

BAUCHI STATE UNIVERSITY,
GADAU

FINANCIAL REGULATIONS
REVIEW REPORT
2013-2017

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FORWARD

This is the first edition of the Financial Regulations for the Bauchi State University, Gadau.

It is instructive to note that these Financial Regulations serve a distinct purpose from that of the manual of accounting procedure. While the manual of accounting procedure addresses the principles to be followed in processing and recording financial transactions/events, the financial regulations are intended to govern the financial practice in the University.

The accounting manual is thus designed to guide the Bursary staff in their book keeping activities while the financial regulations of this nature in this type of set up are rules and regulations governing the conduct of financial affairs of Bauchi State University, Gadau. These rules and regulation are strictly to be observed by all staff of the University that are saddled with financial responsibilities.

CHAPTER ONE: INTRODUCTION

1.00 OBJECTIVES OF FINANCIAL REGULATIONS

An institution must operate within a set of rules and regulations to enable it achieve an appreciable level of financial efficiency and ensure:

- Safety of its assets
- Prevention of fraud
- Adherence to policies and internal control system
- Accountability

To achieve the above objectives, the financial regulations as a guide and internal control to members of staff of the University in the day to day performance of their official duties is hereby produced.

1.01 Authority and Scope

These rules to be known as “ Bauchi State University, Gadau Financial Regulations” are issued under the authority of the Governing Council of the University pursuant to the enabling powers under the Bauchi State University Law 2009 establishing the University and shall so long as they are not inconsistent with any existing laws of the Federal Government of Nigeria apply to the University in preference to any other rules and regulations made for the control of public funds.

1.02 DEFINITIONS OF TERMS

- i. “University means the Bauchi State University, Gadau.
- ii. The “Council” means the Governing Council of the Bauchi State University, Gadau as established under the Bauchi State University Law 2009.

- iii. "Vice Chancellor" means the Vice Chancellor of the University appointed under the Bauchi State University Law 2009
- iv. The University Bursar' is Bursar with duties as provided for in the FIRST SCHEDULE section 5/2 of the Bauchi State university law 2009.
- v. Faculty' means an Academic centre for cost and administrative controls purposes.
- vi. Department' means a service and/or administrative centre for cost and other control purposes.
- vii. Auditor' includes the internal Auditor, the external Auditor and any other person authorized to check the books and records of the University.
- viii. Audit' means the verification of an official transaction to determine authority, genuineness and accurate recording of the transactions.
- ix. Approval' means authority and consent to incur expenditure out of University funds.
- x. Control' means the management of funds or other resources allocated to a faculty or department.
- xi. Contract' includes the process of purchase and acquisition of service, stores, plant, equipment and property through a legal party, under agreed conditions.

- xii. Year' means the Financial Year of the University which covers the period 1st July of one year to 30th June of the following Calendar year.
- xiii. All reference to 'Law' here, pertain to the Bauchi State University Law 2009 by which the Bauchi State University, Gadau was established.

CHAPTER TWO: FINANCIAL RESPONSIBILITIES OF BODIES AND PRINCIPAL OFFICERS OF THE UNIVERSITY

The Bauchi State University, Gadau, University Law has clearly highlighted the financial roles of each principal officers of University.

2.01 GOVERNING COUNCIL:

- i. Section 9.(1) of the law stated that...the Council shall be the Governing Body of the University and shall be charged with the general control and superintendence of policy, finance and property of the University including its public relations.
- ii. There shall be a Committee of the Council to be known as the Finance and General Purposes Committee, which shall subject to the directions of the Council exercise control over the property and expenditure of the University and perform such other functions of the Council as the Council may from time to time delegate to it
- iii. The Council shall ensure that proper ACCOUNTS OF THE University are kept and that the accounts of the University are audited annually

by auditors appointed by the Council from the list and in accordance with guidelines supplied by the Auditor-general of Bauchi State; and that an annual report is published by the University together with certified copies of the said accounts as audited.

