10. All sums received must be paid in and accounted for in full, and must not be used to meet miscellaneous expenses or be paid into the petty cash float. Personal or other cheques must not be cashed out of money received on behalf of the University.

3.2.5 INCOME

POLICY No. 1401	
INCOME – GENERAL PROVISIONS	
Subject Area	Income
Responsible Officer	The Director of Finance
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To provide a general guide on the procedures to be followed in income mobilisation and generation and the revenue accounting roles and responsibilities in the University.

POLICY

1. The Income of the University includes:
   a. subventions from the Government of Ghana;
   b. monies that accrue to the University in the performance of its functions consisting of:
      - fees paid by students duly registered by the University;
      - fees, charges and dues in respect of services by or through the University;
      - proceeds from the sale of publications of the University;
      - grants, subscriptions, rents and royalties;
   c. interest from investments;
   d. endowments, donations and gifts; and
   e. monies from any other source approved by the Council.

Maximisation of Income

2. The Director of Finance is responsible for ensuring that appropriate procedures are in operation to enable the University to receive all income to which it is entitled. All receipt forms, invoices or other official documents in use and electronic collection systems must have the prior approval of the Director of Finance.

3. Levels of charges for contract research, services rendered, goods supplied and rents and lettings are determined by procedures approved by the Finance & General Purposes Committee. Proposals to amend charges should be sent to the Director of Finance for approval by the Council taking into account the University's academic policies and needs. The approval of fees and charges shall include any installment and credit arrangements.

4. The Director of Finance is responsible for the prompt collection, security and banking of all income received.

5. The Director of Finance is responsible for ensuring that all grants approved as part of the National Budget through the National Council for Tertiary Education are received and appropriately recorded in the University's accounts. He/ she is also responsible for ensuring that all claims for funds are made by the due date.

Receipt of Cash, cheques and other negotiable instruments

6. It is the responsibility of all employees to ensure that income due to the University is maximised by the efficient application of agreed procedures for the identification, collection and banking of such income. In particular, this requires the prompt notification to the Director of Finance of sums due so that collection can be initiated.

7. All monies received within each Unit from whatever source must be recorded by them on a daily basis together with the form in which they were received, for example cash, cheques and other negotiable instruments.

8. All monies received must be paid to the Cash Office promptly, and in accordance with a timetable prescribed by the Director of Finance.

9. All sums received must be paid in and accounted for in full, and must not be used to meet miscellaneous expenses or be paid into the petty cash float. Personal or other cheques must not be cashed out of money received on behalf of the University.

Collection of Debts

10. The Director of Finance is responsible for ensuring that appropriate procedures are in operation so that:

- debtors invoices are raised promptly on official invoice stationery, in respect of all income due to the University;
- invoices are prepared with care, recorded in the ledger, show the correct amount due and are credited to the appropriate income account;
- any credits granted are valid, properly authorised and completely recorded;
- VAT is correctly charged where appropriate, and accounted for;
- monies received are posted to the correct debtors account;
- swift and effective action is taken in collecting overdue debts, in accordance with the protocols noted in the Financial Procedures; and
- outstanding debts are monitored and reports prepared for management.

11. The Finance and General Purposes Committee shall develop a credit policy for the University with the Director of Finance implementing the credit arrangements. Any subsequent changes to standard credit terms must be submitted to the Finance & General Purposes Committee for approval.

12. Requests to write off debts must be referred in writing to the Director of Finance for submission to the Finance & General Purposes Committee for the consideration of the Council.

POLICY No. 1402	
STUDENT FEES & OTHER CHARGES	
Subject Area	**Income**
Responsible Officer	The Director of Finance
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To provide a general guide on the procedures to be followed in the collection of and accounting for student fees and other charges in the University.

POLICY

1. The University should recognise fees and charges when the rights to consideration exist and contractual performance has taken place.

2. The University shall have a policy of full cost recovery in the determination of fees and charges including charges due for admission, registration, accommodation, programmes of study, examinations, and conferment of degrees and otherwise.

3. The Director of Finance is responsible for ensuring that all student fees due to the University are received. University Statutes require that Students shall pay such fees representing charges due for admission, registration, tuition, accommodation, programmes of study, examinations, conferment of degrees and otherwise, including payment of money owed to the University in respect of loans, books or other equipment or materials at such times, and in such manner, as may be fixed from time to time by the Council.

4. No person shall be registered as a student of the University until:

   - Fees have been paid in full, or arrangements have been made which are acceptable to the University for the payment of such fees for the current academic year by instalments. Unless otherwise sanctioned by the Council, a student shall cease to be a registered student if arrangements for payment by instalments are not fulfilled;

   - If applicable, all other fees and sums due to the University incurred in the previous academic year have been discharged in full.

5. No student may be admitted to any assessment unless he or she has paid such fees as may have been prescribed by the Council for the purposes of assessment. The Vice-Chancellor shall have the power to direct that the assessment result for any student who has not paid in full all fees, loans, charges or other sums due to the University shall not be published, nor submitted to the Council for confirmation, until all such debts have been paid in full.

6. The procedures for collecting academic and residential facility fees and other charges must be approved by the Finance and General Purposes Committee on the advice of the Director of Finance. The Director of Finance is responsible for ensuring that all student fees due to the University are received.

7. Any student who has a course related debt owing to the University shall not receive the certificate for any degree, diploma or other qualification awarded by the University until the outstanding debt has been cleared in full. Such student shall be prevented from re-enrolling at the University and from using any of the University's facilities unless appropriate arrangements have been made to repay their outstanding debts. Any exceptions shall be subject to the approval by the Vice-Chancellor.

Accounting for bursaries and scholarships

8. A bursary or scholarship is a payment made to a student from the University's own funds. These payments are made to students dependent on certain criteria, such as the financial position of the student. Such criteria are determined through the University's internal policies, or may be determined by regulatory bodies.

9. It is expected that bursaries and scholarships will be accounted for gross as expenditure. This reflects the nature of the transaction, which will be a payment of funds by the University.

10. Where bursaries or scholarships are paid from endowment funds, reference should be made to the accounting and disclosure requirements set out in policy no. 2001.

11. Bursaries paid from funds of third parties, where the University is acting in an Agency capacity, should be accounted in accordance with the guidance provided under 'Agency Arrangements/Other Funds'.

POLICY No. 1403	
RESEARCH GRANTS AND CONTRACTS	
Subject Area	**Income**
Responsible Officer	The Deputy Director of Finance (Research & Projects Management)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To define the responsibilities for the fiscal management of grants and contracts awarded to the University.

POLICY

1. Research can be defined as an original investigation, undertaken to gain new knowledge and understanding, which may be directed towards a specific aim or objective. It can use existing knowledge in experimental development to produce new or substantially improved materials, devices, products and processes including design and construction. It excludes routine testing and analysis of materials, components and processes.

2. Where approaches are made to outside bodies for support for research projects or where contracts are to be undertaken on behalf of such bodies, it is the responsibility of Provosts, Deans and Directors to:

   - ensure that a financial appraisal is conducted before any contract is agreed upon;
   - obtain a set of grant terms and conditions from each organisation providing funding to enable the appropriate monitoring of compliance.

3. The Office of Research, Innovation and Development (ORID) is responsible for ensuring that every formal application for a grant is examined and shall also ensure that there is adequate provision of resources to meet all commitments.

4. The Director of Finance should ensure that the full cost of research contracts is established. The research agreement must be in line with the University's policy with regard to indirect costs and other expenses and should also take into account different procedures for the pricing of research projects depending on the nature of the funding body. Where there is a conflict between University policy and the procedures of the funding body, the agreement must be approved by the Vice-Chancellor.

5. Research grants and contracts shall be accepted on behalf of the University by the Chair of the University's Research, Innovation and Development Management Board.

6. Full costs, both direct and indirect, will be charged to research activity whether or not the funding arrangements permit full recovery. The Director of Finance shall develop the basis for charging rates for all utilities, space and other indirect costs to research activities. *(The budget for every research project must have an overhead charge).*

7. Actual recovery of research overheads compared to a full cost basis will be reported to the ORID.

8. Each grant or contract shall have a named supervisor or grant holder and shall be assigned to a specific Unit.

9. The Director of Finance shall maintain all financial records relating to research grants and contracts.

10. Common to the regulations of all agencies is the fundamental requirement that a particular grant or contract may only be charged for costs related to that project. Comingling of charges for research contracts or other restricted sources is not allowed.

11. If a Unit's research activities are entirely funded by a single grant or contract, there are no cost allocation issues. It is often the case, however, that a research laboratory is funded by multiple sources. Accordingly, it is necessary to ensure that expenditures, whether they are related to personnel, equipment, supplies or other categories, are properly allocated to the various grants and contracts.

12. Many grant_awarding bodies and contracting organisations stipulate conditions under which their funding is given. In addition, there are often procedures to be followed regarding the submission of interim or final reports or the provision of other relevant information. Failure to respond to these conditions often means that the University will suffer a significant financial penalty. It is the responsibility of the named supervisor or grant holder to ensure that conditions of funding are met. Any loss to the University resulting from a failure to meet the conditions of funding is the responsibility of the designated Provost, Dean or Director and will be charged against the Unit.

13. Control of salary and non-salary expenditure will be contained within the Unit. The Provost, Dean or Director may delegate day to day control of the account to a supervisor or a grant holder, but any overspend or under recovery of overheads is to be their clear responsibility with any loss being a charge on the Unit's funds.

14. Any proposal which involves additional payments to employees should be supported by a schedule of names and values and must be approved by the appropriate Provost, Dean or Director, and in the case of a Provost, Dean or Director, the Vice-Chancellor or his/her nominee.

POLICY No. 1404	
OTHER INCOME-GENERATING ACTIVITY	
Subject Area	**Income**
Responsible Officer	The Director of Finance
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To provide a general guide on the procedures to be followed in the collection and accounting for other income generating activities in the University.

POLICY:

Private Consultancies and Other Paid Work

1. Unless otherwise stated in an employee's contract, outside consultancies or other paid work may not be accepted without the consent of the Provost, Dean or Director (and in the case of the Provost, Dean or Director, the Vice-Chancellor).

2. Applications for permission to undertake work as a purely private activity must be submitted to the Provost, Dean or Director (Vice-Chancellor), as appropriate, and will include the following information:

   - the name of the employee(s) concerned;
   - the title of the project and a brief description of the work involved;
   - the proposed start date and duration of the work;
   - full details of any University resources required (for the calculation of the full economic cost); and
   - an undertaking that the work will not interfere with the teaching and normal University duties of the employees concerned.

3. Individual consultancy work undertaken privately must follow the procedures for obtaining permission which will be approved by the Registrar.

4. Individual consultancy work not undertaken privately should be supported and administered by the Office of Research, Innovation and Development following procedures which will be approved by the Registrar.

Short courses, Sandwich programmes and other services rendered

5. In this context a short course is any course, which does not form part of the award-bearing teaching load of the Unit.

6. Any employee wishing to run a short course must have the permission of their Provost, Dean or Director. The course organiser will be responsible to the Provost, Dean or Director for the day-to-day management of the course.

7. The term other services rendered includes testing and analysis of materials, components, processes and other laboratory services or the use of existing facilities in order to gain additional information.

8. Short courses, sandwich programmes and services rendered should normally be priced to recover full economic costs.

Profitability and recovery of overheads

9. All other income-generating activities must at least break even, when analysed on a full economic costing basis, unless it is intended that a new course is to be launched as a loss leader. If that is the case, the reason for it must be specified and agreed by the Provost, Dean or Director and the Director of Finance.

10. Other income-generating activities organised by employees must be costed and agreed with the Provost, Dean or Director before any commitments are made. Provision must be made for charging both direct and indirect costs in accordance with the University's costing and pricing policy, in particular for the recovery of overheads.

11. Any unplanned deficits incurred on the other income-generating activities will be charged to the Unit's funds.

12. Distribution of profits on other income-generating activity between central funds of the University and individual Units will be in accordance with the policy approved by the Business and Executive Committee of the Academic Board.

