

**Instruction of the Dean of the Faculty of Informatics No. 1/2023****TO ENSURE FINANCIAL CONTROL AND CIRCULATION OF ACCOUNTING DOCUMENTS AT FI**

*(as amended with effect from 1 January 2023)*

*Pursuant to Section 28(1) of Act No. 111/1998 Coll., on Higher Education Institutions and on Amendments and Supplements to Other Acts (Act on Higher Education Institutions), as amended (hereinafter referred to as the "Act on Higher Education Institutions"), in connection with the relevant provisions of Act No. 320/2001 Coll., on Financial Control in Public Administration and on Amendments to Other Acts, as amended (hereinafter referred to as the "Act on Financial Control"), Decree No. 416/2004 Coll., of the Ministry of Finance of the Czech Republic, No. 563/1991 Coll., on Accounting, as amended (hereinafter referred to as the "Accounting Act") and the Masaryk University Directive on Ensuring Financial Control and the Masaryk University Directive on Project Management, I issue this instruction.*

**Part One****Introductory provisions****Article 1****Subject of modification**

- (1) The Instruction regulates the system of financial control at the Faculty of Informatics of Masaryk University (hereinafter referred to as FI), the subject of which are all income and expenses, assets, rights and other property values of FI. Financial control is aimed at ensuring financial management and handling of public funds so that they are spent economically, efficiently and effectively.
- (2) In accordance with Section 25(2) of the Financial Control Act, this instruction sets out the scope of powers and responsibilities of FI managers and other staff in the management of public funds, specifies approval procedures and responsibility for the implementation of expenditure from public funds.
- (3) Financial control is not just a one-off control action, but is a continuous process in the day-to-day activities of staff at all levels of management.

**Article 2****Definition of terms**

- (1) For the purposes of this Instruction, public funds shall mean funds from the state budget, budgets of local self-government units, other state funds, budgets of other states and similar benefits.
- (2) Financial control is part of the internal management system of the FI in the management of public funds of the FI and is carried out in the preparation of financial operations before their approval (preliminary control), in the continuous monitoring of the operations carried out until their final settlement (interim control), in the settlement of accounts and in the subsequent

examination of selected operations in the framework of the evaluation of the results achieved and the correctness of management (ex-post control).

- a) The ex-ante control is carried out in preparation of financial operations before their approval and includes the control of activities preceding the operation itself. If deficiencies are found, these operations shall be suspended until the deficiencies have been fully remedied. The ex-ante control checks the eligibility of individual operations in terms of the accuracy and completeness of the supporting documents.
- b) Continuous control is the control of activities during the course of operations to ensure that operations are carried out fully and accurately in accordance with pre-agreed contractual or other terms and conditions until final settlement and clearance. It also monitors the implementation of measures taken to remedy deficiencies or risks identified.
- c) The ex-post control includes the control after completion and subsequent clearance of financial operations. The aim is to establish whether the data on the management of public funds given in the accounts, the data given in the management accounts and the data given in the asset register faithfully reflect the sources, state and movements of public funds, whether these data correspond to the facts relevant to the management of public funds, whether the operation under review was carried out in accordance with the legal provisions, in the amounts authorised by the budgets, and in accordance with the contracts concluded. It shall also verify that the costs or expenditure have been incurred economically, efficiently and effectively. In the case of special-purpose grants which are subject to clearance of the State budget, the audit may focus on whether they have been used for the purpose intended, including the submission of the grant account to the provider and the date of submission of the grant account, and whether the conditions for their award have been met. It shall also cover the implementation of the measures taken to eliminate, mitigate or prevent risks identified during the preliminary and intermediate checks and the effectiveness of the measures taken.

Preliminary control is carried out and ensured by FI employees, authorised by the Dean for the functions of the authorising officer, budget administrator and chief accountant. Interim and ex-post control is mainly ensured by all senior staff as part of the management and control system. The financial control system at FI also includes controls carried out by the relevant RMU departments, both on a regular and random basis.

(3) Objectives of financial control:

- a) The main objective of financial control is to protect public funds against risks, irregularities or other deficiencies caused in particular by breaches of legislation, wasteful, inefficient and ineffective use of public funds or criminal activity.
- b) Timely and reliable information on the management of public funds, on the operations carried out, on the reliable accounting treatment.
- c) Ensuring the economic, efficient and effective performance of FI activities.

(4) The regularity of a financial and property operation (hereinafter referred to as 'operation') shall be understood as its compliance with the legal provisions and the achievement of an optimal relationship between its economy, efficiency and effectiveness.

