



Trinity College Dublin

Coláiste na Tríonóide, Baile Átha Cliath

The University of Dublin

Roles & Responsibilities in relation to Financial Matters for Heads of Areas under the remit of the Chief Officers

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Introduction

Role of Accounting Officer

Under the Universities Act, 1997, the Provost, as the Accounting Officer is responsible to the Board, Higher Education Authority, Department of Education & Skills and ultimately the State through the Public Accounts Committee, for the integrity (validity, value for money and probity) of expenditure within the constraints and conditions of funding received by Trinity College Dublin, the University of Dublin, through the operation of an effective and efficient control environment. To support the Provost in fulfilling his obligations as Accounting Officer, the responsibilities as set out in the legislation have been devolved to the three Chief Officers; the Vice Provost/Chief Academic Officer (VP/CAO), the Chief Operating Officer (COO) and the Chief Financial Officer (CFO) and onward through the Heads of Administrative/Support Areas under their remit. This model aims to deliver financial control, responsibility and accountability requirements in line with audit and best practice guidelines.

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Role of Financial Services Division

The role of the Chief Financial Officer (CFO) and the Financial Services Division (FSD) in the financial management of Trinity can be identified through a review of the duties and responsibilities of the CFO as laid out in the University's Statutes. It states that **'The Board shall appoint a Treasurer (CFO). He shall be responsible for records relating to the financial affairs of Trinity, and for the accounting services'**. However, it is clear that the role and responsibilities of the CFO extend beyond this definition to include the provision of advice at a strategic, financial policy and decision making level together with ensuring the integrity of Trinity's financial systems in so far as they extend. In reality however, the FSD cannot ensure the integrity (validity, value for money and probity) of expenditure (whatever the source of funds) as it is ultimately the responsibility of those tasked with authorising such expenditure at source to ensure its integrity. The FSD will endeavour to work in partnership with and advise areas of Trinity in relation to compliance with legislative and other obligations of the University.

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Objective

This document seeks to outline the role of the Chief Officers and the Heads of Areas under their remit and clarify their responsibilities in both general and specific terms for the finances and control environment of their area. This document will enable Chief Officers to quickly and easily clarify their roles and responsibilities relating to the financial affairs of their division by focussing on the key points and issues. It also contains references to more detailed financial and policy documents in the University which will enable Chief Officers to manage the financial affairs of their division.

This document is not intended to be a comprehensive summary of all the responsibilities of the Chief Officers, but rather to give some depth to the financial responsibility, which falls to a Chief Officer at both strategic and operational levels. If a Chief Officer is unsure about any matter that will impact on their financial roles and responsibilities, he/she should contact the FSD for advice.

The Chief Officers have overall responsibility for their Division and all areas under their remit. The Chief Officer may at his/her discretion devolve all or part of this responsibility to the Heads of Areas or other person(s). Where the Chief Officer devolves financial responsibility in part or in full within a unit, control needs to be maintained by that person who is accountable to the Chief Officer. Final accountability and responsibility shall remain with the Chief Officer.

While every financial eventuality and responsibility of the Chief Officers is not and cannot be covered, it is intended to develop this document over time as the needs and requirements of Chief Officers and Trinity emerge.

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Roles & Responsibilities of the Chief Officers and Heads of Areas in relation to Financial Matters

Reporting to the Provost, the Chief Officers head up the three Divisions of Trinity's Administration and Support Services. The Vice Provost/Chief Academic Officer (VP/CAO) is responsible for the Academic Services Division (ASD), the Chief Operating Officer (COO) is responsible for the Corporate Services Division (CSD) and the Chief Financial Officer (CFO) is responsible for the Financial Services Division (FSD). The role of the Chief Officer is to provide strategic leadership in the overall development and management of Trinity's operational and support services within their Division, and are members of the Executive Officers Group.

The financial responsibilities of the Chief Officers include:

1. To have overall budgetary authority, and responsibility for the totality of Division budgets.
2. To lead the re-organisation and restructuring of the administrative and support services ensuring a focus on continuous improvement and supporting the evolving structure.

The FSD (or representatives) will provide **advice** to support the financial processes and procedures operating within an Administrative/Support Area including the form in which accounts and financial records are kept.

Telephone contacts in the FSD may be obtained from the website:

<http://www.tcd.ie/financial-services/contact/>

Chief Officers are accountable for all financial matters of the support areas under their remit to Board through Finance Committee

The Chief Officer, through Head of Area, is accountable to Board through Finance Committee for all financial matters of areas under his/her remit. It will be necessary for each Head of Area, on behalf of the Chief Officer, to provide information and explanations to the CFO (or representatives) to enable the Finance Committee to consider and review the financial position of each support area.

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Compliance with the financial regulations of Trinity

Compliance with Trinity's financial regulations (which are based on external requirements and best practice) is compulsory for all staff. It is the responsibility of the Head of Area to ensure that all staff (both existing and new) be made aware of the existence and content of Trinity's financial regulations in the Finance Manual on a regular basis. Failure of a staff member to comply with the financial regulations could result in adverse consequences for the area as determined by the Finance Committee.