Partnership activities

13. All partnership activities shall be initiated, developed and monitored in line with the partnership framework approved by the Council. The recommended criteria for what constitutes a University partnership include:

- positive impact on the student experience for significant numbers of students;
- contribution to the achievement of University_level strategy;
- University-wide impact;
- designated lead contact for partnership; and
- value for money.

14. A partnership analysis shall be maintained for all existing and new partnerships by the partnership manager, with support from a central partnerships officer or business development manager.

15. A list of all University partnerships shall be maintained by the Registrar's Office.

Self-Financing Units

16. All employee support services (educational and health support units) shall be self-financing.

3.2.6 PROCUREMENT OF GOODS, WORKS & SERVICES

POLICY No. 1501	
REQUISITION FOR GOODS, WORKS & SERVICES	
Subject Area	**Procurement of Goods, Works & Services**
Responsible Officer	The Head of Stores
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To provide a general guide on the procedures to be followed in achieving economy, efficiency, transparency, accountability and value for money in the procurement of goods, services and works in the University.

POLICY

Requisition for Goods

1. The requisitioning of goods and services shall be in accordance with the University's Procurement Manual. There are two categories of goods recognised within the University of Ghana:

   - **Category 'A' Goods:** Covering goods which are usually stocked by the Stores, e.g. Stationery which have a high rate of usage within the University.
   - **Category 'B' Goods:** Covering those that are seldom stocked by the Stores due to a low rate of usage or those that do not have repetitive usage within the University.

2. The Requisitions for Category 'A' goods are prepared by the Head of Stores anytime stock reaches a predetermined re-order level. The Requests are forwarded to the Head of Procurement Unit for review and recommendation for approval. The Head of Procurement recommends the requisition for approval after ensuring that:

   - there is proper justification for the request from the user Unit;
   - there are not sufficient goods already in store to meet the request;
   - the acquisition of the requested quantity of such goods shall not lead to overstocking;
   - the goods requested are included in the Unit's Annual Procurement Plan.

3. The Requisition shall be scrutinised by the Director of Finance to ensure that it is within the available balance (net of the commitments already made) for the relevant budget item. The Procurement Unit shall proceed to make Requests for Quotations after the requisition is approved.

4. The Requisitions for Category 'B' goods are prepared and submitted by Heads of the User Unit (example: Head of Estates Department or Head of Transport Department). Each of these requests shall have a strategic plan. The Requests are forwarded to the Heads of Procurement Units for Review and Recommendation for Approval. The Head of Procurement recommends the requisition for approval after ensuring that:

   - there is proper justification for the request from the user department;
   - the acquisition of the requested quantity of such goods shall not lead to overstocking;
   - the goods requested are included in the Unit's Annual Procurement Plan.

5. The Requisition shall be scrutinised by the Director of Finance to ensure that it is within the available balance (net of the commitments already made) for the relevant budget item. The Procurement Unit shall proceed to make Requests for Quotations after the requisition is approved.

Requisition for Services

6. The Requisitions for Services are prepared and submitted by Heads of the Units.

7. The Requests shall be forwarded to the Head of Procurement Unit for review and recommendation for approval. The Head of Procurement recommends the requisition for approval after ensuring that:

   - there is proper justification for the request from the user Unit;
   - the services requested are included in the Unit's Annual Procurement Plan.

8. The Requisition shall be scrutinised by the Director of Finance to ensure that it is within the available balance (net of the commitments already made) for the relevant budget item. The Procurement Unit shall proceed to make Requests for Quotations after the requisition is approved.

Requisition for Works or Construction

9. Works (Construction) form part of the University's Investment Expenditure category. Requisition for Works is activity based as per the approved budget. Each Works requisition shall be linked to its strategic plan.

10. The Director of Physical Development and Municipal Services for whom these activities were budgeted prepares and submit the requisition for works. The Requests are forwarded to the Head of Procurement Unit for Review and Recommendation for Approval. The Head of Procurement recommends the requisition for approval after ensuring that:

    - there is proper justification for the request from the user division;
    - the works requested are included in the Unit's Annual Procurement Plan.

11. The Requisition shall be scrutinised by the Director of Finance to ensure that it is within the available balance (net of the commitments already made) for the relevant budget item. The Procurement Unit shall proceed to make Requests for Quotations after the requisition is approved.

POLICY No. 1502	
PROCURING GOODS & SERVICES	
Subject Area	**Procurement of Goods, Works & Services**
Responsible Officer	The Head of Procurement Unit
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To provide a general guide on the procedures to be followed in achieving economy, efficiency, transparency, accountability and value for money in the procurement of goods, services and works in the University.

POLICY

Procurement Process

1. All orders must comply with the University policies on purchasing and tendering and in addition to Public Procurement Regulations.

Goods and Services

2. Orders produced from the University's finance system (electronic ordering) must be used for the purchase of all goods and services, except those made using petty cash.
3. Potential new suppliers must be registered with the University before they can be accepted as approved suppliers.
4. Issue and receipt of tenders is by the Procurement Unit, who will also be involved in the evaluation of bids and formal contracts award.

Works and Construction Contracts

5. Works and Construction Contracts shall be administered by the Physical Development and Municipal Services.
6. Proposals will normally be initiated by the Director of Physical Development and Municipal Services in respect of planned replacements, general improvement schemes, space planning or in response to requests from a Unit.
7. Adherence to cost limits approved by the Director of Physical Development and Municipal Services Committee will be monitored and reported by the Director who will report any actual or anticipated variances, together with the reasons, to the Finance and General Purposes Committee.

8. Consultants may be appointed if the project is too large or too specialised for Physical Development and Municipal Services. Consultants will normally be selected from amongst those listed in the University's framework agreement and appointed subject to tendering procedures.

9. Proposals for capital projects shall be presented in the form of a Business Case including where appropriate an investment appraisal.

10. The achievement of value for money will be an objective in the letting of all contracts. No contract will be placed for a period beyond which a budget has been approved unless specifically approved in writing by the Director of Finance.

11. Thresholds for Procurement Methods

	Procurement Method/ Advertisement		Contract Value Threshold
1	Pre-qualification		
	A	Goods	Above GH¢3.5 million
	B	Works	Above GH¢7.0 million
	C	Technical Services	(not more than 10% of cost of works)
2	International Competitive Tender		
	A	Goods	Above GH¢1.5 million
	B	Works	Above GH¢2.0 million
	C	Technical Services	Above GH¢200,000
3	International Competitive Tender		
	A	Goods	GH¢20,000 - GH¢ 200,000
	B	Works	GH¢50,000 - GH¢ 1.5 million
	C	Technical Services	GH¢20,000 - GH¢ 200,000
4	Restricted Tendering		Subject to Approval by the Procurement Authority
5	Price Quotation		
	A	Goods	Up to GH¢20,000
	B	Works	Up to GH¢50,000
	C	Technical Services	Up to GH¢20,000
6	Single Source Procurement and Selection		Subject to Approval by the Procurement Authority
7	Advertisement for Expressions of Interest for Consulting Services in local newspapers		Above GH¢70,000
8	Least-Cost Selection		Up to GH¢70,000
9	Selection based on Consultant's Qualification		Up to GH¢35,000
10	Single Source-Selection		Subject to Approval by the Procurement Authority

12. Roles and Responsibilities in the Procurement process shall be as follows:

No.	OFFICIAL	ROLES AND RESPONSIBILITIES
1	Vice Chancellor	• Ensures that the Procurement Unit uses the laid down procedures to achieve effectiveness, transparency and value for money in all procurement of goods, services and works in the University;
2	Procurement Unit	• Plan, control and implement procurement in order to assist in the management of the University's funds by preparing procurement plans and by comparing actual performance against budget and presents the results to the Procurement Committee; • Ensure that the procedures stipulated in the Public Procurement Act, 2003 (Act 663) and in these regulations are adhered to and that the University gets full value for money in all procurements; • Control the methods of purchases within the University in order to ensure that purchases are made at the most economical prices; • Keep an up-to-date library of suppliers' technical and price catalogues and ensure that market intelligence is maintained and passed on to management;
3	Head, Procurement Unit	• Shall be responsible for all procurement activities of the University, in accordance with the provisions of the Public Procurement Act, 2003 (Act 663); • Ensure that at every stage of the procurement activity, procedures in the Public Procurement Act, 2003 (Act 663) have been followed; • Exercise sound judgment in making procurement decisions; and • Refer to the appropriate Tender Review Board for approval, any procurement above its approval threshold, taking into consideration the fact that approval above the University Committee is a one stop only approval; • Review procurement plans in order to ensure that they support the objectives and operations of the University;

No.	OFFICIAL	ROLES AND RESPONSIBILITIES
4	Tender Committee	• Confirm the range of acceptable costs of items to be procured and match these with available funds in the approved budget; • Review the schedules of procurement and specifications and also ensure that the procurement procedures to be followed are in strict conformity with the provisions of the Public Procurement Act, 2003 (Act 663); • Facilitate contract administration and ensure compliance with all reporting requirements under the Public Procurement Act, 2003 (Act 663); and • Ensure that stores and equipment are disposed of in compliance with the Public Procurement Act, 2003 (Act 663);
5	Tender Evaluation Panel	• Evaluate tenders in accordance with predetermined and published evaluation criteria and assist the Tender Committee in its work;
6	Tender Review Boards (Ministerial Tender Review Board/ Central Tender Review Committee)	• In particular for any procurement under consideration, review the activities at each step of the procurement cycle leading to the selection of the lowest evaluated bid, best offer, by the University in order to ensure compliance with the Public Procurement Act, 2003 (Act 663) and its operating instructions and guidelines; • Give concurrent approval or otherwise to enable the University continue with the procurement process; • Furnish the Public Procurement Authority with reports in the prescribed format; • Participate in public procurement fora; and • Review decisions of the University Tender Committee in respect of a complaint.

Tenders and Quotations

13. Provosts, Deans and Directors and delegated designated managers must comply with the University's tendering procedures which are applicable as follows:

Authority	Goods	Works	Technical Services	Consulting Services
	GH¢	GH¢	GH¢	GH¢
Head of Entity	Up to 5,000	Up to 10,000	Up to 5,000	Up to 5,000
Entity Tender Committee	5,000 – 100,000	10,000 – 200,000	5,000 – 100,000	5,000 – 50,000
Ministerial Tender Review Board	100,000 – 800,000	200,000 – 1,500,000	100,000 – 800,000	50,000 – 350,000
Central Tender Review Board	Above 800,000	Above 1,500,000	Above 800,000	Above 350,000

POLICY No. 1503	
RECEIVING OF GOODS & SERVICES	
Subject Area	**Procurement of Goods, Works & Services**
Responsible Officer	The Head of Stores
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To provide a general guide on the procedures to be followed in achieving economy, efficiency, transparency, accountability and value for money in the procurement of goods, services and works in the University.

POLICY

Receipt of Goods

1. Goods supplied shall be delivered to the University's designated Stores. The store where the goods are to be delivered must be clearly specified on the Purchase Order or Contract. The supplier's Waybill or Delivery Note and VAT Invoice shall accompany all goods delivered.

2. On arrival of goods at the stores, goods are verified against the specifications on the Purchase Order to ensure that the correct items have been delivered in the required quantities. The Head of Procurement shall constitute the Inspection Team, which shall include Storekeeper, Internal Auditor, User Department Representative or External Expert and Security Officer. The size of the team will depend on the complexity and value of the items supplied.

3. When the goods are found to be satisfactory, the Waybill or Delivery Note and Invoice is stamped and signed by the Leader of the Inspection Team and the Storekeeper to confirm that:

   - Goods actually received are in accordance with the Waybill or Delivery Note.
   - Goods on the Waybill or Delivery Note agree with the Specification on the Purchase Order or Contract.
   - Goods delivered are neither defective nor sub-standard.
   - Goods are delivered on schedule.

   The Storekeeper shall also sign copies of the Waybill or Delivery Note to confirm receipt of Goods.

4. Where goods are found to be unsatisfactory in terms of being defective, improperly specified, variation in prices compared to the Purchase Order, the Inspection Team shall reject the order immediately without accepting the items into store.

