

Consolidated version valid from 29 November 2023*(wording of Resolution of the Council of Vilnius University No. TPN-19 of 29 November 2023)*

APPROVED

by Resolution No. T-2017-2-10 of 7 April 2017
of the Council of Vilnius University**DESCRIPTION OF THE PROCEDURE FOR THE USE OF FUNDS AND THE
MANAGEMENT, USE AND DISPOSAL OF ASSETS OF VILNIUS UNIVERSITY****CHAPTER I
GENERAL PROVISIONS**

1. The Description of the Procedure for the Use of Funds and the Management, Use and Disposal of Assets of Vilnius University (hereinafter the 'Description') establishes the procedure for the use of Vilnius University (hereinafter the 'University') funds (including funds for the remuneration of the University's teaching staff and research/art staff, other employees of the University (members of the non-academic community) and for payments to other members of the University community) and the management, use and disposal of assets held by the University by the right of ownership.

2. The Description was prepared in accordance with the Civil Code of the Republic of Lithuania (hereinafter the 'Civil Code'), the Republic of Lithuania Law on Higher Education and Research (hereinafter the 'Law on Higher Education and Research'), the Statute of Vilnius University (hereinafter the 'Statute'), resolutions of the Government of the Republic of Lithuania (hereinafter the 'Government'), and other legislation.

3. The University shall manage, use and dispose of the funds assigned from the State budget in accordance with the Republic of Lithuania Law on Budgeting, the Law on Higher Education and Research, other laws and their implementing secondary legislation.

4. The assets held by the State by the right of ownership that the University manages under the right of trust or as a recipient of the loan for use shall be managed, used and disposed of in accordance with the Republic of Lithuania Law on Management, Use and Disposal of the State-Owned and Municipal Property (hereinafter the 'Law on Management, Use and Disposal of the State-Owned and Municipal Property') and its implementing secondary legislation, unless otherwise specified in the Law on Higher Education and Research.

5. The University shall manage, use and dispose of the assets held by the right of ownership in accordance with the Civil Code, the Law on Higher Education and Research, the Statute, other laws and their implementing legislation, this Description and other internal legislation of the University. The procedure for the management, use and disposal of assets of the University, insofar as is not established in this Description, shall be laid down by the Rector of Vilnius University (hereinafter the 'Rector') or their authorised person.

6. The Rector shall be responsible for the use of funds and the management, use and disposal of assets of the University. The Rector shall have the right to delegate some of their functions related to the use of funds and the management, use and disposal of assets of the University to the Chancellor of Vilnius University (hereinafter the 'Chancellor') or other authorised person, and/or the heads of core units.

7. Key terms used in this Description:

7.1. **Disposal of assets** – the right to sell or otherwise transfer, as well as to lease, pledge or change the legal status of the assets in any other way.

7.2. **Tangible fixed assets** – assets which are efficiently operated in the University for a period exceeding one year, and the value of acquisition whereof is not less than the value established by the Government of the Republic of Lithuania.

7.3. **Intangible assets (intellectual property)** – identifiable non-material assets (proprietary rights arising from results of intellectual activities, developmental works, computer programmes, etc.) that do not have a tangible form and are disposed of and used with the aim of receiving direct or indirect benefits.

7.4. **Tangible current assets** – assets which are efficiently operated at the University for a

period not exceeding one year, or the value of acquisition whereof is less than the value of tangible fixed assets established by the Government.

7.5. **Assets** – tangible, intangible and financial valuables that are managed, used and disposed of by the University holding them by the right of ownership.

7.6. **Liquidation of assets** – the taking of written-off assets to the dumping grounds or destruction thereof in accordance with the procedure established by the Government.

7.7. **Use of assets** – the application of useful characteristics of assets to meet the needs of the user.

7.8. **Write-off of assets** – the withdrawal of assets from circulation or from storage facilities documented in accordance with the procedure established by the legislation of the University, where these assets are transferred or liquidated.

7.9. **Management of assets** – the right to exercise a physical and economic influence over the assets in accordance with the procedure set forth by laws.

8. Other terms used in the Description shall be understood as they are defined in the Law on Management, Use and Disposal of the State-Owned and Municipal Property and the Civil Code.

9. The University shall use the funds and manage, use and dispose of assets in accordance with the following key principles:

9.1. **Community and public benefit** – the University assets must be managed, used and disposed of with care, with the aim of developing educated persons that are receptive to science, cultural values, and state-of-the-art technologies, the University community and the public that freely creates, accumulates and disseminates scientific knowledge and cultural values, and strengthens the identity of Lithuania.

