



**Universität
Zürich^{UZH}**

Finance Handbook of the University of Zurich (FHB-UZH)

The English version of the FHB-UZH has no legal power and is solely provided for information purposes. In case of inconsistencies, the German original prevails.

(Translation of the FHB-UZH version dated April 13, 2021)

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Finance Handbook of the University of Zurich (FHB-UZH)

(dated April 13th, 2021)

The Executive Board of the University has resolved the following:

1. General

- § 1** ¹ The Finance Handbook covers financial processes and responsibilities at the University of Zurich (UZH), especially regarding the acceptance, administration and application of all resources and assets. Scope
- ² It applies to all units that are financially consolidated into UZH, as well as their employees. It encompasses all processes concerning financial transactions in the name of, at the expense of, and within the ultimate responsibility of UZH.
- ³ Building projects and business expenses are covered in separate legislation.
- § 2** ¹ The FHB ensures an orderly financial conduct and is integral to the Internal Control System (ICS). All UZH units report on their compliance annually. Purpose
- ² The FHB allocates tasks, authority and responsibility to UZH officials. It outlines the main processes as well as decision-making and control procedures.
- § 3** ¹ Legislation referenced in the FHB can be found in the collection of laws of the Canton of Zurich or in UZH's legal compendium. References
- ² The following enactments are of particular significance:
- a. *Gesetz über Controlling und Rechnungslegung CRG* (Act on Controlling and Accounting) of 9 January 2006 (LS 611)
 - b. *Rechnungslegungsverordnung* (Accounting Ordinance) of 29 August 2007 (LS 611.1)
 - c. *Finanzcontrollingverordnung FCV* (Financial Controlling Ordinance) of 5 March 2008 (LS 611.2)
 - d. *Handbuch für Rechnungslegung HBR* (Accounting Handbook) of 14 December 2012
 - e. *Universitätsgesetz UniG* (University Act) of 15 March 1998 (LS 415.11)
 - f. *Universitätsordnung UniO* (University Statutes) of 4 December 1998 (LS 415.111)
 - g. *Finanzreglement der Universität Zürich* (Finance Regulations of the University of Zurich) of 16 November 2009 (LS 415.112)
 - h. *Personalverordnung der Universität Zürich* (Employment Ordinance of the University of Zurich) of 16 November 2009 (LS 415.112)
 - i. *Ausführungsreglement zum Finanzrecht der Universität Zürich ARF-UZH* (Implementation Ordinance of the Finance Regulations of the University of Zurich) of 21 January 2021 (LS 415.112.1)
 - j. *Reglement über die Zuständigkeiten im Immobilienwesen der Universität Zürich* (Regulations on the Responsibilities for Real Estate at the University of Zurich) of 17 December 2018 (LS 415.117.1)
 - k. *Reglement über die Spesenvergütung an der Universität Zürich, Spesenreglement UZH* (Regulation on Business Expenditure at the University of Zurich) of 6 June 2013.

Principles

- § 4 UZH's financial management follows these principles:
- a. Business transactions are clear, correct, traceable and compliant. Identical transactions follow identical standards.
 - b. All funding and assets is treated economically and responsibly.
 - c. Officeholders are independent and accountable for managing the resources entrusted to them.
 - d. Officeholders cannot accept personal financial benefits nor carry out any unlawful financial transactions. UZH investigates all concrete indications of wrongdoing.
 - e. Regulations and compliance checks are based on risk criteria. Sensitive transactions are checked regardless of their value.
 - f. UZH does not assume unquantifiable financial risks.
 - g. Authority is limited to the officeholder's area of responsibility and allocated based on the value of financial transactions. Legal transactions may not be divided to circumvent this authority. Previous compliance procedures must be observed.
 - h. Officeholders are required to inform their superior on any conflict of interest in the context of transactions. Cases with a conflict of interest require an additional approval (signature) from the supervisor.

Terms

- § 5 The FHB uses the following definitions:
- a. Officeholder: Persons with financial and/or administrative responsibility. One person can combine several functions.
 - b. Professors: full and associate professorships, assistant professorships with and without tenure track including externally funded ones.
 - c. New and tied expenditure: Free expenditure (§ 37 para. 1 CRG) is flexible in value and time and/or required for a new mandate of UZH. Tied expenditure (§ 37 para. 2 CRG) comprises the staff and material expense required for UZH's mandate as well as funding for building maintenance. After approval, all expenditure is treated as tied.
 - d. Singular or recurring expenditure: Singular expenditure occurs once or several times within a fixed period (e.g., singular payment or instalments). Recurring expenditure has no fixed end date (e.g., contracts that are extended automatically unless terminated).
 - e. Cost/State contribution: The Canton of Zurich's financial support to UZH.
 - f. Annual financial statement: UZH's annual financial statement comprises its balance sheet, income statement, equity statement and appendices. The investment statement is separate.
 - g. Operating result: Revenue and expenditure form the operating result. Level 2 («BE2») is the unit's revenue minus expenditure on equipment and scientific/administrative-technical staff. BE3 also deducts expenditure for professors, BE4 all remaining expenditure (infrastructure and investment) and revenue.
 - h. Legal transaction: Any transaction involving a declaration of will by one or more parties that establishes, alters, transfers or cancels rights (e.g., contracts, financial contributions, and bequests).

§ 6 ¹ Revenue and expenditure are managed in cost centers and projects by the respective officeholders.

Financial
Structure

² Cost centers and projects are summarized into areas of responsibility («profit centers»), such as professorships.

³ Areas of responsibility are summarized into organizational units, e.g., institutes and clinics.

⁴ Units and units with expanded expenditure are listed on the website of the division of finance.

⁵ The dean oversees the units in a faculty, a member of the executive board of the university oversees the units in central services.

2. Tasks, Authority, Responsibility (TAR)

1. Board, Extended Executive Board, and Executive Board of the University

General	<p>§ 7 UZH is accountable to the Government Council and the Parliament of the Canton of Zurich for its financial conduct.</p>
Board	<p>§ 8 The Board of the University exercises the financial supervision in accordance with § 29 para. 1 and 4 UniG. It has the following tasks, authority and responsibility:</p> <ol style="list-style-type: none"> a. Approval of expenditure and revenue in accordance with §§ 21, 22 and 24 b. Approval of the developmental and financial plan c. Application for UZH's financial and staff budget for submission to the Government Council of the Canton of Zurich d. Approval of the annual report to the Government Council and the Parliament of the Canton of Zurich
Extended Executive Board	<p>§ 9 The Extended Executive Board of the University approves the developmental and financial plan for submission to the Board of the University.</p>
Executive Board	<p>§ 10 ¹ The Executive Board of the University manages UZH's finances and is accountable for the results. It has the following tasks, authority and responsibility:</p> <ol style="list-style-type: none"> a. Approval of expenditure and revenue in accordance with §§ 21, 22 and 24 b. Approval of the developmental and financial plan for submission to the Extended Executive Board c. Application for UZH's financial and staff budget to the Board d. Submission of the annual report to the Board e. Responsibility for all University affairs that are not assigned to another governing body <p>² Within the framework of the FHB, the Executive Board of the University can delegate its financial authority permanently or case-by case.</p>
President	<p>§ 11 ¹ The President bears operational responsibility for UZH and is accountable to the Board of the University for the management of the university's affairs.</p> <p>² The President and the Vice President Finances and Human Resources co-sign the annual financial statements of UZH.</p>
Members of the Executive Board	<p>§ 12 ¹ Members of the Executive Board of the University have the following tasks, authority and responsibility:</p> <ol style="list-style-type: none"> a. Approval of expenditure and revenue in accordance with §§ 21, 22 and 24 b. Developmental and financial planning for their domain¹ and application to the Executive Board c. Management of the financial budget (BE3), the staff budget and the mobile asset investment budget for their domain

¹ A domain comprises all units and [strategic] programs under the responsibility of the respective member.