2.02 CHIEF ACCOUNTING OFFICER (VICE CHANCELLOR)

- i. Subject to section 9, 10 and 16 of the university law, the Vice Chancellor shall have the general function, in addition to any other functions conferred on him by this Law or otherwise, of directing the activities of the University and shall to the exclusion of any other person or authority be the chief executive and academic officer of the University and ex-officio Chairman of the senate.
- ii. Vice Chancellor is the Chief Executive and Chief Academic Officer of the University. He is responsible for the overall administration and performance of the University.
- iii. Other salient duties of Vice Chancellor as Chief Executive are as follows:
 - a) Consider annual estimate proposals submitted by the Bursar, examine such proposals and submit recommendations for the consideration of the Council.
 - b) Consider and Award Contracts according to standing orders and the provision of University Financial Regulations.
 - c) Check and certain the level and progress of income of the University and the disbursement of funds.

- d) The Executive Committee in which the Vice Chancellor chaired shall meet at least once a week to consider matters referred to it and also such month to consider monthly accounts, bank reconciliation, ledgers and Bursar' reports.
- e) Submit the proceedings of the FGPC to the Council.
- f) Subject to periodic checks to ensure full adherence to Financial Management Regulations in the areas of accounting, Public Account Committee, rendering of Annual Report of the University, and any other provisions or any other rules and regulations to the Council.
- g) Establishment and maintenance of an Internal Audit Unit and ensure the recommendations of the Internal Auditor are promptly considered and appropriate action taken.

2.01 ACCOUNTING OFFICER (BURSAR)

- i. According to the University Law.....there shall be a Bursar, who shall be the Chief Financial Officer of the University and shall be responsible to the Vice-Chancellor for the day-to-day administration and control of the financial affairs of the University.
- ii. Other financial Responsibilities of Bursar include the following:
 - a) Care and custody of University funds.
 - b) Prompt and proper collection of the University funds and prompt payment to the University accounts.

- c) Making payment out of the University funds, ensuring their proper authorization.
- d) Participation in the preparation of University Estimates and Development plans.
- e) Keeping accounts of University financial transactions and records up to date.
- f) Exercising control over the accounts and financial records kept by other Departments and officials.
- g) Preparing financial returns as and when they are required.
- h) Ensuring all accounts and records are kept and readily available for inspection by the Internal Auditor.
- i) Dealing promptly with quarries arising from inspection of audits.
- j) Dealing transactions and financial affairs of the University.

CHAPTER THREE: ANNUAL ESTIMATES

3.00 The annual estimates of Income and expenditure on revenue account, payments on capital accounts, and such other forecasts or estimates as may be required by Council or Senate or any of their standing or Adhoc committees pursuant to any Laws and Statutes which may be in force from time to time shall be prepared by the Heads of Departments, or cost centres on receipt

of call circulars from the Bursar and or the Director of Works/Physical Planning.

- 3.01** The Bursar shall collate, analyse and present the submissions to appropriate University's Estimate Committee
- 3.02** It shall be the duty of the Dean of Faculty, Head of Department or Cost Centre to defend these submissions at Senate Committee meeting whose recommendations shall go to the Finance and General Purpose committee and University Governing Council for final approval.
- 3.03** The Annual estimates as approved by the Council shall form the basis for request of funds from the Bauchi State University for the year to which the estimate relates.
- 3.04** Capital development estimates or proposals shall be submitted by the Director of Works/Physical Planning and development, to the Development and Senate Estimate Committee. The Director of Works/Physical Planning and Development shall ensure that such proposals are in accordance with the University's Master Plan for growth, as well as the National Universities Commission guidelines. The annual estimate of Capital Expenditure as recommended by the Committee shall go up for the consideration of Finance and General Purposes Committee and then the Governing Council for approval and shall thereafter form the basis of all returns to the Bauchi State Governing for capital funding.

- 3.05** In arriving at its decision, the Development and Senate Estimate Committees shall be guided by the needs and philosophy of the University, the National Universities guidelines, and other issues as the committees shall deem fit to take into consideration.
- 3.06** Supplementary estimates may be presented, where the need arises, to the Senate Estimate committee whose recommendation shall go through the Finance and General Purpose committee to the Council for approval.

CHAPTER FOUR: BUDGETING CONTROL

- 4.00** Expenditure for which no budgetary provision exists shall not normally be made.
- 4.01** The Vice Chancellor, the Minor Works Committee or the Council Tenders Board may, of cause, authorise such expenditure. The amount involved will determine the competent authorising power.
- 4.03** Authority to approve the expenditure of University funds shall be subject to such appropriate restrictions as will ensure public accountability and smooth flow of activities.
- 4.04** Control envisaged in paragraph 2.02 (c) have been exercised as follows:
- i. The Vice Chancellor may without reference to a higher authority authorize expenditure as well as virement of funds not exceeding a duly approved amount of University funds.

