



ELIZADE UNIVERSITY

UNIVERSITY FINANCIAL MANAGEMENT – THE ROLE OF THE BURSARY

A Paper Presentation at the Retreat for the Leadership of the University.

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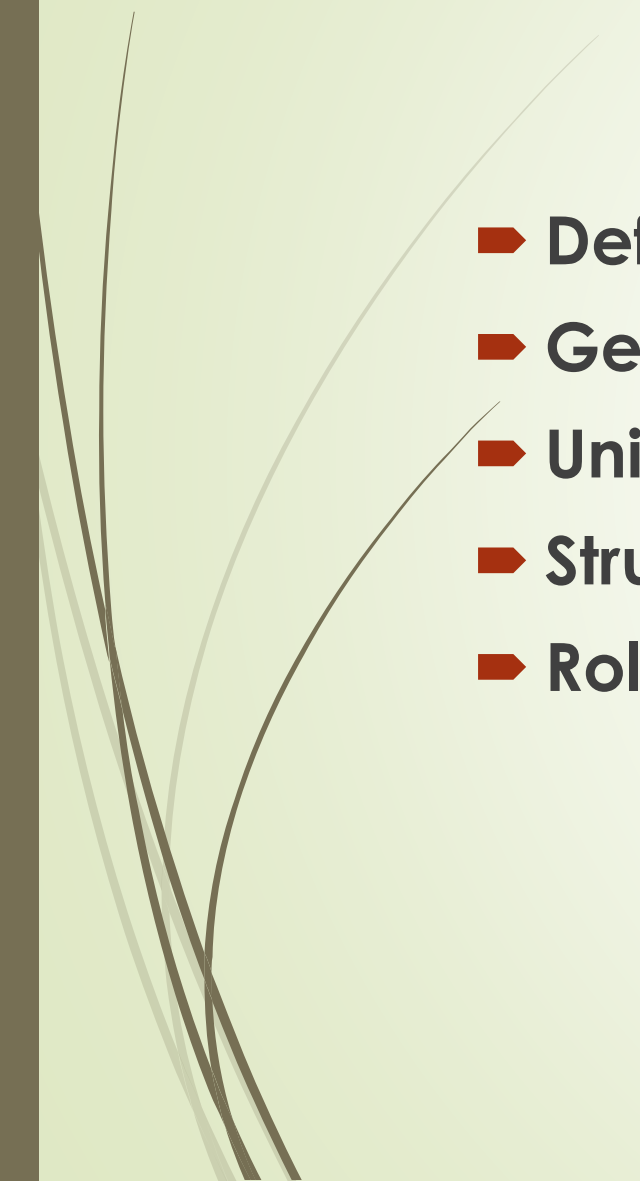
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BURSAR



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1.0 Definitions

- Finance is defined as the management of money and it includes activities such as creation and management of investments, banking, credits, borrowings, lending, budgeting, savings, forecasting, assets, liabilities, financial instruments etc.
- It is often referred to as the provision of money at the time when it is needed. Finance function is the procurement of funds and their effective utilization in business concerns.

Finance involves analyzing financial data, making financial decisions, managing financial resources, and assessing financial risks. It covers other activities such as budgeting, financial planning, investment management, risk management, cash flow management, and financial reporting.

Financial management, therefore, is the planning, organizing, directing and controlling of a business's monetary resources to achieve its goals. According to **Joseph. L. Massie**, **Financial management is the operational activity of a business that is responsible for obtaining and effectively utilizing the funds necessary for efficient operations. It is all about monitoring, controlling, protecting, and reporting on entity's financial resources, making financial decisions and maintaining control over the organization's money.**

2.0 The General Concept of Financial Management

1. Resource Allocation: Effective financial management ensures that limited resources are allocated wisely and efficiently. By analyzing financial data and making informed decisions, organizations can prioritize investments, allocate funds to areas that generate the highest returns, and optimize the use of available resources.

2. Financial Planning: Financial management involves creating budgets, setting financial goals, and developing strategies to achieve them. It provides a roadmap for the organization's financial health and growth. Proper financial planning helps mitigate risks, identifies potential financial challenges, and allows for proactive measures to be taken to address them.

3. Decision-Making: Financial information and data facilitate informed decision-making at all levels of the organization. Financial management enables leaders to evaluate investment opportunities, assess the financial implications of different strategies and initiatives, and make sound choices that align with the organization's overall objectives.