- d. Ownership of areas of responsibility for funds directly allocated to their domain, which can be delegated

² Where in charge, the members of the Executive Board also have the following tasks, authority and responsibility:

- a. Allocation, financial oversight and reclaim of unused funds in any additional funding stream like Strategic Programs
- b. Vice President Research: Approval of the extended use or transfer of third-party funds upon the exit of the project leader
- c. Vice President Faculty Affairs and Scientific Information: Leadership on the planning of professorships, (appointment) negotiations of professors with the dean; allocation and management of Equipment Funds and Pension Fund contributions, both within the Executive Board's allowance
- d. Vice President Medicine: Management of the tasks in lit. c for the Faculty of Medicine; equipment funds development is monitored jointly with the Vice President Faculty Affairs and Scientific Information
- e. Vice President Real Estate and Facility Management: Rental portfolio and real estate accounting, planning of real estate investment and the resulting user costs

§ 13 The Vice President Finances and Human Resources has the following tasks, responsibility and authority:

Vice President
Finances and
Human Resources

- a. Management of the financial planning and budgeting within the allowance of the Executive Board
- b. Organization of resource allocation and controlling processes within UZH
- c. Advising the Executive Board on financial matters, e.g., regarding strategic planning or investment
- d. Financial and asset management including taxation and insurance; provision of the operative tools and processes
- e. Definition of standards and procedures in accounting, financial management and reporting as well as management information systems and financial risk management within the regulatory context
- f. Ensuring effective and timely financial reporting and controlling
- g. Implementation of measures for significant deficits and cases of suspected fraud in coordination with the Executive Board
- h. Co-signing the annual account with the President
- i. Coordination with external financial auditors
- j. Representation of UZH in financial matters, and serve as the primary contact for external parties in absence of other regulation

2. Financial Officeholders

§ 14 ¹ The dean heads the faculty and represents it externally. They have the following tasks, responsibility and authority:

Dean

- a. Approval of expenditure in accordance with § 21
- b. Developmental and financial planning for their faculty and application to the Executive Board

- c. Management of the financial budget (BE3), staff budget and the mobile asset investment budget for their faculty
- d. Financial and budget oversight; reporting to the Executive Board
- e. Right of inspection for all faculty funding, irrespective of its source
- f. (Appointment) negotiations for professors with the Vice President Faculty Affairs and Scientific Information or with the Vice President Medicine; definition of the professor's endowment with funding, staff and infrastructure
- g. Securing an orderly financial and staffing situation upon the exit of professors with the head of the unit
- h. Usually heads the dean's office and its area of responsibility

² The dean names – unless defined elsewhere – a suitable substitute. This does not reduce their responsibility for the faculty.

- Units
- § 15** ¹ Unit heads have the following tasks, authority and responsibility:
- a. Approval of expenditure and revenue in accordance with §§ 21, 22 and 24
 - b. Developmental and financial planning and application to the dean or the member of the Executive Board
 - c. Management of the financial budget (BE2) and the staff budget in coordination with the dean or the member of the Executive Board
 - d. Financial and budget oversight; reporting towards the dean or the member of the Executive Board
 - e. Right of inspection for all unit funding, irrespective of its source
 - f. Verification and approval of the annual result
 - g. Preparing an orderly financial and staffing situation for the dean with any leaving professor. In the last two years before a professor's retirement, no new permanent staff appointments can be made
 - h. Application for opening, amending and closing areas of responsibility
 - i. Usually heads the unit's office and its area of responsibility

² The head names – unless defined elsewhere – a suitable substitute. This does not reduce their responsibility for the unit.

- Areas of responsibility
- § 16** ¹ The management of an area of responsibility is directly or indirectly responsible for all cost centers and projects therein.
- ² Leaders of areas of responsibility are:
- a. Members of the Executive Boards,
 - b. Deans,
 - c. Heads of Units,
 - d. Professors.
- ³ In justified individual cases, the head of the Finance Office may appoint other persons to lead areas of responsibility. The dean or the responsible member of the Executive Board are authorized to submit applications.
- ⁴ The total of effective and planned expenditure may not exceed the available or contractually assured funds.
- ⁵ The management of an area of responsibility includes the following tasks, authority and responsibility:
- a. Approval of expenditure and revenue in accordance with §§ 21, 22 und 24
 - b. Right of inspection for all funding

- c. Ensuring the necessary controls for incoming bills and an accurate issuing of outgoing bills; definition of the corresponding officeholders
- d. Maintenance and upkeep of mobile assets
- e. Budgeting according to the procedures in their unit
- f. Immediate reporting of financial irregularities to the unit head
- g. Opening, changing and closing of cost centers and projects as well as definition of cost center or project leaders

§ 17 ¹ Cost center or project leaders are financially responsible for their cost centers and/or projects. Cost centers and projects

² Authorization is limited to employees of UZH, the University's hospitals or partner universities (in dual professorships).

³ Cost center and project management includes the following tasks, authority and responsibility:

- a. Approval of expenditure and revenue in accordance with §§ 21, 22 and 24
- b. Manage the allocated funds with accountability to the management of the area of responsibility
- c. Control of the use of funds and immediate information of the leader of the area of responsibility in case of irregularities
- d. Control of and responsibility for Separate Account project balances
- e. Swift financial approval of bills
- f. Ensuring of a swift and accurate billing of third parties

⁴ Project leaders can split up their project and delegate the responsibilities according to para. 3 to subproject managers. This requires approval from the leader of the area of responsibility.

3. Administrative Officeholders

§ 18 ¹ Administrative Officeholders support financial officeholders. Principles

² They are usually employed by UZH, the University's hospitals or the partner institution in dual professorships. They have a process- or expertise-related responsibility.

§ 19 ¹ The Finance Office ensures compliance in financially relevant processes either directly or indirectly (via oversight). Finance Office

² It heads the financial and business accounting as well as the university-wide processes, such as for financial planning, budgeting, reporting and controlling, while ensuring the technical accuracy of the financial results.

³ It supports officeholders in financial management and advises units on financial matters.

§ 20 ¹ Controllers in the faculties support the dean, financial coordinators support the member of the Executive Board. Controllers in the Faculties/
Financial Coordinators

² They have the following tasks:

- a. Right of inspection for all funding in the faculty/the domain
- b. Coordinating the financial planning, budgeting and year-end closing
- c. Coordinating and executing the budget control

- d. Advising the officeholders in the faculty/domain on financial matters
- e. Contact person for units in the Central Services on business transactions and other technical questions

4. Financial Authority

One-off, Tied
Expenditure

- § 21** ¹ One-off, tied expenditure is approved by:
- a. Leaders of the cost center/project up to CHF 10,000
 - b. Leaders of the area of responsibility over CHF 10,000 up to CHF 50,000²
 - c. Leaders of the area of responsibility and their Unit Head over CHF 50,000 up to CHF 100,000
 - d. Over CHF 100,000 up to CHF 250,000
 - Leaders of the area of responsibility and the dean for units within a faculty
 - Leaders of the area of responsibility and the member of the Executive Board in the Central Services
 - Leaders of the area of responsibility and the head of the unit in units with additional spending authority
 - A member of the Executive Board in their area of responsibility alone
 - e. Two members of the Executive Board over CHF 250,000 up to CHF 500,000
 - f. The Executive Board over CHF 500,000 up to CHF 1,000,000
 - g. The Board over CHF 1,000,000

² The approval of expenditure (§40 FCV) in cases pursuant to lit. f and g are documented in the minutes. Any corresponding contracts are signed by two members of the Executive Board. The approval of expenditure in cases pursuant to lit. a to g are documented in the contract or the financially approved bill.

