

**Anti-Money Laundering Policy**

1. **Introduction**

Jesus College is committed to the highest standards of ethical conduct and integrity in their business activities in the UK and overseas. This Policy outlines how the College and its employees will manage money laundering risks and comply with its legal obligations, in accordance with the Proceeds of Crime Act 2002 and Money Laundering Regulations 2007. It aims to ensure that the College and its employees comply with the legislation, and that the highest standards of due diligence are applied. This policy also sets out the procedure to be followed if money laundering is suspected, and defines the responsibility of both the College and individual employees in the process.

1. **Definitions**

Money Laundering relates to any involvement or interaction with the proceeds of crime. This can apply to cash, goods, services and property (including intellectual property rights).

The statutory framework surrounding money laundering is centred on the following legislation:

* Proceeds of Crime Act (2002) (POCA)
* Money Laundering Regulations (2007)
* Terrorism Act (2002)

This legislation now defines the following money laundering offences:

* Concealing, disguising, converting, transferring criminal property or removing it from the UK.
* Entering into or becoming concerned in an arrangement which you know or suspect facilitates the acquisition, retention, use or control of criminal property by or on behalf of another person.
* Acquiring, using or possessing criminal property.

There are further associated offences regarding due diligence and disclosures.

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Due diligence offences include:

* Failure to apply customer due diligence.
* Failure to apply on-going monitoring of business relationship and customer due diligence.
* Failure to comply with timing on verification of clients and any beneficial owner.
* Failure to apply enhanced customer due diligence and monitoring where required.
* Failure to keep required records.
* Continuing with a business relationship where unable to apply customer due diligence.

Disclosure offences include:

* Making a disclosure to a person which is likely to prejudice a money laundering investigation (“tipping off”).
* Failing to disclose.
* Prejudicing an investigation.

1. **Scope**
   1. ***Who it applies to***

Money laundering legislation applies to ALL College staff & fellows, and covers College activities undertaken in the UK or overseas. Potentially any member of staff could be committing an offence under the money laundering laws if they suspect money laundering or if they become involved in some way and do nothing about it.

* 1. ***What it applies to***

Money laundering regulations apply to all transactions and can include dealings with students, agents, third parties, and involve property or equipment, cheques, card, cash or bank transfers. It requires that appropriate due-diligence checks are undertaken at the establishment of a business relationship, when significant transactions occur, and when money-laundering is suspected. It also covers the keeping of appropriate records.

Particular rules apply to foreign students, and the immigration service needs to be notified if a student with a visa discontinues their study. These cases should be dealt with by the Academic Office in the normal course of business.

* 1. ***Cash payments***

It is best practice to avoid accepting large cash payments for reasons associated with security and the risks associated with money laundering. It is therefore the College’s policy not to accept cash payments above £5,000 for any purposes including the payment of accommodation or tuition fees.

* 1. ***Requests for refunds***

Precautions should also be taken in respect of refunds requested following a payment by credit card or bank transfer. In these cases, refunds must only be made by the same method to the same account. In the event of an attempted payment by credit or debit card being rejected, the reason should be checked prior to accepting an alternative card. If in any doubt about the identity of the person attempting to make a payment the transaction should not be accepted.

Fees paid in advance by overseas students who have subsequently been refused a visa are only refundable providing appropriate documentary evidence is available to demonstrate the circumstances.

Other than in exceptional circumstances, refunds must only be made to the person making the original payment, or in the case of a transfer to another university by payment to the new institution.

1. **Examples of Money Laundering**

Typical examples of money laundering include:

* Payment by a person or company of any substantial sum, particularly if they fail to provide proper evidence to confirm their identity and address.
* A person or company doing business with the College lacks proper paperwork, e.g. invoices that exclude VAT, failure to quote a VAT number or invoices issued by a limited company that lack the company's registered office and number.
* A person or company attempts to engage in circular transactions, where a payment to the College is followed by an attempt to obtain a refund from the College's accounts. (This may occur where a student pays a significant sum in fees, and then withdraws and seeks a refund).
* Unusual or unexpected large payments are made into the College's accounts.
* A secretive person or business e.g. that refuses to provide requested information without a reasonable explanation.
* Students requesting a large cash transaction, particularly where the cash is used notes or small denominations.
* Absence of any legitimate source for funds received.
* Overpayments for no apparent reason.
* Involvement of an unconnected third party without a logical reason or explanation.
* Significant changes in the size, nature, frequency of transactions with a customer that is without reasonable explanation.
* Requests for payments or refunds after funds have been paid into the College’s bank account by a third party, particularly if there is a request to return money to a different account or individual to the payer.
* Cancellation, reversal or requests for refunds of earlier transactions.