(5) Value for money means the use of public funds in such a way as to ensure the performance of specified tasks with the least possible expenditure of those funds, while maintaining the appropriate quality of the tasks performed.

(6) Efficiency means the use of public funds in such a way as to achieve the maximum possible scope, quality and benefit of the tasks performed in relation to the amount of resources spent on their performance.

- (7) Efficiency means the use of public funds in such a way as to ensure the optimum level of achievement of objectives in the performance of the tasks set out.
- (8) Commitment means the performance of a legal act that creates an obligation for the FI to make an expenditure or other performance.
- (9) Entitlement means the performance of a legal act that entitles the FI to income or other benefits.

### Article 3

#### Operation Principal

- (1) The principal of the operation is responsible for verifying the accounting documents factually, in particular for:
  - a) the correctness of the identification of the debtor, the amount and the maturity of the claim incurred, or the correctness of the identification of the creditor, the amount and the maturity of the obligation incurred and the consistency of the amount of the obligation with the individual or limited promise,
  - b) economical, efficient and effective use of funds and compliance with the amount and structure of the budget,
  - c) the necessity of the operation for the performance of the specified tasks,
  - d) compliance of the operation with the legislation in force and the conditions of the contracting entity or the provider,
  - e) factual correctness and completeness of the supporting documents for the execution of the operation - prepares the information necessary for the correct entry in the accounts (contracts, other documentation),
  - f) the identification of risks, including the risk of personnel linkage, for any commitments that may arise during the operation, and for taking measures to eliminate or mitigate the risks.
- (2) The principal of the operation is in terms of Act No. 563/1991 Coll., on accounting, as amended, the person responsible for the accounting case, i.e. he is responsible for the factual content and factual correctness of the accounting case or accounting record - he guarantees by his signature that the factual content of the accounting case or accounting record corresponds to the reality and is factually correct (i.e. he verifies the realisation, scope, timeliness and cost-effectiveness of the delivery or service provided/received, verifies the performance in relation to the order or contract, verifies the price in relation to the delivery and quality conditions).
- (3) The principal of the operation is usually the project investigator on the basis of a mandate from the FI Dean in accordance with the provisions of the MU Project Management Directive, or in the case of funds from an educational activity grant or institutional support, the head of the department.

### Article 4

#### Budget Manager

- (1) The Budget Manager is responsible for examining the accounting documents for the admissibility of the accounting operation:
  - a) verifies that the planned operation does not contravene legal regulations and MU internal standards,

- b) checks that the operation being prepared complies with the binding indicators of the funding source and the conditions for the use of that funding source,
  - c) checks the scope of the authorisations of the principal of the operation for the accounting operation to be prepared,
  - d) assesses the financial impact of operations on available resources in the budget period concerned and the need to secure resources for the following budget period,
  - e) assesses the efficiency and cost-effectiveness of the operation to be approved.
- (2) If the Budget Manager finds deficiencies in the preliminary check, he shall suspend the authorisation procedure and notify the authorising officer of his finding, stating the reasons for it and, where appropriate, attaching further supporting documents to justify his action; the operation may be carried out only after the deficiencies have been remedied.
- (3) *The budget manager* in relation to a given contract is the head of the department responsible for the management of the relevant budget or another employee authorised to do so by the Dean of the FI. The budget administrator is usually the FI secretary.

#### Article 5

#### Chief Accountant

- (1) *The Accounting Officer* is responsible for checking the formality of the accounting documents and the extent of the authorisations of the authorising officer and the budget administrator for the accounting operation:
- a) verifies the completeness of the accounting documents, including correct numbering, entry and posting,
  - b) verifies that the information on the creditor/debtor, the amount and maturity of the obligation/claim incurred is consistent with the information in the instruction issued,
  - c) check that the operation being prepared has been subject to the prescribed checks by the relevant authorising officer or budget manager,
  - d) is responsible for the comprehensiveness of the annexes,
  - e) verifies the correctness of repairs, if any,
  - f) carries out a review of the collection documents in relation to the primary documents,
  - g) when using collection documents, verify that they are identical to the original source documents (that they summarise the same economic or accounting transactions for no more than one calendar month),
  - h) is responsible for compliance with the instruction of the principal of the operation to ensure payment within the limit, if any, for the specified and defined period,
  - i) assessing other facts relating to the implementation of the operation as an accounting event under the special accounting legislation, the related accounting risks that may arise, in particular in connection with the involvement of external resources, advances, fund management, and taking any measures to eliminate or mitigate them,
  - j) in the event of discovering facts of a criminal nature, immediately inform the Dean and the FI Secretary.
- (2) If the Accounting Officer finds deficiencies in the documents, he/she shall suspend the operation and inform the authorising officer and the FI Secretary. This notification shall include the reasons for the suspension and, where appropriate, further justification for the Accounting Officer's opinion. The operation may be carried out only after the deficiencies have been rectified.