- ii. A principal officer may without reference to higher authority, authorise expenditure of University Funds not exceeding a duly approved limit or authorise/request for virement within Budgetary Votes, approved for the Unit under his control.
 - iii. A Head of Department may without reference to a higher authority, authorize expenditure of University Funds not exceeding a duly approved limit or request for virement within Budgetary Votes, approved for the Unit under his control.
 - iv. The Minor Works Committee shall authorize all expenditure of value not exceeding a duly approved amount.
 - v. All virement of funds shall be under the authority of the Vice Chancellor. However, all virement of funds between expenditure heads under the Appropriation Edicts shall be under the statutory authority of the State Assembly.
- 4.05.** All expenditure above a duly approved amount shall be authorised by the University Council Tenders Board.
- 4.06.** Nothing in this regulation shall be construed as giving any of these approved authorizing agents to Council power to authorise expenditure for the execution of any work, or the provision of any goods and services in parts where the aggregate cost is in excess of his limit or authority. In other words, they have no authority to separate (split) a series of jobs into such parts as would enable them award the resultant small contracts to various contractors in an attempt to circumvent these regulations.

- 4.07.** The Bursar may disallow any item of expenditure that is contrary to Law, or the University Rules and Regulations. It shall be within the discretion of the Bursar to raise a surcharge against any individual where it is found necessary to do so subject of course to the individual's right of Appeal to the Vice Chancellor.
- 4.08.** Expenditure control records shall be maintained at the Departments or Cost Centres as well as by the Bursar to record all approved items of expenditure. The records for any Vote shall be ruled off and closed once the Vote is fully spent and no further expenditure shall be authorised or controlled unless action is taken in line with 2.02 (b) above or a virement is authorised into the Vote. This is without prejudice to recurrent votes allocations which normally lapse at the end of the financial year.
- 4.09.** Although Vote Books shall be maintained at the Departments or Cost Centres, the Bursar shall make periodic returns to these Vote Controllers drawing their attention to the amount still available to them for the conduct of the business of their Departments. On receipt of such returns, it shall be the duty of the Head of Department concerned to reconcile the balance with the position in the Vote Book kept in his Department and take up with the Bursar any differences observed.
- 4.10.** A Head of Department who approved expenditure which results in the aggregate of Vote under him being overspent shall without delay arrange for Virement or appropriate covering authority for his action.

4.11. In the preparation of Budget a Contingency Vote regarded as a reserve provision not ordinarily available for meeting normal expenditure shall be under the direct control of the Vice Chancellor who shall authorise the commitment of the funds provided under the Vote to meet unforeseen expenditure of an emergency nature, or any legitimate liability for which no provision has been made in the Annual Budget.

CHAPTER FIVE: ACCOUNTS AND FINANCIAL RECORDS PROCEDURES

- 5.01** Subject to any directions of the Finance & General Purposes Committee or Council, all accounting procedures and records of the University shall be determined by the Bursar and be under his supervision and control. Where however, accounts and records are kept in Schools or Departments other than his own, the Bursar shall appoint Senior accounting officer of the Bursary to ensure that all the operations on such accounts comply with the University Financial Regulations.
- 5.02** The senior accounting officer/Head of Department shall furnish the Bursar with such information available to them as may be required for the purpose of the compilation of the university's account and other returns incidental thereto.
- 5.03** In the allocation of accounting duties, the following principles shall be observed:

- i. Persons involved in providing information, checking and recording the Accounts due to or from the University shall be separated from those engaged in actual collection and disbursement of the amount.
 - ii. Officers charged with the duty of internal checking and examination of the accounts or cash transactions shall not themselves be engage in any book keeping work.
 - iii. Definite lines of authority shall be established for dealing with the processing of invoices, authorised expenditure, signing cheque, handling money, issuing of materials and other functions of such a nature that carelessness, which can lead to frauds and losses, would be minimised.
- 5.04** As often as may be directed by Council or the Vice Chancellor, the Bursar shall prepare a statement of the finances of the University showing income and expenditure in respect of the activities of the University.
- 5.05** The Bursar shall produce for Annual Audit a statement of the Income and expenditure of the University for the Year and a statement of the Assets and Liabilities of the University as at year-end for audit in line with the provision of the University Law.
- 5.06** Bills of Accounts for payment in respect of work done, services rendered or goods supplied to the University shall not be made out by officers of the University for or on behalf of the suppliers nor shall an officer add any item or items to an account already rendered by a supplier.