5. Where quantity of goods delivered is short of the quantity specified on the Purchase Order or contract, the Inspection Team may accept partial delivery if:

   - The Purchase Order or Contract made room for partial delivery;
   - If the team is convinced that the supplier is committed to delivering the difference in an acceptable period, which will not adversely, affect University business;
   - Partial acceptance shall not result in the disgruntlement of unsuccessful bidders.

6. In the case of goods being found to be unsatisfactory or quantity delivered short of the quantity ordered; the Inspection Team shall submit a report as such to the Head of Procurement.

7. When goods are delivered after the agreed scheduled date and time, Provosts, Deans and Directors in consultation with the Head of Procurement shall decide as to whether it amounts to significant breach of contract and therefore may decide to:

   - Accept the item with warning letter to the supplier;
   - Reject the items outright;
   - Apply the delayed delivery clause of the contract.

Receipt of Works and Services

8. Works and Services shall be delivered to the Director of Physical Development and Municipal Services or the User Unit respectively. The Works or Services shall be certified by any of the above entities or a designated Expert Organisation appointed by the Head of Procurement in consultation with the Director of Physical Development and Municipal Services or User Unit.

9. When receiving imported goods, the Head of Procurement may contact the Ghana Revenue Authority and Ministers of Education & Finance and Economic Planning for Import Duty exemptions. It is however the responsibility of the Suppliers to deliver the goods to the specified destination such as the Store of the University.

POLICY No. 1504	
INVENTORY MANAGEMENT	
Subject Area	**Procurement of Goods, Works & Services**
Responsible Officer	The Head of Stores
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To provide a general guide on the procedures to be followed in achieving economy, efficiency, transparency, accountability and value for money in the custody, control, issue and disposal of stores in the University.

POLICY

1. Provosts, Deans and Directors are responsible for establishing adequate arrangements for the custody and control of stores within their Unit and for ensuring that such stores are adequately protected against loss and misuse. The systems used for stores accounting in the Units must have the approval of the Director of Finance.

2. Provosts, Deans and Directors are responsible for ensuring that annual inspections and stock checks are carried out. Stores of a hazardous nature must be subject to appropriate security and health and safety checks.

3. Those Provosts, Deans and Directors whose stocks require valuation in the statement of financial position must ensure that the stock-taking procedures in place have the approval of the Director of Finance.

4. Stock-taking must take place at least once a year and where continuous stock records are not maintained this must be at 31st December each year. In practice this places on Provosts, Deans and Directors a requirement to produce for the Director of Finance a stock figure for the cost of stock held at 31st December each year.

5. The stock figure must be produced by carrying out a full stock count by a nominated officer, or by maintaining continuous stock records which have been undertaken on a cyclical basis. Such counts will be subject to audit checks. The Director of Finance must approve any method other than that outlined above, of valuing stock.

6. Stock must be reconciled to the University's financial records.

Stock Provision

7. A provision should be made at the end of each financial year to provide for excessive loss in the value of stock held through obsolescence, damage, expired shelf life, or lack of historic and future expected usage.

Disposal of Stocks

8. If an item of stock is still usable but no longer required by the holding Unit then it should be offered to other similar Units before disposal takes place. Other alternatives should be considered such as charity donations prior to disposal.

9. A Board of Survey shall have the responsibility for the disposal of written off and unusable items of stock.

10. Once disposal has been agreed upon, the item should be removed from the physical stock location and counted to compare with the quantity held in the stock management system and any adjustments to the quantity accounted for.

11. The stock item should then be disposed of in accordance with the laid down procedures, including the procedures for disposing of hazardous substances and chemicals.

12. For future reference and auditing purposes the Head of Stores and Provosts, Deans and Directors should retain documentation of all types of disposal of stocks.

3.2.6 EXPENDITURES AND DISBURSEMENTS

POLICY No. 1601	
GENERAL AUTHORITY LEVELS	
Subject Area	**Expenditures & Disbursements**
Responsible Officer	The Director of Finance
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To assign responsibility and the procedures to be followed in the disbursement of funds in the University.

POLICY

1. The Director of Finance is responsible for making payments to suppliers of goods and services to the University.

   Authorities

2. The Provost, Dean or Director is ultimately responsible for purchases within his/ her Unit in accordance with the procurement process. Disbursement authority may be delegated to named individuals within the Unit.

3. The Director of Finance shall maintain a register of authorised signatories. Provosts, Deans and Directors must supply the Director of Finance with specimen signatures of those authorised to certify invoices for payment. Any changes to the authorities to sign must be notified to the Director of Finance immediately.

4. Under procedures agreed by the Director of Finance, central control shall be exercised over the creation of requisitioners and authorisers and their respective financial limits within any **electronic requisitioning** system.

5. The Director of Finance must be notified immediately of any changes to the authorities who can commit to expenditure.

6. The Provosts, Deans and Directors are not authorised to commit the University to expenditure without first reserving sufficient funds to meet the purchase cost.

7. Authorisation for payments shall only be made in accordance with the limits set out in the table below:

	Transaction Type	Responsible Dept	VC	Registrar	Director of Finance	Deans/ Directors/ Heads of Dept.	Admin Director	Hall Masters/ Wardens Snr Tutors
			GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
1	Construction	PDMSD	*Unlimited*					
2	Major renovation works	PDMSD	*Unlimited*					
3	Minor maintenance works	PDMSD					*** (PDMSD)	****
4.	Contract for goods (A)	Procurement	*Unlimited*					
5.	Contract for goods (B)	Procurement	*Above 50,000*	*Between 10,000-50,000*		*Below 10,000*		
6.	Contract for management services;	Registrar	*Above 50,000*	*Below 50,000*				
7.	Contract for Rentals (housing)	PDMSD					*** (HRODD)	
8.	ICT: procurement and consulting services	UGCS	*Above 50,000*	*Between 10,000-50,000*			*Below 10,000*	
9.	ICT: contract for maintenance	UGCS	*Above 50,000*	*Between 10,000-50,000*			*Below 10,000*	
10.	Books, publications and related items	Balme Library	*Above 50,000*				*Below 50,000*	
11.	Printing and related supplies	Various	*Above 50,000*	*Between 10,000-50,000*		*Below 10,000*	*Below 10,000*	
12.	Research, consultancy and contracts	ORID	*Unlimited*					
13.	Contract for maintenance service – Vehicles	PDMSD *(Pro – VC ORID)*				*** (PDMSD)		
14.	Contract for maintenance service – office equipment	Procurement				***		***
15.	Retirement benefits	HRODD		***				
16.	Payroll allowances	HRODD		*** (Snr members)		*** (Snr/Jnr staff)		

PDMSD: Physical Development & Municipal Service Directorate ORID: Office of Research, Innovation & Development HRODD: Human Resource & Organisational Development Directorate

	Transaction Type	Responsible Dept	VC	Registrar	Director of Finance	Deans/ Directors/	Admin Directors	Hall Masters/ Wardens Snr Tutors
			GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
17	Non-payroll payments to employees/pensioners							
A	Honorarium	HRODD		***				
B	Academic-related payments	ACADEMIC AFFAIRS (PRO VC)	***			***		
C	Refund to students	FINANCE			***			
D	Medical refund	UNIVERSITY HEALTH SERVICES					*** *Director of Univ. Health Service*	
18	Travel	REGISTRAR	*Refer to University of Ghana Travel Policy*					

ACRONYMNS

- HRODD : Human Resources and Organisational Development Directorate
- PDMSD : Physical Development and Municipal Services Directorate
- ORID : Office of Research, Innovation and Development

8. Authorisation for payments at the College level shall only be made in accordance with the limits set out in the table below.

	Transaction Type	Responsible Dept	VC	Provost	College Registrar	Finance Officer	Deans/ Directors
			GH¢	GH¢	GH¢	GH¢	GH¢
1	Construction	PDMSD	*Unlimited*				
2	Major renovation works	PDMSD	*Unlimited*				
3	Minor maintenance works	PDMSD		***			
4.	Contract for goods (A)	Procurement		*Unlimited*			
5.	Contract for goods (B)	Procurement		*Above 10,000*			*Below 10,000*
6.	Contract for management services;	College Registrar		*Above 50,000*	*Below 50,000*		
7.	Contract for Rentals (housing)	PDMSD			***		*** (HROD)
8.	ICT: procurement and consulting services	UGCS	Same as 7.8 above				
9.	ICT: contract for maintenance	UGCS		*Above 10,000*			*Below 10,000*
10.	Books, publications and related items	University Librarian		*Above 10,000*			*Below 10,000*
11.	Printing and related supplies	Various		*Above 10,000*			*Below 10,000*
12.	Research, consultancy and contracts	ORID *(ORID)*	*Unlimited*				
13.	Contract for maintenance services – Vehicles	PDMSD					*** (PDMSD)
14.	Contract for maintenance services – office equipment	College Registrar			***		
15.	Retirement benefits	HRODD			*** (Univ Registrar)		
16.	Payroll allowances	HRODD			***		

	Transaction Type	Responsible Dept	VC	Provost	College Registrar	Finance Officer	Deans/ Directors
			GH¢	GH¢	GH¢	GH¢	GH¢
17	Non-payroll payments to employees/ pensioners						
a	Honorarium	HRODD		***			
b	Academic related payments	PROVOST		***			
c	Refund to stundents	FINANCE				*** (Director of Finance)	
d	Medical Refund	UNIVERSITY HEALTH SERVICES				*** Director of Medical Services	
18	Travel *(refer to travel policy)*	REGISTRAR	*Refer to University of Ghana Travel Policy*				

<u>ACRONYMNS</u>

- HRODD : Human Resources and Organisational Development Directorate
- PDMSD : Physical Development and Municipal Services Directorate
- ORID : Office of Research, Innovation and Development

POLICY No. 1602	
METHODS OF PAYMENT	
Subject Area	**Expenditures & Disbursements**
Responsible Officer	The Deputy Director of Finance (Financial Accounting & Treasury Management)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To assign responsibility and the procedures to be followed in the disbursement of funds in the University.

POLICY

1. The Director of Finance is responsible for deciding the most appropriate method of payments.

2. All payments for supplier's invoices, staff-reimbursements and salaries will normally be made by computer cheques or direct bank transfer to suppliers/ employees account. Under no circumstances should payments be made by cash/ open cheques.

3. In exceptional circumstances, the Director of Finance will prepare cheques manually for urgent payments.

POLICY No. 1603	
PAYMENT OF INVOICES	
Subject Area	**Expenditures & Disbursements**
Responsible Officer	The Deputy Director of Finance (Financial Accounting & Treasury Management)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To assign responsibility and the procedures to be followed in the disbursement of funds in the University.

POLICY

1. The Director of Finance is responsible for deciding the most appropriate method of payment for categories of invoices. Payments to suppliers will normally be made by computer cheques or bank transfer to supplier's account. In exceptional circumstances, the Director of Finance will prepare cheques manually for urgent payments.

2. Provosts, Deans and Directors are responsible for ensuring that expenditure within their Units does not exceed funds available.

3. Suppliers should be instructed by the designated manager to submit invoices for goods or services to the Finance Directorate, Accounts Payable Section. Care must be taken by the designated Provosts, Deans and Directors to ensure that discounts receivable are obtained.

4. Payments will only be made by the Director of Finance against invoices that have been matched to Purchase Orders and Stores Received Advice authorised and entered by the appropriate Provost, Dean or Director or their designated officer.

5. Certification of an invoice or receipting of an electronic order will ensure that:

   - the goods have been received, examined and approved with regard to quality and quantity, or that services rendered or work done is satisfactory;
   - where appropriate, it is matched to the order;
   - invoice details (quantity, price discount) are correct;
   - the invoice is arithmetically correct;
   - the invoice has not previously been passed for payment;
   - where appropriate, an entry has been made on a stores or inventory record; and

- an appropriate financial code is quoted, which must be one of the financial codes included in the designated manager's areas of responsibility and must correspond with the types of goods or service described on the invoice.