³ If the offices required by para. 1 lit. c or d are held by the same person, the co-signature is done by their substitute. Members of the Executive Board do not require a co-signature.

⁴ In cases pursuant to para. 1 lit. e and f, the officeholders responsible for the overall budget can authorize subsequent increases of expenditure themselves if the following conditions are all met: The increase in expenditure:

- a. Is due to external, unforeseeable effects like exchange rates, custom duties or import fees
- b. Does not require a budget increase
- c. Does not exceed 5 % of the original expenditure

Recurring, Tied
Expenditure

- § 22** ¹ Recurring, tied expenditure is approved by:
- a. Leaders of the cost center/project up to CHF 10,000 per year,
 - b. Over CHF 10,000 up to CHF 50,000 per year
 - Leaders of the area of responsibility and the head of the unit in units with additional spending authority
 - Two members of the Executive Board in all other units

² If the leader of the area of responsibility differs from that of the cost center/project, they approve the expenditure together.

- c. The Executive Board of the University over CHF 50,000 up to CHF 200,000 per year
- d. The Board of the University over CHF 200,000 per year

² The approval of expenditure (§40 FCV) in cases pursuant to c and d are documented in the minutes. Any corresponding contracts are signed by two members of the Executive Board. The approval of expenditure in cases pursuant to lit. a and b are documented in the contract.

³ If the leader of the area of responsibility also holds signatory power pursuant to para. 1 lit. b, the co-signature falls upon their substitute.

§ 23 ¹ The authority levels in §§ 21 and 22 also apply to any subsequent processes (e.g., the signing of contracts).

Additional Rules on Expenditures

² Transactions within UZH's books like offsetting or rebooking are approved by the management of the cost centers/projects irrespective of their amount.

³ Expenditure may not be split to avoid the authority levels in §§ 21 and 22. The reviews in §§ 53 and 69 have to be met.

⁴ Increases in expenditure are approved by the original entity as long as the new amount falls within its authority. Cases in article § 21 para. 4 are exempt.

§ 24 ¹ Revenue is approved by:

Revenue

- a. Project leaders up to CHF 10,000
- b. Leaders of the area of responsibility over CHF 10,000 up to CHF 100,000
- c. Leaders of the area of responsibility and the Heads of the Unit over CHF 100,000 up to CHF 250,000
- d. Over CHF 250,000 up to CHF 1,000,000: Leaders of the area of responsibility and
 - The Vice President Research and the Vice President Finances and Human Resources for units in the faculties,
 - The corresponding Member of the Executive Board and the Vice President of Finances and Human Resources for units in the Central Services
- e. The Executive Board of the University over CHF 1,000,000 up to CHF 3,000,000
- f. The Board of the University over CHF 3,000,000

² The approval (§40 FCV) in cases pursuant to lit. e and f are documented in the minutes. Any corresponding contracts are signed by two members of the Executive Board.

³ Revenue may not be split to avoid the authority levels in para. 1. Review procedures in § 60 have to be met where applicable.

⁴ Para. 1 has the following exceptions:

- a. Transactions with the Swiss National Fund and the European Union follow their regulations. Cases governed by para. 1 lit. e and f do not require approval from the Executive Board of the Board unless they claim rights to research results. These cases are periodically reported to the Executive Board and the Board.

- b. Transactions with special clauses like externally funded professorships or with penalties for non-performance over CHF 1,000,000 always require approval from the Board of the University.
- c. The Executive Board of the University decides on bequests up to CHF 3,000,000.
- d. Transactions with special clauses affecting the freedom of research and teaching, or requiring the naming of buildings and lecture halls after the donors, require approval from the Executive Board or the Board (over CHF 3,000,000).

3. Funding

1. General provisions

§ 25 ¹ UZH funds are disclosed in the University Accounts, the Separate Accounts (third-party funding) as well as in bequests. Accounts

² Projects with mixed funding are split between the University and the Separate Accounts.

§ 26 ¹ The University Accounts include: University Accounts

- a. Public sector funding like the cost contribution from the Canton of Zurich, baseline funding from the federal government and student-based contributions from other cantons
- b. Fees levied by UZH for tuition, exams, infrastructure usage or administrative services
- c. Revenue from sales, equity investments, licenses, overhead and capital gains
- d. Revenue from services and advanced training programs that do not cover their cost or must be supplied due to a specific legal mandate

² The waiver of cost recovery pursuant to subparagraph d is approved by

- a. For services: the Vice President Finance and Human Resources
- b. For continuing education programs: the responsible member of the Executive Board of the University and the Vice President Finance and Human Resources

§ 27 The Separate Accounts include third-party funding like: Separate Accounts

- a. Donations and bequests
- b. Contributions to research and teaching
- c. Cost-covering services and advanced training programs that are not subject to a specific legal mandate
- d. Other revenue in the projects pursuant to lit. a–c, like sales, events or publications.

2. Separate Accounts

§ 28 ¹ Donations include endowments, gifts and bequests. The purpose and/or the period for their use are not conclusively determined. Grants may be associated with publication services. Donations and Bequests

² Bequests are assets from an estate in which UZH has been named as heir.

§ 29 ¹ Contributions to research and teaching support corresponding projects. Their purpose and duration are usually defined. UZH retains all rights to any research results from such contributions. Contributors can be allowed to use results with exclusive rights usually requiring remuneration. Contributions to Research and Teaching

² Contributions to research also encompass:

- a. Research collaborations with partner institutions or industry. The rights to any results can be shared by the partners
- b. Investigator-driven clinical trials, where content and procedures are mainly defined by the researchers

³ The Executive Board of the University determines the distribution of any overhead contributions from third parties.

Services and
Advanced Training

§ 30 ¹ Services include:

- a. Contract research, i.e. a stand-alone task defined by the customer, which is usually accomplished through application of existing knowledge. The customer retains all rights to the results, which usually are not reimbursed separately
- b. Industry-sponsored clinical trials initiated and defined (regarding content and procedures) by the customer
- c. Other mandates

² Advanced Training includes

- a. Studies leading to a Master, Diploma or Certificate of Advanced Studies
- b. Individual courses
- c. Other offers geared at lifelong learning

Cost Coverage

§ 31 ¹ Services and Advanced Training programs are supplied at market price that need to cover at least:

- a. All direct cost like material and staff cost (direct or transferred)
- b. Any cost for covering special risks
- c. Taxes
- d. Overhead levy to UZH and sometimes the unit of origin as a contribution to fixed cost

² UZH's overhead levy is placed on gross revenue. It is:

- a. 5 % for Advanced Training programs
- b. 10 % for services not using laboratory infrastructure
- c. 20 % for services using laboratory infrastructure
- d. In projects aggregating several services, the highest current overhead applies to all services

³ Units can also levy an overhead on services up to the levels in para. 2.

