



Mrs Andrea McNish

UNIVERSITY BURSAR / CHIEF FINANCIAL OFFICER (ACTING)

The University of the West Indies (UWI) has benefitted from decades of financial support from regional governments, but this is insufficient to adequately sustain the activities of the institution. The UWI, therefore, continued to face funding challenges throughout the review period August 1, 2015 through July 31, 2016, and it is against this background that the institution remained vigilant in finding innovative ways to thrive in the ever changing higher education arena.

The UWI operations for the financial year 2015-2016 reflected a deficit of BDS\$18.7 million (2015: BDS\$59.4 million deficit). Sources of income for the year comprised:

- Government Contributions 46%,
- Tuition and Other Student Fees 13%,
- Special Projects 9%,
- Other Projects 20%,
- Commercial Operations 9%, and
- Other Income 3%.

Though the proportion of government contributions to total income remained constant over 2015, it has gradually declined over the years, which has led to a shift in the focal point of The UWI's Strategic Plan.

The institution saw a reduction in central expenditure, which reflected the reduced impairment provision made for receivables in 2016 of BDS\$16 million, compared with BDS\$56.5 million in 2015.

In the period under review, The UWI's income generating activities contributed 32% of its total income. This has been used to support the operations of the University which continues to feel the effects of the shortfall in government funding.

APPROVAL OF GOVERNMENT CONTRIBUTIONS

The Budgets for the Biennium 2016-2017 to 2017-2018 for the four campuses and Regional Headquarters, and the University Hospital of the West Indies (UHWI) were reviewed by the Technical Advisory Committees (TACs) at its meetings held on February 11 and 12, 2016 in Grenada. These committees comprise representatives of the 17 contributing countries' Ministries responsible for Tertiary Education, mainly Permanent Secretaries and other senior officers; a senior officer from the Ministries of Finance of the three traditional campus countries and the Permanent Secretary of the Ministry of Health, Jamaica.

The meetings of the Campus Grants Committees (CGCs) and the University Grants Committee (UGC) took place on April 8, 2016, at The UWI Regional Headquarters, Jamaica. These committees consist of the Ministers of Finance of the three traditional campus countries; Ministers responsible for Tertiary Education in the 17 contributing countries; the Minister of Health, Jamaica, along with other senior Government representatives.

These Committees reviewed and approved the recommendations of the TACs.

The chairmanship of the UGC is rotated among the Ministers of Finance of the traditional campus countries (Barbados, Jamaica and Trinidad & Tobago) on a triennial basis. The meeting of the UGC held on April 8, 2016 signified the end of the triennium for the Minister of Finance and Public Service, Jamaica and the beginning of the assumption of the Chairmanship by the Minister of Finance and Economic Affairs, Barbados.

SUMMARY OF CONSOLIDATED FINANCIAL PERFORMANCE

The Financial Report and Consolidated Financial Statements for the year ended July 31, 2016 were presented to the University Finance and General Purposes Committee (UF&GPC) on October 26, 2016 and approved by the University Audit Committee on December 5, 2016. These will be tabled at The UWI Annual Business Meeting of Council in April 2017.

The UWI operations for the financial year 2015-2016 reflected a deficit of BDS\$18.7 million (2015: BDS\$59.4 million deficit).

The sources of income for the year comprised: Government Contributions 46% (2015: 46%), Tuition and Other Student Fees 13% (2015:13%), Special Projects 9% (2015:9%), Other Projects 20% (2015: 20%), Commercial Operations 9% (2015:9%), and Other Income 3% (2015: 3%).

Though the proportion of government contributions to total income remained constant over 2015, it has gradually declined over the years, which has led to a shift in the focal point of The UWI's Strategic Plan.

The categories of expenditure included: Departmental 45% (2015:44%), Administrative 10% (2015:9%), Central 16% (2015:20%), Special Projects 9% (2015:8%), Other Projects 13% (2015:12%), and Commercial Operations 7% (2015:7%).