The General Concept of Financial Management

- **4. Stakeholder Confidence:** Efficient financial management enhances the credibility and trust of stakeholders, including the Founder, Board of Trustee, the Governing Council, Vice Chancellor, Principal Officers, Investors, Donors and the Community. It is widely accepted that well-managed finances demonstrate transparency, accountability, and responsible stewardship of resources
- **5. Risk Management:** Financial management involves assessing and managing financial risks. It includes monitoring and mitigating factors that can impact the organization's financial standing, such as students' enrolment, economic uncertainties, and internal challenges. By identifying and addressing risks, financial management helps protect the organization from potential financial crises or setbacks.
- **6. Performance Evaluation:** Financial management provides metrics and tools to measure and evaluate the organization's financial performance. It allows for identifying areas of strength and weakness, monitoring key performance indicators (KPIs), and implementing corrective measures where necessary. Performance evaluation helps ensure accountability, optimize operational efficiency, while quantifying the impact of financial decisions.

3.0 University Financing

University finance specifically refers to the financial management and operations of a university or a tertiary institution. It involves the planning, allocation, and management of financial resources to support the institution's educational programs, research activities, infrastructure development, running expense and overall operations.

The financial decisions made in the university finance have a significant impact on the institution's financial health, sustainability, and ability to fulfill its educational mission/vision. Efficient and effective financial management are crucial to support academic programs, research initiatives, student services, infrastructure development, and the overall growth and success of the university.

University finance covers various areas of activities, including budgeting, financial planning, revenue generation, fundraising, endowment management, expense management, procurement and financial reporting using financial resources from sources such as tuition fees, government funding, grants, donations, and investments.

4.0 Structure of Elizade University Bursary Department

1. Elizade University Bursary Department is headed by the Bursar.
2. The department is made of the following units:
 - a) Budget and Expenditure Control Unit
 - b) Student Account Unit
 - c) Salary/Payroll Unit
 - d) Final Account Unit
 - e) Fixed Asset Control
 - f) Procurement/Store Unit

THE BURSAR

3. The Bursar, as the head, has the following responsibilities:
 - a) Advise the Management on financial and investment decisions.
 - b) Develop, implement and enforce sustainable accounting, financial management and control systems.
 - c) Manage the budgeting process, monitoring the budget performance and reporting adequately to the management and governing council.
 - d) Manage the university's investments.
 - e) Direct and monitor the prompt preparation and presentation of university financial statements.
 - f) Ensure the university's properties are recorded, maintained and safeguarded.
 - g) Ensure the execution of annual audit of the university's financial statements.
 - h) Manage human and material resources of the bursary department.

5.0 The Roles of Bursary Department

Deriving from the University Law, Financial Regulation, Statutes of government, Accounting Standards Guidelines/Decisions of the Governing Council. Bursary, as a department, played critical roles in managing the University's finances by providing financial assistance and support to the University, staff, students and community. These include:

1. Funds Collection and Management: It is the responsibility of the bursary to ensure that the University's funds are completely received and properly accounted for. This involves managing investments, optimizing cash flow, managing account receivables/payables, monitoring financial performance, and ensuring compliance with financial standards and regulations, this will assist in maintaining **stability, liquidity, and financial sustainability** of the university.

2. Budget Management, Monitoring and Reporting: For effective financial planning for the University, Bursary has the duties to manage and plan the university's finances effectively. This is achieved by ensuring the allocated funds are distributed appropriately and are in line with the university's strategic objectives to maintain financial stability and controlling of expenditures. Variances are identified and reasons provided.

The Roles of Bursary Department

3. Scholarships and Awards: As a department of the University, bursary has the responsibility to manage scholarships and awards to exceptional students through funding from endowments, donations, or specific funding allocations. By these financial incentives and recognition, university can attract high-achieving students, encouraging academic excellence while enriching the institution's reputation. We concurrently run and manage Indigene scholarship, Sumitomo scholarship, Parents' discount on tuitions, Students' welfare scheme etc.

4. Financial and Management Accounts Reporting: As an integral of managing the university's finance, Bursary department prepares and presents various financial reports, including monthly income and expenditure accounts, quarterly budget performance report and management accounts, and annual financial statements and reports.

The Roles of Bursary Department

5. Endowment Management and Reporting: Bursary, as a department of the university has the responsibility to manage the endowment funds to support the overall mission and vision of the university, including provision of financial stability, promotion of academic excellence, research and innovation in addition to enhancement of growth and infrastructural development of the university.

6. Other routine functions and activities:

- Students Accounts Management;
- Payroll and Tax Management, including pensions;
- Procurement and Stores;
- Staff Advances Management– Personal, Touring, Special Loans etc.
- Departmental Imprest Management.



Thanks for Listening

