Based on clause 15 (2) 16), subsection 15 (3) and subsection 33 (5) of the Statutes of the University of Tartu, adopted by the Senate of the University of Tartu Regulation no. 11 of 21 July 2014 and approved by Council of the University of Tartu decision no. 18 of 29 July 2014, I hereby approve the Rules of Using Financial Accounts at the University of Tartu.

I. General provisions
1. The Rules of Using Financial Accounts (hereinafter the rules) establish the principles of encoding financial accounts in the University of Tartu’s (hereinafter the university) financial accounting system and the terms of their use.

II. Definitions
2. For the purposes of these rules, the term financial account is used as defined in clause 76 of the University of Tartu Budgeting Rules.
3. For the purposes of these rules, a structural unit is an institute, college, non-faculty institution, dean’s office and support unit. The obligations imposed by these rules on structural units also apply to the council, Rector’s Office and Student Council.
4. For the purposes of these rules, a project is a set of activities with a specified start and end date, a definable end result and budget, aimed to achieve a particular objective, involving resources within and/or outside the university.
5. A financial account holder is:
   5.1. the rector;
   5.2. vice rector, dean and area director in their sphere of responsibility;
   5.3. head of the structural unit to which the financial account belongs;
   5.4. a university employee appointed by the directive of the rector, vice rector, dean or area director or an agreement concluded with a financer;
   5.5. a university employee appointed by a written decision of the head of structural unit where the financial account belongs and which is submitted to the head of finance;
   5.6. principle investigator of a project appointed by the head of structural unit in the digital work flow of project processing or in another format which can be reproduced in writing in accordance with bylaws that regulate the processing of projects in the university.
6. Self-financing is the monetary contribution of the university to achieve the project objective.

III. Financial account encoding
7. Financial accounts are encoded as follows:
   7.1. first character—type of financial account which describes the type of revenue in accordance with clause 9;
   7.2. second and third character—code of the faculty or area of responsibility which implements the objective, pursuant to the university’s structure;
7.3. fourth and fifth character—code of the structural which implements the objective, pursuant to the university’s structure;
7.4. remaining characters (generally up to five) denote the specific characteristic which specifies the intended use and purpose of the resources, e.g. the number of the research topic, agreement or project, registration number of the agreement in the register etc.

8. Encoding which differs from clause 7 can be used
8.1. for the financial accounts of university-wide operational projects, investment objects and mediated payments specified in the budget adopted by the university council;
8.2. in case of re-encoding due to changes in the university’s structure if there is less than a year until the deadline for using the financial allocation related to the financial account or there is only one accrual left;
8.3. on the decision of the head of finance on the basis of a reasoned application by the head of structural unit to divide the budgets of the subunits of the structural unit.

9. Types of financial accounts by type of revenue:
9.1. A—tuition fees in open university degree studies;
9.2. B—revenue from continuing education;
9.3. C—revenue from other training activities (except for A, B, D, H, N, Q, U);
9.4. D—revenue from agreements and support related to training courses (except for revenue from Structural Funds);
9.5. E—other revenue (except for A–D, F–X);
9.6. F—revenue for compensating the VAT of grant projects;
9.7. G—revenue from personal research grants of the Estonian Research Council;
9.8. H—activity support for teaching and studies expenditure, allocations from the general fund;
9.9. J—grants from the Structural Funds to develop infrastructure (except for capital budget objects);
9.10. K—revenue from organising conferences;
9.11. L—revenue from state research and development activity entrepreneurial agreements;
9.12. M—research and development grants from non-residents;
9.13. N—revenue from the Structural Funds to support and develop training activities;
9.14. O—allocations to the development funds of a structural unit or work group which are used for development activities or covering indirect costs;
9.15. P—revenue from the baseline funding of a research institution;
9.16. Q—tuition fees in regular study form;
9.17. R—grants from state programmes and grants for research collections;
9.18. S—state research and development grants;
9.19. T—revenue from the targeted financing of research topics and institutional research grants;
9.20. U—continuing education revenue with direct attribution of VAT;
9.21. V—revenue from research and development work agreements with non-residents;
9.22. W—revenue with direct attribution of VAT (except for U, K, L, V);
9.23. X—resources for capital budget objects;

10. The head of finance decides on taking into use new types of financial accounts and ending the use of current types of financial accounts.

IV. Opening a financial account
11. Fixed-term financial accounts are opened pursuant to the terms provided in clause 76.2 of the University of Tartu Budgeting Rules.
12. Termless financial accounts, which are also called the general accounts of structural units, are opened in each structural unit so that there is one of each type if there are transactions related to the respective type. The head of finance has the right to make exceptions.
13. One fixed-term financial account can be used for several financial allocations if the financer and financial account holder are the same, if the budget periods of the financial allocations do not overlap and the remaining balance of the previous period, i.e. the period which ended earlier, is zero.