- (3) *The chief accountant* is the senior employee of the department responsible for bookkeeping or another employee authorised to do so by the Dean of FI. The chief accountant is usually the head of the FI Economics Department.

## Part Two Preliminary check

### Article 6

#### Preliminary check before commitment

- (1) Before a commitment is made (i.e. before an order is submitted to a supplier, before a business trip is undertaken, before an employment contract is concluded/changed, before a fee is entered into PaMS, before a decision is made to award a scholarship, before a contract is concluded, before a one-off advance is made, before a cash purchase is made, before a "faculty" card payment is made, etc.), a preliminary financial check is carried out by the authorising officer and the budget manager.
- (2) If a public tender is required to conclude the commitment, the approval procedure shall take place before the public tender is launched. The forecast commitment to be approved shall include, as the amount of funds required to be secured, the forecast price of the contract without specifying the supplier. If the tender price of the successful tenderer is higher than the expected price or if there is a substantial change in the commercial terms during the tendering procedure, the approval process must be repeated before the contract is concluded with the successful contractor.
- (3) The principal's approval process reviews and approves the transaction before the commitment is made:
- a) the necessity of the operation to be prepared to ensure the set tasks and approved objectives and goals of the department and thus the FI,
  - b) the correctness of the operation, in particular compliance with legal provisions, the criteria of economy, effectiveness and efficiency, compliance with the conditions and procedure for public procurement and, in the case of commitments financed from public resources, compliance with the purpose and conditions of use laid down by the provider,
  - c) substantiating the forthcoming operation with factually correct and complete documents,
  - d) the adoption of measures to eliminate or mitigate operational, financial and legal risks that may arise during the implementation of the operation envisaged.
- (4) If deficiencies are detected, the Principal shall suspend the operation until the deficiencies are corrected.
- (5) When the control procedure has been completed, the authorising officer shall validate the commitment documents and forward them to the budget manager for prior checking.
- (6) The budget manager's approval process is reviewed and approved before a commitment is made:
- a) compliance of the operation under preparation with approved costs/expenditures, programmes, projects, contracts or other decisions on the use of FI funds,
  - b) whether the operation to be carried out complies with the rules laid down in the specific legislation for the financing of FI activities,

- c) whether the link with budgetary risks has been examined, in particular the impact on the sources of financing applicable in the budget period concerned and the need to secure resources for financing in future budget periods, and whether measures have been identified to eliminate or mitigate these risks,
  - d) whether the operation to be carried out has been verified by the relevant principal of the operation within the scope of his authority to do so.
- (7) If the Budget Manager finds deficiencies in the preliminary checking of an operation in preparation, he/she shall interrupt the authorisation procedure and communicate his/her findings to the authorising officer, stating the reasons for them and, where appropriate, attaching further supporting documents to justify his/her action. If the Budget Manager imposes restrictive conditions on the operation to be carried out, he shall state them in writing.
- (8) For financial management purposes, the approval of a forthcoming financial operation by the Budget Manager is evidence of the controlling assurance of the financial coverage of the forthcoming commitment to a specific creditor in the amount and on the date foreseen for its fulfilment (hereinafter referred to as the individual commitment). The individual commitment refers to a specific operation and to the commitment resulting from that operation.
- (9) In order to ensure the operational needs arising from normal, regular activities that need to be provided for operationally, the authorising officer may submit to the budget manager a proposal for controlling the financial coverage of the foreseen operations and related commitments, the creditor and amount of which are not known in advance. For financial management purposes, the signature of the budget manager on the authorising officer's proposal constitutes evidence of the financial control of the financial cover of the commitments envisaged within the limit of expenditure and the period specified by him (limited commitment - see form in Annex 9). The Budget Manager is obliged to forward the confirmed limited commitment to the authorising officer of the operation, and to forward a copy of the confirmed limited commitment to the FI Economic Department. The amount, structure and purpose of the planned expenditure/budget costs, including the proposed duration of the limited commitment, are included in the relevant attached forms, as well as any other restrictions and conditions. The individual operations carried out under the limited commitment are carried out without any further pre-approval procedure prior to commitment. The person in charge of securing the operations under the limited commitment is required to submit a monthly statement of the limited commitment to the financial controllers (see form in Annex 10). For the limited pledges for the provision of teaching activities by means of out-of-work agreements, the limited pledge for the provision of campaigns to promote FI studies on e-portals, the limited pledge for postage paid by means of a franking machine and the limited pledge for the provision of occupational health checks, it is not necessary to submit a monthly statement of the limited pledge; the budget manager checks the use of the PaMS reports or the franking machine reports or the bank statement.

