Policy Statement

It is the responsibility of every officer of Makerere University to ensure maximum transparency and integrity of the University’s financial transactions and systems.

1. Accountability and Management

Subject to accountability requirements specified in the relevant legislation, Council as the governing body of Makerere University is responsible for the management and control of the finances of the University (UOTIA 2006). This includes responsibility for the adoption and review of a budget for the University. Although the UOTIA permits Council to delegate certain of its powers and authorities, Council may not delegate its duties in relation to the annual adoption of a budget and the approval of the spending of funds available to the University by way of bequest, donation or special grant.

In accordance with its statutory requirements, the University

- prepares annual financial statements following the close of each financial year, certified by the Chairman of Council, the University Secretary and the University Bursar
- submits annual financial statements to the Auditor-General
- prepares and maintains a Financial Management Practice and Procedures Manual of policy and procedures for the University's accounting and internal controls
- prepares and submits to the appropriate Minister in charge of Higher Education within four months of the close of the financial year an annual report which includes a copy of the audited annual financial statements.

Council Finance Committee is the University's senior financial and resource planning body. The Committee is empowered, on Council's behalf, to approve revisions to budgets and formulate policy on investment management. Finance Committee assists and advises Council on financial and resource planning for the University and receives advice in turn from the University Secretary, regarding the educational profile, strategic plans, resource allocation, and performance. Finance Committee also receives advice on the asset management plan, the implementation and administration of the financial operations of Makerere University including investment of funds, payroll, accounts and purchasing, and public accountability requirements.

Audit and Risk Management Committee of Council assists and advises Council on risk management and audit related matters, including the performance or discharge of functions and

The *Finance Department* prepares the University Consolidated Annual Budget, *September Budget Report*, and *Budget Reviews* for 30 December and 30 March. In addition to this, the Department also prepares the *Financial Outcomes Report*, and the Annual Financial Statements for the year ended 30 June each year.

## 2. Legislative environment

The financial management of the University is governed by

- enabling legislation - the *Universities and Other Tertiary Institutions (UOTIA) Act, 2006*
- the *Financial Accountability Act 2009*
- the *Financial Accountability Regulations 2009*
- the *Makerere University College Statute, 2011*

The accounting concepts and standards used by Makerere University are in accordance with the Government of Uganda Financial Reporting Standards.

The University's annual financial statements and internal controls framework are audited by the Auditor-General in accordance with the *Auditor-General Act 2009* and *Financial and Performance Management Standard 2009*. Members of the University community are responsible for assisting with the satisfactory conduct of the audit as necessary and for complying with the legislative requirements.

## 3. Funding allocation and distribution

Makerere University is funded from a variety of sources including the following:

- Government funding through sponsorship of students
- Student fees (Appropriation In Aid)
- substantial support for specific research projects with grant funds channelled through other agencies, for example, the Uganda National Council for science and Technology (UNCST)). Such agencies award grants to the University for use by individual members of staff or a research team for a project approved by the granting agency
- grants for development projects or other purposes
- investments on university lands
- proceeds from commercial units.

Internally, funds are distributed on a monthly basis across the University based on the Consolidated Budget. The Annual Budget development is tied closely to the University's planning process and is approved by Council before the end of the year prior to its implementation. *All University funds are consolidated in one basket and re-distributed according to a zero budget framework.*
4. **Financial functions, powers and authorities of the University**

Makerere University is a body corporate, has a seal, and may sue and be sued in its corporate name. Under the UOTIA, the University may

- enter into contracts
- acquire, hold, dispose of, and deal with property
- appoint agents and attorneys
- engage consultants
- fix charges, and other terms, for services and other facilities it supplies
- establish or administer trust funds.

In addition to its main teaching, research and service functions, the University is also empowered to exploit commercially any of its facilities or resources for the benefit of the University.

5. **Responsible officers**

The Vice-Chancellor, as chief executive officer, is responsible to Council for all aspects of the institution's management, including its financial affairs. The Vice-Chancellor is assisted in this duty by the following direct reports:

- the Deputy Vice-Chancellor (Finance and Administration) - for administrative aspects
- the University Secretary – for financial control and accountability
- the University Bursar - for planning, resource allocation and financial management.

The University Secretary, is responsible for ensuring that the accountability obligations of Makerere University are met.

Heads of individual responsibility centres are responsible for the efficient and effective management of all funds under their control and are bound by the policies and practices set down by Makerere University in line with its financial obligations.