9.2. **Efficiency** – when managing, using and disposing of assets, the University must aim to provide the maximum benefit to the public.

9.3. **Rationality** – assets must be used sparingly and managed in a reasonable, purposeful and proper manner.

9.4. **Accountability to the public** – in exercising the autonomy guaranteed to it by the Constitution of the Republic of Lithuania, the freedom of culture, science, research and teaching, as well as in independently managing the assets held, the University is accountable to the public for the changes in the quantity and quality of the assets held by the University by the right of ownership.

9.5. **The autonomy of economic activities** – the University is granted the freedom in managing its economic and financial activities which is related to its responsibility for achieving the University's mission.

10. The University governing bodies and other subjects, in taking and/or implementing decisions related to the use of funds and the management, use and disposal of the University assets, and/or in managing, using and/or disposing of the University assets, including in cases not regulated in this Description, shall follow the principles laid down in Item 9 of the Description.

CHAPTER II THE COMPOSITION OF THE UNIVERSITY ASSETS

11. Assets held by the University by the right of ownership shall include:

11.1. assets invested by the State;

11.2. income received from research activity, implementation of studies, experimental, social, cultural and technological development, economic activity, and other services supplied regardless of their source;

11.3. funds and other assets received as sponsorship under the Republic of Lithuania Law on Charity and Sponsorship;

11.4. other funds, except State budget funds;

11.5. donated property;

11.6. inherited property;

11.7. proprietary rights arising from results of intellectual activities, including scientific or artistic works and objects of industrial property rights, other intellectual property objects;

11.8. stocks (shares) or other securities granting the rights of a member of a legal person

or other property rights;

11.9. other lawfully acquired assets, except assets that may not belong to the University by the right of ownership in accordance with other laws.

CHAPTER III THE MANAGEMENT, USE AND DISPOSAL OF THE UNIVERSITY ASSETS

SECTION ONE ACQUISITION OF ASSETS

12. The University shall acquire assets to be held by the right of ownership in the following manner:

12.1. under purchase agreements implemented in accordance with the Republic of Lithuania Law on Public Procurement, other legislation and the Rules on Public Procurement approved by the Rector or their authorised person;

12.2. by inheriting the assets or receiving them as a gift;

12.3. by receiving sponsorship in accordance with the Republic of Lithuania Law on Charity and Sponsorship;

12.4. by receiving funds from research activity, implementation of studies, experimental, social, cultural and technological development, economic activity, and other services provided by the University;

12.5. from assets invested by the State;

12.6. by creating them;

12.7. in other manner provided for in the legislation.

13. When deciding on the necessity to acquire the assets, it should be evaluated whether the assets being acquired are necessary for the implementation of the mission and objectives of the University and/or carrying out its activities.

14. *Repealed.*

Amendments to the Item:

by Resolution of the Council of Vilnius University No. TPN-19 of 29 November 2023.

SECTION TWO UNCOMPENSATED USE OF ASSETS (LOAN FOR USE)

15. Under a contract of loan for use, the University's tangible assets may be transferred for temporary uncompensated possession and use to another party if the objectives of the loan recipient's activities are compatible with the Statute and the objectives of the University. The University assets that were transferred under a contract of loan for use must be used in accordance with their designation, for the activities of the loan recipient exclusively, without granting the loan recipient the right to transfer the University assets for compensated or uncompensated use to third persons or otherwise enable such persons to use the assets.

16. The procedure for transferring the University assets for uncompensated use shall be established by the Rector or their authorised person.

17. The decision on transferring the University assets under a contract of loan for use shall be taken by the Rector or their authorised person.

18. The University assets may be transferred under a contract of loan for use for a period not exceeding 5 (five) years with a possibility of a one-time extension of the contract of loan for use for the same term.

19. The University must terminate the contract of loan for use if the loan recipient does not perform the activities for which the assets were transferred, is in breach of the contract of loan for use and, through their actions, causes damage to the assets transferred by the University, as well as the mission and objectives of the University, the assets transferred by the University are poorly preserved or used not in accordance with their designation, or when the loan recipient otherwise fails to comply with the conditions laid down in Item 15 of the Description, or on a basis of other grounds laid down in contracts of loan for use or legislation.