- 5.07** Books, accounts and records of the University shall always be written up in ink or indelible pen or be typewritten or computerized. Amendments to an account shall be similarly made by an authorised officer who shall also design his name beside the alteration.
- 5.08** An account shall be maintained for each student of the University. The account shall show the financial transactions between the University and the student throughout his stay at the University.

CHAPTER SIX: BANKING

- 6.00** Subject to the approval of the University Council arrangements for the banking of University monies shall be made by the Bursar in consultation with the Vice-Chancellor and in line with extant Laws of the Bauchi State government.
- 6.02** The vice chancellor and the Bursar shall be the major signatories to all University Accounts. The Vice Chancellor and the Bursar may introduce other signatories to the Banks who may sign University Financial Instruments, subject to appropriate restrictions.
- 6.03** The Bursar shall order all cheques and shall make appropriate arrangements for recording their numbers and for their custody and use.

- 6.04** Payments shall be made by crossed cheques or e-payment schedules. The Bursar may waive this in case of payments to staff, or in the circumstances he considers appropriate to issue open cheques.
- 6.05** Bank Accounts shall be reconciled with the Cash Books at least once a month.
- 6.06** Bank overdrafts shall be subject to application of University/Government Regulation.
- 6.07** All cases of dishonoured cheques shall be promptly reported to the Bursar who shall take necessary action to recover the amount and prevent recurrence.
- 6.08** The Bursar shall at regular intervals prepare and submit to the Vice-Chancellor the aggregate Bank balances of all the accounts held by the University with its Bankers.

CHAPTER SEVEN: INCOME OF THE UNIVERSITY

- 7.00** The collection of all monies due to the University shall be under the supervision of the Bursar.
- 7.01** All monies received on behalf of the University shall without delay be lodged with the Bursary who shall after issuing the University Official Receipt pay the money into the appropriate University's Bank Account.
- 7.02** Each officer who pays money into the Bank Account of the University shall enter on a pay –in-slip and on a counterfoil or duplicate thereof particulars of such payments, including the case of any cheques paid in, the amount of such cheque

and a reference which will connect the payment with the debts the payment discharged.

- 7.03** Each officer who receives money on behalf of the University for which he is accountable to the University, shall keep such records in connection therewith and in such form and manner as may from time to time be approved by the Bursar, showing an accurate account of all receipts and deposits either with the Bursar in the University Banks.
- 7.04** It shall be the responsibility of Heads of Departments to ensure that all monies to be collected or recovered for the University, arising from the activities of their Departments are promptly collected, or brought to the attention of the Bursar early enough for appropriate action to be taken to ensure full recovery.
- 7.05** The writing off of any bad debts due to the University shall normally require the approval of the Finance and General Purposes Committee and Council.
- 7.06** All Official Receipt forms, Receipt Books, Tickets Purchased and Job Order forms and other documents of a similar nature shall be indented, controlled and issued by the Bursar to the Internal Auditor who shall supply the requirement of all Departments as approved by the Bursar and maintain adequate records showing the distinctive numbers of the receipt forms received, issued, to whom issued, and the balance of stock.

- 7.07** Each officer authorized to receive money on behalf of the University shall give official receipt made out on the approved printed form obtained from the Internal Auditor.
- 7.08** Money received must be banked intact.
- 7.09** Each Head of Department concerned with receipt of income shall on such date, after the end of the year as the Bursar may require, furnish him with a schedule of all items of income within the formers purview relating to the previous financial year which have not been actually received.
- 7.10** All grants received shall be lodged with the Bursar.
- 7.11** It shall be the responsibility of Heads of Departments to advise the Vice Chancellor and the Bursar of all grants and benefactions received through them for and on behalf of the University, from any source, local or external.
- 7.12** Normal University regulations and expenditure control measures shall be followed in the administration of Grants and Aids received from External or Local Sources for the purpose of Research, Experimental projects and development activities. The Programme Coordinator concerned shall be responsible for taking decision concerning the relevance of expenditure incurred to the purpose of the grant. The Programme Coordinator shall approve all expenditure requests in connection with the grant.
- 7.13** All used official documents e.g. Official Receipt Books, Debit notes and Credit notes, Cheque sub/e-payment schedule

copies etc. shall be kept and disposed off only after the statutory life of such documents.

