

# **UNIVERSITY OF SAINT JOSEPH MBARARA (USJM)**



**FINANCIAL MANAGEMENT MANUAL**

**A TOOL FOR FINANCIAL MANAGEMENT DECISIONS**

**AND OPERATIONS**

**JANUARY 2023**

## **FOREWORD**

The University of Saint Joseph Mbarara (USJM) has been entrusted with public funds to fulfil its mission of learning and teaching, research, and community engagement. In carrying out activities to support its mission, the University must comply with specific financial administration, accounting, control, management, audit and reporting requirements in line with various policies, rules, and regulations issued by Government and relevant bodies from time to time.

To assist USJM to achieve these requirements, this Policy and detailed procedures have been developed. Their purpose is to ensure that the University funds and resources are only used for the university purposes, and the appropriate financial controls are developed, documented and applied to prevent abuse or misuse. The Policy sets up principles of financial management which underpins all financial activities undertaken by and within the University. This is the first edition of Financial Regulations which sets financial regulations of USJM.

Financial regulations are an essential part of the University's Framework of systems and controls and key to the professional of its operations. Funding bodies require that the University has sound systems of internal financial management control. The University Governing Council places reliance on Financial Regulations in providing assurance to proper use of funds.

**VICE-CHANCELLOR**  
**University of Saint Joseph Mbarara**

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## ACRONYMS

DVC (F&A)	Deputy Vice-Chancellor for Finance and Administration
EFT	Electronic Funds Transfer
FMC	Financial Management Committee
GRC	Guild Representative Council
GRN	Goods Received Note
ICPAU	Institute of Certified Public Accountants of Uganda
ICT	Information Communication Technology
IFRS	International Financial Reporting Standards
IIA	Institute of Internal Auditors
LPO	Local Purchase Order
NCHE	National Council for Higher Education
RTGS	Real Time Gross Transfers
ToR	Terms of Reference
TT	Telegraphic Transfers
UNSA	Uganda National Student's Association
USJM	University of Saint Joseph Mbarara
VC	Vice-Chancellor

## UNIVERSITY VISION, MISSION AND CORE VALUES

The Archdiocese of Mbarara (AoM) started a university as part of its mission and mandate to establish educational institutions of different levels to share in the salvific ministry of Christ by being the salt and light to the world. The founders coined the name: University of Saint Joseph Mbarara (USJM), for the university from St. Joseph, foster father to Jesus and the patron Saint of the pioneer St. Joseph Technical School, whose tradition of hard workmanship and community responsive education, USJM is to uphold.

The personal qualities and values of St. Joseph, the worker, such as integrity, hardworking, commitment, are behind this tradition, and the University will uphold them. USJM aims at total orientation and focus on tertiary education that meets community needs and engineers' socioeconomic transformation. It delivers relevant, affordable, high quality, inclusive and community-responsive university education. The University of Saint Joseph Mbarara derives its vision and mission from the Christian understanding of the integral growth of a person.

- i. **Vision:** A leading center for integrated community responsive university education.
- ii. **Mission:** To provide holistic education for sustainable development.
- iii. **Motto:** Foster Excellence and Integrity (*Praestantia et Integritate Foveat*)
- iv. **Slogan:** For and With the Community
- v. **Philosophy:** Community-Responsive and Engaged university education
- vi. **Core Values**
  - a. God fearing,
  - b. Integrity,
  - c. Excellence,
  - d. Accountability,
  - e. Community responsiveness
- vii. **Objectives:**
  - a. To provide relevant university education.
  - b. To promote research and innovation among the students.
  - c. To nurture citizens of integrity and sense of common good.
  - d. To nurture students with demand-oriented skills.
  - e. To promote best practices in institutional governance.
  - f. To promote pastoral mission of the church

It is USJM commitment to encourage the development of each individual through education at all levels, stressing in particular the creation/promotion of an environment where intellectual and moral values are priorities. Since the person is at the center of all growth and development, both at individual and societal levels, all members of the community respect each other in an attempt to create an environment of openness and trust. The University is committed to promoting justice, respect, solidarity, human rights, equality, and environmental protection, both in its own community and society in general.

# **CHAPTER ONE: INTRODUCTION**

## ***1.01 OBJECTIVES OF THE MANUAL***

The Financial Management Manual for USJM provides for authoritative guidance on the application of finance-related policies, procedures, and systems for the University. It provides detailed policies, rules, principles, and procedures as principal guidance for the University Governing Council, Management, staff, students and the guild leadership in the management of the financial resources in USJM. The objectives of the Manual include:

- a) To provide a standardised approach to financial management, accounting systems and guidelines for the University;
- b) To document detailed procedures for use in preparing and processing accounting, and financial information by the administrative departments, faculties and all other units of the University;
- c) To document University financial management policies and procedures that prescribe the standards for preparation, processing, use, and sharing of financial information;
- d) To provide information and reference material to assist both implementers and policy makers in taking correct decisions; and
- e) To provide information to assist administrative units in accessing and using the University's Financial Management Information Systems.

## ***1.02 APPLICATION OF THE MANUAL***

This Manual shall apply to all financial transactions and businesses which are applicable to USJM and shall be enforceable on all members of the USJM for compliance.

## ***1.03 AUTHORITY, REVISION, AND INTERPRETATION OF THE MANUAL***

- a) The Accounting Officer shall have the power to give interpretation or guidance on any matter, paragraph, clause or terminology in this Manual that is deemed to be misleading, ambiguous, or whose meaning is not clear or not clearly understandable to any person, group, or section of users.
- b) In case of any contention or doubt of the Accounting Officer's interpretation, recourse shall be made to the Governing Council through its relevant Committee.
- c) The University Governing Council shall from time to time, when deemed necessary, issue new financial guidelines to fill any gaps in this Manual.
- d) The University's Management Committee shall be responsible for initiating and submitting proposals for review and/or revision of this Manual to the University Governing Council.
- e) All users of this Manual shall forward all proposed revisions to this manual to the University's Management Committee for consideration through the University Finance Officer.
- f) This Manual shall work in relation with other policies, guidelines, procedures, and/or instructions of the University.

## ***1.04 IMPLEMENTATION AND MONITORING ARRANGEMENTS***

- a) The Finance Office shall hold a number of training sessions for the various immediate users to ensure that they are conversant with the provisions of this Manual.
- b) The University Finance Officer shall also issue guidelines to operationalize the implementation of the Manual to all staff and students from time to time.

## **CHAPTER TWO:**

### **FINANCIAL MANAGEMENT MANDATE AND RULES**

#### ***2.01 FUNCTIONS OF THE UNIVERSITY GOVERNING COUNCIL***

- a) The University Governing Council shall be the supreme authority in the University and as such shall be the final decision-making body on all policies and strategies relating to the management of finances and other resources of the University.
  
- b) The University Governing Council shall perform the following functions in relation to financial management:
  - (i) Approve the annual budget estimates in order to authorize the collection of revenue and incurrence of expenditure by the University Management and staff;
  - (ii) Exercise policy making and supervisory control over University resources in accordance with this Manual, the Laws of Uganda and any other guidelines or policies that may be issued by government from time to time;
  - (iii) Approve all strategic development plans, annual work plans, student admissions plans, recruitment and retirement plans, and annual procurement plans to be financed by the University;
  - (iv) Approve vote on account, where the budgets have not been approved in time;
  - (v) Approve requests for supplementary and reallocation budget estimates or provisions;
  - (vi) Approve all University policies relating to finances and any other resources;
  - (vii) Approve any introduction or revision of fees chargeable to students of the University; and,
  - (viii) Discuss and approve financial reports, policies, and proposals recommended by its committees.

#### ***2.02 FUNCTIONS OF FINANCE, PLANNING, AND DEVELOPMENT COMMITTEE***

The University Governing Council shall at all times have a committee responsible for finances and development with mandate to:

- a) Exercise policy supervision and control over the University's finances;

- b) Discuss and recommend financial policy proposals from Management to the University Governing Council for consideration;
- c) Discuss quarterly financial performance reports and make recommendations to the University Governing Council for approval;
- d) Discuss and recommend budget re-allocation proposals from management;
- e) Discuss and recommend proposals for supplementary provisions to the University Governing Council for approval;
- f) Monitor the implementation of the University's financial policies and programs;
- g) Receive and review all proposals for revision of tuition and other fees for recommendation to the University Governing Council;
- h) Recommend revenue mobilization proposals and policies to the University Governing Council for approval; and,
- i) Supervise the utilization and accountability of the University resources.

### ***2.03 FUNCTIONS OF AUDIT, MONITORING & EVALUATION COMMITTEE***

- a) The University Governing Council shall constitute an Audit, Monitoring and Evaluation Committee composed of members of University Governing Council.
- b) The Audit, Monitoring and Evaluation Committee shall have the responsibility for the oversight of the management of risk within the University through the internal audit program.

The terms of service, mandate and functions of the Audit, Monitoring and Evaluation Committee shall be laid out in the Audit Committee terms of reference (ToR) of USJM, but specific responsibilities shall include:

- a) To monitor and review the systems (internal control) in place used to safeguard University assets and to verify the existence of such assets as and when necessary;
- b) To monitor and review the internal audit programme and its effectiveness;
- c) To consider both external and internal audit investigations and recommendations thereof as well as Management's responses at university and unit level;
- d) To discuss with the External Auditors issues, such as compliance with accounting standards and proposals by the External Auditors regarding the internal audit process;

- e) To evolve any other relevant policies to strengthen the internal control systems of the University; and,
- f) To receive quarterly reports on the financial operation of the University and recommend solution, set standards/guidelines in relations thereto.

#### **2.04 MANDATE OF THE INTERNAL AUDITOR**

- a) Internal Auditor shall be administratively responsible to the Vice-Chancellor but shall be functionally responsible to the University Governing Council Audit Committee.
  
- b) The duties and responsibilities of the Internal Auditor shall include the following:
  - (i) Ensure that the internal control systems of the University are functioning efficiently and effectively and that they meet the objectives of the University;
  - (ii) Assure Management regarding the establishment and continuous operation of efficient and effective financial control systems within the University;
  - (iii) Generally, be responsible for ensuring that the University complies with statutory requirements and regulations;
  - (iv) Ensure that the Vice-Chancellor pursues the implementation of matters in all audit reports (internal and external) as well as financial matters raised in the reports of Audit, Monitoring & Evaluation Committee;
  - (v) Prepare periodic reports showing the status of implementation of recommendations made in all audit reports, also showing remedial action taken or proposed to be taken to avoid or minimize the recurrence of undesirable features in the accounts and operations of the University and the time frame for action to be completed;
  - (vi) Have responsibility of ensuring that risk management policies are complied with and ensure that a regular review of the processes are maintained by management; and
  - (vii) Liaise with External Auditors and ensure that appropriate action is taken on reported audit findings.

## ***2.05 MANDATE OF EXTERNAL AUDITORS***

The University Governing Council shall appoint an external audit firm whose Auditors must be members of the Institute of Certified Public Accountants of Uganda (ICPAU), a body that regulates and maintains the standard of accountancy in Uganda. No person may be made part of the audit team who is, or any one of whose partners is a member of the Board of Trustees, the University Governing Council, or the staff of the University.

The primary role of External Auditors shall be to report on the University's financial statements and to carry out such examination of the statements and underlying records and control systems as may be necessary to reach their opinion on the statements and to report on the appropriate use of funds.

External Auditors' principal tasks are to certify that:

- a) The University accounts give a true and fair view of the University's affairs and of its income and expenditure;
- b) Specific grants and funds, (including funds from the tuition fees and other fees), have been applied for the purposes for which they were received;
- c) Income has been applied in accordance with the University's statutes/policies, and where appropriate with the Financial Memorandum – External Auditors having the right of access, at all reasonable times, to the books, records, accounts, and vouchers of the University;
- d) Any employee of the University accounts for cash, stores, or any other University property under his or her control; and
- e) Records belonging to third parties, such as contractors' agreements, title deeds are accessible when required.

Detailed comments made each year by the External Auditor shall be submitted to the Vice-Chancellor in the form of a management letter. This management letter shall be received within a month of issuing an opinion on the financial statements and following consideration by the Audit, Monitoring & Evaluation Committee a copy shall be sent to the Internal Auditor. Issues raised in the management letter shall be responded to or improved upon, on a timely basis by the Accounting Officer through relevant departments or officers. The appointment of External Auditors shall take place annually and is the responsibility of the University Governing Council. The Governing Council will be advised by the Audit and Risk Management Committee.

## **2.06 MANDATE OF THE VICE-CHANCELLOR**

- a) The Vice-Chancellor shall be the Accounting Officer and the overall supervisor of the financial affairs of the University.
- b) The Vice-Chancellor shall within three (3) months of the end of every financial year present to the University Governing Council an annual report showing the financial performance of the University with detailed analysis of the status of implementation of policies, programs, activities, and the utilization of financial resources in the University.
- c) The Vice-Chancellor shall be responsible to the University Governing Council for the execution of the following functions, duties, and outputs:
  - (i) To be the immediate link with the University Governing Council to which he/she shall be directly answerable; and
  - (ii) To design or cause to be designed the strategies, and proposals for attracting funding from development partners;
  - (iii) To motivate the staff of the University into efficient and effective performance of the University activities; and,
  - (iv) To submit to the University Governing Council for approval of the proposals developed/formulated for funding and the strategies for searching such external funding sources.