Amendments to the Item:*by Resolution of the Council of Vilnius University No. TPN-19 of 29 November 2023.***SECTION THREE
LEASE OF ASSETS**

20. The University's tangible assets may be leased following the procedure established by the Rector or their authorised person.

21. The decision on leasing the University assets shall be taken by the Rector or their authorised person. Tangible fixed assets whose book value exceeds EUR 500,000 (five hundred thousand) may be leased for a period exceeding 12 (twelve) months following a Rector's decision upon the approval of the Council.

22. The University's tangible fixed assets may be leased for a period not exceeding 10 years.

23. The lease prices of the University's tangible assets shall be established by the Rector or their authorised person.

Amendments to the Item:*by Resolution of the Council of Vilnius University No. TPN-19 of 29 November 2023.***SECTION FOUR
TRANSFER OF ASSETS INTO THE OWNERSHIP OF OTHER ENTITIES**

24. The University assets may be transferred into the ownership of other entities by selling them, gifting them, transferring them to public sector entities, through sponsorship or by otherwise transferring them to third persons in accordance with the procedure established by the Rector or their authorised person. The University assets that have been recognised as redundant or ineligible (not possible) for use shall be sold by way of a public auction in accordance with the procedure established by the Rector or their authorised person.

25. Transactions on the basis of which the University's real estate is transferred into the ownership of third persons shall be concluded in accordance with market prices established following the Republic of Lithuania Law on the Bases of Property and Business Valuation and upon receiving the approval of the Government or its authorised institution following the procedure established by the Government. When concluding transactions on the basis of which the University's real estate is transferred into the ownership of third persons, the approval of the Council shall be mandatory in all cases.

26. If the University's real estate is sold by way of a public auction and the University does not conclude a transaction within two public auctions, it shall have the right to reduce the reserve price of the real estate being transferred following the procedure established by the Government.

27. Cultural property belonging to the University shall not be gifted, sold or otherwise transferred to third persons.

28. *Repealed.*

Amendments to the Item:*by Resolution of the Council of Vilnius University No. TPN-19 of 29 November 2023.*

29. The University and business entities and/or other partners shall agree on the use, commercialisation forms and conditions of intellectual property objects resulting from joint activities to which the property rights are owned by the University and business entities and/or other partners by signing a written agreement.

**SECTION FIVE
PLEDGE OF THE UNIVERSITY ASSETS**

30. The University's tangible fixed assets (with the exception of real estate) may be pledged upon a decision of the Rector or their authorised person. In cases when the book value of the assets being pledged exceeds EUR 500,000 (five hundred thousand), the decision on pledging the assets shall be taken by the Rector upon the approval of the Council. The decision to pledge the University's real estate shall be taken by the Rector with the approval of the Council and upon the consent of the Government or their authorised institution following the procedure established

by the Government.

31. The University's cultural property and the results of intellectual activities as well as proprietary rights arising from them may not be pledged.

32. The University shall be prohibited from ensuring the obligations of third persons with the assets it manages.

33. The pledge of the University for ensuring the fulfilment of financial obligations may not exceed 20 per cent of calculated book value of tangible assets held by the right of ownership.

SECTION SIX

INVESTMENT OF THE UNIVERSITY ASSETS

34. The University assets shall be invested in accordance with the Law on Higher Education and Research, its implementing legislation, this Description, and other legislation.

35. The University shall not have the right to invest in legal persons with unlimited civil liability and to establish them.

36. The University shall establish legal persons with limited civil liability, participate in their activities and/or invest in them following the procedure and conditions established by the Council.

37. The University's intellectual property may be invested in legal persons with limited civil liability when it is related to the study organisation or scientific research activities carried out at the University. The University assets shall be invested with the aim to promote the processes of the development and/or dissemination of scientific knowledge and technologies, facilitate the commercialisation of the scientific research results, promote connections between science and business, and encourage the innovation culture. The investment of the University assets shall be possible if it is compatible with this Description and the mission, objectives and the Strategic Plan of the University.

38. The investment of the University's intellectual property in legal persons with limited civil liability shall be carried out in accordance with the procedure established by the Council.