Medicine

§ 32 ¹ In accordance with the ordinance on University research and teaching in the health-care sector (from 16 April 2003, LS 415.16), UZH accrues all:

- a. Contributions to research and teaching
- b. Revenue from Advanced Training programs supplied by UZH
- c. Revenue from services provided by units outside the University's hospitals

² The allocation to UZH or the University hospital is done in the review of third party funding (§ 60).

3. Special Provisions for the Separate Accounts

Projects

§ 33 ¹ Funding in the Separate Accounts is managed in projects.

² Funds are available to the leader of the project and are to be used for the intended purpose. Leaders are responsible for the entire operating result (BE4).

³ Throughout the project's duration, all balances are fully transferred across the calendar year.

⁴ Project leaders bear the risks and any financial consequences, like exchange rate effects. Project risks have to be considered in the (financial) planning.

§ 34 ¹ Revenue can be aggregated into one project, if the following conditions are met: Aggregate Projects

- a. All revenue has the same purpose (e.g., research or teaching)
- b. There is no accountability on the use of funds towards the donor
- c. Individual revenues do not exceed CHF 100,000

² Degree programs in Advanced Training may not be aggregated.

³ Aggregate projects for services and Advanced Training are settled at the end of each calendar year.

§ 35 ¹ At the end of their duration, projects are settled and dissolved. Any open balance belongs to the project leaders provided no alternative agreement with the donor exists. Project Closure and Open Balances

² Surpluses are initially used to cover deficits from other projects. Any remaining balance can be earmarked for university tasks (research, teaching, etc.). Surpluses exceeding CHF 250,000 need to be approved by the Executive Board of the University.

³ Projects may only have a deficit on rare occasions. If the project leaders cannot cover the deficit, they must find a solution with their superiors from § 6.

§ 36 ¹ Project responsibility ends with the employment relationship. End of Project Responsibility

² Project responsibility is transferred to another person in coordination with the leader of the area of responsibility and the head of the unit. If the head of the unit is also the project leader, they shall coordinate the transfer with their deputy.

³ On occasion, especially for Swiss National Science Foundation projects, the Vice President Research can approve an application from the exiting project leader to:

- a. Extend responsibility for the duration of the project or a maximum of three years. New funding may not be acquired. An extension of responsibility requires approval from the superiors in para. 2, or
- b. Transfer the project to the new institution. For this, the new place of work has to be equivalent to UZH regarding the acquisition and administration of third-party funds. In addition, written approval from the new place of work and the founder is required.

⁴ Other exemptions require approval from the Executive Board of the University.

4. Fiduciary relationships

§ 37 ¹ UZH can enter fiduciary relationships with related institutions and/or individuals as long as offers remain within its day-to-day service provision. This requires a contractual agreement and cost-covering compensation. Fiduciary Relationships

² A fiduciary relationship does not make UZH liable for any damages to third parties.

4. Financial Management

1. General

Use of Funds § 38 ¹ UZH funding is used for staff, material and investment in mobile assets.
² Reallocating earmarked funds requires written confirmation from the funding body (outside or within UZH).

University Accounts § 39 ¹ The University Accounts distinguish:

- a. Baseline funding: Funding for the unit's mandate, which can be used autonomously throughout the calendar year
- b. Additional funding: Dedicated, temporary funding like Strategic Programs, project or startup funding as well as the Equipment Fund
- c. Own revenue: Funding generated through sales or services
- d. Investment in mobile assets³ for:
 - Basic needs in faculties and central services
 - Additional needs in Strategic Programs, Research Priorities, technology platforms or other core facilities
 - Hardware and software

² Funding in the University Account is budgeted for a calendar year.

Equipment Fund § 40 ¹ Equipment funds can be granted in (appointment) negotiations with professors. They are dedicated to start or expand the professorship and may be subject to funding restrictions.
² Equipment funds are granted for six years dating from the last allowance. Unused funding expires thereafter.
³ In justified exceptional cases, the owner can apply to the Vice President Professorships and Scientific Information for a one-time extension of the funds, usually for a new maximum of eight years, on the basis of an updated plan. In the medical faculty, applications are submitted to the Vice President Medicine.

2. Financial Planning and Budgeting

Development and Financial Plan § 41 ¹ Based on its strategic goals, UZH conducts an annual developmental and financial planning for the upcoming four years. Its results enter into the Canton's Development and Financial Plan.

² UZH's Development and Financial Plan comprises:

- a. The developmental planning outlining key goals and activities
- b. The financial planning with applications for additional funding
- c. The professorial chair planning with applications to reoccupy, alter, create or dismantle professorships

³ Faculties apply to the Executive Board of the University. Units in Central Services apply to their Member of the Executive Board.

³ Such investment may also be financed by the Equipment Fund of a professorship.

- § 42 The financial planning determines the: Financial Planning
- a. Baseline funding and a prognosis of own revenue for the faculty/domain
 - b. Additional funding for strategic programs, start-up funding or current projects
 - c. Prognosis of total third-party funding in the Separate Accounts
 - d. Investment (equipment and buildings) as well as depreciation and interest
 - e. Staffing budget at the level of UZH

- § 43 ¹ The budget applies to one calendar year and is brought to the Executive Board of the University by the Vice President Finance and Human Resources. Budgeting
- ² The first year of the financial plan constitutes the budget outline. It can be modified by the Executive Board, especially in case of budget cuts for UZH as a whole.
- ³ Budgeting comprises baseline funding and own revenue at the BE3 level, the staffing budget as well as investment in mobile asset. It is executed by:
- a. The deans in the faculties
 - b. The members of the Executive Board for their domain
- ⁴ Additional funding is allocated and budgeted in separate processes that have to be approved by the Executive Board. The member of the Executive Board leading the respective program is responsible for process design and documentation.

3. Interim Report and Forecast

- § 44 ¹ The Finance Office periodically delivers an interim report to the Executive Board and the Board of the University. Interim Report
- ² The interim report covers important milestones, the expected result of the profit and loss as well as the investment account.
- ³ If a faculty or domain deviates from its financial or staffing budget, an explanation has to be made to Vice President Finance and Human Resources.

- § 45 In its forecast, UZH reports the expected expenditure on the cost contribution and investment funds (equipment and buildings) to the Canton of Zurich. Forecast

4. Annual Accounts and Balance Transfer

- § 46 ¹ The annual accounts ensure a timely recording of all transactions as well as compliance of the annual financial statement. Annual Accounts
- ² Units have to ensure the following aspects at different times. Additional tasks from the Finance Office are possible:
- a. Processing incoming bills and internal transactions as well as reporting accruals/deferrals
 - b. Closing of any petty cash funds and advances
 - c. Updating inventory assets and their assessment regarding impairment
 - d. Reporting accruals and deferrals and additional information in appendix 1
 - e. Units listed in appendix 1 also need to:
 - update the inventory on raw and auxiliary material as well as commercial goods

- support the Finance office in the Cantonal consolidation process
- f. Reviewing and releasing the annual result
- g. Reporting any events over CHF 100,000 after the accounting date

Review and Release
of the Annual Result

- § 47** ¹ The review and release of the annual result is done by:
- a. *In the faculties*: the unit heads and the dean
 - b. *In the central services*: the unit heads and the member of the Executive Board member in charge of the respective domain
- ² The responsible parties determine the process. In releasing the annual result, they declare that to the best of their knowledge:
- a. All necessary steps in the annual accounts were covered.
 - b. The annual result has no major error or omissions.
 - c. There are no assets outside UZH's accounts like petty cash funds or bank accounts.
 - d. There are no known irregularities or misdemeanors that involve employees of the unit or that may have a substantial effect on the annual result.
 - e. There are no activities over CHF 100,000 that could change the annual accounts.