6. When a copy of an account or statement has to be used as an expenditure voucher, then it must have an additional certification that checks have been carried out to ensure that the transaction has not been duplicated. The document should be clearly marked *"Copy invoice for payment"*.

POLICY No. 1604	
EMPLOYEE RE-IMBURSEMENTS	
Subject Area	**Expenditures & Disbursements**
Responsible Officer	The Deputy Director of Finance (Financial Accounting & Treasury Management)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To assign responsibility and the procedures to be followed in the disbursement of funds in the University.

POLICY

1. The University's purchasing and payments procedures are in place to enable the majority of goods and services to be procured through the creditor payments system without employees having to incur any personal expense. However, on some occasions, employees may incur expenses, most often in relation to travel, and are entitled to reimbursement.

2. Where such expenditure by employees is planned, the Director of Finance and the relevant Provost, Dean or Director may jointly approve cash advances to employees who are going to incur expenditure on the University's behalf.

3. Within ***one week*** of completion of the travel or project to which the advance relates, a final account must be prepared to demonstrate how the advance was disbursed and any unspent balance repaid. Under no circumstances will a second advance be approved when the final account for an earlier advance to an individual is still outstanding.

4. Unaccounted advances shall be charged against employee salaries.

POLICY No. 1605	
TRAVEL, SUBSISTENCE AND OTHER ALLOWANCES	
Subject Area	**Expenditures & Disbursements**
Responsible Officer	The Deputy Director of Finance (Financial Accounting & Treasury Management)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To assign responsibility and the procedures to be followed in the disbursement of funds in the University.

POLICY

Introduction

1. All claims for payment of subsistence allowances, travelling and incidental expenses shall be completed on a form approved by the Director of Finance and will be in accordance with the University of Ghana Travel and Subsistence Policy.

Allowances for Members of the Council

2. Payment of approved allowances for members of the Council will be authorised by the Secretary to Council. Claims for meeting attendance will be based on standard amounts for each individual, but only reasonable expenses can be reimbursed.

Claims by Employees

3. Claims by employees must be authorised by their Provost, Dean or Director. The certification shall be taken to mean that:

   - journeys were authorised;
   - the expenses were properly and necessarily incurred;
   - the allowances are properly payable by the University;
   - consideration has been given to value for money in choosing the mode of transport.

4. Travel and subsistence reimbursement claims must be made on University claim forms or other forms or means approved by the Director of Finance. Rates of reimbursement are set by the Finance & General Purposes Committee and notified to Units in the University by the Finance Division.

Overseas travel

5. All arrangements for overseas travel must be in accordance with the University of Ghana International Travel Policy. Any approvals required must be obtained in advance of committing the University to those arrangements or confirmation of any travel bookings.

6. Where spouses, partners or other persons unconnected with the University intend to participate in a trip, this must be clearly identified in advance. In these circumstances, the University will not arrange or pay for the travel but will re-imburse the individual for the business portion of the cost.

Local Travel and Subsistence

7. The following conditions apply to travel and subsistence expenses:

   a. Only actual expenditure incurred on University business will be reimbursed, in accordance with the rates set by the Finance and General Purposes Committee.

   b. Supporting vouchers for the cost of accommodation, food and other items of expenditure must be produced.

   c. Where a claim is made for use of an employee's vehicle the vehicle must be adequately insured.

   d. Subsistence expenses will only be paid where the employee is required to be away from their normal place of work.

   e. Employees cannot be reimbursed for the cost of travel between home and normal place of work other than in exceptional circumstances and the Provost, Dean or Director gives prior written consent.

   f. Expense claims for employees' own mobile telephone calls and rental costs are not normally reimbursable.

   g. No one shall authorise reimbursement of his or her own expenses. Claims should, whenever possible, be approved by an employee senior to the claimant. Where it is impractical for such senior officers to authorise claims, the Provost, Dean or Director may authorise in writing appropriate alternative arrangements.

   h. Advances may be granted at the discretion of the Provost, Dean or Director of and up to the estimated cost of one month's subsistence. The Director of Finance may give prior written consent for advances longer than one month's subsistence if operationally required.

   i. Requests for advances must be made on University of Ghana Accountable Imprest forms giving details of dates and places to be visited and a breakdown of the advance required. Claimants must submit full documentation promptly.

   j. Accounting for the claims against advances must be completed within one week of the return from the trip.

Entertainment Expenditure

8. The following conditions apply to entertainment:

   a. Entertainment expenditure must be an appropriate use of University money. A schedule must be included with the claim giving details of those entertained, their Department and the purpose of the entertainment. Expense claims for entertaining must be supported by vouchers and authorised by the Provost, Dean or Director (except where the Provost, Dean or Director is the claimant, when suitable alternative arrangements for authorisation must be made).

   b. Those authorising and submitting claims for payment for entertaining must be made aware that this action is a declaration that the cost was incurred wholly, necessarily and exclusively for University purposes.

POLICY No. 1606	
PETTY CASH	
Subject Area	**Expenditures & Disbursements**
Responsible Officer	The Deputy Director of Finance (Financial Accounting & Treasury Management)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To assign responsibility and the procedures to be followed in the disbursement of funds in the University.

POLICY

1. Where a single item is for less than a defined minimum amount[9] it should be paid from petty cash if possible and must be supported by receipts or vouchers where available.

2. The Director of Finance shall make available to Units such imprests as he/she considers necessary for the disbursement of petty cash expenses. However, it is important, for security purposes that petty cash floats are kept to a minimum.

3. The employee granted a float is personally responsible for its safe-keeping. The petty cash box must be kept locked in a secure place in compliance with the requirements of the University's insurers when not in use and will be subject to periodic checks by the Provosts, Deans or Directors or officers nominated by them[10].

4. Requisitions for reimbursements must be brought to the Director of Finance, together with appropriate receipts or vouchers, before the total amount held has been expended, in order to retain a working balance pending receipt of the amount claimed.

5. At the end of the financial year a certificate of the balances held should be completed by the employee responsible for the float and counter-signed by the Provost, Dean or Director. A copy shall be forwarded to the Director of Finance when fully completed.

Other payments

6. Payments for maintenance and other items to students on behalf of sponsoring organisations shall be made on the authority of the Director of Finance, supported by detailed claims approved by the Provost, Director or Dean.

[9] The Director of Finance shall indicate the petty cash float and the level of expenses to be paid out of petty cash at the beginning of each year.
[10] In most cases, this exercise would be undertaken by the Internal Auditors.

POLICY No. 1607	
SALARY PAYMENTS	
Subject Area	Expenditures & Disbursements
Responsible Officer	The Director of Finance
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To present the processes and procedures to be followed in accounting for and controlling the payment of employee salaries in the University.

POLICY

Remuneration policy

1. All University employees will be appointed to the salary scales approved by the Council and in accordance with appropriate conditions of service.

2. The Council will determine what other benefits, such as housing, allowances, cars, medical, other benefits, are to be made available, and the employees to whom they are to be available.

3. Salaries and other benefits for senior management will be determined by the Council.

Appointment of employees

4. All contracts of service shall be concluded in accordance with the University's approved Human Resources practices and procedures and all offers of employment with the University shall be made in writing by the Council/ Vice Chancellor.

5. Provosts, Deans and Directors shall ensure that the Director of Finance and the Director of Human Resources and Organisational Development are provided promptly with all information they may require in connection with the appointment, resignation or dismissal of employees.

6. All new employees can only be paid when full bank details and pension scheme information have been supplied to the payroll office.

7. For all new employees, Provosts, Deans and Directors or other authorised persons shall ensure that the person is legally eligible to work in Ghana. The Payroll Section will not add a non-Ghanaian citizen to the payroll unless it is clear that any necessary work permit has been obtained or that the immigration status of the person concerned does not require the University to seek permission for the specific employment proposed.

Salaries and Wages

8. The Director of Finance is responsible for all payments of salaries and wages to all employees including payments for overtime or services rendered. All timesheets and other pay documents, including those relating to fees payable to external examiners, visiting lecturers or researchers, will be on a form prescribed or approved by the Director of Finance.

9. The Director of Human Resources and Organisational Development will be responsible for keeping the Director of Finance informed of all matters relating to Human Resources for payroll purposes. In particular these include:

   - appointments, resignations, dismissals, supervisions, secondments, transfers and deaths;
   - absences from duty for sickness or other reason, apart from approved leave;
   - changes in remuneration other than normal increments and pay awards;
   - voluntary payroll deductions;
   - information necessary to maintain records of service for superannuation/ social security, income tax and national health insurance.

10. All casual and part-time employees will be included on the payroll.

11. The Director of Finance shall be responsible for keeping all records relating to payroll including those of a statutory nature.

12. Salaries shall be paid in accordance with the published pay days. Any changes in the published pay days shall be communicated by way of circulars.

13. No deduction shall be made from the salaries of any employee, except for statutory deductions, disciplinary awards and voluntary deductions authorised by the Director of Human Resources and Organisational Development upon administrative instructions issued by the Provost, Dean or Director.

14. All payments must be made in accordance with the University's detailed payroll and financial procedures and in compliance with Internal Revenue regulations.

Payroll Taxes

15. The Payroll section is responsible for ensuring that required tax forms are properly completed and submitted, and that all required taxes are withheld and paid. Such Taxes are remitted to the Revenue Agencies monthly.

Review of Payroll

16. Upon production of all payroll reports, the Director of Finance reviews the payroll prior to the transfer of payments to the banks. The Director of Finance should sign the Salary Voucher, indicating approval of the payroll.

Distribution of Payroll

17. No salary payments shall be made except directly through bank account of the employee, unless otherwise authorised by the Director of Finance.

Internal Audit of Payroll Data

18. It is the policy of the University of Ghana to conduct regular audits of payroll data, the purpose of which are to determine the integrity of the University's payroll records, including regular salary, deductions and net payments to employees.

University of Ghana Superannuation Scheme

19. The University Council is responsible for undertaking the role of employer in relation to appropriate pension arrangements for employees.

20. The Director of Finance is responsible for day-to-day superannuation matters, including:

    i. administering eligibility to pension arrangements;

    ii. preparing the annual return to various superannuation schemes; and

    iii. paying contributions to the authorised superannuation schemes.

3.2.8 MANAGEMENT OF FIXED ASSETS

POLICY NO. 1701	
MANAGEMENT OF FIXED ASSETS	
Subject Area	**Management of Fixed Assets**
Responsible Officer	The Deputy Director of Finance (Management Accounting & Payroll)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To establish guidelines for the control of assets owned by the University.

POLICY

1. The purposes of the controls are to protect the fixed assets, to preserve the life expectancy, to avoid unnecessary duplication of assets and to provide a guide for the future replacement of assets.

2. The purchase, lease or rent of land, buildings or fixed plant can only be undertaken with authority from the Finance & General Purposes Committee.

3. Units must notify the Physical Development and Municipal Services of all gifts of equipment that have been received.

4. All property owned by the University, including equipment purchased through sponsored programmes, is subject to University policy.

Fixed asset register

5. The Director of Finance is responsible for maintaining the University's register of capital assets. Provosts, Deans and Directors shall provide the Director of Finance with any information he or she may need to maintain the register.

Safeguarding assets

6. Provosts, Deans and Directors are responsible for the care, custody and security of the buildings, stock, stores, furniture, cash, etc. under their control. They will consult the Director of Physical Development and Municipal Services in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.

7. Assets owned by the University shall, so far as is practical, be effectively marked to identify them as University property.

8. Use of University property at an off-campus location must be approved by the Provost, Dean or Director.

9. Provost, Deans and Directors shall ensure that all instances of theft and/or losses of University assets are reported promptly to the Director of Physical Development and Municipal Services on the form prescribed in the detailed financial procedures.

Insurance

10. The Director of Finance is responsible for procuring all types of insurance cover as determined by the Finance Committee, including obtaining quotes, negotiating claims and maintaining the necessary records.

Physical Inventory of Assets

11. The Director of Physical Development and Municipal Services is responsible for ensuring that physical inventories of assets are performed on a regular basis. Individual Units are responsible for conducting physical inventories of equipment.