CHAPTER EIGHT: PAYMENTS

- 8.00** The disbursement of University money shall be evidenced by a crossed cheque/e-payment schedule duly signed by authorized signatories. The bursar may open such cheques relating to staff Claims.
- 8.01** It is the Bursar's responsibility to watch overall expenditure of the University and he may require a Head of Department to justify any item of expenditure which seem excessive to him, or question its allocation to a particular Vote Head or Sub-Head.
- 8.02** The Bursar shall normally be informed before any commitments involving either the receipt or expenditure of University money are finalized.
- 8.03** A Head of Department who issues a requisition for works or services to be done or for goods to be supplied shall be responsible through Departmental store keeper for examination, verification and certification of resultant Bills, Claims or Invoices.
- 8.04** Before certifying a bill for payment the officer shall satisfy himself:-
- i. That the goods have been received, examined and approved by a competent authority.

- ii. That the quantity and quality of work done and the service rendered are satisfactory.
- iii. That goods received or work done conform to the Order.
- iv. That the account has not been paid previously
- v. That the arithmetical calculations are correct in all aspects.
- vi. That the expenditure is legitimate duly authorised and a fair and reasonable charge on the University.
- vii. That in the case of central stores certification, appropriate store record entries, relevant to the transition have been made.

8.05 The Bursar shall examine all accounts and shall be entitled to make all such inquiries and receive such information and explanation from any University staff as he may require in order to determine the legitimacy of the account before payment is made.

8.06 The cheque/e-payment schedule of which a payment is made shall be supported by a payment voucher. The payment Voucher (PV) shall show:-

- i. Name and Address of Payee
- ii. Satisfactory evidence of Purpose of Payment
- iii. Date and particulars of Cheque/e-payment schedule.
- iv. Evidence that another more Senior Officer in the Bursary has checked the Voucher.

- v. Evidence that Internal Audit Unit of the Vice Chancellors' office has carried out pre-payment Audit examination of the Voucher

8.07 Payment of Imprest: The Bursar shall where appropriate make imprest advances to officers for the purpose of defraying certain expenses, and such officers shall maintain appropriate record in which shall be recorded the receipts and payments in the form and manner prescribed by the Bursar.

The following rules shall be observed in connection with the keeping of Imprest account:-

- i. Appropriate records shall be kept and submitted for extermination and reimbursement of expenditure at regular intervals by all imprest holders.
- ii. Payments shall be limited to minor items which cannot conveniently procured through the normal purchase procedure and to any other items as may be approved by the Bursar.
- iii. Imprest Cash shall not be used to purchase articles of a capital nature.
- iv. Imprest cash shall be kept in approved cash receptacle and shall be available at all times for Internal Audit checks.

8.08 Payment Vouchers drawn on Imprest Account shall be subject to the same procedure for checking and examinations as laid down for all payment Vouchers.

8.09 Imprest Accounts shall be closed on or before the end of the University financial year. Retirement of an Imprest Account shall be effected by the imprest holder producing relevant supporting

and/ or cash to the full amount of the imprest. Any imprest or part thereof not retired at the due date shall be charged to the holder as a personal advance to be recovered from him in the normal way.

8.10 Personnel Emoluments: The Bursar shall not place any person on the University payroll unless and until he receives a copy of that person's Letter of Appointment and also an arrival report in the appropriate form from the Registrar. Information on the arrival report shall form the basis for including the officer on the Payroll.

8.11 The calculation of all salaries and wages, allowances, compensation and other emoluments of officers, staff and employees shall be made by the Bursar who shall see also that suitable records of service, income tax and other details of staff emolument particulars are kept. Heads of Departments shall provide any information available to them to ensure that these records are kept.

8.12 Staff Loans and Advances: All staff loans and advances shall be made as stipulated in the approved Staff Conditions of Service and may be amended from time to time.

