



MAKERERE UNIVERSITY

**GUILD FINANCE GUIDELINES
(DRAFT)**

SEPTEMBER, 2023

Contents

FOREWORD	3
PREAMBLE.....	4
1. BACKGROUND	5
1.1 Problem Statement.....	5
1.3 Structure of the Guidelines	6
2. FUNDING AND FINANCING OF THE GUILD	6
3. BUDGETING AND APPROPRIATION OF GUILD FEES	6
4. BUDGET EXECUTION FOR THE GUILD.....	7
5. GUILD FINANCIAL ACCOUNTABILITY AND REPORTING	7
6. PENALTIES AND SANCTIONS.....	8

FOREWORD

During the retreat for the Finance, Planning, Administration and Investment Committee (FPAIC) held from 6th to 8th September 2023 at Mestil Hotel, the Committee discussed a number of issues including Financing of the Guild.

FPAIC noted the following challenges:

- i. Delayed Budget Execution as a result of delays in passing the Guild Budget by the Guild Resistance Council(GRC);
- ii. Delays in submitting accountability and reports from beneficiaries of Guild funds.

FPAIC resolved to come up with guidelines to streamline Guild finances at Makerere University.

The guidelines present a framework that the Guild will apply in managing its finances including Funding and financing of the Guild, Budgeting and appropriation of Guild fees, Budget Execution for the Guild, Guild Financial Accountability and Reporting as well as Penalties and sanctions.

The guidelines have been developed considering the requirements of the Constitution of the Republic of Uganda(1995)as amended, Universities and Other Tertiary Institutions Act 2001 (as amended), Public Finance Management Act (2015), as amended, Makerere University Council Charter(2019) as amended, Makerere University Students' Guild Statute 2022 and best practices from other international jurisdictions.

I wish to thank all the stakeholders that participated in the development of the guidelines and encourage you all to apply them in order to have smooth and effective operations of the Guild in the area of financial management.

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Bruce Balaaba Kabasa

**Chairperson, Finance, Planning, Administration and Investment
Committee**

PREAMBLE

Whereas Section 38(1) of the Universities and Other Tertiary Institutions Act (2001) as amended (the Act) establishes the University Council;

And whereas Section 40(1) of the Act empowers the Council to be the supreme organ of a Public University responsible for the overall administration of the objects and functions of the University;

And whereas Section 43(1)(a) empowers the University Council to appoint Committees and Boards consisting of such Members and other persons as it may deem necessary;

And whereas Section(43)(2) allows the University Council to delegate any of its functions to any Committee of Council except for the power to approve the budget and accounts of a Public University;

And whereas Section 42(7) of the Act empowers the University Council to regulate its own procedure and the procedure of any of its Committees;

Recognising the practice of good governance, prudent and effective financial management as well as overall execution of Guild operations, there is need to have Guild Finance guidelines in place in order to streamline operations of the Guild.

And whereas the Finance, Planning, Administration and Investment Committee University Council during its retreat held from 6th to 8th September 2023 directed that Guidelines should be developed;

Now therefore, the Finance, Planning, Administration and Investment Committee("the Committee" or the FPAIC) of Makerere University Council adopts these guidelines to provide a framework for the Guild in managing its finances whilst performing their functions and responsibilities.

1. BACKGROUND

Section 80 (1) of the Universities and Other Tertiary Institutions Act 2001 (as amended)(UOTIA) stipulates that the Governing Council may appoint such committees for the efficient functioning of the Governing Council as it may deem necessary, and without prejudice to the generality of the foregoing, the Governing Council shall have the following committees– (a) the Appointments Committee; (b) the Student’s Affairs Committee; © the Planning and Development Committee; and (d) the Finance Committee.

In accordance with Section 80 (2) of the UOTIA 2001 (as amended), the Governing Council may delegate any of its functions or powers to any committee.

In exercising its delegated function, the Finance, Planning, Administration and Investment Committee during its retreat held from 6th to 8th September 2023 observed that there were challenges in overall financial management of the Guild and therefore, agreed to formulate guidelines to aid the smooth operations of the Guild in this area.

1.1 Problem Statement

Following the enactment of the Makerere University Students’ Guild Statute 2022, Guild activities in the University have been operationalized. Whereas this Statute has been in force for close to a year now, some challenges have been observed in its implementation hence the need to formulate guidelines to address the following challenges:

- i. The need for guidance in budgeting and appropriation of Guild fees;
- ii. The need to strengthen accountability and reporting of Guild funds;
- iii. The need to provide time lines for approving the Guild Budget.