Personal use

12. Assets owned or leased by the University shall not be subject to personal use without proper authorisation.

Letting of University property

13. The letting of University property will be subject to arrangements approved by the Director of Physical Development and Municipal Services in accordance with University policy.

14. Arrangements whereby employees occupy University property under their terms and conditions of employment are additionally subject to the approval of the Director of Human Resources.

Asset disposal

15. Disposal of equipment and furniture must be in accordance with procedures agreed by the Finance and General Purposes Committee and contained in the University's detailed financial procedures.

16. Disposal of land and buildings must only take place with the authorisation of the Council.

All other assets

17. Provosts, Deans and Directors are responsible for establishing adequate arrangements for the custody and control of all other assets owned by the University, whether tangible or intangible, including electronic data.

3.2.9 FINANCIAL REPORTING

POLICY No. 1801	
MONTHLY CLOSINGS/ REPORTING	
Subject Area	**Financial Reporting**
Responsible Officer	The Deputy Director of Finance (Financial Accounting & Treasury Management)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To establish policies and procedures governing the monthly closing of the financial records and accounts of the University and reporting of the University's financial position and transactions.

POLICY

1. The General Accounts section is responsible for:
   - Establishing monthly accounting closing schedules and coordinating the data input requirements;
   - Preparing and distributing to the Director of Finance monthly statements from the Financial Accounting System.
2. All Units will comply with the closing schedules as established.
3. The Units shall complete all books of accounts[11] and ensure the resultant information is submitted monthly to the Financial Accounting System.
4. Each Unit is responsible for reviewing the monthly account transaction reports to ensure the accuracy, completeness and validity of each transaction. Errors or questions arising from this review must be immediately reported to the General Accounts section for investigation and correction as required.

[11]The books of account includes cash receipts, cash payments, petty cash payments and other imprests, stores receipt, stores issues, debit and credit notes issued and received, any other adjustments, (including electronic systems).

5. The Head of General Accounts section shall undertake the following:
    - Review transcripts to ensure appropriateness and accuracy of recording;
    - Ensure batch control information has been accurately recorded;
    - Authorise and forward transcripts for processing;
    - Post journals/transcripts.
6. All assets and liability accounts in the ledger shall be supported by and agreed with lists of specific individual items. Thus the following shall be supported at the end:

Item	Supporting Documentation
Cash at bank	• a bank reconciliation statement.
Cash	• a balance on the petty cash book itself supported by a cash reconciliation statement and a cash certificate. • Cash certificate produced from quarterly cash count under the observation of auditors.
Stocks	• a list of control totals from the stores ledger cards, which in turn would have been agreed to individual stock items as part of the stores ledger section's monthly procedures. • Stock certificate produced from a stock count under the observation of auditors.
Student debtors	• a list of individual items.
Work-in-progress	• a list of individual contracts.
Fixed Assets	• a listing under each category showing the prior period balance and individual movements in the month.
Liabilities	• list of balances on the liabilities ledgers
Provision for debtors, stock, depreciation	• as appropriate for the nature of the item.

7. When all postings have been made and ledger balances are supported as required, a trial balance is printed to ensure that the entries in the ledger have been correctly posted.
8. The Financial Accounting System (ITS) and the related sub-systems are the source for preparation of all required financial reports.
9. The Head of the General Accounts section shall ensure that:
    - Balances on the control accounts in the general ledger are in agreement with lists of balances extracted from the supporting ledgers;

- The balances on the various accounts appear reasonable in relation to corresponding balances in the previous month and his knowledge of the transactions undertaken during the month;
- A Statement of Income and Expenditure with supporting schedules are prepared;
- A Statement of Financial Position with supporting schedules is prepared.

10. The Head of the General Accounts section shall ensure that:
    - All liabilities and assets, so far as known, have their values;
    - All revenue receivable and expenses properly incurred for the period have been taken into account;
    - The accounts were prepared on a basis consistent with those of the previous period;
    - All prior year and prior-period adjustments have been appropriately treated in the accounts.

11. The financial statements for the month signed by the Director of Finance together with other relevant schedules prepared for management are submitted to the Finance and General Purposes Committee for consideration on monthly basis. The quarterly financial statements shall be submitted to the Council at each Council meeting[12].

[12]It is expected that departmental accounts will be extracted for submission to Provosts, Deans and Directors, for their review and necessary action.

POLICY No. 1802	
ANNUAL CLOSINGS/FINANCIAL STATEMENTS	
Subject Area	**Financial Reporting**
Responsible Officer	The Deputy Director of Finance (Financial Accounting & Treasury Management)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To establish policies governing the annual closing of the financial records and accounts of the University and preparation of the University's financial statements.

POLICY

1. The Director of Finance is responsible for:
   - Establishing and coordinating the annual financial closing and related audit with the Auditor General;
   - Establishing all closing schedules to ensure that the financial statements are completed by the end of the third month after the year end; and
   - Preparing the financial statements in accordance with Generally Accepted Accounting Principles.
2. The Annual Financial Statement includes:
   - A Statement of Financial Position at the end of the year;
   - A Statement of Income and Expenditure for the year;
   - A Cash Flow Statement for the year;
   - Notes to give details of specified items in those accounts.
3. Most of the year end accounting routines will be the same as those performed each month. However, there are specific tasks to be completed at the end of the year which include:
   - Provisions for slow-moving or obsolete or deteriorated stock;
   - The certification of cash in the hands of officers;
   - The provision for bad and doubtful debts;
   - The assessment of prepayments and accruals.

The following additional matters are to be considered:

- Additional review of statement of financial position items;
- Notes on the accounts;
- Compliance with relevant legislation;
- External auditors;
- Publication of accounts.

4. The financial statements shall be subject to annual audit by the external auditors as appointed by the Auditor General.

5. The annual audited financial report will be submitted to the Finance and General Purposes Committee for recommendation to the Council for approval.

POLICY No. 1803	
MANAGEMENT INFORMATION SYSTEM	
Subject Area	**Financial Reporting**
Responsible Officer	The Deputy Director of Finance (Management Accounting & Payroll)
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To establish the principal management information reports issued monthly to Management.

OBJECTIVES: To obtain a general view of the financial position of the University and of the results achieved; for comparison with budgeted or planned figures and as a basis for more detailed investigation where necessary. It is also to provide managers with the information required to control activities within their sphere of responsibility.

POLICY

1. Monthly and quarterly reports must be issued by the 10th working day following the end of the period which they relate.

2. Any other reports required by management must be issued on time. Reports on events must be issued as soon as possible after the event to which they relate.

3. The Director of Finance will prepare a monthly review of the reports, summarising the main variations from expected performance and examining the reasons for these variations. In the case of significant variances he will make recommendations for future action. On completion of the first half-year's results, and each period thereafter, the Director of Finance will assess the likely impact of variations on the year end result.

4. The **routine management reports** are listed below:

MANAGEMENT REPORTS

Reports/ Department	Originating Department	Frequency	Description of Report	Distribution
Revenue Section				
Daily Income Collection Report	Cash Office	Daily	Provides detail collection analysed into: • Income class • Collection areas	1.Cash Office 2.Deputy Director of Finance (FA&TM) 3.Director of Finance
Monthly Income Collection Report	Management Accounts	Monthly	Summarises details of daily Income Collection Report analysed into: • College, Faculty, Institute, School or Department • Income class	1.Deputy Director of Finance (FA&TM) 2.Director of Finance 3.Vice Chancellor 4.F&GP Committee
Progress Report on Income Collection	Management Accounts	Monthly	Status report on Income Collection showing: • Planned collection • Actual collection	1.Director of Finance 2.Vice Chancellor 3. F&GP Committee
Stores				
Monthly Stores Analysis	Central Stores	Monthly	Overall stores reconciliation by location and code	1. Head of Stores 2. Deputy Director of Finance (MAP)
Summary of receipts, issued and stock balances	Central Stores	Monthly	Overall stores reconciliation by location and code	1. Head of Stores 2. Deputy Director of Finance (MAP)
Movement of fuel and lubricants	Central Stores	Monthly	Overall reconciliation by fuel class	1. Head of Stores 2. Deputy Director of Finance (MAP)
Budget				
Expenditure Variance Reports				
Consolidated Income Statement *(Table)*	Management Accounts	Quarterly	Comparison of actual expenditure levels with budgeted figures	1.Director of Finance 2. Vice Chancellor 3. F&GP Committee
Individual Departmental Results*(Table 2)*	Management Accounts	Quarterly	Comparison of actual expenditure levels with budgeted figures	1.Director of Finance 2. Vice Chancellor 2.Provosts, Deans & Directors

F&GP Committee : Finance & General Purposes Committee **FA&TM** : Financial Accounting and Treasury Management **MAP** : Management Accounting & Payroll

Reports/ Department	Originating Department	Frequency	Description of Report	Distribution
Analysis by Category of Income & Expenditure *(Table 3)*	Management Accounts	Quarterly	Comparison of actual expenditure levels with budgeted figures	1.Director of Finance 2. Vice-Chancellor 3. F&GP Committee
Cash Flow				
Cash Flow Forecasts	Director of Finance	Fortnightly	Cash Analysis and Projections	Vice-Chancellor
Expenditure Section				
Bank Reconciliation Statement	Final Accounts	Monthly	Reconcile bank balances with cash book balances	1. Chief Treasury Officer 2. Deputy Director of Finance (FA&TM) 3. Director of Finance
Final Accounts				
Quarterly Statement of Income and Expenditure	Final Accounts	Quarterly	Income and Expenditure and Statement of Financial Position	1.Director of Finance 2. Vice-Chancellor 3. F&GP Committee
Works Section				
Progress Report on Projects	Physical Development & Municipal Services	Monthly/ Quarterly	Reports on Projects both in progress and completed during the Quarter.	1.Director of Finance 2.Director of Physical Development & Municipal Services 3. Vice-Chancellor 4. F&GP Committee 5. Physical Development & Municipal Services Committee
Customised Reports				
Student Debtors	Final Accounts	Quarterly/ Yearly	Listing of student debtors by programme	1. Director of Finance 2. Vice Chancellor 3. F&GP Committee
Aging Analysis of Debtors	Final Accounts	Quarterly/ Yearly	Listing of age of student debtors by programme	1. Director of Finance 2. Vice Chancellor 3. F&GP Committee

POLICY No. 1804	
REPORTING TO OUTSIDE AGENCIES	
Subject Area	**Financial Reporting**
Responsible Officer	The Director of Finance
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To establish responsibility for providing various periodic financial reports required by University and governmental agencies.

POLICY

1. The Director of Finance is responsible for the timely preparation, approval and submission of all required financial reports, including interim and final financial reports required under grant and contract agreements.
2. The Financial Accounting System and related subsystems are the source for preparation of all required financial reports.
3. Any financial information included in reports to any third party, either directly or by reference, must be approved by the Director of Finance prior to distribution.

3.2.10 AUDIT REQUIREMENTS

POLICY No. 1901	
AUDIT: GENERAL PROVISIONS	
Subject Area	**Audit Requirements**
Responsible Officer	Vice-Chancellor
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To establish responsibility for objectively assessing, evaluating and reporting on the adequacy of the internal control system as a contribution to the correct, efficient and effective use of resources.

POLICY

1. External and internal auditors shall have authority to:
   - access University premises at reasonable time;
   - access all assets, records, documents and correspondence relating to any financial and other transactions of the University;
   - require and receive such explanations as are necessary concerning any matter under examination;
   - require any employee of the University to account for cash, stores or any other University property under his or her control;
   - access records belonging to third parties, such as contractors, when required.
2. All auditors should respect the confidentiality of information to which they have access in the course of their work.
3. All the activities within the responsibility of Council, including those of its subsidiary companies, are included in the audit remit.
4. Whenever any matter arises which involves, or is thought to involve, irregularities or fraud concerning cash, stores or other assets of the University or any other suspected irregularity in the exercise of the activities of the University, the Provost, Dean or Director of the Units concerned shall notify the Director of Finance and the Vice-Chancellor who shall take such steps as they consider necessary by way of investigation and involvement of the Director of Internal Audit. Action will be taken in accordance with the University's Fraud and Corruption Response Plan which will be developed.