Annual Report

- § 48** The annual report supplements the annual accounts with reports on key developments in the last year as well as statistics on students, degrees or staff among others.

Balance Transfer

- § 49** ¹ The difference between the budget and the released annual result forms the budget balance. Unit heads are responsible for the budget balance.
- ² A balance carried forward to the upcoming calendar year is limited to units of the faculties and subject to available funds. It is calculated from the budget balances of a faculty.
- ³ All budget balances are determined at the BE2 level for all units and the dean's office. A separate balance is determined for professor salaries at the level of the faculty. This balance is added to that of the dean's office.
- ⁴ The following are included in the calculation of the balance carried forward:
- a. Positive budget balances up to 3 % of the planned operating result (BE)
 - b. All negative budget balances
- Exceptions require the approval of the Executive Board of the University.
- ⁵ All balances carried forward are rounded to CHF 100. Their distribution is decided between the dean and the unit head. All balances carried forward are added to the budget by the end of April of the following year.
- ⁶ Negative balances in excess of 25% of the budget must be reported to the Dean after two consecutive years no later than the end of September of the third year. Ways to improve the result are to be worked out with the Dean. They shall form an integral part of the next budgeting process.
- ⁷ The balance carried forward for units with an internal service level agreement on service provision is exempt from para. 3–6.

5. Contracting and Billing

1. Section: General

§ 50 ¹ Signing authority follows §§ 21, 22 and 24.

Signing Authority

² If a transaction involves several parties within UZH, they authorize one to do the signoff. This decision needs to be documented.

³ Those with signing authority are responsible for the content of the transaction. This extends to any appendices like terms and conditions.

⁴ In the absence of corresponding UZH-wide IT-systems, those with signing authority are responsible for keeping (usually for 10 years) and archiving all documents pertaining to the transaction.

§ 51 ¹ The Executive Board issues UZH-wide terms and conditions. They are published on the website of its Legal Services.

Terms and Conditions

² The relevant UZH terms and conditions should take precedent over terms and conditions of the partner wherever possible. Deviations can only be allowed as an exception.

³ Transactions involving the handling of personal data of UZH by third parties or an outsourcing of IT services require UZH's corresponding terms and conditions as well as its nondisclosure agreement.

2. Section: Expenditure

§ 52 ¹ UZH is the contractual partner.

Formal Requirements for Expenditure

² Transactions require a written form (usually contract) if they involve any of the following:

- a. Liability
- b. Continuing obligation (e.g., rent or leasing)
- c. Intellectual property rights (e.g., copyright or licensing)
- d. Handling of data by third parties
- e. Cooperation with third parties
- f. A value exceeding CHF 10,000

³ UZH contract templates should be used whenever possible.

⁴ If the order establishing the transaction is made by someone without or with less signing authority, she or her has to ensure the agreement of those authorized beforehand.

§ 53 ¹ Contracts have to be reviewed prior to their underwriting if any of the following applies:

Contract Review

- a. A liability or penalty for non-performance outside the provisions of UZH's terms and conditions
- b. Outsourcing of UZH mandates (e.g., handling of personal data)
- c. The creation of joint ventures with external parties
- d. Use of UZH's intellectual property
- e. Singular expenditure exceeding CHF 150,000 or recurring expenditure over CHF 30,000 per year

² Contracts are submitted to Legal Services for the review. Legal Services may include outside expertise in its review.

³ Contract review can be delegated to other parties. This requires approval from the Executive Board of the University.

Review of Incoming Bills § 54 ¹ Incoming bills and internal transactions are reviewed before their financial authorization. Formal review and financial authorization have to be done by different officeholders.

² The leaders of areas of responsibilities define buyers and formal reviewers.

Order and Material Review § 55 ¹ Buyers can place orders in the name of those with signatory power. They provide the material review of bills:

- a. Checking of order and delivery/services
- b. Mathematical check of the bill

² If the buyer is unavailable, material and formal review are combined.

Formal Review § 56 ¹ In the formal review, the bill is allocated to an account.

² Within an area of responsibilities, formal examiners can substitute one another.

³ The unit head designates a chief examiner. They serve as the contact person for invoices that can only be assigned to the unit.

Financial Authorization § 57 ¹ After its financial approval, the bill is posted.

² Financial approvals are made by those with signing authority. They determine a substitute when necessary.

³ The leaders of cost centers or projects may appoint a deputy («Rechnungsdelegierte») for bills up to CHF 1,000. This does not affect their responsibility for the cost center/project.

Books and Archive for Bills § 58 Bills are entered to the books and archived by the Finance Office.

3. Revenue

Formal Requirements for Revenue § 59 ¹ Any documentation related to revenue has to ensure its allocation to UZH. This can be done by a corresponding provision or by listing the work address of the recipient at UZH or at one of the University's hospitals.

² Documentation also has to make known:

- a. The amount and date/dates of payment (minimum: which year)
- b. The donor for any contribution exceeding CHF 1,000
- c. Any designation of the funds (if applicable)

³ A written document (e.g., award letter or e-mail) from the donor is required, if:

- a. donors obtain the right to use intellectual property, data or material, or
- b. the transaction exceeds CHF 10,000.

⁴ The written form (usually in a contract) is required, if

- a. intellectual property and the pertaining rights of use are not fully conferred upon UZH, or

- b. terms and conditions exceeding a description of the task and related reporting duties are included (e.g., liabilities or extensive advertising for the donor).

- § 60** ¹ Legal transactions must be checked before signing if at least one of the following criteria is present: Review of Revenue-related Documents
- a. Intellectual property
 - b. Terms and conditions obliging UZH beyond the project and its general reporting
 - c. A value exceeding CHF 150,000
- ² Documentation has to be entered to one of the following offices for review:
- a. Unitetra: use of UZH's intellectual property and material transfer agreements,
 - b. EU GrantsAccess: EU research programs (except ESA) and US research programs (e.g., NIH),
 - c. Grants Management: everything else.
- ³ The offices in para. 2 can use external expertise in their review or transfer the case to another office.
- § 61** ¹ Any remunerated service provided in UZH's name to third parties has to be billed. Billing
- ² Bills are registered in UZH's financial system. The Finance Office provides the necessary tools and decides on exceptions from their use.
- ³ Billing is usually done by any of the officeholders in §§ 55 and 56.
- § 62** ¹ UZH is subject to federal regulation regarding value added tax (VAT). VAT
- ² VAT has to be included in the documentation and bills for all transactions. Net value and VAT as well as the applicable rate are made explicit.
- ³ Compliance with VAT regulation is ensured by those with signing authority. The Finance Office advises and has the final authority over VAT applicability and rate.
- § 63** ¹ The Finance Office is responsible for dunning and debt collection. It decides if and how this responsibility may be delegated. Dunning and Debt Collection
- ² If a third party misses the final payment deadline, those authorized by para. 1 initiate debt collection. When necessary, the unit concerned is consulted first.
- ³ Individual or lump-sum write-downs are booked onto the cost center or project concerned.