#### Article 7

##### **Preliminary check after commitment**

- (1) Preliminary control after the commitment has been made (i.e. before an invoice is paid, before a business trip is settled, before a cash purchase is settled, etc.) is ensured by approval procedures carried out under the responsibility of the authorising officer and the accounting officer.

- (2) If the final amount of the commitment exceeds the amount approved under the pre-commitment approval procedure, the provisions on pre-commitment approval procedures apply, i.e. the approval procedure also includes a statement from the relevant budget manager.
- (3) The principal's approval procedure for the transaction after the commitment is made is reviewed and approved:
  - a) the correctness of the creditor's determination,
  - b) the type, amount and maturity of the obligation incurred,
  - c) compliance of the amount of the commitment with the amount stated in the order or contract.
- (4) The approval process of the Accounting Officer after the commitment is made is reviewed and approved:
  - a) whether the operation to be carried out has been verified by the relevant principal of the operation within the scope of his authority to do so,
  - b) consistency of the creditor, type, amount and maturity of the obligation with the information in the payment order issued,
  - c) other facts relating to the accounting case and relating to the risks associated with the involvement of external resources, advances, fund management and the adoption of any measures to eliminate or mitigate them.
- (5) If the Accounting Officer finds that the pre-commitment approval procedure has not been followed in the preparation of an operation (in particular if a purchase order or contract has not been issued) or if a pre-commitment check has not been carried out, he/she shall report this fact to the immediate superior of the authorising officer of the operation, who shall take steps to verify the uncontrolled operation and to supplement it with the missing financial control and to ensure that the pre-commitment check is duly carried out.
- (6) If the Accounting Officer finds deficiencies in the preliminary check, he/she shall interrupt the authorisation procedure and notify his/her findings to the authorising officer of the operation or, in the case of operations under a limited commitment, to the budget administrator, giving reasons and, where appropriate, providing further evidence of the validity of his/her action.
- (7) If the Accounting Officer does not find any deficiencies, the liability may be discharged.

#### Article 8

##### **Preliminary check before entitlement**

- (1) Prior to the creation of the entitlement (i.e. prior to the conclusion of a contract relating to the so-called own activity, etc.), a preliminary financial control is carried out by the principal of the operation. The approval procedure may be supplemented by the budget manager.
- (2) The Principal's approval process verifies the operation before a claim is made:
  - a) consistency of the planned operation with the set tasks and approved objectives and goals of the department,
  - b) the correctness of the operation, in particular compliance with legal provisions and the criteria of economy, efficiency and effectiveness (costing, etc.),
  - c) the adoption of measures to eliminate or mitigate operational, financial, legal or other risks that may arise during the implementation of the operation,
  - d) substantiating the operation with factually correct and complete supporting documents.

- (3) If the authorising officer of the operation does not find any deficiencies in the preliminary checking of the operation to be prepared, he/she shall approve the claim for revenue and forward the supporting documents for the claim (in particular the contract, etc.) to the accounting officer for future issue of a claim (invoice), receipt of specific revenue or to ensure recovery of the claim. For partial payments under a single contractual relationship, this procedure must always be followed before the first payment is received.
- (4) In the event of deficiencies, the operation principal shall return the estimated entitlement for completion. In the event of rejection of a deemed claim, the responsible person shall be notified and shall take any further action (inform the customer, another organisation, etc.).

#### Article 9

##### **Preliminary post-claim check**

- (1) After the entitlement has arisen (i.e. before the receivable is handed over to the customer), a preliminary financial control is ensured by the principal of the operation and the chief accountant. The budget manager may also be part of the approval process.
- (2) The approval procedure of the principal of the operation after the origination of the claim shall verify and approve the correctness of the identification of the debtor, the type, amount and maturity of the claim.
- (3) The Chief Accountant's approval process after the claim is established is reviewed and approved:
  - a) whether the operation to be carried out has been verified by the relevant principal of the operation within the scope of his authority to do so,
  - b) the correctness of the identification of the provider or debtor, the type, amount and maturity of the claim,
  - c) other facts related to accounting risks.
- (4) If the Accounting Officer finds deficiencies in the preliminary check, he/she shall interrupt the authorisation procedure and communicate his/her findings to the authorising officer, stating the reasons for them and, where appropriate, providing further evidence that his/her action is justified.
- (5) If the accounting officer does not find any deficiencies, he/she shall ensure that the specific income/expenditure is booked at the amount of the entitlement due.
- (6) If the accounting officer finds deficiencies, he/she shall suspend the authorisation procedure and notify the authorising officer in writing of his/her finding, stating the reasons for it and, where appropriate, attaching further supporting documents to justify his/her action.