POLICY No. 1902	
INTERNAL AUDIT	
Subject Area	**Audit Requirements**
Responsible Officer	The Director of Audit
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To establish responsibility for objectively assessing, evaluating and reporting on the adequacy of the internal control system as a contribution to the correct, efficient and effective use of resources.

POLICY

1. The prime responsibility of the Internal Audit Unit is to provide Council, the Vice-Chancellor and the other managers of the University with assurance on the adequacy and effectiveness of the internal control system, including risk management and governance. It also seeks to ensure that propriety, efficiency, economy and effectiveness are achieved in all areas of the University's activity.

2. Responsibility for internal control remains fully with management. The Internal Audit Unit should provide 'reasonable assurance' on the effectiveness of the internal controls being implemented to provide guarantees against material errors, loss or fraud.

3. The Internal Audit Unit may also provide advice, especially before new or revised systems are to be introduced, subject to the need to maintain their independence.

4. The Director of Internal Audit is required to report annually to the Audit Committee on the work of the Unit and to give an opinion on the status and reliability of internal controls within the University.

5. In order to provide this opinion the Director of Internal Audit will undertake a programme of work agreed by the Audit Committee. The programme of work will have the following objectives:

   - to review and appraise the soundness, adequacy and application of financial and other controls, and to ascertain whether these are operated efficiently, effectively and economically;

   - to ascertain the extent to which the system of control ensures compliance with established policies, plans and procedures and any statutory requirements;

   - to ascertain the extent to which assets and funds are properly controlled and safeguarded from losses of all kinds, including fraud and other offences;

- to ascertain that financial and other information used by the management of the University is reliable, timely and relevant for the purposes for which it is used;
- to draw attention to uneconomical, ineffective or inefficient results flowing from management decisions, practices or policies.

6. The Director of Internal Audit is responsible to the Vice Chancellor on a day-to-day basis for providing a professional internal audit service.
7. To guarantee the independence of the Internal Audit Unit, the Director of Internal Audit will have direct access to the Chairman of the Audit Committee, and after receiving his/her advice, to the Chairman of Council.
8. All employees will have access to the Director of Internal Audit to bring matters of concern to his/her attention, especially in matters of fraud (actual or suspected) involving employees or contractors. However, in normal circumstances, the reporting line should be through the employee's Provost, Dean or Director.
9. The Director of Internal Audit is to ensure that the University's accounting procedures and internal control systems are audited and report submitted in accordance with the provisions of the Internal Audit Agency Act, 2003 (Act 565) and standards, guidelines and instructions issued by the Internal Audit Agency Board in line with the Act.
10. The Director of Finance shall submit a report to every meeting of the Audit Committee showing the progress which has been made in complying with outstanding agreed internal audit recommendation.

POLICY No. 1903	
EXTERNAL AUDIT	
Subject Area	**Audit Requirements**
Responsible Officer	Vice - Chancellor
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To establish responsibility for objectively assessing, evaluating and reporting on the adequacy of the internal control system as a contribution to the correct, efficient and effective use of resources.

POLICY

1. The Auditor General is responsible for the external audit of the accounts of the University of Ghana.

2. The primary role of external audit is to report on the University's financial statements and to carry out such examination of the statements and underlying records and control systems as are necessary to reach their opinion on the statements and to report on the appropriate use of funds.

3. The External Auditors will audit the University's books of account and report on the University's annual financial statements to the Finance & General Purposes Committee and the Council of the University at the meetings which consider and approve these. They will in their report:

   - state whether in their opinion the financial statements show a true and fair view of the statement of balances at the year end and of the income and expenditure, and cash flow statements for the year then ended;

   - state whether in all material aspects monies expended from whatever source, administered by the University for specific purposes, have been properly applied to these purposes and if appropriate managed in compliance with any relevant legislation.

   - The External Auditors will attend and be heard at meetings of the Finance & General Purpose Committee when the annual financial statements are being considered and approved. They will also have the right to attend meetings of the Council when the annual financial statements are considered. The University will ensure that the External Auditors receive proper notification and the agenda for the meetings.

3.2.11 OTHER MATTERS

POLICY No. 2001	
FUNDS HELD IN TRUST	
Subject Area	**Other Matters**
Responsible Officer	The Director of Finance
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: To provide guidelines governing the management of restricted funds in the University.

POLICY

1. **Gifts, Benefactions and Donations:** The Director of Finance is responsible for maintaining financial records in respect of gifts, benefactions and donations made to the University.

2. **Student Welfare and Access Funds:** The Director of Finance will prescribe the format for recording the use of Student Welfare Funds. Records of Access Funds will be maintained according to funding body requirements.

3. **Trust/Endowment Funds:** The Director of Finance is responsible for maintaining a record of the requirements for each Endowment/Trust Fund and for advising the Finance and General Purposes Committee on the control and investment of fund balances. The Finance and General Purposes Committee is responsible for ensuring that all the University's Endowment/Trust Funds are operated within any relevant legislation and the specific requirements for each Endowment.

4. **Voluntary Funds:** The Director of Finance shall be informed of any Fund that is not an official fund of the University which is controlled wholly or in part by an employee in relation to his function in the University. The accounts of any such fund shall be audited by an independent external person and shall be submitted with a certificate of audit to the appropriate body. The Director of Finance shall be entitled to verify that this has been done.

POLICY No. 2002	
MAINTENANCE OF ACCOUNTING SYSTEM	
Subject Area	**Other Matters**
Responsible Officer	The Director of Finance
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: Maintenance of the Financial Accounting System is necessary to ensure financial accounting and reporting integrity.

POLICY:

1. The General Accounts section is responsible for the maintenance of the Financial Accounting System.
2. All requests to create new accounts (funds) must be accompanied by proper documentation and approved by the Finance and General Purpose Committee.
3. Accounts will be established in appropriate fund groups to reflect the nature of the revenues to be generated and/or the purpose of the expenditures to be incurred.
4. All changes to account attribute codes and other account specific information must be approved by Director of Finance.
5. Units are required to notify the General Accounts section, on a timely basis, of the following:
    - Any organisational change affecting responsibility for account administration;
    - Any accounts to be deleted such as inactive unrestricted accounts or restricted gift accounts for which the gift has been expended.

POLICY No. 2003	
RETENTION OF ACCOUNTING RECORDS	
Subject Area	**Other Matters**
Responsible Officer	The Director of Finance
Approval	The Finance & General Purposes Committee
Originally Issued	28th March 2012
Revised	

PURPOSE: Setting out a general framework for meeting the University's obligations to review, retain, and destroy University records consistent with laws, regulations, and internal University record-keeping objectives.

POLICY

1. Financial and related documents shall normally be retained in a secure and accessible manner. The original records may be kept in an electronic format at the discretion of the Director of Finance.

2. Preservation of records shall be governed by:

   - The Limitation Decree, 1972 (NRCD 54) which makes it necessary to keep financial and accounting records until such time as claims by or against government are statute-barred; and

   - The Public Records and Archives Administration Act 1997, (Act 535).

3. The University shall establish a repository or repositories to hold all financial and accounting records that are no longer required for regular office references.

APPENDICES	
I	The Nolan Committee's Seven Principles of Public Life
II	Organisation of the University of Ghana Finance Directorate
(a)	The Finance Directorate
(b)	Management Accounting & Payroll Section
(c)	Stores Management Section
(d)	Financial Accounting & Treasury Management Section
(e)	Research & Project Management Section
(f)	Secretariat
III	Terminologies & Interpretations
IV	Formats for Management Reports
V	Formats for Financial Statements

APPENDIX I

THE NOLAN COMMITTEE'S SEVEN PRINCIPLES OF PUBLIC LIFE*

Selflessness

Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their families, or their friends.

Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

Objectivity

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

Accountability

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

Openness

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly so demands.

Honesty

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

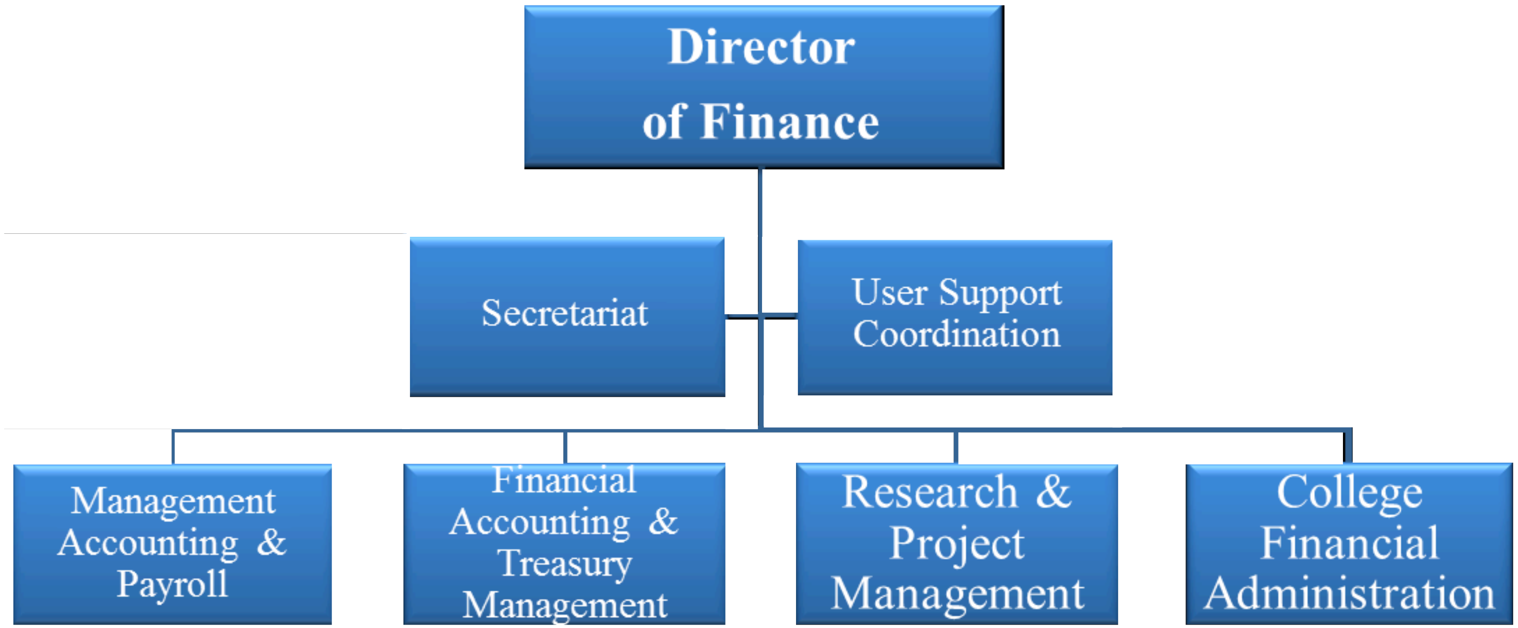
Leadership

Holders of public office should promote and support these principles by leadership and example.

*The Committee on Standards, established in 1994, is an independent advisory non-departmental public body of the United Kingdom. Its first Chairman was The Lord Nolan. The Committee's First Report established the Seven Principles of Public Life.