Please note these examples are not intended to be exhaustive, but provide a general indication of the range of matters covered by this Policy.

1. **What the College will do:**

Under the Money Laundering Regulations 2007 the College has a responsibility to:

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| **Requirement** | **Response** |
| Appoint a Money Laundering Reporting Officer (MLRO) to receive, consider and report as appropriate, disclosure of suspicious activity reported by employees. | The College has appointed The Estates Bursar as the nominated Money Laundering Reporting Officer (MLRO). In the absence of the Estates Bursar, the Head of Finance will act as MLRO. |
| Implement a procedure to enable the reporting of suspicious activity, such as complex or unusually large transactions, or unusual patterns of transactions which have no apparent economic or visible lawful purpose. | The MLRO will implement and maintain anti-money laundering procedures. They will   * receive reports of suspicious activity from any employee in the business; * respond to reports of suspected money laundering activity; * consider all reports and evaluate whether there is - or seems to be - any evidence of money laundering or terrorist financing; * report any suspicious activity or transaction to the SOCA by completing and submitting a Suspicious Activity Report; * ask SOCA for consent to continue with any transactions that they have reported and make sure that no transactions are continued illegally. |
| Maintain customer identification procedures in relevant circumstances. | It is important that controls are in place to identify the student, customer or other party dealing with the College, as well as the intended nature of the business relationship. For students, this is done during enrolment checks by the Academic Office, so checking identity to a valid College ID card is considered adequate evidence of identity for making payments to the College.   * Where a payment is made on behalf of a student, then evidence of the payer’s identity and relationship to the student concerned must be obtained. * If a person or an organisation is not known to the College look for letter headed documents, check web sites, request credit checks, or aim to meet or contact key sponsors as you feel appropriate to verify validity of contact. * Cheques drawn on an unexpected or unusual source should always be verified with regard to validity of the source.   Cash payments in excess of £1,000 to any single account  will not be accepted by the Treasury. Any individual wishing to pay their fee or other invoice in cash amounting to more than £1,000 will be declined and the person requested to pay using an alternative method i.e. bank transfer or card payment |
| Maintain adequate records of transactions | The MLRO will maintain a Register of all Report Forms. All disclosure reports and relevant documents will be retained in a confidential file for a minimum of six years. Departments conducting relevant transactions must maintain records for at least six years of Student / Customer identification evidence, and details of financial transactions carried out. |

**Additional steps**

The College will implement effective policies and controls to prevent and detect illegal activity by:

* carrying out regular risk assessments to identify activities and areas of operation most vulnerable to money laundering;
* undertaking appropriate staff awareness and training;
* enacting due diligence checks on the identity of customers, the accuracy of identifying information, and the intended nature of business relationships;
* implementing strong internal controls, to prevent and detect illegal activity, and learn from any incidents in order to improve internal controls further.

1. **What the College expects staff to do**

Money laundering legislation applies to ALL employees. Potentially any member of staff could be committing an offence under the money laundering laws if they suspect money laundering or if they become involved in some way and do nothing about it.

* 1. ***AML training***

The College will ensure that new members of finance and fundraising teams receive appropriate anti-money laundering training as part of their induction. Each member of the team will be required to sign a record to verify that they have read and understood this AML policy. Refresher training will take place at each revision of the policy, at which point all staff will be asked to update their signed record.

This AML policy will be drawn to the attention of other College staff involved in student ID and finance checks at enrolment as part of the training organised by the Academic Office. These staff will be updated as necessary when the policy is revised.

* 1. ***Handling the proceeds of crime***

All staff must avoid handling any money, goods or other items known or suspected to be associated with the proceeds of crime, or becoming involved with any services known or suspected to be associated with the proceeds of crime.

* 1. ***Reporting requirement***

If any individual suspects that money laundering activity is or has taken place, or if any person becomes concerned about their involvement, it must be disclosed as soon as possible to the MLRO in accordance with the procedure contained in this policy below.

* 1. ***Cooperating with investigations***

The individual must then co-operate fully with any investigations into reported concerns. They must maintain confidentiality about any suspected or actual incidents involving the College. They should not make further enquiries into the situation or discuss their concerns with anyone else at any time, unless instructed by the MLRO. This is to avoid committing the offence of “tipping off” those who may be involved.

***Failure to report money laundering concerns or "tipping off" anyone who may be involved in the situation may result in the member of staff being personally liable to prosecution under the 2007 Regulations.***

1. **How to report a concern**

If a person suspects money laundering activity or becomes concerned about their involvement then they should:

* use the Money Laundering Report Form at the end of this policy to report the concern, giving as much information as possible, in writing, and without delay;
* send the Report Form as soon as possible to the College’s Money Laundering Reporting Officer (MLRO), marking the envelope “Confidential”;
* Remember not to make further enquiries into the situation or discuss their concerns with anyone else at any time, unless instructed by the MLRO. This is to avoid committing the offence of “tipping off” those who may be involved.

