



## Payment Security & Compliance Conference



### Student Sanctions

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[slido.com](https://slido.com) #Flywire2025



# Financial sanctions

## What

Financial sanctions are restrictions imposed by governments or international bodies to prevent financial flows to and from certain:

- Countries
- Entities
- Individuals

## Why

To stop financial crime, terrorism and change behaviour where diplomatic efforts have failed.

## May be issued against

- Countries/jurisdictions
- Individuals - Specially Designated National (SDN)
- Industry sectors
- Entities

# Who imposes the sanctions?



**UN Sanctions List**  
[un.org/sanctions](https://un.org/sanctions)



Office of Financial  
Sanctions Implementation  
HM Treasury

**UK Consolidated List**  
[gov.uk/ofsi-list](https://gov.uk/ofsi-list)



**EU Sanctions List**  
[sanctionsmap.eu](https://sanctionsmap.eu)



**SDN List**  
[ofac.treasury.gov](https://ofac.treasury.gov)

**Don't forget:**

University



Flywire



Banks





# How do sanctions impact higher education?

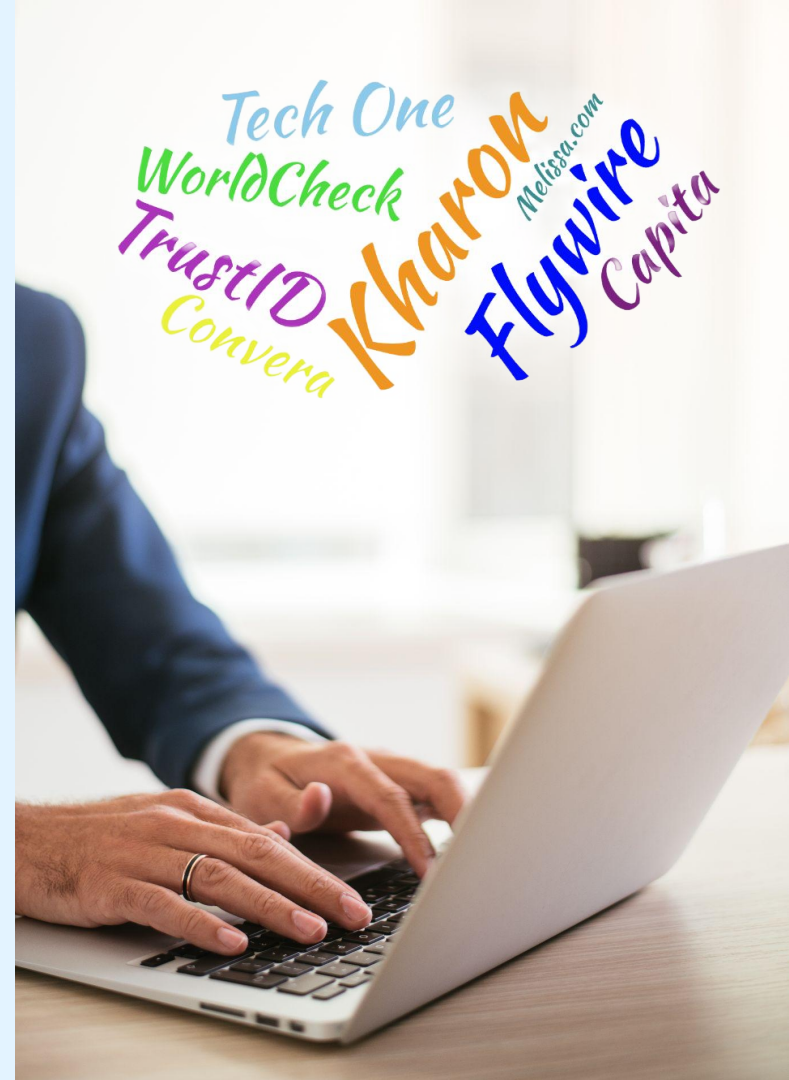
- **Student mobility**
- **Financial transactions**
- **Research**
- **Academic freedom**

**Risk spans multiple departments in the university  
& sanctions violations can have a huge impact**

# Use of software

**Less than half** of the universities with over 41% international students **use software for identification** purposes.

**No Russell Group universities declared using any software.**





# CASE STUDY



**Caroline Bennett**

*Sanctions, Risk &  
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# Sanctions & compliance

What the  
University of  
Portsmouth  
complies with

- International sanctions and embargoes can be used by governments to implement international anti-money laundering guidance and to strengthen national control around transactions which may be linked to money laundering and terrorist financing.
- Compliance with UK, US and UN sanctions are a condition of our banking contract.
- Compliance with our Financial Sanctions Policy
- Sanctions are wider than the impact on our financial activities they also include:
  - Operations or a physical presence in the sanctioned location
  - Goods and services provided
  - Third party relationships
  - Interactions with state owned or state controlled entities or persons
  - Contracts
- This applies to both incoming and outgoing payments for the university



# PEPs

Politically  
exposed persons





**A politically exposed person (PEP) is:**  
***Someone who's been appointed by a community institution, an international body or a state, including the UK, to a high-profile position within the last 12 months***

## **PEPs can be:**

- Heads of state, heads of government, ministers, and deputy or assistant ministers
- Members of Parliament
- Members of courts of auditors or of the boards of central banks
- Ambassadors and high-ranking officers in the armed forces
- Members of the administrative, management or supervisory bodies of state-owned enterprises
- Members of supreme courts, constitutional courts or other high-level judicial bodies whose decisions are not generally subject to further appeal, except in exceptional circumstances