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Devolving Budgetary Responsibility within an Area

Devolved budgeting follows from devolving managerial responsibility and assumes that those who are closest to the point of delivery will normally be in the best position to make informed choices between alternative courses of action. For devolved budgeting to be fully effective, the Chief Officer, through Head of Area, should maintain control of the costs being charged to his/her areas and be accountable for performance against budget. Where the Chief Officer devolves the budgetary responsibility in part or in full, the Head of Area should maintain control of the costs being charged and be accountable for performance against budget to the Chief Officer of the relevant division. Final accountability and responsibility shall remain with the Chief Officers.

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Administrative/Support Areas have no legal status of their own

It is Trinity that contracts with third parties and not the Administrative/Support area. The Head of Area or a delegated official within an area is empowered to conduct daily transactions with suppliers and customers, through the raising of Purchase Orders and Sales Invoices according to Trinity procedures and limits. Other contracts, such as those with financial institutions, property transactions etc. **must** have approval of the appropriate Trinity official(s). It is the responsibility of the Head of Area to make the Chief Officer aware of any unusual, non routine expenditure in particular in the areas of consultancy, contracts, legal advice etc.

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Financial Risk Management

The Chief Officer, through the Head of Area, is responsible for carrying out an annual review to identify financial risk for input into Trinity's overall risk management process in accordance with the risk policy approved by Board.

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Breaches of Trinity Policy

A bi-annual Control Exception Report is prepared by the FSD and reported to Finance Committee, which details breaches in the Trinity Financial Policy. It is the responsibility of the Chief Officer, through the Head of Area, to ensure that the reported exceptions do not re-occur.

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Baseline Budgeting Model (BBM) & 5-Year Forecasting

The Chief Officer is responsible for review and timely sign-off of financial data for inclusion in the Baseline Budgeting Model (BBM) process. Further information is available at:

<https://www.tcd.ie/financial-services/financial-planning/>

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Financial Advice in advance of a proposed financial transaction

It is recommended that in the case of uncertainty, financial advice be sought from the FSD in advance of a proposed financial transaction. We understand that on occasion there may be circumstances when obtaining advice in advance cannot be achieved, but these occurrences should be rare. For example, VAT is generally a very complex issue for higher education/support functions and should be dealt with cautiously. If an area is undertaking an activity for the first time and the output requires the rendering of an invoice, the Head of Area should make contact with Trinity's Taxation Officer in the first instance for advice and assistance. The Head of Area should ensure that the Chief Officer is informed of any one-off or non-routine financial transactions. Detailed information on VAT is available at: https://www.tcd.ie/financial-services/tax/tax_internal/tax_vat.php

Telephone contacts in the FSD may be obtained from our website

http://www.tcd.ie/financial-services/gen_contacts.php.

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Fixed Asset Register

The Head of Area is responsible for the full and accurate recording of assets on the asset register in accordance with procedures as set out by the Estates and Facilities. *Please see the following web page for more details:*

<https://www.tcd.ie/estatesandfacilities/shared-admin-and-support/asset-register/>

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Procurement

The Head of Area is responsible for the procurement of goods and services in accordance with Trinity's procurement policies and guidelines. It is a basic principle that competitive tendering should always be used, unless an exemption is agreed by the Procurement Office where **exceptional** circumstances apply. The core Trinity objectives in the procurement of supplies and services are to achieve efficiency, effectiveness and best value for money in terms of overall life cycle costs; to deal with quality suppliers, contractors and service providers; to operate in a fair, open, transparent and non-discriminatory manner in the market place; to comply with all relevant European and National legislation and government regulations and to operate to the highest ethical standards.

For more information please see: <http://www.tcd.ie/procurement>

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Fraud

It is the responsibility of the Head of Area to be familiar with the types of improprieties that might occur in their area and be alert for any indication that improper activity, misappropriation or dishonest activity is or was in existence in his or her area. It is their responsibility (with the appropriate advice and assistance) to put in place controls to avoid such occurrences. Any instances of fraud or potential fraud should be notified to the relevant Chief Officer.

The Head of Area is required to support and work with Trinity Officers, related areas, and law enforcement agencies in the detection, reporting and investigation of dishonest or fraudulent activity including the prosecution of offenders. If fraud is detected in an area, the Head of Area is responsible for taking appropriate corrective actions to ensure adequate controls exist to prevent reoccurrence of improper actions. The Head of Area/Chief Officer should note that the Trinity auditors are obliged to inform the Gardaí when fraud is detected.



A copy of the Fraud Policy, including the correct procedure to be followed when reporting fraud, can be obtained from the Secretary's Office website: <http://www.tcd.ie/about/policies/fraud.php>

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Staff Costs

The Head of Area is responsible for ensuring sufficient funds are in place for **all** pay cost commitments prior to recruitment. It is recommended that all payroll claims are submitted on a timely basis but definitely within three months of the staff costs being incurred. They must also ensure that the correct coding is supplied to Human Resources and FSD for recording and payment purposes.