## **2.07 MANDATE OF THE DEPUTY VICE CHANCELLOR (FINANCE AND ADMINISTRATION)**

- a) The Deputy Vice-Chancellor for Finance and Administration [DVC (F&A)] shall assist the Vice-Chancellor in the performance of his/her functions and in that regard the DVC (F&A) shall oversee the finances, administration, human resources, security, estates, health services, procurement, planning and development of the University and shall perform any other functions delegated to him/her by the Vice-Chancellor or the University Governing Council.

- b) In the exercise of the above functions, the DVC (F & A) shall:
- (i) Have strategic control over the following functions in the University: students' welfare, planning, budgeting, resource mobilization, expenditure management, investment, human resource management, security, estates and works, and procurement functions;
  - (b) Participate as a key member of the University's Management and shall coordinate the design and execution of strategic partnerships with other organizations for the development of the University;
  - (c) Cause analysis of potential opportunities and threats, planning for and management of risks to which the University operations may be exposed;
  - (d) Supervise the administrative units in developing and executing budgets;
  - (e) Provide leadership in initiating proposals and negotiations for raising funds and other resources for University;
  - (f) Build and maintain teamwork amongst the staff and chair or participate in a variety of committees, both internal and external to the University;
  - (g) Chair the Budget Committee and coordinate the budgeting process; and
  - (h) Do any other duty/function delegated to him/her by the University Governing Council or the Vice-Chancellor.

## ***2.08 MANDATE OF THE UNIVERSITY MANAGEMENT COMMITTEE***

The University Management Committee, Vice-Chancellor shall be responsible for the following tasks:

- a) Initiation of financial and technical planning proposals, and the execution of implementation and monitoring of the University;
- b) Reporting to the University Governing Council through its Committees the status and performance of the University budget on a quarterly basis; and
- c) Initiation and recommendation to Council for consideration of the budget proposals, draft work plans and draft procurement plan proposals through the Council Committee responsible for finances.

## **2.09 MANDATE OF FINANCE MANAGEMENT COMMITTEE (FMC)**

- a) The Finance Management Committee shall be composed of the following persons:
  - (i) Vice-Chancellor,
  - (ii) Deputy Vice-Chancellors,
  - (iii) Finance Officer,
  - (iv) Academic Registrar,
  - (v) Internal Auditor,
  - (vi) Dean of Students, and
  - (vii) Librarian.
- b) The FMC shall advise the Vice-Chancellor on the financial management affairs of the University.
- c) The FMC shall provide technical guidance and monitoring of all financial management matters.
- d) The FMC shall handle the following matters:
  - (i) Monitoring the management of finances in the University;
  - (ii) Taking implementation decisions relating to the management of finances; and
  - (iii) Reviewing monthly financial performance of the faculties, schools, administrative departments, and/or votes.

## **2.10 MANDATE OF THE UNIVERSITY FINANCE OFFICER**

- a) The University Finance Officer shall be answerable to the Vice-Chancellor who is the Accounting Officer for all financial transactions and accounts of the University.
- b) The University Finance Officer shall be responsible for the financial administration and planning of the University and shall maintain the accounts in a form determined by the University Governing Council.
- c) The University Finance Officer's duties shall be:
  - (i) To manage the financial affairs of the University prudently, efficiently, and effectively;
  - (ii) To co-ordinate and support the Budget Committee in the preparation of annual budget estimates, work plans, and procurement plans;

- (iii) To ensure that the approved estimates of expenditure on votes under his/her control are not exceeded;
  - (iv) To keep watch over the expenditure of all votes and warn the vote holders if there is a danger of being exceeded;
  - (v) To ensure that no expenditure is incurred when it is not approved in the relevant budget estimates;
  - (vi) To maintain sound systems of accounting in accordance with this Manual and any other relevant authorities;
  - (vii) To ensure prompt collection and banking of all fees and other revenues due to the University;
  - (viii) To co-ordinate the preparation of the annual accounts of the University for audit and prepare financial statements in a format as required;
  - (ix) To prepare special reports as required by the University Governing Council, Management, donors or Government;
  - (x) To ensure safe custody of all the receipt books and other accounting documents;
  - (xi) To check and advise the Vice-Chancellor on the disposal process of the stores or assets;
  - (xii) To ensure that proper provision is made for the safekeeping of all University monies and securities;
  - (xiii) To take full responsibility for staff under his/her control and ensure fair allocation of duties; and,
  - (xiv) To be a signatory on the University bank accounts.
- d) The University Finance Officer shall submit quarterly financial reports to the respective Governing Council Committee responsible for finances, in the manner prescribed by this Manual.
- e) The University Finance Officer may issue guidelines for the management of funds and other resources of the University.
- f) The University Finance Officer shall bring to the notice of the Accounting Officer and to the Management any apparent deficiency in this Manual and suggest any means by which deficient sections may be improved.

## **2.11 MANDATE OF HEADS OF ADMINISTRATIVE UNITS AND FACULTY DEANS**

- a) The duties of a Head of Administrative Department HoD and/or a Faculty Dean in respect of financial management include, but shall not be limited to the following:
  - (i) Being account holders and as such being signatories to the bank accounts they control and taking personal responsibility for supervising the operations and transactions in their faculty or administrative department;
  - (ii) Recommending to the Vice-Chancellor the faculty/department's payment requests and commitments for approval;
  - (iii) Being personally responsible for ensuring that all financial commitments of their administrative department or faculty are within the commitment limits of cash received and available, and in line with approved budget and work plans;
  - (iv) Ensuring the availability of this Manual to staff members under their jurisdiction and ensuring that all staff members in their department or faculty are conversant with this Manual;
  - (v) Submitting copies of the financial and physical progress reports within ten (10) days after the end of each quarter to the Vice-Chancellor and the University Finance Officer;
  - (vi) Being responsible for the production of the department/faculty annual work plans, procurement plans, budget proposals, and development plans in accordance with the budget cycle; and
  - (vii) Promptly reporting incidents of abscondment, desertion, dismissal, suspension, interdiction, or death of any employees under their jurisdiction to the Vice-Chancellor, University Finance Officer, Director of Human Resources, and the Chief Internal Auditor in order to take the necessary actions to save financial losses to the University.
- b) The Head of an Administrative Department and/or Faculty Dean shall ensure that the staff under his/her jurisdiction account for the funds and/or other resources collected by them or advanced to them or in their custody.
- c) The Head of an Administrative Department and/or Faculty/School Deans shall do any other work incidental to his/her duties or as shall be assigned by the University Governing Council or the Accounting Officer.

## **2.12 MANDATE AND RESPONSIBILITIES OF OTHER UNIVERSITY STAFF**

Each employee or any other official of the University concerned with the receipt, custody, disbursement or documentation of money, stores or other assets shall:

- a) Comply with the Laws of Uganda, this Manual, the Internal Audit Manual, and any other directions or instructions issued by the University Governing Board, the Vice Chancellor/Accounting Officer or University Finance Officer;
- b) Exercise due care over the receipt of revenue, ensure its punctual collection and banking and report immediately to the Accounting Officer or University Finance Officer, or account holder any defect or difficulty in the procedure for the collection of revenue which comes to his/her notice;
- c) Exercise strict supervision over all officers under his/her authority entrusted with financial or accounting duties and bring to the attention of the University Finance Officer or Accounting Officer any incompetence, dishonesty, or carelessness on their part and take precautions, against the occurrence of fraud, embezzlement, or errors and maintain an internal check system;
- d) Produce for inspection all cash, securities, books of account, records, receipt books, or vouchers in his/her charge when required by the Accounting Officer, University Finance Officer, Chief Internal Auditor or any other authorized person, including donors; and
- (e) Promptly reply to any queries addressed to him/her by any of the officers referred to in paragraph (d), giving in full the information or particulars required.

## **2.13. ACCOUNTABILITY FOR FUNDS AND OTHER RESOURCES**

- a) If any University officer or staff fails to satisfactorily account for funds or to produce any part of cash, stores or other assets of value entrusted to him/her, the Accounting Officer may require him/her to make good the deficiency, which may be deducted from any monies due to him/her from the University in addition to other disciplinary actions.

- b) University staff to which cash, stores or other items of value are entrusted, such as the holders of keys of strong-rooms, safes, and cash boxes, may be required to make good any deficiency jointly and/or individually.
- c) The University shall provide security to staff that are constantly in possession of or keep custody of University money, especially those staff in the University cash office.
- d) Any staff or official of the University who receives money or other resources to carry out a duty or activity must account for such monies or other resources within specified period to the full satisfaction of the Accounting Officer.
- e) Where the University staff or official cannot account for the monies or other resources advanced to him/her due to the lengthy nature of activity or due to any other circumstances, the staff or official shall apply to the Accounting Officer for extension of the period of accountability for the advanced monies or other resources.
- f) The Accounting Officer may accept or reject the application for extension of accountability period with or without conditions.
- g) The application for extension of such an accountability period shall be construed to have been rejected if no acceptance is issued by the Accounting Officer within one (1) month of receipt of the application.
- h) The Accounting Officer may, at his/her own discretion, delegate the accountability function in order to enhance the efficiency in the University.

#### ***2.14. RULES FOR MANAGEMENT OF UNIVERSITY FINANCIAL RESOURCES***

- a) All the assets or resources of the University shall be under the control and management of the Accounting Officer, in accordance with this Manual, and other directives or guidelines of the University Governing Council and /or Government of Uganda.
- b) The Vice-Chancellor, who is also the Accounting Officer, shall cause to establish adequate internal control systems to promote efficiency and minimize risks affecting University assets and the timely achievement of the University objectives.

- c) The internal control systems above shall include: policies, principles, systems, rules, and procedures designed to ensure efficiency, affordability, and effectiveness of the University operations, to improve management decision making, to protect and safeguard University resources.
- d) The Accounting Officer shall put in place detailed financial management controls to ensure that activities associated with authorizing, processing, recording, and reporting financial transactions are properly instituted and that the information resulting from these activities is accurate, reliable, and relevant.
- e) Administrative controls shall be put in place by the Accounting Officer to ensure that all resources (physical, financial, and human) are properly acquired, maintained, used, and accounted for. Those decisions regarding the expenditure and utilization of funds and other resources are based on reliable information and that budgets are properly developed and monitored to ensure consistency between planned and actual expenditures.
- f) The Accounting Officer shall accord and ensure adequate facilitation and independence of internal audit, external audit, audit committee and other bodies or committees in order to promote transparency and accountability in the University.

## **CHAPTER THREE**

### **BUDGETING AND BUDGET MANAGEMENT**

#### ***3.01 BUDGETING***

The University Governing Council, in accordance with the Universities and other Tertiary Institutions Act, 2006 (as amended), section 41, shall approve the University budget proposals and the final accounts submitted by Management.

#### ***3.02 BUDGET APPROVAL***

- a) Budget estimates shall be based on realizable financial resources and achievable outputs for purposes of ensuring that the variances between actual out-turns and budget estimates are minimal.
- b) Each administrative unit shall make estimates for the preceding year based on the anticipated level of realizable revenue and achievable expenditure outputs.
- c) The administrative unit estimates shall be consolidated to produce the overall University budget estimates. Once approved by the University Governing Council, the University budget estimates shall constitute the official and complete financial program of the University for the ensuing year.

#### ***3.03 GENERAL BUDGET PRINCIPLES***

The general principles of budget include the following:

- a) Budget estimates shall reflect revenues and expenditures which are realistic and balanced.
- b) The Heads of Administrative units shall be the vote holders and, therefore, responsible for the initiation, production, and execution of the budget functions.
- c) Budget framework papers, development plans, work plans, procurement plans, approved students' enrolment, recruitment and retirements plans and financial year's

approved budget estimates shall form the basis of the annual estimates of the ensuing financial year.

- d) The prevailing factors and circumstances which are likely to affect future operations shall be taken into account when preparing budget estimates.
- e) Revenues and expenditures shall be itemized as far as possible and not shown by block amounts. The detailed budget estimates shall show against each item of revenue and expenditure, the amount expected to be collected or spent in the year of the budget estimates, together with the approved figure and the revised estimates for the current year.

### ***3.04 PARTICIPATORY BUDGETING PROCESS***

- (i) The budget preparation process shall be consultative and participatory in order to promote transparency, ownership, and accountability of the budgeting processes and the resultant approved budget estimates.
- (ii) The budgeting process shall commence in the month of January for every financial year. This shall include compilation of the planning and budgeting data from all administrative units, through prioritization process, and approval of the ensuing financial year budget.
  - (i) The following University bodies shall discuss the budget proposals in the following order: Administrative units, Management team, and the Finance, Planning and Development Committee of the University Governing Council.
  - (ii) The Heads of Administrative units shall be responsible for organising, coordinating, and presenting their sector budget proposals during the various stages of the budgeting process.