- i. Loans shall be made within existing regulations or amendments thereof, from Government Grants or Bank Loans' obtained for the purpose. All loans shall be approved by the Vice-Chancellor on the recommendation of the appropriate committee. A loan Agreement must be completed and copies made available to the Registrar for safe keeping and to the

Bursar to enable him support the payment Voucher on which payment will be based.

- ii. Duty Tour Allowance shall be made to staff undertaking travels on University business. On the recommendation of Head of Department, the Vice-Chancellor and/or Bursar may approve an amount, which in principle shall not be more than the estimated total cost of the trip.

8.13 Personal and Other Advances: Personal and other advances may be approved, in accordance with the Staff Regulations on the recommendation of a Head of Unit, by the Vice Chancellor and/or Bursar.

- i. All advance to staff shall have due dates after which accounts must be rendered. Where staff defaults, the Bursar may without further recourse to the staff concerned recover the advance en-bloc or as deemed fit from his next salary payment.
- ii. Appropriate records of all advances to staff shall be kept and reconciled with the Control Ledger records every month.

CHAPTER NINE: STOCK AND STORES

9.00 The Chief Stores Officer and Head of the Central Store Division of the Bursary Department shall be responsible for the custody and physical control of stock and stores in the Central Stores and in Department Stores where these exist, under the direction and supervision of the Bursar.

- 9.01** All receipts and issues of Stock and Stores shall be duly documented on Store Receipt Vouchers (SRVs) and Store Issue Voucher (SIV) respectively which shall be appropriately approved.
- 9.02** Stores shall not normally be issued except at the request and authority of Head of Department or their nominees.
- 9.03** The Bursar shall arrange periodic test examination of Stock and Stores and ensure that all stock shall be checked at least once in every financial year.
- 9.04** The Bursar shall issue appropriate standing instructions laying down the procedures to be followed in the receipt, storage, issue and accounting for Stock and Stores to ensure optimum use of scarce resources.
- 9.05** Stores Records namely, Stores Receipt Voucher (SRV), Bin Cards, Stores Ledger, Stores Issues Voucher shall be treated as Security documents under the close control of the Chief Stores Officer.
- 9.06** It shall be the responsibility of the Chief Stores Officer to reconcile Stores records with Control Accounts maintained at the Final Accounts Division of the Bursary Department.
- 9.07** Adjustment of Accounts in cases of deficiencies shall be made to ensure that persons who occasion losses of Stock and Stores take full responsibility. Such persons shall however, have the right to appeal to the Vice

Chancellor or Finance and General Purposes Committee of Council.

- 9.08** When Stores are being handed over to another Officer who is to be charged with direct control thereof, the balance of stocks and stores as recorded in the store records shall be duly verified and signed for by the Officer taking over and Officer handing over.
- 9.09** There shall be an inventory ledger of all University Assets in a form approved by the Bursar. Records of these shall be made out in three copies. One copy of the inventory sheet should be kept at the location of the items, one with the Internal Audit Unit and another with the Central Stores Unit.
- 9.10** In addition to periodic checks by the Internal Audit, Heads of Departments shall keep the inventory of University property under their control and shall report any deficiencies to the Bursar for appropriate surcharge on Officers responsible for the loss or damage.
- 9.11** As much as practicable, receipt and storage of goods ordered by the university shall be through the Central Stores,
- 9.12** It shall be the responsibility of the Bursar to examine all cases of unserviceable Stores and other Assets and within its terms of reference make recommendations to the Vice Chancellor concerning their disposal or repairs.

CHAPTER TEN: FIXED ASSETS REGISTER

10.00 There shall be a fixed asset register to be kept and maintained by the Bursar. The Register shall contain all relevant features. See Appendix I

10.01 Disposal of fixed assets shall follow normal accounting rules, practices and Government Regulations.

CHAPTER ELEVEN: INSURANCE

11.0 The Bursar shall ensure that the following insurance policies and any other ones Council shall from time to time approve are taken out and maintained up to date:-

- i. Cash in Transit Policy.
- ii. Fire and Burglary Policy on University Building and Equipment in them.
- iii. Motor Vehicle Policy on all Motor Vehicles owned by the University.
- iv. Group Personal Accident Policy to cover all staff.
- v. Group Personal Accident Policy to cover all Council Members.
- vi. Group Life Insurance Policy for all staff as provided under the Pension Reform Act 2004.

11.01 It shall be the responsibility of the Head of Department to give prompts notification to the Bursar of all new properties or vehicles acquired that requires insurance coverage.