39. The University may participate in joint activities in accordance with the following conditions:

39.1. before concluding an agreement on joint activities, the trustworthiness of the partners of joint activities and their capacity to fulfil the obligations taken on via the agreement on joint activities must be verified;

39.2. the contributions of the University and its partners must be clearly defined in the agreement on joint activities;

39.3. the University assets (except for cultural property) contributed to the joint activities may only be such that the contribution of which does not prevent the University from implementing its research and studies activities. In joint activities, the University may not be designated as responsible for such areas of joint activities that are not provided for in the Statute;

39.4. the share of profit (income) obtained by the University from the joint activities may not be smaller than the share that is proportionate to the value of the University's contribution to the joint activities.

Amendments to the Item:

by Resolution of the Council of Vilnius University No. TPN-19 of 29 November 2023.

40. The University's tangible fixed assets may be used for the implementation of the activities provided for in the agreements on joint activities following the conditions established in the agreements.

SECTION SEVEN
RECOGNITION OF THE UNIVERSITY ASSETS AS REDUNDANT OR INELIGIBLE
(NOT POSSIBLE) FOR USE AND THEIR WRITE-OFF, DISMANTLING AND
LIQUIDATION

41. The accounting of the University assets, their depreciation and write-off shall be regulated by the laws of the Republic of Lithuania, their implementing legislation and rules approved by the Rector or their authorised person.

42. A commission established by an order of the Rector or their authorised person shall submit proposals to the Rector or their authorised person to recognise certain assets as redundant or ineligible (not possible) for use, indicating specific reasons for such proposals. The criteria for the recognition of tangible assets as ineligible (not possible) for use and possible ways to use such assets shall be established by the Rector or their authorised person.

43. The University assets may be recognised as redundant or ineligible (not possible) for use where it is economically unviable to renovate them. Renovation of assets shall be presumed economically unviable where the costs of repair (reconstruction) of the assets are equal to the acquisition price of new assets intended for the same purpose and of the same capacity or exceed it. Other cases when it is economically unviable to renovate the assets shall be established by the Rector or their authorised person.

44. The Rector or their authorised person, having received a proposal from the commission with its conclusions, shall take a decision on the recognition of the assets as redundant or ineligible (not possible) for use.

45. Other possible ways to use the assets managed by the University that were recognised as redundant or ineligible (not possible) for use shall be established by the Rector or their authorised person.

46. In the event that the University assets (except for real estate) that were recognised as redundant or ineligible (not possible) for use cannot be used following the procedure established by the Rector or their authorised person, they shall be written off. The decision on the write-off of such assets shall be taken by the Rector or their authorised person. The decision of the write-off of real estate shall be taken by the Rector upon the approval of the Council.

47. Land, forests, internal waters and financial assets may not be recognised as redundant or ineligible (not possible) for use.

SECTION EIGHT
THE MANAGEMENT, USE AND DISPOSAL OF THE UNIVERSITY FUNDS

48. The University shall be independent in the management, use and disposal of the monetary funds possessed by the right of ownership for the implementation of the mission and the objectives of activity set out in the Statute, in accordance with the requirements established in this Description.

49. The activities of the University shall be financed from appropriations from the State budget, tuition fees received by academic and non-academic units of the University, and funds received from scientific, economic, creative, educational, commercial or other activities. The University shall also dispose of the State budget funds allocated for the execution of assignments, resources allocated by Lithuanian, international and foreign funds and organisations for the execution of research, studies or other projects, funds received as programme competitive research funding, and sponsorship funds.

50. All University funds shall be managed, used and disposed of in accordance with the Vilnius University Revenue and Expenditure Estimate for the Current Year approved by the Council. The planning of the revenue and expenditure shall be carried out in accordance with the Description of the Procedure for the Formation of the Vilnius University Revenue and Expenditure Estimate for the Current Year approved by the Council.

51. The estimates of the revenue and expenditure of the core units shall be approved in accordance with the Vilnius University Revenue and Expenditure Estimate for the Current Year approved by the Council. The estimates of the revenue and expenditure of the core academic units shall be approved by the councils of the core academic units upon proposals from the heads of the

relevant units; the estimates of the revenue and expenditure of the core non-academic units shall be approved by the Rector or their authorised person.

52. The Rector shall manage, use and dispose of the University funds without exceeding the Vilnius University Revenue and Expenditure Estimate for the Current Year. Before the Vilnius University Revenue and Expenditure Estimate for the Current Year is approved, the University's expenditure for each month of the current year shall not exceed 1/12 (one twelfth) of the actual expenditure of the previous year. Other managers of the University funds appointed by the Rector shall, within the limits of their competency, manage, use and dispose of them without exceeding the revenue and expenditure estimates of core units approved by the Rector or their authorised person.