APPENDIX II (a)

ORGANISATION OF THE UNIVERSITY OF GHANA'S FINANCE DIRECTORATE

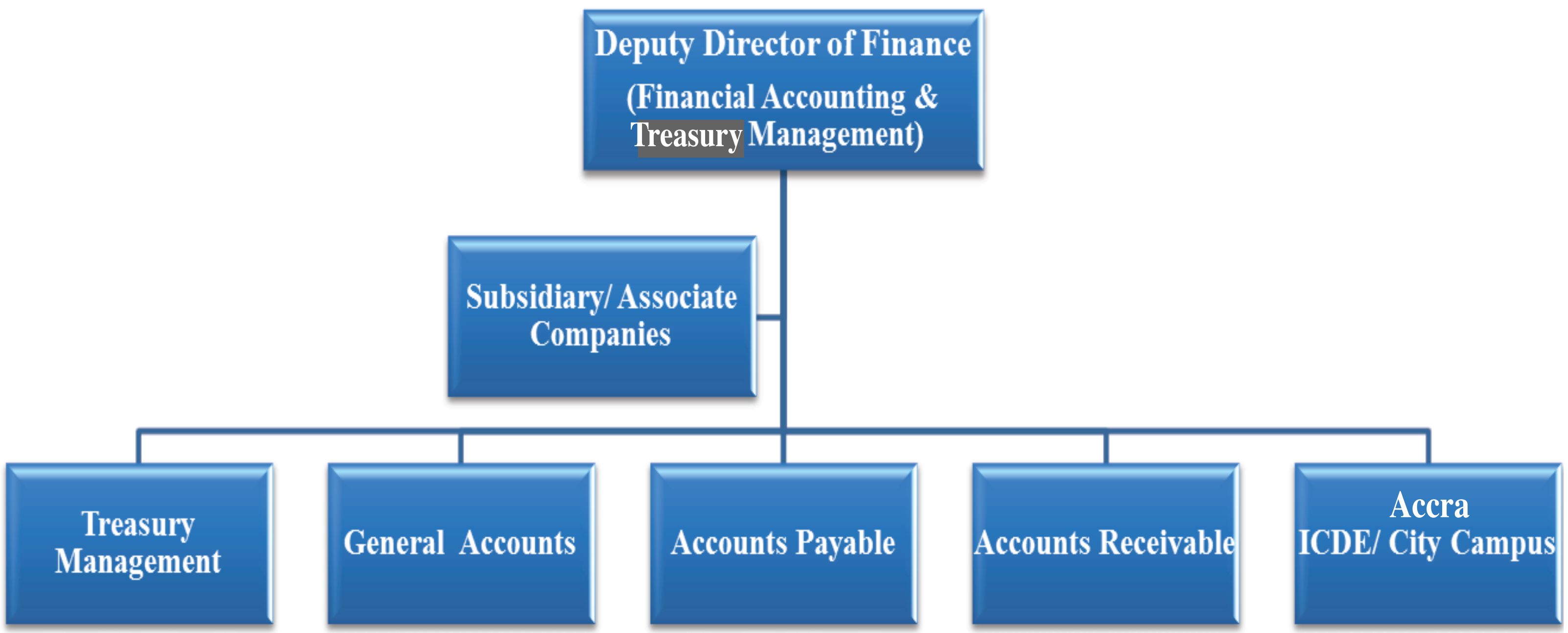


APPENDIX II (b)

MANAGEMENT ACCOUNTING & PAYROLL SECTION

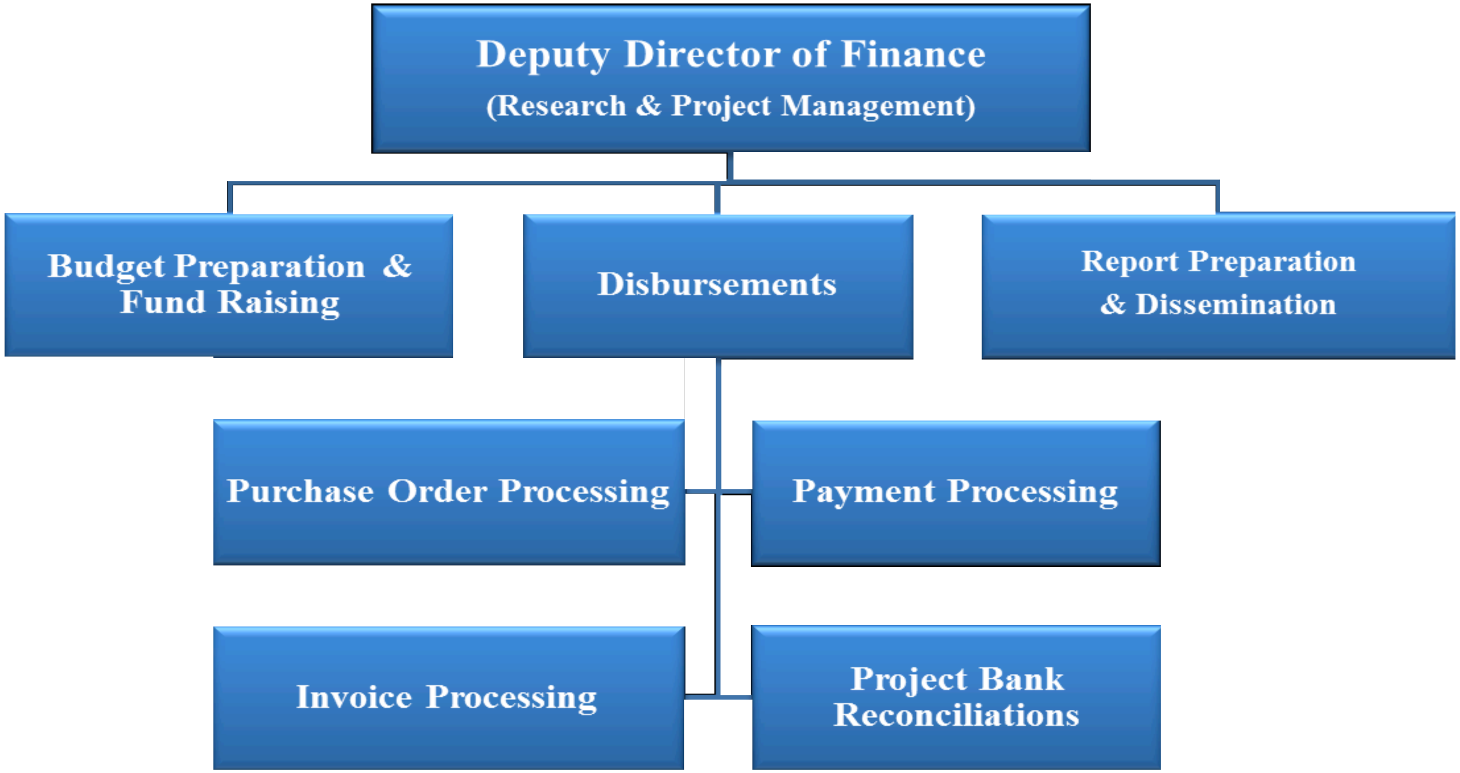
APPENDIX II (d)

FINANCIAL ACCOUNTING & TREASURY MANAGEMENT SECTION



APPENDIX II (e)

RESEARCH AND PROJECT MANAGEMENT SECTION



APPENDIX II (f)

SECRETARIAT

APPENDIX III

TERMINOLOGIES & INTERPRETATIONS

Owing to the diverse nature of activities in the University of Ghana, a wide range of terms are in use by committees, employees and other persons connected to the University. The following general terms have been used in these Regulations.

These terms are to be understood as used in the University Statute unless the context of the Regulation requires otherwise. Further guidance is contained in the detailed Financial Procedures Manual.

Accounting system	An organised set of manual and computerised accounting methods, procedures, and controls established to gather, record, classify, analyse, summarise, interpret, and present accurate and timely financial data for management decisions in the University.
Associate company	An entity over which the University has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or jointly control these policies. If the University holds, directly or indirectly, 20% or more of the voting power of the investee, it is assumed that the University has significant influence unless it can be clearly demonstrated that this is not the case.
Assets	Any item of economic value owned by the University especially that which could be converted to cash. Examples are cash, accounts receivable, inventory, office equipment, buildings, vehicles, and other property.
Bequest	The transfers of wealth that occur upon a donor's death including transfers by means of a will or a trust.
Best practices	A technique or methodology that, through experience and research, has proven to reliably lead to a desired result.
Block grants	Relates to a sum of money granted by the national government with only general provisions as to the way it is to be spent. This can be contrasted with a restricted/ specific grant which has more strict and specific provisions on the way it is to be spent.
Budget	A quantitative and/or financial statement prepared prior to a defined period of time, of the policy to be pursued during the defined period. It indicates the resources that have to be made available or which are available for the different tasks that have to be undertaken to attain defined objectives or goals in the defined period.
Budget holder	The persons authorised to incur expenditure under specified account codes or budget centres.

Budgetary Control	Methodical control of the University's operations through establishment of standards and targets regarding income and expenditure, and a continuous monitoring and adjustment of performance against them.
Capital grant	Funds allocated to support the physical infrastructure of the University. These funds are designed to recognise that good quality buildings, equipment and information technology are essential to academic excellence in teaching and research.
Capital projects	Long-term investment project requiring relatively large sums to acquire, develop, improve, and/or maintain (such as land, buildings, roads).
Cash flow statement	Cash flow statements provide a look at the movement of cash in and out of the University. These statements include information from operating, investing, and financing activities. As an analytical tool, the statement of cash flows is useful in determining the short-term viability of the University, particularly its ability to pay bills, handle expenses, and acquire assets.
Consolidated Financial Statements	Comprise the financial statements of the University and its subsidiaries/ associates as at the end of the financial year.
Depreciation	A non-cash expense that reduces the value of an asset as a result of wear and tear, age, or obsolescence. Most assets lose their value over time (in other words, they depreciate), and must be replaced once the end of their useful life is reached.
Employee	Senior members and employees of the University.
Endowment Fund	A special account that is established in order to generate revenue that will be used for a specific purpose. Funds of this type are sometimes established to create an income stream to fund research projects, provide scholarships to qualified applicants, or even to supply aid to individuals who apply to the fund for financial help.
Extra-ordinary items	Extra-ordinary items are characterised by the fact that they arise from events or transactions that are distinct from the University's ordinary activities, are not expected to recur frequently or regularly and are outside the control or influence of the University.
Financial period/year	Period for which an organisation prepares its internal or external accounts or the period covered by the financial statements. For internal accounts, it may be a month or a quarter; for external accounts it is normally a period of 12 months.

Financial and management controls	A systematic effort by management to compare performance to predetermined standards, plans, or objectives in order to determine whether performance is in line with these standards and presumably in order to take any remedial action required to see that human and other resources are being used in the most effective and efficient way possible in achieving the university objectives.
Financial plan	The long-term process of wisely managing the university finances so that it can achieve its goals.
Financial statement	Records that provide an indication of the University's financial status. There are four basic types of financial statements: statement of financial position, statement of income and expenditure, cash-flow statements, and accounting policies and explanatory notes.
Fundamental errors	Fundamental errors are errors that have such a significant effect on the financial statements of one or more prior periods that those financial statements can no longer be considered to have been reliable at the date of their issue.
IAS	International Accounting Standards.
IFRS	International Financial Reporting Standards.
IFRIC	International Financial Reporting Interpretations Committee.
Lease	A lease is a legally enforceable contract which defines the relationship between an owner, the lessor, and a renter, the lessee. A typical lease spells out all of the terms involved in a land or merchandise rental agreement, including the length of time a lessee may use it and what condition it must be in upon return to the lessor.
Liabilities	The university's legal debts or obligations that arise during the course of business operations. Liabilities are settled over time through the transfer of economic benefits including money, goods or services.
Nolan Principles	The seven principles identified by the Committee on Standards in Public Life.
Risk management	Risk management is a logical process or approach that seeks to eliminate or at least minimise the level of risk associated with a business operation. Essentially, the process identifies any type of situation that could result in damage to any resource within the possession of the company, including personnel, then take steps to correct factors that are highly likely to result in that damage.