### ***3.05 DESIGN OF THE BUDGET ESTIMATES AND PLANS***

- a) The budget estimates will be divided into two parts; the Recurrent Budget and Capital Development Budget with all amounts expressed in Ugandan shillings.
- b) The objectives of the revenue and expenditure estimates shall be clearly stated in the budget preamble with measurable targets that are directly linked to the work plans for the same financial year.
- c) All budget estimates of Revenue and Expenditure shall be in accordance with the chart of accounts adapted by the Finance Department. This shall involve coding, organizing, and assigning of the budget estimates in the format provided to all administrative units.

### ***3.06 APPROVAL OF THE BUDGET ESTIMATES AND PLANS***

- a) The Accounting Officer shall ensure prompt production and submission of annual work plans, procurement plans, and budget estimates to the University Governing Council for approval by 30<sup>th</sup> June of each financial year.
- b) The budget estimates shall be based on the objectives to be achieved for the financial year and during implementation. Efforts shall be made to achieve the agreed objectives or targets, as the program of the University.
- c) The Chairperson of the University Governing Council shall sign the approved estimates on behalf of the University Governing Council.

### ***3.07 ESTABLISHMENT OF BUDGET COMMITTEE***

The University shall have a Budget Committee composed of the following members:

- a) Deputy Vice-Chancellor (Finance and Administration) – Chairperson,
- b) University Finance Officer,
- c) All Heads of Administrative units,
- d) Students' guild representative,
- e) Representative from staff associations and the union, and
- f) Any other person as may be co-opted for technical reasons.

Duties of the Budget Committee shall include:

- a) Coordinating and mobilizing the Administrative units to produce annual plans, annual procurement plans, and budget proposals for submission to the University Management;
- b) Following up the budget cycle issued by Management and the University Governing Council of the progress of the budgeting process;
- c) Ensuring that the Administrative units produce realistic procurement plans, budget proposals, and annual work plans;
- d) Ensuring that the budgets, work plans, and procurement plans are harmonious with each other;
- f) Compilation and consolidation of all the budget proposals, procurement plans, and work plans submitted by the administrative units; and
- g) Proofreading and editing the budget estimates, work plans, and procurement plans to ensure they are consistent with each other and compliant with the vision, mission, objectives, and activities in the strategic plan of the University.

The Budget Committee shall report to Management.

### ***3.08 RECURRENT AND DEVELOPMENT ESTIMATES***

- a) The budget estimates of the University shall contain and clearly indicate both the recurrent and development sections of the budget.
- b) The estimates of recurrent and capital development expenditure shall be produced in a format provided by the Finance Office.
- c) The background of the budget estimates shall describe all capital developments budgeted for implementation in the financial year of the budget estimates and shall state the strategies and period in which these are expected to be accomplished.

### ***3.09 PREPARATION OF THE WORK PLAN***

- a) The objectives and activities in the University annual work plans shall be extracted from the approved strategic plan.
- b) The Administrative units/budget centers shall be independently responsible for the preparation of work plans.
- c) Work plans shall be prepared and approved alongside the procurement plans and budget estimates based on the available funding.

### ***3.10 PREPARATION OF THE PROCUREMENT PLANS***

- a) The University shall have a Procurement and Disposal Unit. The Unit shall produce procurement plans every financial year in accordance with the university procurement policy and other relevant regulations.
- b) Administrative units/budget centers shall be independently responsible for the preparation of procurement plans through the supervision of the Procurement and Disposal Unit.
- c) Procurement plans shall be produced and approved alongside the work plans and budget estimates based on the available funding.

### ***3.11 REVENUE ESTIMATES***

- a) Revenue shall be divided into different sources and coded accordingly and separate items shall be provided for revenue collections in respect of the year of estimates and arrears from the previous year.
- b) The revenue sources shall be categorized into:
  - (i) Tuition and functional fees as approved by the University Governing Council from time to time and any other source of revenue as spelt out in the third schedule of this Manual and financial guidelines, 2020 Part-V: Fees Policy;

- (ii) Donations and grants;
  - (iii) Rentals;
  - (iv) Consultancy services; and
  - (v) Short course revenues.
- c) The estimates of revenue will give the following information in respect of each source:
- (i) Actual revenue of the previous year;
  - (ii) Previous year's estimates; and
  - (iii) Estimated amount to be collected next financial year.
- d) If there are conditional grants from donors, such grants shall be part of University revenue but shall be planned for, recorded, utilized, and accounted for according to the grant conditions.
- e) Conditional grants shall be budgeted following an agreement between the University and the relevant donor; and the allocation, utilization, and accountability for such grants shall be agreed upon with the donor.

### ***3.12 EXPENDITURE ESTIMATES***

- a) The detailed recurrent expenditure estimates shall be such detailed to include administrative units.
- b) The individual items of revenue and expenditure shall then be included in the section budgets which shall then be consolidated upwards to the Administrative units.

### ***3.13 FINAL STAGE OF BUDGET PROCESS***

- a) The final stage of the budget preparation process shall be the finalization of the work plan, procurement plan, budget estimates, students' admission, recruitment and retirement plans, for presentation to and approval by the University Governing Council.
- b) At the University Governing Council meeting for reading of the budget, the chairperson of Finance, Planning and Development Committee shall present the budget and annual work plans and procurement plans.

- c) After the approval of the budget, a sensitization of the key implementers about the approved budget shall be done by the Deputy Vice-Chancellor (F&A) in collaboration with the Finance Officer.

### ***3.14 BUDGETING FOR DEVELOPMENT PARTNERS' FUNDS***

- a) All donor-funded plans to be implemented in any financial year shall be declared to the University Governing Council by incorporating them into the budget estimates for the relevant financial year.
- b) Where the expected funds cannot be reliably estimated, they shall not be incorporated in the budget estimates but shall be disclosed in the notes to the budget estimates.
- c) All individuals or groups seeking donor funding on behalf of the University shall communicate to the Vice-Chancellor about the expected funding sources with brief description of the components and objectives, and the cost for incorporation or disclosure in the budget estimates.
- d) The Vice-Chancellor shall be the legal representative for all the financial transactions with donors/funders and may accept the resources awarded to the University.
- e) The funds sourced from donors shall be budgeted, utilized, and accounted for by the recipient in accordance with the terms of grant agreement and according to the University policy.
- f) Every quarter, the University Governing Council shall receive a financial and physical report on all the donor funds.
- g) Donor budgets or proposals shall include a component of administrative service fee amounting to not more than 15% of the proposal budget or funding amount.
- h) This administration service fee shall be used to fund the administrative costs and programs of the University relating to the relevant donor.

### **3.15 REVISION OF BUDGET ESTIMATES**

- a) A revision of budget estimates may fall into one of the following categories:
  - (i) **Virement**, which shall involve the re-allocation of approved funds between budget items under the same administrative department or faculty. Virement shall be approved by the Accounting Officer who shall, thereafter, report to the Committee of Governing Council responsible for finance for ratification.
  - (ii) **Re-allocation**, which shall be the re-allocation of approved funds between items under different programs, such as between different administrative departments and/or faculties.
  - (iii) **Supplementary estimates**, which shall involve additional funds required for recurrent expenditure or capital development purposes or an increase in the total approved estimated expenditure for the year. This shall only be approved by the University Governing Council.
- b) A Virement may be approved by the Accounting Officer and subsequently reported to the Governing Council responsible for finances for ratification.
- c) Re-allocation of funds shall require the prior approval of the University Governing Council.
- d) Request for supplementary estimates/provisions shall always be subject to strict conditions of prior approval of University Governing Council.
- e) Vote holders, in consultation with the University Finance Officer, are responsible for monitoring their expenditure to ensure that the budget limits of their departments or faculties are not exceeded and to initiate requests for Virement, reallocation and/or supplementary provisions when their budget limits are about to be used up.
- f) If new or additional funds are required over and above the approved budgetary provisions for the financial year, which cannot be met by virement or re-allocation, the relevant account holders shall apply to the Accounting Officer for a supplementary provision.
- g) An application for supplementary estimates shall specify the source of additional revenue or external funds which shall cover the cost of the additional requirements.

- h) After consultation with the Vice-Chancellor and on recommendation of the Finance Management Committee, the Accounting Officer shall submit the application for supplementary estimates to the Council Committee responsible for finances where the relevant account holder and Council Committee shall attend to explain or clarify the reasons for the supplementary estimates and after scrutinizing the application, the Council Committee responsible for finances shall make recommendations and submit the application for supplementary estimates to the University Governing Board for approval.

### ***3.16 BUDGET REVIEW OF DONOR FUNDS***

Virement, re-allocation, and supplement budget requests relating to donor funds shall not be granted except with the written consent of the relevant donor.

### ***3.17 BUDGET IMPLEMENTATION AND MONITORING***

- a) It shall be the responsibility of budget holders to ensure that the activities, as approved in the budget estimates, are implemented on time in accordance with the work plans and procurement plans approved together with the budget estimates.
- b) The account holders shall ensure that value for money for all activities is attained through efficient monitoring of progress of activities and comparison of the costs with the planned budget.

## **CHAPTER 4:**

### **REVENUE MANAGEMENT**

#### ***4.01 AUTHORITY FOR REVENUE COLLECTION AND EXPENDITURE***

- a) Management shall implement the approved budget estimates.
- b) The Vice-Chancellor, with the technical guidance of the University Finance Officer, shall be responsible for ensuring that revenue collectors defined under this Manual, carry out their duties properly to ensure that all revenue due to the University is promptly collected and banked intact.

#### ***4.02 REVENUE REPORTS***

- a) The University Finance Officer shall prepare and submit quarterly and annual reports of revenue performance as part of the overall financial performance to Management.
- b) Revenue reports shall be presented to the Finance, Planning, and Development Committee.
- c) All arrears of revenue, if any, carried forward at the end of each accounting period shall be duly brought forward at the beginning of the next accounting period.

#### ***4.03 REVENUE COLLECTORS***

- a) The revenue collector shall be the University Finance Officer or any other person as may be authorized, in writing, by the Accounting Officer.
- b) All revenue due to the Guild shall be collected and banked on the Guild account.
- c) The University Finance Officer shall be personally and pecuniary accountable for all funds, revenues or monies in his/her custody.
- d) All revenues for the University shall be banked on the authorized bank accounts of the University.

#### ***4.04 FEES (TUITION AND FUNCTIONAL AND OTHERS)***

- a) The University Governing Council shall approve tuition, functional fees, and any other fees.
- b) The functional fees shall be collected and categorized as approved in the fees structure and categorized as per financial guidelines, 2020, Part-V.

#### ***4.05 PAYMENT AND ACKNOWLEDGMENT RECEIPTS OF FEES***

- a) All fees shall be paid through the official University bank accounts.
- b) On ascertaining receipt of fees or other revenue on the correct bank account, a receipt shall be issued immediately.
- c) The University Finance Officer shall make appropriate control arrangements for developing and issuing of official receipts for revenue collected/received and shall take relevant steps to prevent the use of unofficial receipts.
- d) Obsolete receipt books, if any, shall be returned to the officer in charge of the stores who shall acknowledge receipt in writing.

#### ***4.06 LOSS OF RECEIPT FORMS***

- a) If any unused receipt forms or accounting documents are lost, the loss shall immediately be reported to the University Finance Officer with a copy to the DVC (F&A).
- b) If an issued receipt is lost and the payer applies for a duplicate, a “certified true copy” but not a new receipt form shall be used.

#### ***4.07 FEES PAYMENT DEADLINES, PENALTIES, AND REFUNDS***

- a) Students shall be required to pay tuition and functional fees in accordance with the deadlines prescribed in the Financial guidelines, 2020 Part -V under Students' Fees Policy.

- b) Any student who fails to meet his/her fees payment obligations with the University on time and is officially allowed a temporary withdrawal in writing (dead year/semester) may be refunded a portion of the paid tuition fees (excluding functional fees) in accordance with the University's fees policy as detailed in Part-V of the Financial Guidelines, 2020.
- c) If a student has paid an amount in excess of the required fees, the excess funds may be refunded to him/her in consultation with the parent/guardian/sponsor. The refund will be in accordance with fees policy.

#### ***4.08 REGISTRATION OF STUDENTS***

- a) Students shall register with the Office of the Academic Registrar every semester on satisfactory confirmation of payment of all University fees by the University Finance Officer.
- b) No student shall be registered by the Office of the Academic Registrar, unless the student has paid all University fees.
- c) Students who are not registered due to non-payment of University fees shall not be allowed to access University services, including but not limited to the Library, medical facilities, lectures, academic assessment tests and assignments, examinations, and other services.
- d) Late registration shall attract a penalty fee determined by Governing Council from time to time.

#### ***4.09 TAKING OF EXAMINATIONS***

- a) No students shall be allowed to sit any examination(s) without completing payment of all University fees. Special circumstances may be considered on case by case basis by the Accounting Officer.
- b) The Office of the Academic Registrar shall work closely with the Office of the University Finance Officer, Faculty Deans, and Heads of departments to ensure that only legible students sit examination (s).