6. Staffing Budget and Recruitment

Staffing Budget	<p>§ 64 ¹ Staff to be paid from the University Accounts requires a financial and a staffing budget.</p> <p>² The staffing budget determines the maximum number of full-time equivalents (FTEs). It does not constitute a right to the corresponding funds.</p> <p>³ The following appointments are exempt from the staffing budget:</p> <ol style="list-style-type: none"> a. Substitute coverage, especially for maternity leave, illness or accidents b. Apprentices, interns and temporary assistants c. Staff paid on an hourly rate d. Interim positions of up to twelve months (non-extendable), e.g., for projects
Categories	<p>§ 65 The staffing budget differentiates between:</p> <ol style="list-style-type: none"> a. Professorships b. Junior academic positions c. Academic associates as well as administrative and technical staff
Reassignment Between Categories	<p>§ 66 ¹ Units can reassign all FTEs within category c of § 65 freely.</p> <p>² The staffing budget for professorships may not be reassigned. A temporary reassignment of FTE from junior academic positions or academic associates to form an ad personam professorship requires approval from the Executive Board of the University.</p> <p>³ Reassignment of junior academic positions requires approval from the Executive Board of the University. The dean is authorized to submit an application.</p>
Deviations	<p>§ 67 ¹ Units exceeding their staffing budget throughout a calendar year require approval from:</p> <ol style="list-style-type: none"> a. the dean of their faculty, or b. the member of the Executive Board in charge of their Domain. <p>The faculty or the domain still has to be able to meet its overall staffing budget.</p> <p>² Faculties or domains exceeding their staffing budget throughout a calendar year require approval from the Executive Board of the University, provided that the total staffing budget allows for it.</p>
Recruitment	<p>§ 68 Recruitment or changes of existing job contracts require approval from those responsible for the financial and – if applicable – the staffing budget. Approval has to be granted prior to submitting the corresponding request.</p>

7. Procurement and Asset Management

1. General Provisions

§ 69 ¹ The awarding of contracts for all UZH procurements is subject to the Accession Act to the revised Intercantonal Agreement on Public Procurement of 15 March 2001 and the Submission Ordinance of the Canton of Zurich of 23 July 2003: Award of Contract

- a. Direct (no public bidding): Goods and services up to CHF 150,000. Whenever possible, several bids should be obtained to select the one with the best cost-benefit ratio.
- b. Invitation: Goods and services exceeding CHF 150,000 up to CHF 250,000. At least three bids must be obtained, selecting the one with the best cost-benefit ratio.
- c. Public bidding (open or selective): Goods and services over CHF 250,000.

² Anyone uncertain about the applicable procurement process should contact the Asset Management Office.

§ 70 ¹ The procurement of assets requiring capitalization is done centrally. Responsibilities

- ² All other procurement decisions lie with the leaders of cost centers/projects.

§ 71 ¹ Material and immaterial assets are characterized by: Assets and
Capitalization

- a. An identifiable value for their sale or lease
- b. Enforceable property rights
- c. A foreseeable use of over one year at the time of production or procurement
- d. Documented production costs

² Assets (or functional units of several assets) must be capitalized if their acquisition value exceeds CHF 10,000.

³ Collective orders for systems under CHF 10,000 per piece must be capitalized if the total value exceeds CHF 50,000.

- ⁴ The provisions in para. 2 and 3 also apply to donated assets.

2. Procurement of Capitalized Assets

§ 72 The Office of Asset Management has the following tasks and responsibilities: Office of Asset
Management

- a. Coordination and documentation of investment grants for those in charge of the respective investment budget
- b. Formal review and authorization of claims for investment grants
- c. Ensuring compliant procurements and leading public bidding procedures
- d. Managing the master data for assets accounting
- e. Advice and support in the transfer, sale and disposal of assets

§ 73 ¹ To claim investment grants, a procurement application has to be made before the awarding of a contract. Release of
Procurement

- ² The application is granted by:

- a. The Office of Asset Management if the effective cost of procurement does not exceed the investment grant

- b. The dean or the member of the Executive Board of the University in charge of the investment budget if:
 - The effective cost of procurement exceeds the investment grant
 - Applications concern a new, unplanned investment
- c. Two members of the Executive Board of the University for cases in para. b exceeding CHF 250,000. This does not apply if the investment grant has never been approved by the Executive Board or the Board of the University.

Handling of
Irregularities

§ 74 ¹ In case of irregularities like:

- a. insufficient funds,
- b. inappropriate use of funds or
- c. failure to comply with legal requirements

the Office of Asset Management obtains a statement of the officeholders responsible for the respective case. The procurement or the payment of the bill is interrupted wherever legally possible.

² If no clarification can be made before the set deadline, the Office of Asset Management initiates measures in accordance with the superiors of the officeholders responsible for the respective case.

3. Inventory and asset management

Inventory

§ 75 ¹ All IT-assets and all capitalized assets enter into the inventory.

² Non-capitalized IT-assets are inventoried by the leaders of the area of responsibility. Their inventory list must meet revision standards. The Finance Office provides the template.

³ All capitalized assets are inventoried by the Office of Asset Management. The leaders of areas of responsibility inform it of changes in ownership and locations.

Property, Ownership
and Use of Assets

§ 76 ¹ UZH has property of all assets. An exception can be made for assets funded by third parties, requiring a corresponding written agreement with the donor.

² UZH transfers ownership to the leaders of the areas of responsibility in which the assets are inventoried.

³ As a rule, the owner of an asset determines its use and users. For assets in UZH's property, the Executive Board of the University can determine users, e.g., in technology platforms.

Maintenance,
Servicing and
Operations

§ 77 ¹ The owner of an asset is responsible for maintenance, servicing and operations. They ensure a careful operation in compliance with legal requirements and technical specifications.

² The cost of maintenance, servicing and operations is borne by the asset's owner. Users outside their area of responsibility can be obliged to contribute to this cost.

4. Sale and Disposal of Assets

Sale

§ 78 ¹ Prior to sale, options for internal transfer of a used asset (free of charge) must be examined.

² Sale and sale price are determined by:

- a. Current owners for non-capitalized assets
 - b. The Office of Asset Management for capitalized assets
- ³ Signing authority follows § 24.
- ⁴ Sale revenue is allocated to the University Accounts. Exceptions can be made for third-party funded assets, provided a written agreement with the donor exists.
- ⁵ Sale revenue accrues to:
- a. Current owners for non-capitalized assets
 - b. UZH for capitalized assets
 - c. The recipient unit for donated, capitalized assets.
- ⁶ If the asset is fully depreciated, the Office of Asset Management can share sale revenue with the current owners. Shares exceeding CHF 100,000 require approval from the Executive Board of the University.

§ 79 ¹ Assets are disposed of if they cease functioning, cannot be repaired economically or cannot be sold or transferred within UZH. Disposal

² Disposal of capitalized assets is decided by:

- a. The Head of the Unit if the residual book value is below CHF 10,000
- b. The Office of Asset Management otherwise

³ The cost of disposal is borne by the current owners. The Office of Asset Management may define exceptions for specific asset categories. Signing authority follows § 21.