53. Project (targeted) funds allocated for a specific project shall be used in accordance with the conditions set out in the contract between the University and the provider of funds and the requirements of the legislation.

54. The University funds for the remuneration (including wage supplements, premiums and other incentives for work and achievements) of the University's teaching staff and research/art staff, other employees of the University (members of the non-academic community) and for payments to other members of the University community shall be used in line with the Vilnius University Revenue and Expenditure Estimate for the Current Year and in accordance with the Description of Procedure for the Determination of Official Salaries, Bonuses, Additional Pays and Other Remuneration and Incentives for Work and Achievements of Employees approved by the Council. The conditions of the Rector's remuneration for work (including wage supplements, premiums and other incentives for work and achievements) shall be set out by the Council.

55. The procedure for using the University funds for representative, marketing, public and internal communication, event organisation, secondment and/or trip expenses of the core units or the Central Administration of the University shall be set out by the Rector or their authorised person.

56. The University funds shall be held in bank accounts opened at banks in accordance with the procedure set out by the banks and taking into account the protection of monetary funds held in accounts and risk diversification.

57. Following a decision of the Rector or their authorised person, the University may invest in financial instruments that are provided for (time deposits, Government securities, etc.) if the University funds intended to be invested are not needed for the activities of the University during the period in question.

58. The University may borrow funds, i.e. enter into loan agreements, leasing contracts, undertake financial liabilities under other debt instruments, in accordance with the total borrowing limit set for State institutions of higher education in the Republic of Lithuania Law on the Approval of the Financial Indicators of the State Budget and Municipal Budgets for the corresponding year and the part of the established borrowing limit that is set for the University by the Ministry of Education and Science. If the borrowing amount does not exceed EUR 1,000,000 (one million) in a calendar year, the decision shall be taken by the Rector. In the event that the borrowing amount exceeds EUR 1,000,000 (one million), the decision on borrowing shall be taken by the Rector upon the approval of the Council.

59. The procedure for lending between the core units of the University, temporary allocation of funds for project implementation and other internal lending procedures shall be established by the Chancellor.

60. The management of financial debts to the University shall be carried out following the procedure established by the Rector or their authorised person.

61. The procedure for the management of the University funds shall be detailed in the University's legislation approved by the Rector or their authorised person.

SECTION NINE

SPONSORSHIP PROVIDED AND RECEIVED BY THE UNIVERSITY

62. The University, as a sponsorship recipient, may receive:

62.1. monetary funds;

62.2. any other assets, including manufactured or purchased goods;

62.3. services supplied.

63. The University shall use the received sponsorship for the purposes set out by the sponsorship provider, if any were established in the sponsorship agreement. In the event that the sponsorship provider does not indicate specific purposes for the use of the sponsorship, the sponsorship shall be used to meet the needs of the University upon a decision of the Rector or their authorised person.

64. If the purposes of the sponsorship are contrary to the mission and objectives of the University, it shall not be accepted.

65. The purposes of the sponsorship received by the University, as well as its control and accounting at the University shall be set out by the Rector or their authorised person.

66. Upon a motivated request of a sponsorship recipient, the University may provide sponsorship. The decision on the provision of sponsorship shall be taken by the Rector when the value of sponsorship for one sponsorship recipient does not exceed EUR 50,000 (fifty thousand) per year. When the value of sponsorship exceeds EUR 50,000 (fifty thousand), the decision on the provision of sponsorship shall be taken by the Rector upon the approval of the Council.

Amendments to the Item:

by Resolution of the Council of Vilnius University No. TPN-19 of 29 November 2023.

67. When the value of sponsorship received or provided exceeds the amount set out in the Civil Code, the sponsorship agreement shall be drawn up in the notarial form.

68. The University funds to support the Students' Representation of the University and other student organisations, current and/or former employees and students of the University, as well as academic, cultural, sports events and other activities that are in line with the mission of the University shall be allocated in line with the Vilnius University Revenue and Expenditure Estimate for the Current Year.

CHAPTER IV FINAL PROVISIONS

69. In order to ensure a reliable use of funds and an efficient management, use and disposal of assets of the University, all employees of the University must comply with the rules established in this Description.

70. In the event of changes in the provisions of the laws of the Republic of Lithuania or Government resolutions related to this Description, the provisions of the Description shall be valid insofar as is consistent with the normative legislation of the Republic of Lithuania.