#### **4.10. PROMPT ACTIONS FOR RECOVERY OF REVENUES**

- a) The University Finance Officer shall ensure that prompt reminders are sent to students or other creditors when revenue becomes overdue.
- b) If a reminder for payment of non-academic fees or other revenue fails to yield positive results within thirty (30) days, the relevant services shall be denied.

#### **4.11 BAD DEBTS**

- a) The University Governing Council shall be the final authority to recommend “writing off” un-recovered revenue debts to the External Auditor. In case the bad debt is paid, it shall be recognized as University revenue.
- b) The Vice-Chancellor shall provide satisfactory explanation to the University Governing Council and to the External Auditor as to why he/she thinks the revenue for which a waiver is being sought is irrecoverable and the steps he/she has taken to recover the said revenue in vain.

#### **4.12 MANAGEMENT OF FUNDS FROM DEVELOPMENT PARTNERS**

- a) If the University receives funds from development partners, the University shall ensure that those funds are spent solely on the objectives and activities specified in the agreements between the development partner and the University itself as the case may be.
- b) Development partner funds shall be treated according to the conditions attached to them as agreed upon between the parties.
  - (i) Unconditional grants shall be integrated into the University revenue and utilized as part of the general University fund.
  - (ii) Conditional grants shall be managed separately from the general University funds and utilized according to the agreed upon terms and conditions.

- c) The rules of virement, re-allocation, and supplementary estimates as specified in this Manual shall not apply to donor grants except where expressly authorized by the donor or is expressed in the grant agreement with the relevant development partner.
- d) The University shall make progress reports on how donor funds are utilized and regular financial statements shall be submitted on a periodic basis in accordance with the agreement entered into with the development partner(s).

## **CHAPTER 5:**

### **ACCOUNTING AND FINANCIAL REPORTING**

#### ***5.01 ACCOUNTING POLICY AND CHART OF ACCOUNTS***

- a) The University shall apply the basis of accounting in accordance with Financial Guidelines, 2020 Part- III.
- b) Whether in the event of computerization of financial management systems, or manual, the University shall embrace full accrual basis of accounting in line with the requirements of International Public Sector Accounting Standards (IPSASs) and the International Financial Reporting Standards (IFRSs).

#### ***5.02 ACCOUNTING SYSTEMS AND PROCEDURES***

- a) The accounting procedures, methods, forms, format, records, and other requirements to be used by University shall be in accordance with Financial Guidelines, 2020 Part –III.
- b) An accounting system or policy or basis shall not be introduced or a change made in the existing system or policy unless the system or change has been approved by the University Governing Council.
- c) In order to comply with required accounting systems, the properties and assets of the University shall be properly registered, titles issued, and valued and that requirement shall apply to both movable and immovable properties and assets.

#### ***5.03 FINANCIAL MANAGEMENT RECORDS OF THE UNIVERSITY***

- a) The University shall maintain and produce the following financial records on a monthly basis:
  - (i) Cash books,
  - (ii) Journals,
  - (iii) General and/or subsidiary ledgers,

- (iv) Stores ledgers or registers,
  - (v) Asset registers, and
  - (vi) Bank reconciliation statements.
- 
- b) The above financial records shall be kept and maintained in a format that is in accordance with standard financial management practices.
  - c) The accounting records stated above shall be supervised and verified for correctness on a monthly basis by a senior staff of the Department of Finance.
  - d) No payment shall be valid unless such a payment has been claimed by a right person and is supported by a fully approved/authorized payment voucher, with all the necessary documentary attachments in support of the justification for the payment.

#### ***5.04 SECURITY OF ACCOUNTING RECORDS***

- a) The accounting records shall be kept in strong rooms and securely locked buildings when not in use.
- b) No accounting record shall be removed from the room of safe custody except on authority of the University Finance Officer. Accounting records may be removed from the room of safe custody for any of the following purposes: auditing, investigation, or for production in court. In each case, an official acknowledgement shall be obtained and filed by the officer in charge of the accounting records.
- c) Auditors, investigators, and inspectors shall be given proper facilities to enable them to carry out their audits, investigations, and inspections without having to remove principal financial records from University premises.

## ***5.05 RETENTION AND DESTRUCTION OF ACCOUNTING RECORDS***

Originals and copies of vouchers and used receipt books may be destroyed in accordance with the policy on inactive records approval by the University Governing Council.

## ***5.06 FOREIGN EXCHANGE TRANSACTIONS***

- a) The University shall open and maintain a foreign exchange account for the most commonly used foreign currency.
- b) Foreign exchange shall be kept on the foreign exchange account from which all foreign exchange payments will be made to minimize currency exchange losses.
- c) The foreign exchange spent from the foreign exchange account shall be charged (in local currency at the ruling exchange rate) on relevant faculty or administrative department for which the relevant expenditure is made.
- d) The University shall translate all foreign exchange transactions into Ugandan shillings for reporting purposes using the following principles:
  - (i) Assets and liabilities shall be translated at the closing rate which shall be the date of the financial statement.
  - (ii) Income and expenses shall be translated at the ruling exchange rates at the dates of the transactions.
- e) All resulting exchange differences shall be recognized in the income and expenditure statements.

## ***5.07 ACCOUNTS OF THE UNIVERSITY***

- a) The University shall keep proper books of accounts and other relevant records and shall balance its accounts for that year and produce statements of final accounts within three (3) months from the end of each financial year in accordance with the Universities and Other Tertiary Institutions Act 2001, (as amended).

- b) The University shall prepare and present annual financial statements and reports in the format compliant with the regulations and standards notes and schedules to the accounts; and the financial reports shall be as prescribed by the IFRS, and in accordance with acceptable standards and regulations issued from time to time by relevant regulatory bodies. Relevant formats of the financial statements to be prepared by the University are contained in Financial Guidelines Part-III.

#### **5.08 DISCLOSURE POLICY IN THE FINANCIAL STATEMENTS**

- a) The University financial statements shall be prepared in an accountable and transparent manner by providing full disclosure of the figures or other events in the financial statements.
- b) The principle of disclosure shall be by providing adequate notes and schedules that explain the amounts of transactions, cash, assets, liabilities, or events indicated in the financial statements.

#### **5.09 AUDIT OF FINANCIAL STATEMENTS**

- a) The Vice-Chancellor shall submit final accounts to the University Governing Council within three (3) months after the closure of the financial year.
- b) The Vice-Chancellor shall ensure that all relevant documents supporting the submitted accounts are provided to the External Auditor to enable him/her perform the audit function.

## **CHAPTER 6:**

### **TREASURY MANAGEMENT**

#### ***6.01 OPENING AND CLOSING OF BANK ACCOUNTS***

- a) Opening of all University bank accounts shall be authorized by the University Governing Council, specifying the signatories.
- b) Authority to close any University bank account shall be granted by the University Governing Council.
- c) The Vice-Chancellor shall update the University Governing Council of any bank accounts opened and closed within two (2) months.

#### ***6.02 MANAGEMENT OF BANK ACCOUNTS***

- a) All University bank accounts shall be operated by the Accounting Officer, and any other authorized signatory.
- b) At the close of each financial year, the Vice-Chancellor shall provide the University Governing Council with a list of all University bank accounts opened, closed, and in operation at any time during that financial year to facilitate the auditing exercise.
- c) All monthly financial reports and bank reconciliations shall be forwarded to the Deputy Vice-Chancellor (F&A).

#### ***6.03 BANK RECONCILIATIONS***

- a) The University Finance Officer shall ensure that cash books are reconciled with the bank statements once a month.
- b) All monthly bank reconciliations shall be verified and approved by the University Finance Officer and the Deputy Vice-Chancellor (F&A), respectively.

## **6.04 INVESTMENTS**

- a) The University may, with authority of the University Governing Council, invest funds in profitable ventures.
- b) An investment register by the University Finance Officer shall be maintained, showing details of each investment and interest or profit on all investments in accordance with an approved format.
- c) Investment proposals shall be annually authorized by the University Governing Council in the budget estimates or other investment feasibility reports.
- d) Management shall submit quarterly progress reports to the University Governing Council on the investments undertaken.
- e) Any proceeds from the University investments shall be treated as one of the sources of University revenue.

## **6.05 BORROWING OF FUNDS**

- a) The University Governing Council may borrow funds required for meeting its obligations and for carrying out its functions.
- b) The University Governing Council shall, from time to time, prescribe the maximum sum that may be borrowed in respect of the different votes of expenditure of the University.
- c) The borrowed funds shall be strictly utilized for purposes for which they are intended; and separate loan accounts shall be opened for that purpose.
- d) The Accounting Officer shall make quarterly progress reports on utilization of the loan funds to the University Governing Council.
- e) The provisions for the loan's agreement relating to principal repayment and interest payments must be adhered to in order to avoid litigations or attachment of university property.

## **6.06 ACCEPTABLE PAYMENT METHODS**

- a) Only cheques drawn on banks in Uganda may be accepted as payment for services rendered. Other forms of payments to the University shall be Cash, Electronic Funds Transfers (EFT), Mobile Money Transfers, Telegraphic Transfers and Bank Drafts from a financial institution regulated by Bank of Uganda.
- b) No post-dated cheques from students, their parents or guardians and from other stakeholders/clients of the University as forms of payment of University fees shall be acceptable.
- c) If a cheque payment is received by the University for a service, that service shall not be provided until the cheque has been cleared through the banking system and the funds received on the relevant University bank account.
- d) Only cash banking-slips, Electronic Funds Transfers (EFT), Telegraphic transfers and from a financial institution regulated by Bank of Uganda shall be accepted as payment instruments from students and all other stakeholders.
- e) Under no circumstances shall cheques drawn on banks outside Uganda be accepted as revenues.
- f) Post-dated cheques, promissory notes from individuals and other organizations, except those from the Bank of Uganda, National Treasury and/or other government bodies shall not be accepted by the University.
- g) Where the promissory payment instruments in sub-regulation 7 (06) are accepted, the relevant services for which they are made shall not be delivered by the University until the instruments have matured.
- h) The Accountant in charge of University bank account(s) shall maintain records of all cheque/draft/EFT or TT payments as and when the transactions occur.
- i) Any cheques issued to the University and not honored by the bank(s) shall be reported to the University Finance Officer in writing for appropriate action within seven (7) working days by the respective Accountant.

### **6.07 CASHING OF UNIVERSITY CHEQUES**

- a) Cheques shall not be cashed to any person except in the case of named officers of the University or the University Cashier for the purposes of imprests and the payments of allowances on request of the payees and authority of the University Finance Officer.
- b) The Accountant in charge of University bank account(s) shall maintain records of all cheque/draft/EFT or TT as and when the transactions occur.

### **6.08 DISHONoured CHEQUES**

- a) The University Finance Officer shall maintain a list of dishonored cheques and unless a genuine mistake has occurred, the defaulters shall not be allowed any other cheque payment facilities.
- b) Any cheques issued by the University and not honored by the bank (s) shall be reported to the University Finance Officer in writing for appropriate action within seven (7) working days by the respective Accountant.
- c) The University may take legal action against the drawer due to dishonored cheque(s).

### **6.09 CASH MANAGEMENT**

- a) The Accounting Officer shall, with the support of the University Finance Officer, put in place the necessary control systems to manage cash-related transactions. All activities involving the handling and management of cash transactions shall be authorized by the University Finance Officer.
- b) All staff involved in cash-handling activities shall be responsible for the receipting, accounting, and reporting the cash to the University Finance Officer for approval.
- c) Cash handling shall cover a variety of financial management activities, including petty cash management, collection, receipting, custody, and issuance, and expenditure, reconciliation, accounting for, and banking of cash.

- d) The office of the University Finance Officer shall ensure that the custody, handling, transporting, or movement of cash and the procedures for receipting funds across the University utilize the best practices, principles, and standards for cash management.
- e) All University officers/employees authorized to handle cash shall be insured by the University, including cash-in-transit.

#### **6.10. MOVING AND TRANSPORTING CASH**

- a) The Vice-Chancellor shall provide security for custody, movement, and transportation of cash.
- b) All funds received on a daily basis shall be paid into the bank without delay on the same day or the following working day.

#### **6.11 RESPONSIBILITY FOR SAFE CUSTODY OF PUBLIC MONIES AND OTHER ASSETS**

Every staff of the University, who has in custody any University assets, such as monies, stores, land, buildings, or other assets, shall be accountable for their safety and protection and for any loss arising therefrom.

#### **6.12 SECURITY OF CASH AND VALUABLES**

All staff of the University who hold public money, documents, and books of account shall personally ensure their safe custody and take adequate steps to ensure their protection, handling, security, and banking, as set out in this Manual or any other instructions.

#### **6.13. SAFES, CASH BOXES AND KEYS**

- a) The University shall ensure that all staff in charge of money and/or other valuable assets or documents are provided safes and secure cash boxes for the security of such money and valuable assets or documents in their possession.
- b) The office of the University Finance Officer shall keep a register of safes and cash boxes clearly showing the location of each and the relevant staff responsible.

