



**ROBERT GORDON
UNIVERSITY ABERDEEN**

Anti-Money Laundering Policy



Approved by	Finance & General Purposes Committee		
Date Approved	February 2021	Status	Approved
Policy Owner	Director of Finance	Impact assessed	Yes
Version	1	Date of next review	February 2024

Version Number	Purpose/Change	Date
1	Creation of Anti-Money Laundering Policy as part of the University's commitment to tackling malpractice. The policy sets out how the University will manage money laundering risks and comply with relevant legislation.	February 2021
1.1	Staff contact details updated (Clause 4) in line with changes to the Finance department in the University. Minor amendments made ahead of a full review.	March 2024

ANTI-MONEY LAUNDERING

1. Policy Statement

- 1.1 The university is committed to tackling malpractice and being compliant with all relevant legal and regulatory obligations. It is university policy to:
 - 1.1.1 Prevent and detect fraud; [Fraud Policy](#)
 - 1.1.2 Encourage individuals to raise concerns and disclose any issues in the public interest; [Whistleblowing](#)
 - 1.1.3 Ensure refunds comply with UK money laundering regulations; [Debt Recover and Refund Guidelines](#)
- 1.2 This policy sets out:
 - 1.2.1 How the university will manage money laundering risks and comply with its legal obligations in accordance with anti-money laundering regulations;
 - 1.2.2 The responsibilities of both the university and individual employees if money laundering is suspected; and
 - 1.2.3 The procedure to be followed if money laundering is suspected.
- 1.3 The UK anti-money laundering framework that applies to universities includes:
 - 1.3.1 [The Money Laundering, Terrorist Financing and Transfer of Funds \(Information on the Payer\) Regulations 2017 \(MLR 2017\)](#)
 - 1.3.2 [Proceeds of Crime Act 2002](#)
 - 1.3.3 [Terrorism Act 2000](#)
 - 1.3.4 [Counter-terrorism Act 2008](#)

2. Definition of Money Laundering

- 21 Money laundering is the process by which criminally obtained properties are exchanged for 'clean' money or other assets with no obvious link to their criminal origins. Criminal property may take any form, including money or money's worth, securities, tangible property and intangible property. For criminal property to exist there must be an element of criminal activity, which is defined as activity that constitutes an offence in the UK or would be if it occurred here. Money laundering also covers money which is used to fund terrorism.
- 22 The Proceeds of Crime Act 2002 outlines money laundering offences that apply to the university. A person commits a money laundering offence if they:
 - 2.2.1 Conceal, disguise, convert or transfer criminal property;
 - 2.2.2 Become concerned in an arrangement which they know or suspects, facilitates the acquisition, retention, use or control of criminal property;
 - 2.2.3 Acquire, use or have possession of criminal property;
 - 2.2.4 Fail to disclose if they know, or suspect, or have reasonable grounds for knowing or suspecting that another person is engaged in money laundering activity; or
 - 2.2.5 Tip off, by informing a person(s) who are, or are suspected of being, involved in money laundering, in such a way as to reduce the likelihood of them being investigated, or prejudicing an investigation.

3. Management Responsibility and Risk Management

- 3.1 The prime responsibility for preventing money laundering lies with management through:
 - 3.1.1 The identification of risks to which systems and procedures are exposed;
 - 3.1.2 The implementation, documentation and operation of internal controls;
 - 3.1.3 Establishing an environment that promotes compliance with internal controls;
 - 3.1.4 Promoting money laundering awareness amongst staff; and
 - 3.1.5 Fostering an anti-money laundering culture.

- 3.2 However, while managers are responsible for assessing and controlling the level of risk within their areas of authority, it is the responsibility of all staff to be aware of money laundering and take the necessary steps to minimise the risk to the university.
- 3.3 Managing the risk of money laundering is the same in principle as managing any other business risk. It is best approached systematically both at organisational and operational level. Managers should identify risk areas, assess the scale of risk, allocate responsibility for managing specific risks and implement and test controls to minimise the risks.
- 3.4 Management also has a responsibility to familiarise itself with common money laundering techniques in areas for which it has control. This should include being alert to signs which may indicate that money laundering is taking place, examples being:
- 3.4.1 A new customer, business partner or sponsor not known to the university.
 - 3.4.2 A secretive person or business that, for example, refuses to provide requested information without a reasonable explanation.
 - 3.4.3 A payment of any substantial sum in cash.
 - 3.4.4 Concerns about the honesty, integrity, identity or location of the people involved.
 - 3.4.5 Absence of any legitimate source of the funds received.
 - 3.4.6 Involvement of any unconnected third party without a logical reason or explanation.
 - 3.4.7 Overpayments for no apparent reason.
 - 3.4.8 Significant changes in the size, nature, frequency of transactions with a customer without a reasonable explanation.
 - 3.4.9 Cancellation, reversal or requests for refunds of earlier transactions.
 - 3.4.10 Requests for account details outside the normal course of business.
 - 3.4.11 A history of poor business record keeping, poor controls or inconsistent dealing.
 - 3.4.12 Any other facts which tend to suggest that something unusual is happening and gives reasonable suspicion about the motives of the individuals.