11.02 It shall be the responsibility of the Head of Department to invite without delay the attention of the Bursar and Security unit

and to confirm in writing any damage by fire or other causes to the University property or any other losses, damage or claim against which the University is insured so that action may be promptly taken to invite the University's Insurers

11.03 The Bursar shall in consultation with the relevant persons negotiate claims made by the University against Insurers.

11.04 The Bursar shall maintain proper records relating to the insurance business of the University.

CHAPTER TWELVE: INTERNAL AUDIT

12.00 There shall be maintained an Internal Audit Unit and the Head of that Unit shall be responsible to the Vice Chancellor.

12.01 All Heads of Departments shall be obliged to afford the Audit Unit all facilities and all explanations as shall enable the Internal Audit satisfy himself as to the correctness or otherwise of any matter under examination.

12.02 The Internal Auditor shall direct the activities of the Internal Audit Unit and shall examine in depth from time to time or as may appear reasonable to him all University Account, Books and other records as well as documents and make periodic reports to the Vice Chancellor with a copy to the Bursar.

12.03 In addition to the periodic report, the Internal Auditor shall notify the Vice Chancellor of any financial irregularity or suspected irregularity including those affecting Cash, Store, or Property without delay.

12.04 The duties of the Internal Auditor shall also include:

- i. To check whether the Internal Control System contained in these rules are functioning efficiently and effectively.
- ii. To Vouch all books of accounts and related records (including Ledgers, receipts Vouchers, registers, etc) and ascertain whether they are kept in accordance with the prescribes rules.
- iii. To verify funds, Stores, Equipment, Properties and Facilities of the University to ascertain that they are shown in University books and records and applied satisfactorily to the business of the University.
- iv. To contribute to the expenditure control effort by ensuring effective pre-payment audit and ensuring that competitive tendering is applied in all purchases wherever practicable.

12.05 The Internal Audit shall:-

- i. Have access at all times to the books and records, equipment, properties, documents, facilities of the University for the purpose of carrying out his duties.
- ii. Have right to interview, query, and receive orally or in writing, as he may deem appropriate for the proper execution of his duties, any explanations that he may require.

12.06 As much as is practicable the Internal Auditor shall be informed of decisions affecting the Funds, Assets and Liabilities of the University.

CHAPTER THIRTEEN: CONTRACT ADMINISTRATION

13.0 wards of Contracts for Supplies and Services

All University Contract shall follow the *Guidelines in the Public Procurement and Fiscal Responsibility Acts*

13.01 Every effort is made to obtain comparative tenders from at least three different contractors before a contract is commissioned. The awarding agent or Council may waive the rule in the case of reputable contractors or sole distributors.

13.02 No contractor shall be awarded a contract worth more than the higher limit of the category in which he is registered.

13.03 Every effort is made to spread University's patronage to as many registered contractors as possible and to carry out minor works through direct labour, where possible.

13.04 Contracts for supplies awarded by Deans of Schools and Programme Coordinator/Heads of Department shall be communicated through Local Purchase Order (LPO) while contracts for services shall be communicated through Local Job Order (LJO). All shall be issued by the Bursar or the Officer delegated by the Bursar.

13.05 Contracts by who so ever awarded shall be evidenced by:

- i. An LPO or Letter of award and or

ii. Contract agreement enforceable in law.

13.06 It is the responsibility of the awarding agent or the Secretary to Council to bring a contract award to the knowledge of the Bursar early enough to enable him give his advice, if any, and also to enable him to prepare to meet the University's obligation within the contract agreement.

13.07 Variation may be approved by the awarding agent where the original order plus the variation do not make the total value of the contract rise above the limit of the awarding agent's competence.

13.08 Particulars of all contract agreements must be duly recorded in the register of University contracts and all original agreements shall be kept in secure custody by the Secretary to the University Tenders Board. Copies shall be made available to the Bursar and to the office of the University who is supervising the contract.

13.09 Where contracts for buildings, other construction or engineering works provide for payment by installments, the Bursar shall arrange to keep a register or registers showing the state of accounts between the University and each contractor.