- c) Any staff who, holds the original key to a safe or cash box shall be personally responsible for its safe custody and must remain present when the facility is opened or locked where double locking with separate keys exists.
- d) It shall be the responsibility of the staff handing over a key to ensure that his/her successor is informed, in writing, of the identity of any other key holders and the location of the duplicate keys.
- e) University staff is prohibited from keeping private money or other private effects in University strong rooms, safes, or cash boxes. Any personal assets or revenue found in any container of the University shall be considered University assets or revenue.

## **CHAPTER 7:**

### **MANAGEMENT OF NON-CURRENT ASSETS**

#### **7.01 UNIVERSITY NON-CURRENT ASSETS**

- a) The University has a significant investment in its non-current assets. This Manual establishes the framework under which the University must operate to ensure that their assets are properly managed and controlled.
- b) A fixed asset for the purpose of this Manual (also known as a non-current asset) shall be any item of plant or equipment which has a life expectancy (i.e. usage period) of more than one year. Items with a life expectancy of one year or less shall be considered to be consumable items and not non-current assets.
- c) Management and maintenance of University non-current assets shall be in accordance with the Financial Guidelines, Part-IV.

#### **7.02 ACQUISITION OF NON-CURRENT ASSETS**

In making the decision to acquire an asset, the following fundamental principles shall be carefully considered:

- a) The purpose for which the fixed asset is required is in keeping with the objectives of the University and will provide significant, direct, and tangible benefit to it.
- b) The purchase is absolutely necessary as there is no alternative University asset that could be upgraded or adapted.
- c) The fixed asset is appropriate to the task or requirement and is cost-effective over the life of the asset.
- d) The fixed asset is compatible with existing equipment and will not result in unwarranted additional expenditure on other assets or resources.
- e) Space and other necessary facilities to accommodate the asset are in place.
- f) The most suitable and appropriate type, brand, and model etc. has been selected.

### **7.03 SAFETY OF NON-CURRENT ASSETS**

- a) Heads of administrative departments and Faculty/School Deans shall be responsible for the safety of assets under their control. This responsibility shall include ensuring that assets are used only by authorized persons, safeguarded against theft and damage, and only removed from university premises with approval.
  - b) All members of staff and students shall be responsible for the care and protection of University assets. Every person who utilizes the property of the University shall do so with utmost care and consideration and in a manner which ensures the property will be subjected to the minimum wear and tear or damage.
  - c) Safeguarding of delicate equipment, such as computers, laptops, and video cameras shall be particularly important not only because of their attractive and portable nature but also because of the confidential information that they may contain. Steps shall be taken to limit the risk of loss or theft including:
    - a) Keeping offices locked when unattended and when travelling;
    - b) Not leaving items unattended in public places, particularly in motor vehicles;  
and
    - c) In the case of laptops, transporting them in laptop bags or cases and removing all confidential information not required for the trip.
  - d) As far as possible, all non-leased assets shall be engraved as being the property of the University by either engraving or some other effective means.
  - e) A staff member shall be nominated in each faculty or administrative department or unit to have responsibility for managing the assets for that area, ensuring compliance with related procedures, performing stock takes and being a local contact for the University Finance Officer's section in charge of non-current assets.
  - f) The Vice-Chancellor, Security Office & Estates and Works Department shall ensure security of all University assets, including all assets that are taken out of the University premises.
6. This Manual shall be in conformity with the Stores and Assets Management policy.

#### **7.04 ACCOUNTING FOR NON-CURRENT ASSETS**

All non-current assets of the University shall be accounted for in the financial statements as per Financial Guidelines, 2020 Part IV.

#### **7.05 ASSETS STOCK-TAKING**

- a) A stock-taking of non-current assets appearing on the University non-current assets register shall be undertaken every year either on a progressive basis or at selected stock-taking dates.
- b) Stock-taking shall be the responsibility of Faculty/School Deans and Heads of administrative departments. The Estates Officer will coordinate the stock-taking exercises and shall provide appropriate documentation and support to facilitate a successful outcome. Such stock-taking exercises will be subject to subsequent sample checking by the University Finance Officer's section in charge of non-current assets and internal audit.
- c) A stock-taking of minor assets appearing on local asset registers shall be taken on an annual basis within faculties and administrative departments. It shall be the responsibility of each holding area to arrange this stock-taking exercises and to maintain records of the check for audit purposes.
4. The DVC (F&A) shall every year appoint a non-current assets stock-taking committee, which shall give a detailed report with concrete recommendations for action by management.
5. The Accounting Officer shall, every financial year, submit a non-current assets report to the University Governing Council, detailing the findings on the status and management of non-current assets in the university with concrete recommendations for policy decisions. This shall be presented to the University Governing Council together with budget estimates for the financial year ended.

### ***7.06. DEPRECIATION OF NON-CURRENT ASSETS***

- a) Depreciation shall mean the accounting process used to allocate the cost to particular accounting periods of 'using up' the service potential of the asset over its useful life.
- b) Depreciation of non-current assets shall be in accordance with the policies set out in Financial Guidelines, 2020 Part-IV.

### ***7.07. PERIODIC VALUATIONS***

- a) Asset values and their remaining useful lives shall be regularly reviewed to ensure that they reflect a true financial position. Assets that do not lend themselves easily to a depreciation calculation will be valued periodically.
- b) The Vice-Chancellor shall arrange for valuation, by an independent professional valuer of land and buildings, artwork and precious objects every five years. Any changes resulting from the periodic valuation shall be reflected in the non-current assets register and depreciation provision.

### ***7.08. DISPOSAL OR DESTRUCTION OF ASSETS***

- a) Disposal of University assets shall be in accordance with procurement guidelines of the University.

## **CHAPTER 8:**

### **RISK MANAGEMENT**

#### ***8.01 RISK MANAGEMENT AND INTERNAL CONTROL***

- a) The University acknowledges the risks inherent in its operations, and is committed to managing those risks that pose a significant threat to the achievement of its objectives and financial health.
- b) The University Governing Council has overall responsibility for ensuring that there is a Risk Management Strategy and a common approach to the management of risks throughout the University.
- c) This shall be done through the development, implementation, and embedding within the University a formal and structured risk management process.
- d) In line with this policy, the University Governing Council requires Risk Management Strategy and supporting procedures that include:
  - (i) The establishment of University-wide criteria for the measurement of risk, linking the threats arising with their potential impact, and the likelihood of their occurrence;
  - (ii) Detailed regular reviews to identify significant risks associated with the achievement of the University objectives;
  - (iii) Regular reporting by the Internal Auditor to the Audit, Monitoring and Evaluation Committee of all potential risks the University is likely to face;
  - (iv) An annual report from the Audit, Monitoring and Evaluation Committee to the University Governing Council on risk and giving assurance that risk has been properly managed;
  - (v) An annual review of the implementation of risk management arrangements. The Audit, Monitoring and Evaluation Committee shall ensure that there are appropriate controls for managing the key risk areas. The risk areas covering financial management that shall have been identified requiring adequate monitoring and assessment include but are not limited to the following:
    - Inadequate financial strategy;

- Infrastructure funding requirements to support the increasing enrolment and activities in the areas of teaching, learning, and research;
- Attracting and retaining quality employees, labor relations, health and safety issues;
- Students-related issues especially collection of students fees and insufficient student housing/accommodation;
- Information Technology-related risks, such as disaster recovery and losses due to changes to the IT environment, and
- Overdependence on individuals, both internal and external.

## **CHAPTER 9:**

### **MANAGEMENT OF STUDENTS' GUILD FUNDS**

#### ***9.01 GENERAL ADMINISTRATION OF STUDENTS GUILD FUNDS***

- a) The Guild leadership shall manage separate guild bank account(s) into which all guild funds shall be deposited and expended.
- b) The University Guild funds shall be managed by the Dean of Students with the guidance of the DVC (F& A), the University Finance Officer, and the Students' Guild leadership in accordance with the approved budget for the Guild for the relevant financial year and as per the Guild Constitution.

#### ***9.02 SOURCES OF REVENUES FOR THE STUDENTS' GUILD***

- a) The main source of the Guild funds will be the students' fees specifically charged by the University for the purpose of running Guild activities. The Guild fees shall be determined from time to time by the University Governing Council for the purpose of ensuring fair charging of fees to students.
- b) All the fees charged on students for the Guild activities shall be remitted in whole to the Guild bank account from which that money will be managed.
- c) Guild funds shall not be diverted to any other activities other than those approved in the Guild budget.
- d) The University may allocate extra funds from any other source to the Guild on approval of the University Governing Council.
- e) The Guild may also receive other funds that may be specifically attributed, allocated, or donated to the Guild by government, donors, or any other partners.
- f) The Guild leadership shall not be allowed to engage in the collection of any revenue in the University because the Guild leadership is composed of students who are not employees of the University.

- g) The Guild leadership shall monitor the collection, banking, and expenditure of the revenue to their bank account.

### ***9.03 STUDENTS' GUILD BUDGET***

- a) The Guild Representative Council (GRC) shall, every financial year, based on approved Chart of Accounts, prepare and submit budget estimates, procurements, and work plans to the University Finance Officer for incorporation into the overall University budget for University Governing Council approval.
- b) Any amendments to the Guild budget estimates shall be submitted to the Dean of Students after consultation with the University Finance Officer, who shall, in turn, bring to the attention of Finance, Planning and Development Committee for appropriate action.

### ***9.04 ACCOUNTS OF THE STUDENTS' GUILD***

- a) The Dean of Students shall be the overall overseer of the management of the Students' Guild funds and shall be the principal signatory to the account.
- b) The Students' Guild leadership shall have such bank accounts as shall be deemed necessary for the efficient management of its funds.
- c) The Dean of Students shall be a mandatory signatory to the Students' Guild bank accounts together with the Guild President and any other Guild Minister approved by the Students' Guild Cabinet or Constitution.
- d) The University Finance Officer shall assign a staff in his/her department to manage/control revenue collection, expenditure of funds, to write the books of accounts for the Guild operations, to maintain the financial documents and other assets relating to the Guild operations.
- e) The University Finance Officer shall approve transaction documentation relating to the Guild funds in order to ensure observance of financial management rules, policies, and regulations governing public funds.
- f) The accounts of the Students' Guild shall be incorporated into the final accounts of the University for the purpose of compilation and submission to the external audit for audit.

- g) Additional information regarding management of Guild finances is in the Guild Constitution.

#### ***9.05 ACCOUNTABILITY FOR STUDENTS' GUILD FUNDS AND OTHER ASSETS***

- a) All funds and other assets for the Guild leadership shall be utilised for Guild purposes and accounted for in accordance with this Manual, the Laws of Uganda, and any other instructions or recommendations issued from time to time by the Auditor or the Accounting Officer.
- b) Any monies advanced to any member of the Guild leadership or any students or other officials of the University shall be accounted for within two (2) months of receipt of the monies.
- c) In any circumstance, where the money advanced cannot be accounted for within the specified period, the student, Guild Cabinet member, or any other official must inform in writing the Accounting Officer through the University Finance Officer.

## SCHEDULES

### ***First Schedule: Composition of Management***

The Composition of Management shall be as follows:

1	Vice-Chancellor	Chairperson
2	Director Quality Assurance	Member
3	Deputy Vice-Chancellor(F&A)	Member
4	Academic Registrar	Member
5	Director of Human Resources	Member
6	University Finance Officer	Member
7	Dean of Students	Member
8	University Chaplain	Member
9	University Librarian	Member
10	Chairperson for the Academic Dean	Member

### ***Second Schedule: Functional Fees***

#### **General Functional Fees**

This shall be fees payable by all students. General functional fees shall include but not limited to the following;

#### **a) Fees payable by Undergraduate Students:**

- (i) Application fees,
- (ii) Registration fees,
- (iii) Identity Card fees,
- (iv) Examination fees,
- (v) Medical Examination fees,
- (vi) NCHE,

- (vii) Computer fund,
- (viii) Graduation fees,
- (ix) Chaplaincy fees,
- (x) Transcript fees,
- (xi) Students' Guild fees,
- (xii) Undergraduate gown,
- (xiii) Library fund,
- (xiv) Sports fees,
- (xv) Development fees,
- (xvi) UNSA,
- (xvii) School practice/Internet/industrial training,
- (xviii) Foundation Body, and
- (xix) Any other fees as approved by the University Governing Council from time to time.

**b) Specific Functional Fees:**

This shall be fees payable by students only for undertaking specific activities/services offered by the University or as a charge/penalty in accordance to the University policy, rules, and regulations.

- (i) Academic Testimonial fees,
- (ii) Accommodation fees,
- (iii) Document verification fees,
- (iv) Late Registration fees,
- (v) Retake fees,
- (vi) Replacement of lost documents (e.g. Admission Letter, Registration Card, or Examination Card),
- (vii) Examination script remarking fees,
- (viii) And any other fees as may be approved by University Governing Council.

# FINANCIAL GUIDELINES, 2020

## ***PART I-PAYMENT PROCEDURES AND SYSTEMS***

### **Authority and responsibility for payments**

The Accounting Officer shall have the ultimate mandate and responsibility for expenditure of all University funds in accordance with the approved budget and shall put in place efficient mechanisms for their efficient utilization and accountability.