#### Article 10

##### **Organisation of the preliminary inspection at FI**

- (1) The requirement of the Accounting Act to keep correct, complete, evident, comprehensible and transparent accounting records is ensured in the form of so-called contracts in EIS Magion.
- (2) The FI Economic Department assigns the contract number and enters all the data necessary to set up the contract, including the operation principal, budget manager and chief accountant into the Magion EIS, usually on the basis of the decision of the provider to grant the subsidy, or after completing the check of the substantive and formal correctness of the draft contract, etc.



- (3) A necessary basis for opening a contract is:
  - a) for projects, their registration in INET's Project Registration Information System,
  - b) for so-called commercial contracts, a price calculation prepared in accordance with the MU method sheet on price calculation.
- (4) The dean is obliged to designate, by written authorization, the operations officer, the budget manager and the chief accountant for each FI contract. The authorisations, which also serve as specimen signatures, are kept with the FI Secretary. The FI's Economic Department shall ensure the ongoing updating of the authorising officers, budget managers and chief accountants for each contract in the Magion EIS.
- (5) Persons acting in the financial control process in the positions of authorising officer, budget manager and accounting officer are required either to designate in writing one of their representatives to represent them in their absence or to make arrangements to enable financial control to be carried out in their absence from the workplace.
- (6) Persons acting in the financial control process may invite other persons to make supporting statements during the approval process. However, this does not relieve them of their responsibility for carrying out management control within their remit.
- (7) Depending on the degree of culpability and the seriousness of the deficiencies, measures may be taken against employees who are at fault for the deficiencies found during the inspection in accordance with the relevant provisions of Act No.262/2006 Coll., the Labour Code Act, as amended, and MU regulations.
- (8) The authorising officer of the operation may not be both the administrator of the budget concerned and the deputy administrator of that budget.
- (9) The approval of an operation must always include the date, name, signature of the person in charge and an indication of his/her function in the management control process to ensure the traceability of operations over time (audit trail).
- (10) The approval processes can be both paper-based and electronic and are interchangeable. As the basis for the approval process is usually accounting documents, the approval process must respect the requirements of the accounting documents.
- (11) When the management control system is used in electronic form, the approval process is supported by the Magion EIS and INET systems through automatically generated e-mail messages to the designated addresses of the operation's authorising officer, budget manager and other authorisers, where appropriate. Records of electronic signatures are stored with the relevant documents in EIS Magion or INET.
- (12) When using electronic means in management control approval procedures, the signature of obliged persons does not have to meet the conditions set out in the law on trust services for electronic transactions. When using an information system in management control approval procedures, the signature of the obliged persons shall replace the immutable record in the information system.

#### Article 11

##### Orders

- (1) Deliveries of goods, works and services with a value of up to CZK 50,000, excluding VAT, are usually made by means of an order issued by an authorised employee in Magion EIS. The basis for issuing the order is a complete technical and price specification, precise identification of the

supplier (including VAT number, tax identification number), contact person of the supplier and the contract number - funding sources for covering the expenses, or documentation of market research and selection of the most suitable tender in accordance with the rules of the provider of the funding source.

- (2) For deliveries of tangible and intangible fixed assets, construction works, provision of services over a longer time horizon, or if the nature of the subject of the contract or the rules of the provider of the source of financing require it, or if the value of the performance is higher than CZK 50,000,- excluding VAT, it is necessary to conclude a contractual relationship in writing (e.g. a purchase contract or a contract for work). The procedure for the preparation and conclusion of contractual relations is governed by the Dean's Measures for the conclusion and registration of contracts at FI.
- (3) In exceptional cases, if the nature of the subject of the order allows it, it is possible to issue an order for a performance with a value exceeding CZK 50,000, VAT excluded, with the approval of the Secretary. The procedure is governed by the Dean's Measure on the conclusion and registration of contracts at the FI.
- (4) The comprehensively approved purchase order is sent to the supplier by the authorised employee and will be used for budgeting purposes and as a basis for the disposal of incoming invoices.