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Approval of Expenses

Expenses cannot be approved by the person incurring the expenditure and should be authorised by the Head of Area or delegated responsible individual. Best practice requires a Head of Area to obtain authorisation from the relevant Chief Officer and the Chief Officer to obtain authorisation from the Provost. They should also ensure that a robust structure is in place in their area whereby expenses of staff members are approved by the relevant line manager.

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Reimbursement of Expenses

The Head of Area should ensure that all expenses are bona fide Trinity expenses, reasonable in sum, and represent value for money. Staff members on the weekly and monthly payroll must use the iExpenses module on the Oracle Financial System to claim reimbursement, declaring that they adhere to Trinity policies and all expenses included in their claim are wholly necessary and exclusively for the business of Trinity. Non-staff members should complete the non-staff payment requisition form (available from the FSD website). All claims should be properly supported by vouchers/receipts/business purpose information. Where receipts are unavailable, a detailed explanation must be provided and all claims must be submitted within 3 months of incurring the expenditure. They should ensure that personal expenditure must not be charged to any source of funds coming within Trinity's remit.



For further details on the Travel Policy and Reimbursements please see the following:

https://www.tcd.ie/financial-services/assets/pdfs/Travel_Policy_2016.pdf

http://www.tcd.ie/financial-services/acpayable/acp_reimbursements.php

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Hospitality & Entertainment (H&E) Expenses

Generally speaking, entertaining should only be incurred on a modest scale with a listing of attendees and their affiliations provided. Gratuities should also be modest and have a maximum value of 10% of the total bill. It is recommended that expenditure on H&E is in line with the limits set out in the Government Circular 25/2000.

https://www.tcd.ie/financial-services/assets/pdfs/Hospitality_Entertainment_Policy_Feb_2016.pdf

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Approval of Supplier Related Expenditure

The Head of Area is not authorised to commit Trinity to non-pay expenditure without ensuring there are sufficient funds to meet the expenditure. Expenditure on a single item in a School in excess of €150,000 shall require the approval of the relevant Chief Officer. For devolved budget holders, expenditure on a single item in excess of €12,500 shall require the approval of the Head of Area.

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Purchasing through iProcurement

All purchasing must take place online through the iProcurement module and purchase orders (PO's) are automatically sent out to the supplier from the system. The Head of Area nominates the Purchase Preparers, Purchase Approvers and PO Administrator for their area. When goods are received it is essential that they are "Goods Received" (GR) on Oracle by the requestor. This allows a 3 way match of the PO/Invoice/GR.

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Invoice Approval

All invoices are sent directly by suppliers to Accounts Payable where they are scanned and imported into Oracle. An Oracle 3 way match (PO/Invoice/GR) needs to be achieved so that the invoice can be released for payment. If there is a variance then Oracle creates a hold and a notification is sent to the PO Administrator for the area who promptly contacts the Purchase Preparer to fix the original PO. It is essential that the PO is amended promptly as the invoice cannot be released for payment until the 3 way match is completed.

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Timely and regular processing of transactions

As per the European Communities (Late Payments in Commercial Transactions) Regulations 2012, Trinity is obliged to pay all invoices on time. When invoices are scanned and imported into Oracle they are assigned a “Terms Date” which is the date they are imported into Oracle. Payment terms are 30 days from the “Terms Date” and interest will apply if the payment occurs after 30 days. To avoid late interest, Schools/TRI’s are responsible for the following:

1. ‘Goods Receipt’ (GR) on Oracle as soon as the goods are received
2. Immediately amend/resolve PO if you are notified that there is a hold

Fully approved and completed transactions are paid every two weeks by the FSD to minimise the impact of the Late Payments Legislation.

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Accounts Receivable/Invoice

Accounts Receivable Self Service is used by areas who regularly invoice for services/goods. Information is entered by the invoicing area into Oracle and an invoice is centrally issued by Accounts Receivable on a standard Trinity invoice. However, if an area doesn’t have access to Oracle and needs to issue an invoice for services rendered then they should complete an invoice request form https://www.tcd.ie/financial-services/forms/Invoice_Request_Form.pdf and e-mail it to accsrecv@tcd.ie.

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Cash and Petty Cash

The Head of Area should ensure that best practice is followed when dealing with payments received through the post and through other sources. Cash should not be used as a form of payment except in commercial areas where they have cash controls and segregation of duties to manage cash. All other areas should only accept cheques or Electronic Funds Transfer (EFT) payments directly into the Trinity No. 1 bank account unless the area has contacted FSD and signed up a Standard Operating Procedure.

Petty cash should only be used for small incidental items of expenditure and should not be used at any time to pay individuals, suppliers, subsistence, travel expenses or to furnish short-term loans. Petty cash requests should be submitted directly to the FSD and cheques will be issued and cashed on a weekly basis. The Head of Area should periodically review the petty cash system to ensure that it is operating within the guidelines laid down in the Finance Manual.

For more information on the above please see the following:

http://www.tcd.ie/financial-services/acpayable/acp_banking&cash.php

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