### **Modes of payment by the University**

- a) The mode of payments by the University from any of the bank accounts shall be in any of the following: Cash, Cheques, Electronic Funds Transfer (EFT), Telegraphic Transfers (TT), Real Time Gross Transfers (RTGS) Or any other modes of payment approved by Bank of Uganda.
- b) All payments shall be made through bank accounts provided in writing by the University suppliers, staff, creditors, or payees.
- c) The University Finance Officer shall maintain proper records and ensure security of all payments of the University.
- d) Petty cash payments in any single faculty or administrative unit may be made by imprest holders only for small purchases not exceeding the amount determined by the Accounting Officer from time to time.
- e) Payments to contractors, suppliers, and service providers shall be in the exact name as submitted and agreed upon in the contract documents for the services, works or goods delivered/supplied.
- f) The Accounting officer shall verify to ensure that the procurement contracts are awarded and signed with legal entities to which payments for goods, works, and services shall be made.
- g) The University Procurement and Disposal Unit shall take responsibility for verification of the authenticity of the names of the suppliers, contractors, and service providers to which contracts are awarded.

### **Payment processes and procedures**

- a) The following procedures shall apply in the payment processes:
  - (i) Pre-payment audit shall be limited to given thresholds or amounts for the purpose of promoting efficiency in the payment processes.
  - (ii) All claims shall be authorized by the Accounting Officer.
  - (iii) The Finance, Planning, and Development Committee shall receive reports on payments made on a quarterly basis.

- b) The Accounting Officer may cause an investigation or inquiry into any payments or any financial transactions that may, according to his/her judgment, seem irregular or suspicious of causing a financial loss to the University.
- c) For the purpose of ensuring strong and efficient payment systems, the flow of the payment system shall be guided by the process described above.
- d) All requisitions for payments shall be addressed to and approved by the Accounting Officer.
- e) All requisitions or applications for payment of University funds shall be fully supported by the relevant documents.
- f) All paid vouchers, requisition letters, invoices, local purchase orders and all attached documentation shall be marked/stamped with the word "PAID" in bold and visible capital letters and shall be signed by the paying cashier indicating the date the payment was made. The word PAID shall be an indicator that the payment voucher is dully paid and should be disposed of for filing in the archives.

#### **Recording of the transactions in the books of accounts**

- a) All paid vouchers shall be posted in the cash books and ledgers within a period not exceeding seven (7) working days from the date of payment.
- b) The date of payment of any amount shall be the date of the record of the transaction in the University books of accounts.
- c) Reversal of any payment or revenue or any other transaction record in the books of accounts shall be authorized by the University Finance Officer.

#### **Payment and accountability of advances**

- a) Payment of a recoverable salary advance to a University employee shall only be accounted for by recovery of the money from the subsequent salaries or from any other monies due to the employee by the University.
- b) Administrative advances to the University employees, students, or other officials shall be authorized by the Accounting Officer and shall be accounted for within seven (7) days after completion of the activity.
- c) An employee, who receives administrative advance shall within seven (7) days of the date of receipt account for the money in accordance with this manual.
- d) The Accounting Officer shall recover from any staff who may not have accounted for the funds as specified above after sixty (60) days.
- e) Any employee or other official, who receives an administrative advance which, due to unavoidable circumstances, cannot be accounted for within sixty (60) days

of receipt of the advance, shall apply to the Accounting Officer, in writing, for extension of the accountability period, with justified reasons.

- f) The Accounting Officer may not authorize any advance to a University employee or official who has another outstanding administrative advance for any of the current or previous periods.
- g) The Accounting Officer may authorize payment of an advance to a contracted person or organization for the purchase of works, goods, or services against a valid bank guarantee or in accordance with the provisions of the contract agreement between the two parties.
- h) Under no circumstances shall an administrative advance for one activity be utilised to fund another activity unless authorized by the Accounting Officer in writing.

#### **Appointment of vote holders**

- a) The Vice-Chancellor shall appoint vote holders/controllers every year after the approval of the budget estimates, who may be the Heads of administrative units responsible for the budget votes within the approved estimates.
- b) The account holders shall ensure that no expenditure is incurred except if it falls within the authorized activities and amounts of the approved budget estimates.
- c) While retaining the ultimate responsibility for the votes under his/her control, an account holder may delegate the powers to authorize or order payment for goods, services and/or works to his/her deputy or to other senior officer(s) in the administrative unit.

#### **Emergency/Urgent cash payments**

- a) Under normal circumstances, no cash payments shall be made out of cash revenue collected except in accordance with sub-paragraphs (2) below.
- b) Where funds are urgently required to be paid out from available cash in the office or drawn from the bank and paid on a cash basis to save a critical situation (such as an impending student demonstration, lack of water, death, burst of a sewerage pipe etc.), the relevant Heads of administrative units shall write to the Accounting Officer for authority, giving the nature and particulars of the emergency, the likely disaster/loss to the University if the money is not paid immediately in cash and how the emergency cash payment is expected to save the situation.

#### **Imprest management**

- a) An Officer in charge of imprest will be responsible for the management, security, and accountability of the responsibility imprest cash float.

- b) The imprest holder shall be responsible for full accountability of the funds under his/her control.
- c) Internal Auditor shall audit all imprest to verify the accountability of imprest funds.

### **Custody of imprest**

- a) The University Cashier or Assistant Accountant shall be provided with a Money Safe to keep strong custody of the funds entrusted to the University Finance officer.
- b) No money in cash form shall be held in the cash office unless it is certain that there is a strong and safe facility that can securely keep such money.
- c) The Cashier or Assistant Accountant in charge of the money in a safe shall be fully responsible for the safety of the money and shall ensure that adequate security systems are in place to guarantee its safety.
- d) Each imprest holder shall be responsible for the full amount of his or her imprest until it has been properly retired and any disbursements from his/her imprest shall be made against properly certified imprest cash vouchers with supporting documents and entered in his/her imprest cash book.
- e) Where a large amount of cash is required to be withdrawn and kept in the office to fund an activity or function, the user shall apply through the account holder to the Accounting Officer stating the reasons for withdrawal of such large amounts of money at a go, nature of the activity or function for which such large amount of money is required, and why such money should be withdrawn at once.
- f) Where the Accounting officer approves withdrawal of such large funds from the bank, the University Finance Officer shall ensure that the relevant security measures for transportation, custody, and payment of those funds are in place in the University Finance Office.
- g) Large amounts of money withdrawn shall be kept in the cash office and shall be released to the imprest holder in appropriate installments on authorization by the University Finance Officer.

### **Replenishment and retirement of imprest**

- a) Replenishment of an imprest shall require the balancing of the cash book and completion of a payment voucher summarizing all transactions and vote codes and submitting them to the University Finance Officer with all supporting documents; and a cheque shall be issued which shall restore the imprest to its original amount.

- b) The Internal Audit Department shall verify accountabilities for all imprests and advances. A clearance certificate shall be issued confirming acceptance of the accountability submitted by the staff.
- c) Imprest holders who, for some justifiable reasons, cannot account their imprests within the specified period, shall apply for extension of the accountability period to the Accounting Officer whose decision the accountability extension shall be complied with.
- d) An Officer who fails to retire imprest by the set deadlines shall refund the money and a disciplinary procedure be taken against him/her.

### **Payment of salaries and wages**

- a) The University Finance Officer, in consultation with the DVC (F&A), shall be responsible for the preparation of budget estimates for the University officers/employees' salaries, top-up, recruitment, retirement packages, headship and any other centrally managed staff payments or allowances.
- b) Payment of salaries and wages shall be the first charge on University funds and all employees shall be paid monthly salaries and wages on time, where circumstances can allow.
- c) All salaries, wages, and monthly allowances of the University staff shall be due and payable by the 28<sup>th</sup> day of each month but arrangements may be made to effect earlier payment, particularly at times of public holidays.
- d) The Directorate of Human Resource shall be responsible for the maintenance of a staff establishment register with a record of full personal details and rates of pay of all established staff in the administrative departments and faculties.
- e) The staff establishment register shall be kept up to date in accordance with the approved University staff structure, to agree with the personnel records, pay records, and the nominal payrolls upon which the approved budget estimates are based.
- f) Periodically, Heads of administrative units shall make a return to the Director of Human Resource indicating the number of employees and grades and any details of those who have resigned, absconded from duty, or died.
- g) The Directorate of Human Resource shall design an appropriate reporting form for submission of the monthly human resources report.
- h) The officers in charge of processing salaries or payrolls shall ensure that only appointed staff who appear on duty are the only ones on the payrolls for the purpose of salary payments for each month.

- i) The Director of Human Resources shall swiftly communicate to the University Finance Officer with clear instructions for action, any absconded, dismissed or terminated, or dead staff for the purpose of adjustment of the payroll, with a copy to the salary section.

**Payment of gratuity, allowances and other benefits**

- a) Payment of National Social Security Fund shall be a first charge after salaries, wages and allowances on the University funds.
- b) The University shall be up to date with monthly allowances including top-up allowances, part time teaching allowances, caretaker allowances, and acting allowances. The DVC (F& A) shall ensure that allowances are adequately budgeted for every year.
- c) The top-up allowance, headship or duty allowance and other salary-based allowances shall be due and payable by the 28<sup>th</sup> day of each month.
- d) The Heads of administrative units shall ensure that there is a register where all part time staff shall register their daily attendance.

***PART-II: MANAGEMENT OF STORES AND ASSETS***

- a) The University Finance Officer shall, in consultation with the Faculty/School Deans and Heads of administrative units, exercise general supervision over all stores maintained by the University.
- b) The Faculty/School Deans and Heads of administrative units shall be directly responsible for the safety and security of all stores maintained in their faculties and administrative units.
- c) In the execution of his/her control over stores, the University Finance Officer shall cause the appointment, capacity development, and deployment of competent stores control officers and storekeepers.
- d) Donor stores and assets shall be managed in accordance with conditions agreed upon with the donor.
- e) The University officer/employee assigned to the Stores Section shall maintain proper records in the management of Stores and Assets of the University in accordance with regulations set out in this Manual.

### **Stores control arrangements**

- a) The Faculty Deans or Heads of administrative units shall consult with the University Finance Officer at intervals of not more than four (4) months on the economy and efficiency of their ordering, storage, and accounting arrangements for stores and other assets and the consultations shall determine which methods and control procedures shall be most appropriate for stores and other assets.
- b) The officer in charge of the stores shall ensure that the management and control procedures for stores and other assets are complied with at all times.
- c) The officer in charge of assets shall be responsible for ensuring that all assets and items of the University, such as heavy plant, light plant, working equipment, loose tools, and inventories at all premises are in the assets register and are coded.
- d) All assets, stores, and other items shall not be issued from their storage without an authorized issue voucher or system as may be required.
- e) The management of the University stores and assets shall be in accordance to the Stores and Assets Management Policy.

### **Stores management officers**

- a) There shall be a stores section for every faculty/administrative unit or for a group of faculties or/and administrative departments to ensure efficient management of stores.
- b) The Vice-Chancellor shall ensure appointment of competent, qualified, and experienced staff in stores management.
- c) The Stores Management Officer shall ensure that all accounts and procedures in respect of the stores in his/her charge are operating efficiently and effectively at all times, and that the storekeepers are carrying out their duties properly.
- d) The Stores Management Officer shall liaise with and report to the University Finance Officer to ensure that the section's stores ledgers are balanced with the stores control accounts.

### **Inventories**

- a) Inventories shall be held for use in the provision of services and shall include consumable stores, maintenance materials, stockpiles e.g. students' food, drinks, spare parts, work in progress e.g. educational/training course materials, and land/property.

- b) The Faculty/School Deans and Heads of administrative units shall be responsible for the purchase and safe custody of inventories under their votes.
- c) All procurement of inventories shall be done in accordance with guidelines of the University.
- d) Every staff or officer of the University shall be personally and pecuniary responsible for the University property under his/her control or in his/her custody.

### **Inspection**

- a) The University Finance Officer shall coordinate with Faculty/School Deans and Heads of administrative units to ensure that thorough quarterly stock-taking is done and that the balances of the recorded inventories physically exist.
- b) The stock-taking reports shall always highlight the challenges facing the stores systems and give concrete recommendations on the sufficiency of the storage control systems and on the general condition of inventories and storage facilities.
- c) The Office of the Internal Auditor shall make quarterly audit reports on the implementation of the guidelines relating to stores management in this Manual to the Audit Committee for consideration.

### **Checks by storekeeper**

A Storekeeper shall be personally responsible through his/her immediate supervisor to the University Finance Officer for:

- a) Checking, handling, and proper storage of all inventories received into his/her store;
- b) Checking, packing, and dispatch of all inventories issued from his/her store;
- c) Ensuring the correctness of his/her stock balances; and
- d) Recording the loss, shortage, leakage, damage, deterioration, or waste of any inventories in his or her charge;
- e) Ensuring the correctness of stock balances in the store's ledgers and bin (or tally) cards by systematic stock checking, covering the whole store at least twice a year;
- f) Reporting in writing to his/her immediate supervisor any surpluses or shortages or deteriorated, damaged, unserviceable or obsolete stocks;
- g) Ensuring that his/her storeroom is kept clean and properly ventilated and that his/her inventories are well arranged and easily accessible;
- h) Visiting the storeroom daily and bringing to the notice of his/her supervisor any case of loss, shortage, leakage, security, damage, or deterioration of the inventories for which he/she is responsible;
- i) Examining frequently all locks of doors, fastenings of windows and other security precautions;
- j) Not permitting the storeroom to remain open for any purpose during his/her absence and not delegating the duty of locking up the storerooms to any other person;
- k) Not allowing any inventories to be removed from the store without his/her knowledge and without the production of a properly completed and authorized issue voucher.