4. University Responsibilities

4.1 The university has a responsibility to:

- 4.1.1 Appoint a Money Laundering Reporting Officer to receive, consider and report as appropriate, disclosure of suspicious activity reported by employees.
- 4.1.2 Implement a procedure to enable the reporting of suspicious activity.
- 4.1.3 Maintain customer identification procedures to 'know your customer'.
- 4.1.4 Maintain adequate records of transactions.

4.2 The Money Laundering Reporting Officer (MLRO)

- 4.2.1 The MLRO's role is to be aware of any suspicious activity in the university which might be linked to money laundering or terrorist financing, and if necessary to report it. They are responsible for:

- 4.2.1.1 Receiving reports of suspicious activity from any employee in the university;
- 4.2.1.2 Considering all reports and evaluating whether there is, or seems to be, any evidence of money laundering or terrorist financing;
- 4.2.1.3 Reporting all reports received, whether potential or actual cases of money laundering to the Principal;
- 4.2.1.4 Reporting any suspicious activity or transaction to the National Crime Agency (NCA) by completing and submitting a suspicious activity report; and
- 4.2.1.5 Asking the NCA for consent to continue with any transactions that they have reported, and making sure that no transactions are continued illegally.

4.2.2 The university's MLRO is the Director of Finance:

- 4.2.2.1 Jeremy Lindley
- 4.2.2.2 Financial Services, Central Services Building, Garthdee Road, Aberdeen, AB10 7FY
- 4.2.2.3 j.lindley@rgu.ac.uk

4.2.3 In the absence of the Director of Finance, the Deputy Director will act as the MLRO:

- 4.2.3.1 Shelly McInnes
- 4.2.3.2 Financial Services, Central Services Building, Garthdee Road, Aberdeen, AB10 7FY
- 4.2.3.3 s.mcinnnes@rgu.ac.uk

4.3 Disclosure Procedure

- 4.3.1 Where you know or suspect that money laundering activity is taking, or has taken place, or are concerned that a transaction may be in breach of regulations, it must be disclosed immediately to the MLRO using the Suspected Money Laundering Reporting Form in Appendix A. The university, through the MLRO, will take all reasonable steps to identify, investigate and, where necessary, report suspicious transactions.
- 4.3.2 Once you have reported your suspicions to the MLRO you must follow any instructions provided. You must not make any further enquiries unless instructed to do so by the MLRO. At no time and under no circumstances should you voice any suspicions to the person(s) you suspect of money laundering.

4.4 Know your customer

- 4.4.1 It is important that controls are in place to undertake customer due diligence i.e. steps to identify the student, customer or other party dealing with the university. Satisfactory evidence of identity must be obtained. Examples include:
 - 4.4.1.1 Students; Passport, photo ID or Visa. Correspondence with students at their home address
 - 4.4.1.2 Sponsors; Letters or documents providing name, address and relationship to the student. Aim to meet sponsors if appropriate to verify validity of contact
 - 4.4.1.3 Third parties; Obtain letter headed documents showing a registered office. Check websites. Request a credit check to be carried out. Aim to meet the party if appropriate to verify validity of contact.

4.5 Record keeping requirements

- 4.5.1 By keeping comprehensive records, the university will be able to show that it has complied with money laundering legislation and managed money laundering risks. This is crucial if there is a subsequent investigation into one of our customers, staff, students or a transaction. Departments must maintain records for 6 years. The types of records kept include:
 - 4.5.1.1 Identification records
 - 4.5.1.2 Daily records of transactions
 - 4.5.1.3 Receipts

4.5.1.4 Cheques

4.5.1.5 Customer correspondence

5. Employee Responsibilities

- 5.1 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. 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. Failure to do so will result in disciplinary procedures being instigated and this may lead to dismissal or prosecution of the individual concerned.

6. Compliance

- 6.1 Compliance of the Anti-Money Laundering Policy is a legal requirement. Non-compliance of this policy by university staff may result in disciplinary actions depending on the severity of the non-compliance and could result in legal proceedings.

7. Review

- 7.1 This policy will be reviewed every three years or as required.



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