1. **What the College will do in response**
   * 1. ***MLRO response***

Upon receipt of a completed Money Laundering Report Form, the MLRO will complete the Response form. Consideration will be given to all relevant information, including:

* reviewing other relevant transaction patterns and volumes, and the length of any business relationship involved;
* reviewing the number of any one-off transactions, linked one-off transactions, and any identification evidence held;
* confirm receipt of the form to the reporter, and advise the timescale within which a response can be expected.
  + 1. ***MLRO inquiries***

The MLRO will make other reasonable inquiries as appropriate in order to ensure that all available information is considered when deciding whether a report to the SOCA is required. Inquiries will be made in such a way as to avoid any appearance of “tipping off” those involved.

* + 1. ***Reporting to SOCA***

If the MLRO suspects money laundering or terrorist financing they will normally suspend the transaction and make a Suspicious Activity Report to SOCA. However, a judgment will be made regarding how safe and practical it is to suspend the transaction without “tipping off” the suspect. It may be necessary to make the report as soon as possible after the transaction is completed.

* + 1. ***Maintaining a register***

The MLRO will keep a separate Register of money laundering Report Forms and will update this Register with any relevant documents, including a copy of any “Suspicious Activity Reports” made to SOCA and other SOCA correspondence. These report Forms and associated documentation should be kept for at least six years.

* + 1. ***Disciplinary procedures***

The College may follow disciplinary procedures against any member of staff who has committed a money laundering offence, which could result in dismissal.

* + 1. ***References***

Any request for a reference for a member of staff who has been disciplined or prosecuted for money laundering shall in all cases be referred to the Human Resources Director, who will respond having regard to employment law.

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| **CONFIDENTIAL - Suspected Money Laundering Reporting Form**  *Please complete and send this (in a physical format) to the MLRO using the details below* | | |
| From: | Department: | |
| Contact Details : Tel:  Email: | | |
| **DETAILS OF SUSPECTED OFFENCE** [Please continue on a separate sheet if necessary] | | |
| Name(s) and address(es) of person(s) involved, including relationship with the College: | | |
| Nature, value and timing of activity involved: | | |
| Nature of suspicions regarding such activity: | | |
| Details of any enquiries you may have undertaken to date: | | |
| Have you discussed you suspicions with anyone? And if so, on what basis? | | |
| Is any aspect of the transaction(s) outstanding and requiring consent to progress? | | |
| Any other relevant information that may be useful? | | |
| Signed: | | Date: |
| *Please do not discuss the content of this report with anyone you believe to be involved in the  suspected money laundering activity described. To do so may constitute a tipping off offence, which  carries a maximum penalty of 5 years’ imprisonment and/or an unlimited fine.* | | |

**MLRO contact details:** Estates Bursar, [estates.bursar@jesus.ox.ac.uk](mailto:estates.bursar@jesus.ox.ac.uk). Estates Bursar, Jesus College, Turl Street, Oxford, OX1 3DW. 01865 278 711

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| **MLRO Report (to be completed by MLRO only)** | | | | |
| Date report received: / / | | Date receipt of report acknowledged: / / | | |
| **Consideration of Disclosure:** [Please continue on a separate sheet if necessary] | | | | |
| Action plan: | | | | |
| **Outcome of consideration of Disclosure:** | | | | |
| Are there reasonable grounds for suspecting money laundering activity? | | | | YES/NO |
| If there are reasonable grounds for suspicion, will a report be made to the SOCA? | | | | YES/NO |
| If yes, please | record the date of report to SOCA and complete the details below:  / /  liaison with the SOCA regarding the report:  to  Period: to  Notice Period: | | | |
| Date of report: Details of  Moratorium |
| Is consent otherwise | required from the SOCA to any be prohibited acts? If yes, please | ongoing or imminent transactions that would confirm full details below: | | YES/NO |
|  |
| Date consent received from SOCA: | | | | / / |
| Date consent given by you to employee: | | | | / / |
| If there are reasonable grounds to suspect matter to the SOCA, please set out below | | money laundering, but you do not intend to report | | the |
| the reason(s) for non-disclosure: | |
| Date consent given by you to employee for any prohibited act transactions to proceed: | | | | / / |
| Signed |  | | Date: | / / |
| **THIS REPORT TO BE RETAINED FOR AT LEAST FIVE YEARS** | | | | |