#### Article 12

##### Invoices

- (1) All tax documents must be forwarded immediately after receipt from the supplier/service provider (or sent to ekon@fi.muni.cz) for further processing to the FI Economic Department, which will also ensure that preliminary management control of expenditure is carried out after the commitment has been made, and will carry out the posting and other related operations, including, where appropriate, entry in the asset register. Any penalties or fines resulting from the late submission of tax documents to the FI Economics Department will be forwarded to the MU Claims Committee for consideration and will be prescribed for payment to the employee responsible for the late submission of the tax document (invoice).
- (2) Tax documents (invoices) for construction work are processed by the RMU Economic Department. These invoices are received by the FI Secretary who ensures that the invoice is forwarded to the RMU Economics Department for further processing.
- (3) Invoices for customers (receivables) are issued by an authorized employee of the FI Economic Department on the basis of the received order or contract, usually after the handover report confirming the execution of the work or provision of services, etc.

#### Article 13

##### Travel and travel allowances

- (1) The issue of business travel and the provision of travel allowances is comprehensively addressed in the MU Travel Allowances Directive.
- (2) The FI sends the FI employee on the business trip by his/her immediate superior, who, in accordance with the relevant provisions of the Labour Code, also determines the conditions that may affect the provision and amount of travel allowances, in particular the time and place of

commencement and termination of the trip, the place of performance of work tasks, the mode of transport and accommodation.

- (3) The secondment is made by completing the electronic travel plan form in INET or by completing the paper form (see Annex 11 and 12 respectively).
- (4) The travel order must be completed sufficiently in advance to allow approval by the line manager and a preliminary financial check before the commitment is made. In the case of a necessary non-cash payment related to a business trip (e.g. payment of a conference fee, payment of an air ticket, ordering accommodation via the Internet, etc.), approval of the business trip by the line manager is a prerequisite for the payment to be made, as well as appropriate financial control.
- (5) In the case of a business trip abroad, the FI is obliged to provide the employee with an advance, up to a maximum of the estimated expenses, unless it agrees with the employee that no advance will be provided. The request for an advance is part of both an electronic and a paper form and must be approved (and, in the case of the paper form, forwarded to the FI's Economics Department) at least 10 working days before the date on which the employee requests the advance. An authorised member of FI Economics Department staff (normally the cashier) will collect the advance in the relevant currency from the MU currency office once a week on the basis of approved travel orders. An employee requesting an advance exceeding the equivalent of CZK 80,000 is obliged to collect the advance himself at the MU currency office, as is an employee whose withdrawal date is not convenient or who fails to submit a completed foreign travel order to the FI Economics Department on time. In justified cases, an advance may be made to the employee's account in accordance with the MU Travel Reimbursement Directive.
- (6) The employee is obliged to account for the business trip within 10 working days after its completion. The employee is obliged to provide a Czech translation of the information relevant for the settlement of travel allowances on the foreign language documents submitted for settlement. The documents supporting the working trip shall include a report on the working trip, in which it is necessary, in particular in cases where the working trip is financed by special-purpose grants, to demonstrate the link between the working trip and the source of funding.
- (7) The unused advance shall be returned by the employee to the FI cashier in the currency with which he was provided. If the employee has been advanced less than his entitlement, the FI shall reimburse the employee in Czech currency, usually together with his salary at the earliest possible pay date.

#### Article 14

##### Payments by card

- (1) The conditions and procedure for requesting payment of FI credit card obligations are governed by the Dean's Measures on the Use of the Faculty of Informatics Credit Card.

#### Article 15

##### Cash operations

- (1) In justified cases, the purchase of common operating supplies with a total price of up to CZK 10,000, excluding VAT, can be secured by cash purchase on the basis of a simplified tax document. The condition is the written agreement of the authorising officer of the operation and the budget manager on the form '*Written record of prior management control of expenditure*' (see Annex 7) indicating the maximum amount of the individual commitment.

- (2) Cash purchases can be reimbursed upon presentation of a simplified tax document (receipt), which will be provided with all the information required by the Accounting Act and the VAT Act.
- (3) The staff member who made the purchase shall add on the form "*Written record of the preliminary management control of expenditure*" for whom and for what purpose the purchase was made and shall ensure that the preliminary management control of expenditure is carried out after the commitment has been made.
- (4) The simplified tax document (receipt) together with the proof of preliminary control of the expenditure must be immediately forwarded to the FI Economic Department for further processing.
- (5) The FI Economic Department will accept for processing only those documents that contain all of the above information and signatures.
- (6) Cash expenditure on the basis of so-called unnamed contracts (Article 1746(2) of the Civil Code) will be supported by the form '*Written record of the preliminary management control of expenditure after commitment*' (see Annex 5).
- (7) In the case of penalties and fines, the payment of which is usually made in cash at the cash desk of the FI's Economic Department, it is not possible to ensure operational approval of the specific receipt by the principal of the operation and the chief accountant before the actual receipt of cash; the financial control after the claim is made is carried out afterwards.