### **University stores**

- a) The University shall designate secured buildings to be used as stores buildings. The stores buildings shall be provided with security systems, including burglar-proof equipment, water-proof roofs and security guards to ensure secure custody of the stores.
- b) University stores shall be stocked to an optimum level with consumable items for use and restricted to those consumable items required for use and for the specialized needs of the University.
- c) Stores procedures for efficient stores management shall be implemented for reasons of economy, efficiency, and effectiveness.
- d) The Storekeepers shall ensure that the University does not run out of the stocks which are needed for everyday use of the University and shall ensure that new stock is requisitioned to avoid stock-outs.

- e) The Procurement and Disposal Unit shall ensure that there are efficient procedures for quick procurement and delivery of such stores, materials, goods, or assets.

### **Receiving inventories into stores**

- a) Storekeepers shall ensure that immediately on receipt, inventories are placed under shelter and safety.
- b) Immediately on receipt, items of inventory shall be examined by the storekeeper in the presence of Internal Audit, a technical person, the user of the inventory and the supplier. The three officers shall check the items received against receiving documents (consignment note, delivery note, etc.) that all boxes, packages, etc. have been correctly delivered and that they are intact, unopened, and undamaged.
- c) Any box/package that shows signs of damage or of being tampered with shall be opened in the presence of the supplier and the contents checked.
- d) Where goods are damaged or deficient, the nature of the damage or deficiency should be immediately returned to the supplier. The returned goods shall be recorded in the Goods Returned Note (GRN) if they had been officially received and recorded in the stores records.
- e) Non-current assets shall be ordered with specified warrant period.
- f) On completion of the examination of the items received, the officers shall prepare a certificate of examination, which shall be signed by all the officers. This certificate will show the particulars of all inventories received, and any breakages. This certificate shall be attached to the inventories receipt voucher as evidence that inventories were received in good condition.
- g) On receipt of a consignment, a name and signature signifying that the goods have been received intact shall only be given after being satisfied of the condition of goods.
- h) Any losses noted after the delivery and receipt of the goods or assets into the store is completed must be communicated to the Accounting Officer, the transporter, and supplier immediately.
- i) Each package of inventories in the store must contain a slip stating by whom the inventory was packed and checked, together with the date of checking.
- j) The Storekeeper shall issue a GRN to the supplier on satisfactory confirmation of the goods by the Technical person and/or user.

## **Board of Survey**

- a) On the last day of the financial year, the Vice-Chancellor shall appoint a Board of Survey to verify the status of all assets and properties and assess the security arrangements in place and other University establishments holding assets, or other items of value, as well as inspect and verify all goods on charge and belonging to the University.
- b) The Board of Survey shall submit a report to the Vice-Chancellor on the status, stores, land, movable and immovable assets of the University with concrete recommendations for the action of the University.
- c) The Board of Survey shall advise and recommend to the Vice-Chancellor any assets, stores, or properties that need disposal by sale, destruction, or removal.
- d) The Board of Survey shall value all stores, assets, or other properties recommended for disposal.
- e) The Vice-Chancellor shall, after judicious assessment of the report of the Board of Survey on the assets, stores, or properties recommended for disposal, submit the report to the Contracts Committee for disposal.

## **Annual closure of accounts**

- a) The University shall make an annual closure of accounts to create a cut-off point for revenues and expenditures as a control measure for disclosure of payables, arrears, and receivables in the final accounts.
- b) The annual closure of accounts shall include the following, among other matters:
  - (i) Boards of Surveys for stores and cash;
  - (ii) Journalizing any late submitted accounting entries;
  - (iii) Balancing all below-the-line ledgers and control accounts;
  - (iv) Setting 30<sup>th</sup> June of every year as the deadline for retirement of all imprests and advances;
  - (v) Receiving and reconciliation of all accounting records;
  - (vi) Balancing and reconciling all University accounts;
  - (vii) Developing a trial balance for the University using the Chart of Accounts; and
  - (viii) Collecting certificates of balances on all bank accounts from the bankers.

## ***PART-III ACCOUNTING POLICIES***

Accounting policies to be adopted by the University shall relate to the following:

- a) General accounting policies;
- b) Basis of presentation of financial statements;
- c) Significant accounting judgment and estimates; and
- d) Accounting policies, including:
  - (i) Accounting Policies: Receipts and Income;
  - (ii) Accounting Policies: Expenditure; and
  - (iii) Accounting Policies: Non-Current Assets.

### **General Accounting Policies**

**Purpose:** To set out and explain the policies for accounting for the funds used and for the preparation of the financial statements for the University of Saint Joseph Mbarara (USJM).

- a) The Accounting Policies are the specific principles, bases, conventions, rules, and practices adopted in preparing and presenting financial statements in the University. The Accounting Policies clarify how the relevant accounting standards apply to individual transactions and balances.
- b) The University Governing Council shall be responsible for accounting for the University's financial activity in accordance with the International Public Sector Accounting Standards (IPSAS) and other financial regulations and standards.
- c) The Accounting Policies on which the financial statements of the University are produced shall be in accordance with applicable accounting standards and consistent with the requirements to present a true and fair view.
- d) The constraints that the University should take into account in judging the appropriateness of Accounting Policies to its particular circumstances shall be:
  - (i) The need to balance the four objectives (relevance, reliability, comparability and understandability); and
  - (ii) The need to balance the cost of providing information with the likely benefit of such information to users of the financial statements.
- e) The Accounting Policies shall be applied consistently over the years.
- f) The University shall regularly review its accounting policies to ensure that they remain the most appropriate to its own particular circumstances. Where this is judged not to be the case, a new policy shall be adopted giving due weight to the impact a change would have on comparability between periods.

## **Basis of presentation of financial statements**

**Purpose:** To set out and explain the policies for accounting for the funds used and the basis for the preparation of the financial statements for the University of Saint Joseph Mbarara (USJM).

- a) The financial statements shall be prepared in accordance with International Public Sector Accounting Standards (IPSAS) and International Financial Reporting Standards (IFRS) where necessary.
- b) The financial statements shall be prepared under the historical cost convention, except where stated otherwise.

## **Statement of Compliance**

The annual financial statements of the University shall be prepared in accordance with Internationally Accepted Standards and generally accepted accounting principles. The financial statements prepared by the University shall be in accordance with the policies stated in these regulations.

## **Significant accounting judgment and estimates**

**Purpose:** To set out and explain the policies for accounting for the funds used and the significant accounting judgments and estimates used for the preparation of financial statements for the University of Saint Joseph Mbarara (USJM).

The preparation of the University's financial statements requires Management to make judgments, estimates and assumptions that affect the reported amounts of income, expenses, assets, and liabilities, and the disclosure of contingent liabilities, at reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that may require material adjustments to the carrying amount of the asset or liability affected in the future.

### *Judgments*

In the process of applying the University's Accounting Policies, Management shall make the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial statements.

### *Estimates*

Where estimation techniques are required to enable the accounting policies adopted to be applied, the University shall select the estimation techniques that enable its financial statements to give a true and fair view and that are consistent with the requirements of the accounting standards adopted.

### *Student fees receivables*

At year end, Management shall make an estimate of the amount of total outstanding student fee debt. In addition, Management shall estimate the amounts that it expects to recover from the outstanding balances. A provision of impairment shall be raised based on these estimates.

### **Component of the University financial statements**

The financial statements for the University shall include the following:

- a) A statement of financial position showing the assets and liabilities at the end of the year;
- b) A statement of changes in net assets/equity for the year;
- c) A statement of financial performance for the year;
- d) A cash-flow statement for the year; and
- e) The Accounting Policies and explanatory notes that form part of the annual financial statements of the University.

### **Extraordinary items**

- a) If it is required that in preparation of the financial statements the University separately discloses the nature and amount of each extraordinary item, such disclosure shall be made on the face of the financial statements and in the notes to the financial statements.
- b) Extraordinary items are characterized by the fact that they arise from events or transactions that are distinct from the University's ordinary activities. They are not expected to recur frequently or regularly and are outside the control or influence of the University. Accordingly, extraordinary items are rare, unusual, and material. For example, the impact of COVID-19 that led to total lockdown of the country affected the smooth running of the University in particular.

### **Reporting currency**

The financial statements shall be presented in Ugandan shillings, which is the University's functional and presentation currency. Transactions in foreign currencies shall be recorded at the currency exchange rate ruling at the date of the transaction.

### **Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated at the prevailing currency exchange rate at the statement of financial position date. All differences are recorded in the statement of income and expenditure in the year in which they arise.

### **Recognition of income**

- a) Income is recognized to the extent that it is probable that the economic benefits will flow to the University and the revenue can be reliably measured. Income is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, and other sales taxes or duty.

- b) Income is also recognized when cash or services associated with the transaction flow to the university. For cash transactions, the income is recognized on receipt of payments. For other transactions, income is recognized when it is earned by law or contract (e.g. goods or service are supplied by the University).

### **Recognition of expenditure**

- a) Expenditures are payments made in respect of cash transactions by the University and liabilities incurred in relation to the reporting period for goods and services received from vendors.
- b) The University recognizes expenditure when goods or services from suppliers are delivered to the University. Expenditure is also recognized when an obligation or the impairment of an asset has occurred.

The following specific recognition criteria must also be met before expenditure is recognized:

- a) Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset shall form part of the cost of that asset. Other borrowing costs shall be recognized as an expense in the statement of financial performance.
- b) Research costs shall be expensed as incurred.

## ***PART-IV (A) NON-CURRENT ASSETS***

### **Capitalization Policy**

The purpose of this policy is to establish guidelines for the control of assets owned by the University and to set out and explain the policies for accounting for non-current assets in the preparation of the financial statements of the University.

- a) This policy applies only to land, buildings, furniture and equipment used in the operations of the University. Land, buildings, and equipment not used in the operations shall be treated as investment properties rather than capitalized assets.
- b) Non-current assets are initially stated at cost. The cost of an asset comprises the purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to operate as intended.
- c) Consistent with the definition of assets, the following policies shall apply for the capitalization of assets and the recording of depreciation accordingly.

S/N	Type of Asset	Capitalization Policy/Criteria
1	Land	Costs incurred in preparing the land for its ultimate use. These include, but are not limited to, the cost of purchase, professional services, and title insurance.
2	Land improvement	Improvements to be capitalized include the cost of landscape, surface parking lots and outdoor public recreational fields. All costs of land improvements associated with newly constructed buildings will be capitalized.
3	Buildings	Costs to be capitalized include all costs related to acquisition or construction. Acquisition costs include, but are not limited to, the cost of purchase, professional services, appraisals and title insurance. Construction costs include, but are not limited to, the cost of professional services, materials, labor, and site preparation.
4	Building renovation	To be capitalized where there are significant alterations or structural changes that: cost in excess of UGX 500,000 and meet one or more of the following conditions: <ul style="list-style-type: none"> <li>a) The project extends the useful life of the building beyond what was originally scheduled; and</li> <li>b) The project substantially changes the use or purpose of the original space.</li> </ul> Renovation costs that do not meet the above criteria shall be expensed in the statement of financial performance
5	Donated assets	Land and buildings received as a gift shall be capitalized at the fair value or market value at the date of the gift.
6	Sale or disposal of capitalized assets	The book value of land, buildings, and equipment shall be removed from the accounting system when sold or disposed of.

### Depreciation of non-current assets

- a) The University shall depreciate non-current assets on a straight-line basis i.e. over time basis with the following asset classes and depreciation rates applying:
- b) Land, works of art, precious objects and *rare* books forming part of the Library collection and non-current assets classified as held for sale shall not be depreciated.
- c) All depreciation charges shall commence at the beginning of the month in which the asset is first put to use or held ready for usage.
- d) No depreciation charge shall be charged in the month of the disposal of an asset which has not already been fully depreciated.
- e) All depreciation accounting shall be processed centrally by the office of the University Finance Officer.

