



MAKERERE UNIVERSITY

GRANTS FINANCIAL MANAGEMENT

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- **OUT LINE**
- Financial Management and the major processes
- Managing Project Finances
- Disbursement of project funds
- Role of GAMSU in Grants Financial Management.
- Issues in Grants Financial Management
- Warning sign
- Reports



GRANTS FINANCIAL MANAGEMENT PROCESSES



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- A Financial Management Process is a method by which costs (or expenses) incurred on the project are formally identified, approved and paid. Examples of costs include; Labour, external suppliers, contractors and consultants.
- Major processes are;
 - a) Financial Planning
 - b) Financial Control
 - c) Administration and Records.
 - d) Reporting and Auditing



MANAGING PROJECT FINANCES



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- Project account setup
- Invoicing
- Disbursements
- Documents/Records Management
- Compliance and accountability management
- Financial reporting
- End of project reporting and procedures



DISBURSEMENT



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- Electronic funds transfer (EFT, RTGS)
- Cheque
- Letter of credit
- Mobile money
- E-cash
- Cash



ROLE OF GAMSU IN GRANTS FIN MGT



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- Monitoring of grants Budgets for proper use
- To receive and consolidate of project annual budgets from various Units of the University
- Preparing regular monitoring and evaluation meetings with project heads
- Provision of documentation and information required by grantors (one stop reporting Centre)
- Collection and consolidation of quarterly and annual financial and physical performance reports
- Coordination of grants annual audits
- Coordinating collection of project overheads



ISSUES IN GRANTS FIN MANAGEMENT



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- Non compliance to laws policies and procedures (reporting dates, formats, authorities etc.)
- Under/over budgeting
- Lack of appreciation of financial and procurement procedures/ arrogance (orders)
- Ignoring statutory costs when budgeting e.g. taxes, NSSF LST etc.
- Not following terms within the contracts/ Agreements with funders
- Lack of proper documentation/Inadequate or untimely submission of reports
- Incompetent or lazy project staff/Nepotism/Non-credible or competent partners, Conflicts of interest
- Failure to account for funds
- Over-spending of funds/Unauthorized expenditures, misuse
- Discrepancies between narrative and financial reports



WARNING SIGNS



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- Sudden massive un explained requests/ payments/advances to one person ‘one-man missions’
- Frequent excuses e.g. sickness, other engagements, field issues etc
- lack of supporting documents
- Failure to follow the procedures/ frequent urgent requests/payments
- Complaints of loss of records and or alteration of documents
- Unusual patterns in deposits and cash in transit
- Preference to work with specific people/staff or vendor
- Common names and addresses for refunds
- Photocopied documents and electronic signatures
- Un explained adjustments or last minute rush



REPORTS



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- Income and Expenditure Reports
- Physical Performance Reports
- Accountability Reports
- Audit reports



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