#### Article 16 Scholarships

- (1) Proposals for payment of scholarships are submitted in accordance with the Masaryk University Scholarship Regulations to the relevant Vice-Dean according to the scholarship programme.
- (2) The authorising officer for scholarships paid from the FI Scholarship Fund is usually the head of the department responsible for the relevant scholarship programme.
- (3) After processing the proposals for the payment of scholarships, the relevant department will print summary reports, which will be forwarded to the FI Economics Department for further processing.

#### Article 17 Employment relations

- (1) In accordance with the provisions of Section 24 of the Higher Education Act and other MU internal regulations, the dean and the FI secretary are responsible for concluding employment relationships and the related handling of wage funds (wage determination and adjustment, decision-making and payment of remuneration).
- (2) The proposal for the conclusion/change of the employment contract, conclusion/change of the agreement on work performed outside the employment relationship (hereinafter referred to as the agreement) is submitted by the principal of the operation to the dean of the FI or the secretary of the FI with sufficient advance notice (at least 5 working days before the date of commencement of the employment relationship or work performed outside the employment relationship). The proposal to conclude an employment relationship must be approved by the head of the department to which the newly recruited employee will be assigned. The proposal

for the conclusion of an employment contract/agreement must contain the information given on the forms '*Proposal for conclusion/amendment of an employment contract*' (see Annex 17) or '*Proposal for conclusion/amendment of an agreement held outside the employment relationship*' (see Annex 18), including a description of the activities of the recruited staff member in the case of a non-academic position. If the authorising officer proposes to amend the employment contract/agreement, the proposal must include all the details to be amended, including a quantification of the financial impact of the change.

- (3) Statements of work for agreements for work outside the employment relationship are usually completed and approved electronically. In the case of SSAs relating to the provision of teaching, approval by the operation's principal may precede approval by the person taking over the work performed.
- (4) The request for payment of remuneration shall be made by the principal of the operation. The proposal for payment of remuneration must contain the information set out in the form "*Proposal for payment of remuneration*" (see Annex 19), and a proper justification of the proposal for remuneration for each person to be remunerated is an essential part of the proposal.
- (5) The operation's principals are responsible for the economic, efficient and effective use of payroll resources in the financial control of the use of payroll resources, in accordance with the legal provisions.
- (6) In the case of mass payments of salary funds (salary adjustments, payment of exceptional bonuses, etc.), a preliminary financial control can be ensured in the form of a summary record attached to the summary report.
- (7) In the case of agreements for the provision of teaching, it is possible to make use of the institution of the so-called limited commitment (see Article 6), which is submitted to the budget manager by the head of department who is also the principal of the operation. This will include an estimate of the need for funding for teaching agreements in the semester in question.
- (8) Financial control for the labour law area is ensured by employees who are authorised to come into contact with personal and payroll data of employees.

#### Article 18

##### **Contractual relations**

- (1) The preparation, control and conclusion of contractual relations are governed by the Dean's Measure on the conclusion and registration of contracts at FI.
- (2) The contract can only be concluded after successful completion of the preliminary check.

## Part Three

### Ongoing and follow-up control

#### Article 19

##### Continuous control

- (1) Ongoing control is carried out by the heads of the FI's organisational units or by the staff responsible for direct implementation of operations in the management of public funds and own resources.
- (2) The subject of the intermediate control is the control of the completeness and accuracy of the operation, i.e. the control of the activity during the operation:
  - a) from the inception of the claim or obligation after completion of the work, delivery, etc. to final settlement,
  - b) from the submission of the transaction documents to the Accounting Officer until the total amount of revenue paid has been cleared to satisfy the total amount receivable or the total amount of expenditure paid, arising from commitments and cash discharge, and all receipts or payments have been accounted for.
- (3) The objective of the intermediate control in the process of processing operations is to verify that the operations under review comply with legislation, approved budgets, programmes, projects, contracts or other management decisions and meet the criteria of economy, efficiency and effectiveness, to eliminate or mitigate operational, financial, legal or other risks and to ensure the protection of property and persons. The transparency of the regular interim control is ensured in particular by the substantive control regime and the control by the FI's authorised staff.
- (4) The operation authorising officer, the budget manager and the accounting officer are responsible for carrying out periodic interim checks in the process of processing operations and follow-up checks.
- (5) Continuous monitoring may be regular or random.
- (6) If the persons referred to in paragraph 1 find during the performance of an interim control that financial resources are being used wastefully, inefficiently and ineffectively or in violation of legal regulations, they shall report their findings in writing to the Dean of the FI, who is obliged to take measures to correct the deficiencies found.