13.10 Payments to contractors on account for contract for building, other construction or engineering works and for every extra or variation order thereof, shall be made based on certificates issued by the Director of Works or the Director of Physical Planning or by an outside consultants

as may be directed by the Council. Such Certificate shall show:-

- i. The total value of the contract
- ii. The amount of work done and its value
- iii. The value of material on site
- iv. The total value up to date of retention money agreed.
- v. The total amount certified to date
- vi. The amount now certified and payable.

13.11 All agreements in respect of major contracts for building, other construction or engineering works shall be subject to a retention fee of not less than 10% of the contract value as security for the due performance and satisfactory completion of the contract. Such retention fee shall be deducted from each payment due and if necessary may be used to make good any defects, deficiencies or defaults for which the contractor is responsible in accordance with the terms of the contract.

13.12 It shall be the responsibility of the Director of Works or Director of Physical Planning Unit to advise the Vice Chancellor and copy Bursar of all completed building and works taken over from contractors indicating clearly:

- i. Date of taking over
- ii. Description of the building
- iii. Completion cost of the project
- iv. Furniture and equipment supplied and fitted with their costs.

13.13 All goods for which an official's order has been placed either by the use of LPO, contract award letters or in any other approved manner shall normally be received at the central stores for subsequent issue to user departments. In cases of emergency, however, or in cases of bulky specialised supplies where double handing is considered undesirable or uneconomical supplies may be delivered direct to the Schools or Departments. Supplier made directly to user department should be verified physically by the Store Officer, the Internal Audit Unit and the User Department. Evidence of receipt of such goods can then be processed at the stores division.

APPENDIX I

DOCUMENT FLOW

PROCEDURE FOR PREPARING THE SALARY OF A NEW STAFF

1. Appointment letter emanates from the Registry Department to the Bursary department; this is kept in view until the ASSUMPTION OF DUTY FORM confirms that the employee has actually assumed duty.

2. A PERSONAL FILE is opened for the new staff with the appointment letter and the assumption of duty form.

3. (a). The personal file is passed on to the PAYROLL section (Bursary Department) where a PAYROLL STARTER FORM is raised indicating the employee's name, department, date of assumption of duty, designation, salary scale, date of birth staff number and allowances payable.

(b) The information in the starter form will be fed into the computer manually through the key board.

4. At the stage of preparation of salary, the computer will confirm the basic salary of the staff, calculated the payable allowances of the staff as well as deduction if any according to the information in the starter form.

5. Pay records along with the personal file will go to the Internal Audit Unit for necessary action.
6. Audited Pay Record returns to the Pay Roll section.

7. Final salary will be prepared based on the observations and queries raised by the Internal Audit Unit.

8. Next comes the raising of PAYMENT VOUCHER

9. Payment Voucher goes to the Internal Audit unit for final auditing.

10. After the final auditing the payment vouchers will be sent to cash office for raising cheques/e-payment schedule to the various Banks according to the raised payment vouchers.

11. A Back up of the salary processed will be stored in a diskette at the end of each month.

APPENDIX II
DOCUMENT FLOW II
VARIOUS STAGES OF LPO PROCESSING

1. Request for goods or services from user department to the Bursar or to the Vice Chancellor (for values above the appropriate authorising limit) for approval.
2. The Vice Chancellor, Dean, Programme Coordinator or Head of Department as appropriate approves and forwards the approved request to the Bursar for further actions.
3. The Bursar calls for at least three quotations from the University's registered contractors after which local purchase order (LPO) is raised in favour of the least quotation in most case.
4. The LPO is prepared by the Bursar.
5. The LPO is then committed into the appropriate section of the bursary
6. Copies of the LPO are then sent to various departments i.e. the Internal Audit, the User Department, the Store Section while the original goes to the Supplier or the Contractor.

7. When the goods are supplied or the services rendered, the contractor's invoice together with good delivery note of the contract are submitted to the store section for proper verification and confirmation of supply.
8. The user department also confirms the delivery as to quality and quantity and approves its copy of the LPO for payment.
9. The blue copy of the LPO together with the Delivery Note, the invoice and the quotations are then forwarded to the Bursar's office to be approved for payment.
10. The Bursar passes the LPO for payment
11. Payment voucher is prepared and approved by appropriate of the Bursar
12. When the payment voucher is passed by the Internal Audit cheque/e-payment schedule is prepared for the authorised signatories to sign.
13. Payment is finally made to the contractor through the Cash Office and the signed payment voucher is filed up appropriately.