8. Banking, Cash Policy and Credit Cards

1. Banking

Bank Accounts	<p>§ 80 ¹ UZH bank accounts are opened, managed and closed by the Finance Office. It represents UZH towards all banking institutions.</p> <p>² UZH assets may not be held in other bank accounts.</p> <p>³ UZH bank accounts may not be used for expenditures. Exceptions can be made for bookings done or authorized by the Finance Office.</p> <p>⁴ Leaders of areas of responsibility can apply for temporary UZH bank accounts (e.g., to manage income from conferences). They are responsible for the account maintenance. UZH bank accounts that are obsolete or need to be reallocated must be reported to the Finance Office.</p>
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2. Cash Policy

Responsibilities	<p>§ 81 ¹ The Finance Office manages UZH's main cash desk. Leaders of areas of responsibility can apply for petty cash desks with the Finance Office.</p> <p>² The cashier is responsible for managing secondary cash registers. These are the leaders of the areas of responsibility or persons they have reported to the Finance department.</p>
Cash Management	<p>§ 82 ¹ Cash transactions and balances are to be minimized.</p> <p>² All transactions are subject to §§ 21–24. They are documented in chronological order with original receipts in the cash statement.</p> <p>³ The cash balance and cash statement are updated after each day with a transaction.</p> <p>⁴ Any discrepancy between the cash balance and the cash statement as well as its resolution has to be documented, signed by the cashier and stored/archived according to § 50 para. 4.</p>
Main Cash Desk	<p>§ 83 ¹ Cash payments are usually processed by the main cash desk:</p> <ol style="list-style-type: none"> a. Appointments are required for payments over CHF 100,000 or large quantities of coins and bills. b. Prior agreement is required for payments involving USD or EUR bills and the exchange rate is determined by the Finance Office. <p>² Cash is only issued upon proof of identity of those authorized for the withdrawal. A delegation of the withdrawal requires a written authorization on the expenditure approval document.</p> <p>³ Cash payments for guest speakers, salary advances or hourly employment contracts must comply with the regulations of Human Resources. The HR Office can also authorize cash payments to UZH employees.</p> <p>⁴ Cash withdrawals over CHF 10,000, with large quantities of coins and bills or in foreign currencies, have to be registered ten days in advance.</p> <p>⁵ The main cash desk is updated after each day with a transaction, including a cross-check with the general ledger.</p>

- § 84** ¹ Cash payments (CHF only) to petty cash desks require an agreement with the Finance Office. Petty Cash Desk
- ² Private cash funds like (e.g., staff or beverage kitty) are managed outside the petty cash desk. Such transactions must be recorded following article 5.3.2 of the Accounting Handbook (*Handbuch für Rechnungslegung*) and auditing bodies are entitled to review them.
- ³ Computerized and other cash registers must meet the requirements for receipts in § 85 and the security requirements of the Finance Office. The Finance Office authorizes any changes to them.
- ⁴ Petty cash desks are consolidated with the main cash desk as required and at least twice per year. The cashier signs each consolidation and submits it with all original receipts to the main cash desk.
- ⁵ Obsolete petty cash desks are closed.
- § 85** ¹ All transactions are subject to §§ 21–24 and the reviews in Chapter 5. Receipts are included in the cash statement. Receipts
- ² Receipts require the following:
- a. Amount, cost center/project, account
 - b. VAT rate (cash payments only)
 - c. Rationale for expenditure/income, signoff and – if applicable – authorization for cash withdrawal
 - d. Original receipts
- ³ Cash payments from the Separate Accounts can be subject to additional regulation from the donor.
- § 86** ¹ Cashiers must keep cash secure from fire and theft. Article 5.3.4 of the Accounting Handbook (*Handbuch für Rechnungslegung*) details additional security requirements. Filing
- ² Containers like cashboxes or safes may have no more than two keys. The cashier keeps the original key/code. A sealed, signed and dated envelope containing a copy of the key or the code for the cash container as well as the name and address of the cashier is deposited with the main cash desk. The information must be updated.
- ³ An envelope containing the numerical code for the main cash desk is deposited with a different administrative unit of the Canton of Zurich.
- § 87** ¹ Theft has to be reported to the Office of Safety, Security and Environment. The Office files charges with the police. With the confirmation from the Office of Safety, Security and the Environment, cashiers then report the amount stolen in written to the Finance Office. Theft and Liability
- ² Liability lies with the cashier.
- § 88** ¹ Cash transports over Fr. 10'000 require prior arrangement with the main cash desk and security. The Office of Safety, Security and the Environment only transports sealed cash containers filled by the client. Cash transports
- ² Cash over Fr. 5'000 requires two different people both when filling and when accepting the cash container.

Checks	<p>§ 89 ¹ The head of the Finance Office carries out four unannounced checks of the main cash desk each year. The report is filed in accordance with § 50 para. 4.</p> <p>² Cashiers must perform regular, documented checks on the balances. Any discrepancies must be reported to the Finance Office immediately.</p> <p>³ The Finance Office can check petty cash desks at any time. Non-compliant cash desks can be closed.</p>
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3. Credit cards

UZH Credit Card	<p>§ 90 ¹ Leaders of areas of responsibility can apply for UZH credit cards for themselves or their employees. UZH credit cards are free of charge. Applications are directed to the Finance Office, which also handles all changes and closures.</p> <p>² No other business credit cards may be used for UZH purposes.</p> <p>³ By using the UZH credit card, the cardholder accepts these regulations as well as the general terms and conditions of the issuing company. Failure to comply results in the card's immediate cancellation.</p> <p>⁴ Private credit cards can be used for business expenditure. Reimbursement is done through an expense report.</p>
Use and Limit	<p>§ 91 ¹ UZH credit cards are personal and may not be used for private expenses. It has to be shut away.</p> <p>² Cash withdrawals are not allowed.</p> <p>³ UZH credit cards may not be used for:</p> <ol style="list-style-type: none"> Expenses where billing is possible Capitalized assets Private expense <p>⁴ The monthly limit is CHF 10,000. An increase up to CHF 50,000 is authorized by the Finance Office.</p>
Statement	<p>§ 92 ¹ The cardholder receives a monthly itemized statement. It is reviewed and authorized in line with the provisions for bills (chapters 2 and 5) and then has to be sent to the Finance Office with the original receipts. Cardholders have to reimburse UZH for undocumented transactions.</p> <p>² UZH credit card bills are paid exclusively by the Finance Office.</p>
Loss or Theft	<p>§ 93 ¹ Cardholders have to cancel the UZH credit card immediately after loss or theft.</p> <p>² They are fully liable for any credit card fraud, except cases complying both with para. 1 and with due diligence.</p>
Cardholder exit	<p>§ 94 ¹ Cardholders must return the UZH credit card by their final day of employment. The card must be cut in half and sent to the Finance Office stating the reason for its return.</p> <p>² The cardholder remains liable for any items charged to the card even if the charge occurs after her or his employment contract has ended.</p>

9. Control and Escalation Measures

1. General

§ 95 ¹ Officeholders ensure a compliant use of all assets by transparent processes and responsibilities that are clear to all involved. Transactions are documented clearly. Responsibility

² Units heads and members of the Executive Board of the University can establish more restrictive regulations within the framework of the FHB for their Unit/Domain. They have to verify compliance of such regulations themselves. Regulations specific to a unit or domain may not be included in UZH's IT-systems.