- f) Depreciation shall be calculated using the straight-line method to write down the cost of each asset over its estimated useful life. The following rates (%) shall apply to non-current assets:

(i) Furniture & fittings	12.5%
(ii) Other equipment	20%
(iii) Computer accessories	33.3%
(iv) Motor vehicles	20%
(v) Buildings	2.5%
(vi) Library textbooks	20%

#### ***PART IV (B): PROCEDURE FOR MAINTENANCE OF NON-CURRENT ASSETS***

##### **Maintenance of non-current assets register**

- a) The University shall maintain a non-current asset register within the Assets Management Section of the University Finance Office. Non-current assets register and the asset values shall be required to:
- (i) Provide information to faculties and administrative departments as to the assets under their control;
  - (ii) Provide information for Management decision-making purposes; and
  - (iii) Provide information for external reporting purposes.
- b) The asset register shall list such details as description of the asset, its location, its cost, current value, and its estimated useful life and residual value.
- c) The assets of the University shall be classified under the following headings:
- (i) All land purchased, donated or held on trust shall be recorded indicating the mode of ownership and any encumbrances. Land acquired without cost shall be recorded at valuation (at the date of acquisition).
  - (ii) All buildings and other infrastructure (with inclusions, such as air-conditioning, electrical and plumbing installations, car parks, roads and underground services).
  - (iii) Library collections (comprising books, manuscripts and tapes etc.).
  - (iv) Works of art (including paintings, sculptures, and tapestries).
  - (v) Vehicles (including cars, buses and grounded vehicles).
  - (vi) Printing equipment (including printing machinery and photocopiers).

- (vii) Computing equipment (including networking equipment, peripheral devices, computers and printers).
- (viii) Audio-visual equipment (including sound systems, televisions, etc.).
- (ix) Science equipment (including all science and laboratory equipment).
- (x) Other equipment (including all items not falling into the above categories).
- (xi) Precious objects (including items of historical significance).
- (xii) Buildings acquired under a financial lease arrangement.
- (xiii) Leasehold improvements and changes.
- (xiv) Investment property.
- (xv) Non-current assets classified as held for sale.

### **Recording of assets in a register**

- a) All assets of the University shall be engraved/labelled and registered centrally in the University Assets Register which shall be regularly updated.
- b) All assets costing UGX 1,000,000 and above which have a useful life exceeding two (2) years shall be recorded in the University Assets Register. This threshold may be reviewed from time to time by the University Governing Council.
- c) In addition, all items assessed as being high risk from a theft viewpoint shall be recorded even if below the UGX 1,000,000 threshold e.g. portable and common use items, such as hand drills, cameras, and printers.

### **Updating the University Assets Register**

- a) The Assets Section of the University Finance Office shall always be advised by the user/procuring faculty or department of the details of any new asset over USD 500 in value for inclusion in the University Assets Register.
- b) Donated assets – Non-current assets donated to the University with a value in excess of UGX 1,000,000 must be entered into the fixed asset register.
- c) Leased assets – Only assets which are subject to a finance lease shall be entered into the fixed asset register.

- d) Constructed assets – Assets which are constructed within the University shall be entered into the assets register when the value of that asset exceeds UGX 1,000,000.

#### **Utilization and repairs of assets**

- a) Utilization – All assets shall be used for the purposes they were acquired. Asset performance shall be regularly reviewed to identify under-utilized and under-performing assets. The reasons for this shall be critically examined and appropriate actions taken.
- b) Maintenance and repairs – All plant and equipment shall be maintained in good working order by care and servicing as recommended in manufacturer's manuals. The most efficient repair and maintenance strategy shall be established and adopted. An operation and maintenance plan establishing responsibility and standards for the level of use, condition, servicing, and performance shall be developed.
- c) Supplier maintenance contracts may be obtained where considered to provide the most economic servicing and repair. A record of such contracts shall be maintained to avoid needless expenditure on non-contracted repairers. Similarly, warranties applying to such assets shall also be recorded.

## ***PART-V STUDENTS' FEES POLICY***

### **Introduction**

This policy governs how the University of Saint Joseph Mbarara (USJM) will apply and calculate tuition fees for all new and continuing students. The University reserves the right to amend this policy from time to time, in the light of prevailing circumstances (including legislative and regulatory changes).

Fees are an essential element of University funding. The level of fees paid by students is approved by the University Governing Council and is subject to review from time to time.

The University is committed to ensuring information on fees is readily available and published in advertisements calling for prospective applicants as well as on USJM website, [www.usj.ac.ug](http://www.usj.ac.ug). For those who are given admission to programmes, detailed information about the fees, along with arrangements for payment is provided in the letters of offer.

Students are responsible for the prompt payment of fees. Students who default on payment of the fees are subjected to appropriate sanctions.

### **Management of tuition and functional fees**

*What is covered by the tuition fees?*

Tuition fees cover the educational and related services made available to students whilst they study at the University, including tuition/supervisory services, access to learning/technical resources, assessment of submitted work and support/welfare provision.

Functional fees include:

- a) Application fees,
- b) Examination fees,
- c) Library fund,
- d) Computer fees,
- e) Guild fee,
- f) UNSA,
- g) Sports fee,
- h) Identity card,
- i) Medical care,
- j) School practice/internship,
- k) Development fees,

- l) NCHE,
- m) Registration fees,
- n) Education fund, and
- o) Chaplaincy.

Fees on completion cover:

- a) Graduation,
- b) Transcript,
- c) Certificate, and
- d) Convocation.

Besides:

- a) Students fees shall form part of the University budget.
- b) Students shall be invoiced for the fees at the beginning of every semester.
- c) Payment of fees shall be made to approved USJM bank collection accounts.
- d) Upon payment, receipts are issued by Finance Department to students.
- e) Cash books shall be maintained for each fees collection account by the Finance Department.
- f) Bank reconciliations shall be made for every fees collection account by the Finance Department.
- g) Periodic financial reports in respect of fees are submitted to stakeholders for appropriate action.

### **Tuition fees regulations**

- a) Tuition fees are set by the University Governing Council and may be subject to periodic review as thought appropriate from time to time.
- b) All students registered for programmes at the University are personally responsible for the payment of fees. This includes arrangements where students obtain sponsorship for fees should the sponsor default.
- c) Tuition fee structure is published on the University's website. The specific fee applicable is confirmed at the point of admission. When there is a review between admission and registration, the applicable fee shall be that given to the students at the time of registration.
- d) Students repeating a course unit or programme of study shall be charged the appropriate fee.
- e) Students repeating programmes where the fee structure has been revised upwards shall be charged at the revised rates.
- f) For avoidance of any doubt, fees for application, registration, and examination shall be fully retained by the University.
- g) All functional fees shall be paid before registration at the beginning of the academic year.
- h) Tuition fees shall be paid at the beginning of the academic year. However, they may be paid in two equal instalments. The first instalment shall be paid at the beginning of the first semester. The second instalment shall be paid at the beginning of the second semester

- i) Some students (depending on their course or classification) are required to pay a deposit as a condition of their offer of a place on a course. This shall be clearly set out in the offer conditions sent to the student, prior to them accepting a place. The deposit is generally considered non-refundable to students who do not accept the offer, but shall be part of tuition when students report for the semester.
- j) On completion, students shall be required to pay such fees that are stipulated, namely for: certificate, convocation, graduation, and academic transcript.
- k) Students who withdraw from a programme of study without officially informing the Academic Registrar, shall be liable to fees payment which they still owe to the University.
- l) A student who is dismissed for academic or disciplinary reasons, prior to the end of semester, shall forfeit all tuition and other fees paid for that semester.
- m) Students shall be required to pay for certification of their documents at rates determined by the University Governing Council.

### **Defaulting students**

- a) Students who default payment of fees or who are in debt to the University for any reason, shall not be allowed to sit for their examinations or proceed further with their studies or to receive a University transcript, degree, or any award except by special permission. Such a student shall be required to apply to sit for special examinations, or apply for a dead year and shall be required to pay fees due before sitting for special examinations or resuming studies after a dead year or appearing for graduation ceremony.
- b) Students who are in debt to the University at the time of graduation shall not be issued with academic transcript, a degree or diploma certificate and shall be refused attendance at graduation ceremonies.
- c) The University reserves the right to take court action, where appropriate, to effect recovery of the debt from students who leave the University with outstanding debts.

### **Fees refunds**

In every case, a refund shall be made on production of University receipt. Students' written application seeking for the refund shall be verified by the official in the Academic Registrar's office before a refund is paid. This is further explained under the following conditions:

#### *Student withdrawal*

A student who chooses to withdraw from a programme may be refunded some tuition fees as follows:

- a) Within the first half of 1<sup>st</sup> semester                      50%
- b) Subsequently    NIL
- c) Functional fees    NIL

Full refunds shall only be made in the following circumstances:

- a) The course is cancelled.
- b) The student notifies the University that he/she wishes to withdraw from the course prior to it starting.
- c) Any refund shall be subject to an administrative charge of 10% of the amount to be refunded.

*Payment in excess of fees*

Students who pay more than the University's tuition and other fees requirement shall be refunded the sum paid beyond the University fee either to:

- a) The student,
- b) The sponsor, or
- c) Rolled forward, depending on the circumstances.

*Forgeries*

Students who present forged academic papers will not get refund of their fees.

**Write-off of uncollected debts**

**NB:** This policy shall be read in conjunction with University Rules which apply to all student members of the University. These rules are given to students together with their admission letters.

**APPENDICES:**  
**FORMATS OF FINANCIAL STATEMENTS**

**APPENDIX I**

**STATEMENT OF FINANCIAL POSITION AS AT 30<sup>TH</sup> JUNE**

<b>ASSETS</b>	<b>Notes</b>	<b>30TH JUNE *****2</b>	<b>30TH JUNE *****1</b>
Non-current Assets	1		
<b>Total non-current assets</b>		*****	*****
<b>Current assets</b>			
Inventory		*****	*****
Receivables	2	*****	*****
Pre-payments		*****	*****
Cash & bank balances	3	*****	*****
		*****	****
<b>TOTAL ASSETS</b>		<b>*****</b>	<b>*****</b>
<b>Liabilities</b>			
Non-current liabilities		****	****
Long-term borrowings			****
Current liabilities		*****	****
Payables		*****	****
<b>NET ASSETS</b>		<b>*****</b>	<b>*****</b>
<b>Equity</b>			
Contributions & reserves		*****	****
Accumulated surpluses		*****	****
Surplus/deficit for the year		*****	*****
<b>NET FINANCIAL WORTH</b>		<b>*****</b>	<b>*****</b>

**APPENDIX II****STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30TH JUNE, 20X2**

		<b>NOTES</b>	<b>20X2</b>	<b>20X1</b>
			UGX	UGX
<b>INCOME</b>				
	Tuition and functional fees	1	XXX	XXX
	Contributions from educational institutions	2	XXX	XXX
	Research grants and contracts	2	XXX	XXX
	Short courses	4	XXX	XXX
	Other incomes	5	XXX	XXX
	<b>TOTAL REVENUE</b>		<b>XXX</b>	<b>XXX</b>
<b>EXPENDITURE</b>				
	Personnel costs	6	XXX	XXX
	Administration costs	7	XXX	XXX
	Research & contract costs	8	XXX	XXX
	Repair and maintenance	9	XXX	XXX
	Transport & travel costs	10	XXX	XXX
	Capital development costs	11	XXX	XXX
	Depreciation		XXX	XXX
	Finance costs	12	XXX	XXX
	<b>TOTAL EXPENSES</b>		<b>XXX</b>	<b>XXX</b>
	<b>Surplus/ (deficit) for the year</b>		<b>XXX</b>	<b>XXX</b>

The financial statements shall include accompanying and explanatory notes and other important schedules.

**APPENDIX III**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 20X2**

	NOT ES	20X2 (Ushs)	20X1(Ushs)
<b>Net cash inflow from operating activities</b>	(a)	<b>XXX</b>	<b>XXX</b>
<b>Cash flows from investing activities</b>			
Purchase of fixed assets		XXX	XXX
Proceeds on disposal of fixed assets		XXX	XXX
Purchase of investments		XXX	XXX
Proceeds on sale of investments		XXX	XXX
<b>Net cash flow from investment activities</b>		<b>XXX</b>	<b>XXX</b>
<b>Cash flows from financing activities</b>			
Interest received		XXX	XXX
Interest paid		XXX	XXX
New loans		XXX	XXX
Loan principal payments		XXX	XXX
Finance lease rental payments		XXX	XXX
<b>Net cash flow from financing activities</b>		<b>XXX</b>	<b>XXX</b>
<b>Net increase in cash and cash equivalents</b>		<b>XXX</b>	<b>XXX</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>XXX</b>	<b>XXX</b>
<b>Cash and cash equivalents at end of period</b>		<b>XXX</b>	<b>XXX</b>

**Reconciliation of net surplus to cash generated from operational activities**

<b>Net surplus</b>		<b>XXX</b>	<b>XXX</b>
<b>Adjustments for:</b>			
Depreciation		XXX	XXX
Loss/ (gain) on sale of fixed assets		XXX	XXX

	Investment income – interest		XXX	XXX
	Investment income – dividends		XXX	XXX
	Finance costs		XXX	XXX
	Profit on sale of investments		XXX	XXX
	Changes in working capital			
	Accounts receivable, pre-payments, and loans		XXX	XXX
	Inventories		XXX	XXX
	Accounts payable, accrued liabilities and deposits		XXX	XXX
	<b>Cash generated from operational activities</b>		<b>XXX</b>	<b>XXX</b>

This Financial Manual was approved by University of Saint Joseph Mbarara (USJM) on this

.....day of .....



Rev Fr Gervase Nsekanimanya Diido

**CHAIRMAN GOVERNING COUNCIL**



Rev Fr Dr Deus M Karemire (PhD)

**VICE CHANCELLOR**