V. Using financial accounts
14. As a rule, expenditure related to one project, incl. expenditure covered from self-financing, is accounted for in one financial account. The head of finance has the right to make exceptions.
15. If the project’s ineligible expenditure is covered from designated financial allocations, a parallel financial account is opened for the project’s ineligible expenditure.
16. The termless financial accounts A, B, C and Q of the faculty’s academic structural units only show accruals and allocations for covering indirect expenditure. All expenditure related to their activities is covered from financial accounts H or Y.
17. Financial account Y shows the expenditure made from the teaching revenue (termless financial accounts A, B, C, H and Q) of the faculty’s academic structural units which is not related to only degree studies.
18. The termless financial account E of support units only shows accruals and allocations for covering indirect expenditure. All expenditure related to their activities is covered from financial account H.
19. Payments from the financial account can be made during the period determined by the financer only on the basis of the purpose of the financial allocation and budget.
20. Financial account holders are responsible for the expediency of expenditure made from the financial account, surplus spending and the related obligations.
21. Proceeding from the Anti-corruption Act, the financial account holder cannot make transactions with oneself or other transactions of similar nature or which are related to conflict of interests.
22. The financial account holder shall notify their immediate supervisor of all circumstances which cause or might cause a conflict of interest. The immediate supervisor shall find a solution to the problem which is in compliance with legal acts.

VI. Financial account reporting
23. Finance Office ensures that the information about financial transactions related to the financial accounts is available to all financial account holders in the Finance Web.
24. Financial account holders are responsible for the timely and correct preparation and submission of the financial reports related to their financial account.
25. Financial account holders have the right to authorise another university employee to monitor the accruals and payments of a financial account in the Finance Web. The financial account holder submits the letter of attorney in free form on paper or electronically to the Finance Office.

VII. Self-financing
27. Finance Office prepares an account entry between financial accounts about the self-financing.
28. The basis of a self-financing entry is
   28.1. the amount of self-financing for the respective year approved by the financial account holder in the digital workflow of project processing or elsewhere in a format which can be reproduced in writing, provided that the self-financing amounts, the financial accounts for covering them and approvals of financial account holders are fixed;
   28.2. a proposal in free format which has been approved by the financial account holder who provides the self-financing.
29. Self-financing can be done with an internal invoice which is submitted by the financial account holder who needs the self-financing to the financial account holder who provides the self-financing.
30. The Finance Office performs the self-financing entry of the projects for the current year on the basis of the information in the digital workflow for project processing or the information submitted by the financial account holder in a format which can be reproduced in writing when the Finance Office opens the financial account, except in case the digital workflow for project processing includes a note about covering the self-financing on the basis of a separate proposal or the respective proposal has been submitted by the financial account holder in a format which can be reproduced in writing.
31. After the project ends, the unused part of self-financing is returned to the financial accounts which provided the self-financing. Head of Budget Unit also has the right to make the respective proposal. If the financial account which covered the self-financing is closed by this time, the unused part of the self-financing is transferred to a third financial account on the basis of the joint proposal of the financial account holder and self-financer or an internal invoice.

VIII. Holiday payments
32. Holiday pay with state taxes is paid from financial accounts which keep the accounts of the remuneration on the basis of which holiday pay is accounted, except for cases provided in the rules.
33. If holiday pay cannot be paid from the financial accounts which are the basis for the accounting because the financial account is closed, holiday pay is ineligible expenditure or for some other reason, the holiday pay is paid from the main financial account (H) of the structural unit where the employee works when the need for calculating the holiday pay arises, unless a proposal has been submitted to the Human Resources Office for a different payment.

IX. Closing a financial account
34. A fixed term financial account is opened for the period fixed by the financer.
35. A termless financial account is open while the structural unit exists. If no financial transactions have been made from the financial account during the previous two years, the financial account is closed.
36. The financial account holder shall submit a proposal to the Finance Office about settling the balance of the financial account to be closed if there is a balance (transferring the balance, changing the amount of self-financing or covering excessive costs) within two months as of the last date after the end of the period fixed by the financer or the last accrual to the financial account by the financer.
37. Surplus spending on financial accounts K, L, U, V and W can be covered only from financial accounts K, L, U, V and W. If this is not possible, the expenditure must be relocated.
38. If deadlines are not adhered to, the head of finance has the right to transfer or cover the balance of financial accounts to be closed and the head of finance shall inform the financial account holders of this decision.

X. Implementing provisions

40. These statutes take effect retroactively as of 1 January 2016.