§ 96 Leaders of cost centers/projects have the following tasks: Leaders of Cost Centers/Projects

- a. Checks of availability of funding and accuracy for all financial commitments, especially regarding procurement and hiring
- b. Regular checks of transactions to their cost center/project for completeness and accuracy; as a minimum by the end of each month; inaccuracies have to be corrected with the leader of the corresponding area of responsibility
- c. Periodical balance checks ensuring a balanced budget or at least a minimal deficit

§ 97 ¹ Leaders of an area of responsibility have the following tasks: Leaders of an Area of Responsibility

- a. Checks of availability of funding and accuracy for all financial commitments, especially regarding procurement and hiring
- b. Check of salary payments
- c. Regular budget checks for funding in the University Accounts
- d. Immediate reporting of expected budget deficits to the unit head while taking steps to avoid or minimize the deficit
- e. Inventory checks as well as checks on the orderly use and maintenance of assets

² Except in cases involving criminal activity, leaders of an area of responsibility can apply the following actions towards their subordinate officeholders:

- a. Conduct personal discussion of the issue at hand
- b. Issue a written warning
- c. Order the execution of a financial transaction on the cost center/project on an individual basis
- d. Withdraw cost center/project responsibility
- e. Freeze a cost center/project after consulting with the unit head
- f. Oblige the cost center/project leader to offset a deficit after consulting with the unit head

§ 98 ¹ Unit heads have the following tasks: Heads of a Unit

- a. Regular budget checks for funding in the University Accounts
- b. Immediate reporting of expected budget deficits to the dean while taking steps to avoid or minimize the deficit
- c. Checking compliance with the procedures of the annual account
- d. Right of inspection to all funds, regardless of their source

² Except in cases involving criminal activity, unit heads can apply the following actions towards their subordinate officeholders:

- a. Conduct personal discussion of the issue at hand
- b. Issue a written warning
- c. Order the execution of a financial transaction for an area of responsibility on an individual basis
- d. Withdraw cost center/project responsibility
- e. Freeze a cost center/project
- f. Oblige the leader of an area of responsibility to offset a deficit
- g. Freeze recruitment or a contract renewal where legally possible
- h. Enact budget cuts after consulting with the dean or the member of the Executive Board of the University

Deans

§ 99 ¹ The dean has the following tasks:

- a. Regular budget checks for funding in the University Accounts
- b. Immediate reporting of expected budget deficits to the Vice President Finance and Human Resources while taking steps to avoid or minimize the deficit
- c. Right of inspection to all funds, regardless of their source

² Except in cases involving criminal activity, deans can apply the following actions towards their subordinate officeholders:

- a. Conduct personal discussion of the issue at hand
- b. Issue a written warning
- c. Order the execution of a financial transaction for a unit on an individual basis
- d. Withdraw cost center/project responsibility
- e. Freeze of a cost center/project
- f. Oblige the unit head to offset a deficit
- g. Freeze recruitment or a contract renewal when legally possible
- h. Enact budget cuts

Members of the Executive Board of the University

§ 100 ¹ Members of the Executive Board have the following tasks:

- a. Regular budget checks for funding in the University Accounts
- b. Ensuring a reporting on the use of funding in their strategic programs
- c. Immediate reporting of expected budget deficits to the Executive Board while taking steps to avoid or minimize the deficit
- d. Right of inspection to all funds, regardless of their source

² Except in cases involving criminal activity, members of the Executive Board can apply the following actions towards their subordinate officeholders:

- a. Conduct personal discussion of the issue at hand
- b. Issue a written warning
- c. Order the execution of a financial transaction for a unit on an individual basis
- d. Withdraw cost center/project responsibility
- e. Freeze a cost center/project
- f. Oblige the unit head to offset a deficit
- g. Freeze recruitment or a contract renewal when legally possible

- h. Enact budget cuts
- i. Terminate activities in their strategic programs early

2. Spot checks

§ 101 ¹ Officeholders in all processes bearing financial consequences (e.g., financial planning, budgeting, hiring and procurement) ensure compliance through their own control measures. Critical steps require a second pair of eyes. General Provisions

² The Executive Board of the University mandates UZH-wide spot checks for specific processes like bill handling, inventorying as well as maintenance and service of assets.

³ Irregularities require clarification from the officeholders in charge. If this is not provided within the deadline, superior officeholders are contacted. The transaction is suspended where legally possible.

§ 102 The Finance Office conducts the following spot checks on compliance with regulations on: Finance Office

- a. VAT and financial competencies in bills
- b. Review procedures for income in the Separate Accounts
- c. Asset procurement and sale regulations for bills over CHF 10,000 (with the Office of Asset Management)
- d. Regulations for business expenses
- e. Capitalization of assets under construction over CHF 50,000 during the annual account
- f. Regulations for the main and petty cash desk

§ 103 The Office of Asset Management conducts spot checks on compliance with regulations on: Office of Asset Management

- a. Procurement of capitalized assets
- b. Maintenance, service and operation of assets

10. Final Provisions

Sanctions	§ 104 Failure to comply with FHB regulations constitutes a breach of labor and employment law obligations, which may have consequences on the employment agreement between UZH and the members of staff involved.
Revocation	§ 105 Upon entry into force of this FHB, the version dated January 31, 2013 is revoked.
Entry Into Force	§ 106 After authorization of the Executive Board of the University, the provisions of the FHB enter into force on June 1, 2021.

On behalf of the Executive Board of the University

President
M. Schaepman

Secretary General
R. Stöckli

Appendix 1 – Annual Accounts

Expenses unrelated to the accounting period are allocated as accrued income or prepaid expenditure. Typical examples include course fees or salaries that exceed one calendar year.

Accrued income:

- expenditure incurred prior to the balance sheet due date, which corresponds to the following accounting period, or
- revenue accrued prior to the balance sheet due date, which will not be invoiced until the following accounting period.

Prepaid expenditure:

- expenditure in the accounting period, which will be paid after to the balance sheet due date, or
- revenue invoiced prior to the balance sheet due date, which will not be accrued until the following accounting period.

Continuous transactions are exempt from booking an accrual, if the following conditions are all met:

- The transaction value does not exceed CHF 1,000;
- the transaction value stays similar, i.e. the same amounts are charged each year; and
- when viewed over a period of several years, a full year's value has been booked to each accounting period, e.g., annual subscriptions.

A provision is booked if the following conditions are all met:

- The item is a current liability arising from a past event (prior to the balance sheet date);
- the probability of paying the liability is greater than 50 %; and
- the amount of the liability can be reliably estimated.

Other requirements for information disclosure include in particular:

- Financial commitments: Future liabilities that are not currently payable but that will be payable in the future when the benefits from the commitment are obtained; and
- contingent assets and liabilities: Items that do not meet the criteria for booking in the balance sheet but that are important in providing a full understanding of the net assets, financial position and financial results of the University.

The following Units maintain a register of raw and auxiliary materials, and merchandise:

- *Tierspital* (Veterinary Teaching Hospital)
- *Zentrum für Reisemedizin* (Travel Medicine Center)
- *Zentrum für Zahnmedizin* (Center of Dental Medicine)

The following units provide support in the consolidation process:

- *Institut für Medizinische Mikrobiologie* (Institute of Medical Microbiology)
- *Institut für Medizinische Virologie* (Institute of Medical Virology)
- *Institut für Rechtsmedizin* (Institute of Forensic Medicine)
- *Tierspital* (Veterinary Teaching Hospital)
- *Zentrum für Zahnmedizin* (Center of Dental Medicine)