## PEPs include:

- The person's family members
- Close business associates
- Beneficial owners of the person's property (someone who enjoys the benefits of ownership even though the title of the property is in another person's name)



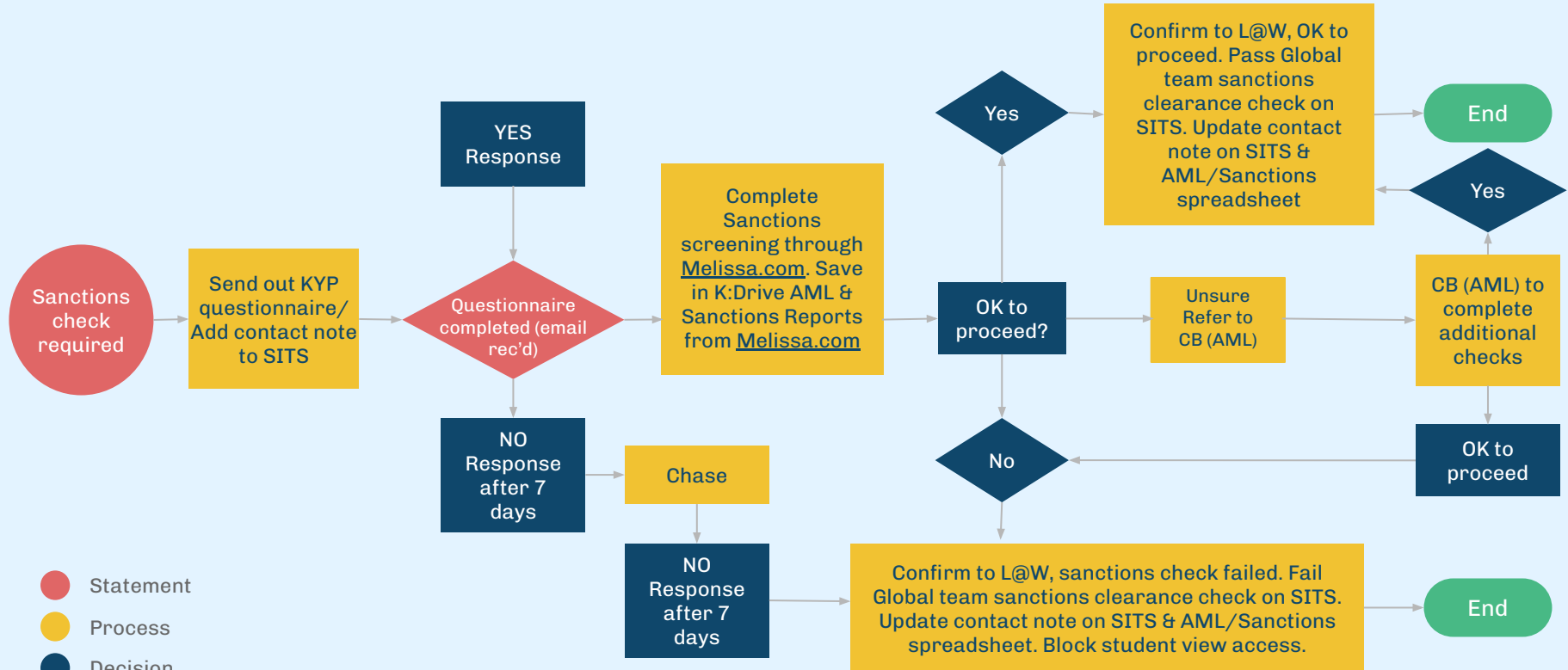
## If a student or customer (or collaborative partner, researcher, donor) of the university is a PEP we need to:

- ✓ Receive senior management approval for the business relationship
- ✓ Take adequate measures to establish the source of wealth and source of funds
- ✓ Closely monitor the business relationship throughout

# Actions we took to mitigate risk

- ✓ Created a Sanctions Policy
- ✓ Collaborated with our global admissions team for the numbers of all students coming from sanctioned countries to determine which were a priority
- ✓ Updated our student software to include sanctions checks for relevant students, both home and abroad
- ✓ Researched software providers and detailed the comparisons
- ✓ Provided training to relevant staff
- ✓ Engaged a third party software provider in order for us to carry out sanctions checks
- ✓ Created specific processes to be followed in order to comply with sanctions requirements
- ✓ Updated the risk matrix to cover our attitude to risk

# University of Portsmouth sanctions checks process



# Key takeaways

## *Your institutional duty*

### YOU MUST

1. **Demonstrate proactive risk assessment and controls (high/medium/low)**
2. **Use the UK (OFSI) consolidated sanctions list - applies to all UK institutions**
3. **Have a Sanctions Policy**
4. **Have an escalation matrix - escalate concerns early, who handles what when red flags appear?**
5. **Screen students and payers**
6. **Communicate with other departments (IO/Alumni)**
7. **Verify identity and relationship to student with evidence of address**



### Best practices

- ✓ Use software and trusted third parties
- ✓ Use more than just the OFSI list (OFAC, PEP databases)
- ✓ Screen as early as possible and on re-registration as a minimum
- ✓ Document everything



# Questions?

## Thank you

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