1.2 Overall Objective

The overall objective of the guidelines, therefore is, to provide a framework to the Guild in the proper administration and management of its finances.

The specific objectives of the guidelines are:

- i. To prescribe an institutional framework to guide funding and financing of the Guild;
- ii. To provide an analytical framework to guide the budgeting and appropriation of Guild fees
- iii. To guide on financial accountability and reporting mechanisms for the Guild;

- iv. To stipulate penalties and sanctions in case of breach of Government set laws and regulations in place relating to financial management.

1.3 Structure of the Guidelines

The guidelines are structured in six sections. Section one provides background information covering; the legal basis, justification and objectives of the guidelines. Section two lays out the funding and financing of the Guild. Section three defines the budgeting and appropriation of Guild fees. Section four provides guidance on the budget execution for the Guild. Section five speaks to Guild Financial Accountability and Reporting and Section six talks about penalties and sanctions.

2. FUNDING AND FINANCING OF THE GUILD

- (i) Funds for the Guild shall be realised from internal and external sources. Internal sources include: Guild fees, sports fees, Students Common Room fees and such other fees realised from properties held by the Guild whereas external sources include but not limited to donations.
- (ii) The Dean shall within 14 days after swearing in of the Guild President communicate the budget seal of the Guild for purposes of budgeting. The budget seal shall be a reflection of all funds from all internal sources in (i) above.
- (iii) The office of the Dean shall communicate to the Guild the existing partnerships that could aid the Guild leadership in resource mobilisation and strategic trainings.
- (iv) The office of the Dean with records from the previous Guild shall publish all financial generating projects held in trust for the Guild.

3. BUDGETING AND APPROPRIATION OF GUILD FEES

- (i) The Guild shall spend up to 10% of the funds with approval of the Dean of Students upon assumption of office before the budget process.
- (ii) The Students Guild shall have a central account where all funds shall be kept. The signatories to the account shall be; the Guild president, finance minister, the Dean of students and the University Secretary.
- (iii) The Budget shall be passed within 45 days after the swearing in of the Guild president.
- (iv) If the GRC fails to execute its mandate to approve the Guild Budget within the extended timelines, where the amended Budget has been presented, the Guild Cabinet shall submit the Budget to the Dean of

Students for approval in line with the principles of equity, fairness and inclusivity.

- (v) During budget discussion, the GRC shall have powers to reallocate funds within a particular organ from one item to another. No funds shall be moved from one organ to another during the budget session.
- (vi) Every organ shall be entitled to a minimum of 5% and a maximum of 30% of the total Guild budget as realised from the internal sources as declared by the Accounting officer.

For avoidance of doubt, this section shall apply when funds from the Sports and SCR are part of the declared Budget seal. The absence of such funds shall then exclude the Electoral Commission, Games Union, SCR, external compass council and the CGC from the provisions of this clause.

4. BUDGET EXECUTION FOR THE GUILD

- (i) All funds of the Guild shall be sent directly to the Central Guild account for use. The above shall happen within 21 days upon budget approval.
- (ii) All funds requisitioned for activities or allowances should be sent directly to the respective beneficiary accounts through bank or electronic cash mode to ensure proper accountability.
- (iii) Any recipient of Guild funds shall be required to possess original proof of all expenses incurred in the execution of the activity.

5. GUILD FINANCIAL ACCOUNTABILITY AND REPORTING

- (i) No member of the Guild shall receive additional funds for any activity or purpose before submission of accountability for previous advances.
- (ii) Each organ of the Guild shall be required to lay its financial accountability report through the finance minister to the GRC for review and commenting in the second last session of the house.
- (iii) The Guild president shall communicate to the accounting officer the final copy of the GRC proceedings of the above session with copies of the accountability reports of all organs.
- (iv) The Accounting officer shall submit the documents to the Directorate of Internal Audit for verification.
- (v) In case of any audit query, the officer or student concerned shall be held personally liable.
- (vi) **Notwithstanding the above accounting provisions, all Guild members given guild funds shall be required to offer accountability of any funds advanced to the Guild administrator as it has been before.**

6. PENALTIES AND SANCTIONS

- (i) All Government laws, rules and regulations that apply to sanctions and penalties in the Public Finance Management Act 2015 (as amended) shall apply to all Guild officials.