Segment	A recognised component of the University that is engaged in undertaking activities and providing services that are subject to risks and returns different from those of other segments.
Statement of Financial Position	A financial statement that summarises the University's assets, liabilities and equity at a specific point in time. The statement of financial position gives an idea as to what the University owns and owes, as well as the amount invested in it.
Statement of Income and Expenditure	A financial statement that measures the university's financial performance over a specific accounting period. Financial performance is assessed by giving a summary of how the university incurs its income and expenses through both operating and non-operating activities. It also shows the net profit or loss incurred over a specific accounting period, typically over a fiscal quarter or year.
Subsidiary company	Entities for which the University, directly or indirectly, has the power to govern the financial and operating policies of the entity so as to obtain the benefits from its activities.
Subvention	A subsidy, grant of financial aid given by a government to an institution.
True and fair view	Words used in a company's accounts by auditors to show that they think the accounts give correct and complete information about a company's financial situation.
UGEL	University of Ghana Enterprises Limited.
Units	All establishments of the University including Colleges, Faculties, Institutes, Schools and Departments.
Value for money	Value for Money (VfM) is the term used to assess whether or not an organisation has obtained the maximum benefit from the goods and services it acquires and/ or provides, within the resources available to it. It not only measures the cost of goods and services, but also takes account of the mix of quality, cost, resource use, fitness for purpose, timeliness and convenience to judge whether or not, when taken together, they constitute good value. Achieving VfM may be described in terms of the 'three Es' - economy, efficiency and effectiveness.
VCG	Vice-Chancellors Ghana
Virement	The agreed transfer of money from one budget heading, to which it has been allocated, to another budget heading.
IPSAS	The term IPSAS includes all applicable International Financial Reporting Interpretations Committee (IFRIC) Interpretations issued by the International Accounting Standards Board (IASB).

APPENDIX IV

MANAGEMENT REPORTS

TABLE	MANAGEMENT REPORTS
1	Consolidated Expenditure Variance Reports
2	Analysis by Category of Income & Expenditure
3	Units Expenditure Variance Reports
4	Analysis by Individual Unit Results
5	Analysis of Expenditure by Activity

Table 1: Consolidated Expenditure Variance Report

Income/ Expense category	Jan – April 2012				Full Year 2012				Note	Full Year 2011	
	Actual	Orig Plan	Variance	% Var	Forecast	Orig Plan	Variance	% Var		Actual	% Diff to 2012
Government subvention & grants											
Academic fees and other student charges											
Research Grants & Contracts											
Other income											
Endowment and Investment income											
Total Income											
Personnel costs											
Academic costs											
Research & Contract costs											
Bursaries & financial aid											
Other operating expenses											
Total Admin & Operating Costs											
Infrastructure, maintenance, etc.											
Other Expenses											
Asset Costs (Depreciation)											
Total Expenditure											
Recurrent Operating Surplus/Deficit											
Recurrent Operating Surplus/Deficit % of Total Income											

****** Similar reports to be prepared for each College, Faculty, School, Institute, Directorate.***

Table 2: Analysis by Category of Income & Expenditure

Overview:

Note	Revenue /Expenditure category	Y-T-D variance	Projected annual variance	Comments
Revenue				
1	Government subvention & grants			
2	Academic fees & other student charges			
3	Research Grants & Contracts			
4	Other income			
5	Endowment & Investment income			
Expenditure				
6	Personnel Costs			
7	Academic costs			
8	Research & Contract costs			
9	Bursaries & financial aid			
10	Other operating expenses			
11	Total Admin & Operating expenses			
12	Infrastructure, maintenance, etc.			
13	Other Expenses			
Recurrent Operating Target				

Note: when presenting your analysis, always focus on the annual picture, using the past (y-t-d) as a guide to informing you what can reasonably **be expected by year end#**

Table 3: Unit Expenditure Variance Report

Area: College of Health Sciences

	Jan – April 2012				Full Year 2012				Note	Full Year 2011	
	Actual	Orig Plan	Variance	% Var	Forecast	Orig Plan	Variance	% Var		Actual	% Diff to 2012
Government subvention & grants											
Academic fees & other student charges											
Research Grants & Contracts											
Other income											
Endowment & Investment income											
Total Income											
Personnel Costs											
Academic costs											
Research & Contract costs											
Bursaries & financial aid											
Other operating expenses											
Total Admin & Operating expenses											
Infrastructure, maintenance, etc.											
Other Expenses											
Asset Costs (Depreciation)											
Total Expenditure											
Recurrent Operating Surplus/Deficit											
Recurrent Operating Surplus/Deficit % of Total Income											

Table 4: Analysis per Individual Unit Results

AREA	Y-T-D			Forecast 2012	Original Plan	Variance	Note	Actual 2011
	Actual	Plan	Variance					
College of Health Sciences**								
College of Agriculture & Consumer Sciences**								
Faculty of Art								
Faculty of Law								
Faculty of Science								
Faculty of Engineering								
Faculty of Social Studies								
Business School								
Institutes/ Schools/ Centres***								
Directorates****								
Others								
Assets								
TOTAL								

****COLLEGE OF HEALTH SCIENCES**	*****INSTITUTES/ SCHOOLS/CENTRES**
Central Administration	
Medical School	Institute of African Studies
Dental School	Institute of Continuing and Distance Education
School of Public Health	Legon Centre for International Affairs and Diplomacy (LECIAD)
School of Allied Health Sciences	School of Communication Studies
School of Nursing	Institute of Statistical, Social and Economic Research (ISSER)
School of Pharmacy	Regional Institute for Population Studies (RIPS)
Noguchi Memorial Institute for Medical Research (NMIMR)	School of Performing Arts
****COLLEGE OF AGRICULTURE & CONSUMER SCIENCES**	Centre for Tropical Clinical Pharmacology and Therapeutics
Central Administration	Language Centre
School of Agricultural Economics and Agribusiness	Centre for Social Policy Studies
School of Agriculture	International Centre for African Music and Dance
School of Veterinary Medicine	Centre for Distance Education
Agricultural Research Centres	Centre for Gender Studies and Advocacy
	Centre for Migration Studies
	Institute of Agricultural Research
	West African Centre for Crop Improvement (WACCI)
	Biotechnological Centre
	Institute for Environment and Sanitation Studies

Table 5

UNIVERSITY OF GHANA

ANALYSIS OF EXPENDITURE BY ACTIVITY

	Personnel Costs	Other Operating Costs	Bursaries & Financial Aid	Depreciation	Financial Costs
Academic Departments	XX	XX	XX	XX	XX
Research Grants & Contracts	XX	XX	XX	XX	XX
Total Teaching & Research	**XX**	**XX**	**XX**	**XX**	**XX**
Academic Services	XX	XX	XX	XX	XX
Central Administration/ Services	XX	XX	XX	XX	XX
General Educational Expenditure	XX	XX	XX	XX	XX
Staff and Student Facilities	XX	XX	XX	XX	XX
Premises (repairs & maintenance)	XX	XX	XX	XX	XX
Residences, catering and conferences	XX	XX	XX	XX	XX
Other services rendered	XX	XX	XX	XX	XX
Other Activities	XX	XX	XX	XX	XX
Total Non-teaching & Research	**XX**	**XX**	**XX**	**XX**	**XX**
TOTAL EXPENDITURE	**XXX**	**XXX**	**XXX**	**XXX**	**XXX**

APPENDIX V

FINANCIAL STATEMENTS

TABLE	FINANCIAL STATEMENTS
5	Statement of Financial Position
6	Statement of Financial Performance
7	Cash Flow Statement

Table 5						
UNIVERSITY OF GHANA						
STATEMENT OF FINANCIAL POSITION						
AS AT 31 DECEMBER 20XXX2						
	NOTES	**20XXX2**			**20XXX1**	
		GHC	GHC		GHC	GHC
ASSETS						
NON-CURRENT ASSETS						
Fixed Assets			XXX			XXX
Investment in Associates			XXX			XXX
Biological Assets			XXX			XXX
Other Assets			XXX			XXX
			XXX			**XXX**
CURRENT ASSETS						
Inventories		XXX			XXX	
Accounts Receivables & Prepayments		XXX			XXX	
Employees Personal Accounts		XXX			XXX	
Student Fees Receivable		XXX			XXX	
Short-term Investments		XXX			XXX	
Cash at Bank and Cash equivalents		XXX			XXX	
Other Current Assets		XXX			XXX	
		XXX			**XXX**	
CURRENT LIABILITIES						
Liabilities in excess of one year						
Account Payable and Accrued Liabilities		XXX			XXX	
Student Deposits		XXX			XXX	
Provisions for liabilities and charges		XXX			XXX	
		XXX			**XXX**	
NET CURRENT ASSETS			**XXX**			**XXX**
NET ASSETS (excluding Pension Liability)			**XXX**			**XXX**
Pension Liability						
NET ASSETS (including Pension Liability)			**XXX**			**XXX**
FINANCED BY:						
Accumulated Fund			XXX			XXX
Deferred Capital Grants			XXX			XXX
General Reserve Fund			XXX			XXX
Endowment Funds			XXX			XXX
Permanent		XXX			XXX	
Expendable		XXX	XXX		XXX	XXX
Restricted Funds						
Special Research Funds		XXX			XXX	
Staff Housing Loan Scheme Fund		XXX			XXX	
Research and Awards Fund		XXX	XXX		XXX	
Other Funds			XXX			XXX
TOTAL FUNDS			**XXX**			**XXX**

Table 6					
UNIVERSITY OF GHANA					
STATEMENT OF FINANCIAL PERFORMANCE					
FOR THE YEAR ENDED DECMBER 31, 20XXX2					
		NOTES	**20XXX2**		**20XXX1**
			GHC		GHC
Income					
	Government subventions and grants		XXX		XXX
	Academic fees and other student charges		XXX		XXX
	Research grants and contracts		XXX		XXX
	Other income		XXX		XXX
	Endowment and investment income		XXX		XXX
			XXX		**XXX**
Expenditure[13]					
	Personnel Costs		XXX		XXX
	Academic costs		XXX		XXX
	Research & Contract costs		XXX		XXX
	Bursaries and financial aid		XXX		XXX
	Other operating expenses		XXX		XXX
	Other expenses		XXX		XXX
	Depreciation		XXX		XXX
	Finance costs		XXX		XXX
			XXX		**XXX**
Surplus/ (deficit) for the year after depreciation			**XXX**		**XXX**
	Profit/ (loss) on disposal of assets		XXX		XXX
	Income/ (loss) from subsidiaries/ associated companies		XXX		XXX
	Realised profit on the sale of investments		XXX		XXX
	Impairment of available-for-sale investments		XXX		XXX
	Transfer (to)/ from specific endowments		XXX		XXX
Surplus/ (deficit) for the year transferred to Accumulated Fund			**XXX**		**XXX**

[13] There should be included in the Notes to the Financial Statements an Analysis of Expenditure by Activity as indicated in Table 8.

Table 7

UNIVERSITY OF GHANA

CASH FLOW STATEMENT

FOR THE YEAR ENDED DECMBER 31, 20XXX2

	NOTES	20XXX2		20XXX1
		GHC		GHC
Net Cash inflow from operating activities		**XXX**		**XXX**
Cash flows from investing activities				
Purchase of fixed assets		XXX		XXX
Proceeds on disposal of fixed assets		XXX		XXX
Purchase of Investments		XXX		XXX
Proceeds on sale of investments		XXX		XXX
Deferred capital grant received		XXX		XXX
Net cash flow from investment activities		**XXX**		**XXX**
Cash flows from financing activities				
Interest received		XXX		XXX
Interest paid		XXX		XXX
Interest element of finance lease rental payment		XXX		XXX
New loans		XXX		XXX
Loan principal payments		XXX		XXX
Finance lease rental payments		XXX		XXX
Net cash flow from financing activities		**XXX**		**XXX**
Net increase in cash and cash equivalents		**XXX**		**XXX**
Cash and cash equivalents at beginning of period		**XXX**		**XXX**
Cash and cash equivalents at end of period		**XXX**		**XXX**
Reconciliation of net surplus to cash generated from operational activities				
Net Surplus		**XXX**		**XXX**
Adjustments for:				
Depreciation		XXX		XXX
Increase/ (decrease) in employee benefit provisions		XXX		XXX
Loss/ (gain) on sale of fixed assets		XXX		XXX
Investment income – interest		XXX		XXX
Investment income – dividends		XXX		XXX
Finance costs		XXX		XXX
Profit on sale of investments		XXX		XXX
Impairment of available-for-sale investments		XXX		XXX
Changes in working capital				
Accounts receivable, prepayments and loans		XXX		XXX
Inventories		XXX		XXX
Accounts payable, accrued liabilities and deposits		XXX		XXX
Cash generated from operational activities		**XXX**		**XXX**