The reduction in central expenditure reflected the reduced impairment provision made for receivables in 2016 of BDS\$16 million, compared with BDS\$56.5 million in 2015.

The UWI's engagement in other income generating activities, excluding donor-funded projects and tuition fees, contributed 32% of its total income. This has been used to support the operations of the University which continues to feel the effects of the shortfall in government funding. These income generating activities include the full fee paying programmes in the faculties of Law and Medicine, as well as commercial operations which include rented properties, halls of residence and concessionaires operating on the campuses.

BROADENING THE FUNDING BASE

The UWI continues to broaden the funding base and reduce dependence on any one source of funding. In this regard, The UWI has pursued the development of self-financing teaching programmes such as the MSc Counselling, MSc Education, MSc International Management, MSc Tourism and Hospitality Management, the operations of the School of Dentistry, and programmes in the faculties of Medical Sciences and Law. These programmes are full fee-paying and have been generating resources to enhance the capability of the University.

Another important area of engagement for The UWI with the wider community is through its franchised programmes. These franchising arrangements allow colleges and other institutes across the Caribbean to offer The UWI-designed and branded courses/programmes to thousands of Caribbean students annually. The intention is to expand access to these programmes and build the institutional capacity of community colleges, linking them to The UWI. Ideally, franchise fees should be reflective of the economic cost of designing and monitoring of these programmes. The franchise fees have remained unchanged for a number of years and are currently being revised to a level which will allow The UWI to effectively meet its objectives while simultaneously ensuring that the related quality assurances are maintained on a sustainable basis.

PRODUCTIVITY ENHANCEMENTS AND EFFICIENCY THROUGH OPTIMISATION

As a part of Funding the Enterprise, great emphasis was placed on achieving the strategic objective through the optimisation of new and existing resources and through productivity enhancement and efficiency gains. In this vein, the University continued to realise cost saving benefits from implementing various strategic measures, while enhancing the delivery of service. Specific attention was paid to the enhanced use of technology.

Pension Administration

The University provides pension benefits for retired employees by the operation of two defined-contribution plans—the Federated Superannuation

Scheme for Universities (FSSU), for academic and senior administrative staff, and the other for non-academic staff. The University also provides a third scheme which is a defined-benefit plan for administrative and technical staff. Additionally, the University provides supplementation to members under the FSSU who have met the specified criteria.

As the institution continues to evolve, the functionalities available to members under these schemes have been enhanced. There is also continuous evaluation of the efficacy of these schemes to ensure that benefits to members are optimised, which also reduces reliance on supplementation.

INITIATIVES FOR IMPROVEMENT OF OPERATIONAL EFFICIENCY

Banner Finance

The UWI is fostering improved efficiency with regard to its administrative culture. Generating timely and accurate financial information will play a major part in supporting this initiative university-wide, and will result in increased competitiveness.

Banner Finance, which is widely used as the accounting software in higher education institutions, is utilised by all campuses and the Regional Headquarters for processing and reporting financial information, and have all upgraded to Version 8.10 of the Banner Finance software.

Representatives from the Office of Finance and of the Bursaries attended the annual Banner User Conference (Ellucian Live) in April 2016, which provided an opportunity to connect and collaborate with other universities using the software, and also to review product updates.

Grants Management

The Research Accounting and Grants Billing Module used by the Office of Finance, continued to enhance the management of international grant funding. Throughout the past fiscal year, the Grants Module enabled the Office of Finance to achieve the 2012-2017 strategic objective of “efficient & effective academic & administrative processes”, by providing a more transparent mechanism for the recording of grant income and expenses. The Module has also increased our capacity to monitor and report on grant activities with greater efficiency.

The Office of Finance also increased its engagement with principal investigators which assisted and continues to assist departments in ensuring compliance with donors’ terms and conditions, and university policies.

Note: In 2016, Mr. Archibald Campbell, University Bursar/Chief Financial Officer demitted office. Mrs. Andrea McNish is currently serving as the Acting University Bursar/Chief Financial Officer.