#### Article 20

##### Follow-up check

- (1) Follow-up is ensured by an internal control system. During the financial year, the FI Secretary shall identify the areas of control and the staff responsible for carrying them out.
- (2) The subject of the follow-up check is whether:
  - a) the treasury management data faithfully represent the sources, position and movement of funds;
  - b) the data correspond to the facts relevant to the implementation of public and other revenue, expenditure and the use of funds;

- c) the operations under review comply with the legislation, approved budgets, programmes, projects, contracts concluded or other management decisions and meet the criteria of economy, efficiency and effectiveness;
  - d) the measures taken, including measures to eliminate, mitigate or prevent risks, are implemented.
- (3) The objective of the ex-post management control is to determine whether the data on the management of the FI's funds contained in the accounting books, management reports and property records faithfully represent the sources, status and movements of funds and whether these data correspond to the facts relevant to the management of the FI's funds. The authorising officer, the budget manager and the accounting officer shall, within their respective spheres of competence, ensure follow-up on an operational basis or on the basis of established control activity plans.
- (4) Follow-up may be regular or random. During regular follow-up, the results of the management of the departments are examined and evaluated, followed by analyses of the management of both the departments and the FI.
- (5) The results of the review and evaluation of operations under this Article shall form the basis for examining the adequacy and effectiveness of the management control system at the FI.

#### Article 21

##### **Record of inspection carried out**

- (1) The proof of the preliminary financial control is an electronic record of the financial control in the INET system or in the Magion EIS. In the case of preliminary financial control in written form, the forms attached to this Instruction, filled in and signed by authorised persons, are the documentary evidence and are subsequently deposited at the FI Economic Department.
- (2) It is recommended to use the internal control system forms in INET to document the performance of interim or follow-up controls.

#### Article 22

##### **Correction of a detected error**

- (1) If the interim or follow-up check reveals that the information contains errors, a correction must be made. The correction shall be made in accordance with the provisions of Section 35 of Act No 563/1991 Coll., on Accounting, as amended.
- (2) A request for correction of data on funding sources (recharges between different contracts) is submitted to the FI Economic Department. The request must state the justification for the recharges, the type of expenditure, the amount to be recharged, the original and new funding sources. The recharges can only be made with the agreement of the relevant authorising officers, budget managers and the accounting officer.

Article 23  
**Final provisions**

- (1) As of the effective date of this instruction, Dean's Instruction No. 01/2021 on ensuring financial control and circulation of accounting documents at the FI, as effective from 1 July 2021, is repealed.
- (2) I entrust the interpretation of the individual provisions and the continuous updating of the instruction to the FI Secretary.
- (3) Compliance with this instruction is monitored by the FI Economics and Personnel Department.
- (4) The instruction shall enter into force on the date of publication.
- (5) The Instruction shall enter into force on 1 January 2023.

*Jiri Zlatuska*  
*Dean FI*  
*signed electronically*

**Attachments:**

1. Responsibilities of the operation's authorising officer, budget manager and chief accounting officer, including the responsibilities of those charged with project management and administration
2. A written record of the preliminary management control carried out on pre-entitlement revenue
3. A written record of the prior management control of post-entitlement revenue
4. A written record of the preliminary management control carried out on expenditure prior to commitment
5. Written record of the prior management control of expenditure after commitment
6. Written record of the preliminary management control on revenue (cash desk)
7. Written record of the preliminary management control of expenditure (treasury)
8. Written record of the preliminary management control (recharging)
9. Limited promise
10. Settlement of a limited pledge
11. Foreign travel order
12. Domestic travel order
13. Employee's request for consent to use a road motor vehicle for a business trip
14. Employer's request for consent to use a road motor vehicle for a business trip
15. Request for a cashless transfer of the advance for a business trip to the employee's account
16. Proposal for payment of the scholarship
17. Proposal to conclude/change the employment contract
18. Proposal to conclude/amend an agreement outside the employment relationship
19. Proposal for payment of remuneration