

Capacity Building - Framework for Improvement in Financial Autonomy
through Revenue Enhancement and Fund Generation for Public Sector
Universities

July 28-31, 2022 At Government College University Lahore



GROUP PHOTO OF THE PARTICIPANTS

Higher Education Commission (HEC) is the implementing entity for a World Bank funded project “Higher Education Development in Pakistan” (HEDP) that aims to “strengthen the governance in the higher education sector”. It includes supporting the financial autonomy of public sector universities. The total federal grant allocated to the higher education sector in Pakistan remains low by international standards and is highly vulnerable to the overall fiscal situation of the country due to competing demands. It is vital that steps are taken to enhance the revenues of public sector universities from traditional and non-traditional sources other than government grants.

In this backdrop, HEDP has developed a draft framework for financial autonomy of the universities through revenue enhancement and fund generation in consultation with public sector universities. 50 universities have already signed Memorandum of Understanding (MOU) with HEC for participation in this new initiative, while the process for other universities is on-going. It ensures formal commitment by both parties to improve the financial autonomy that would reduce dependence on government grants. A capacity building strategy for university managers has been chalked out for creating awareness and developing understanding to implement the financial autonomy framework.

A capacity building program was arranged in the Government College University Lahore from July 28-31, 2022, for a cohort of 33 Treasurers of public sector universities from all regions of the country including Sindh, Southern and Central Punjab, KP, and AJK.

The event started with the recitation of verses from the holy Quran. The message from Ms. Maryam Riaz, PC HEDP, affirmed that this intervention will continue to build capacity of the university administration for financial autonomy through various initiatives including revenue enhancement and fund generation. The program included features of the framework for financial autonomy, as well as, better financial management, guidelines for endowment funds, internal and external audit, and tax matters.



A VIEW OF THE CAPACITY BUILDING PROGRAM

The following resource persons who are highly experienced in their respective fields contributed to the capacity building program:

1. Akbar Khan, MBA, LLB, SAS Ex Financial Consultant Haripur University – Revenue Enhancement and Fund Generation.
2. Mr. Naeem Akhtar, SAS, Lead Resource Person Federal Audit Training Institute – Audit by External Auditor and Improvement in Internal audit System of the Universities.
3. Mr. Shahzad Ahmed Malik, FCMA, CFA (USA), President ICMAP, CEO, SAM & Co – Taxation
4. Mr. Nadeem Shakoor Javeri, CPA, Director Finance Liaquat Medical University Jamshoro- Financial Management of Public Sector Universities.

It was an interactive program and all participants keenly contributed to the discussion in all sessions. The practical applicability of the concepts was of prime interest to the partakers and pertinent questions were raised. Following are briefly the thematic areas discussed:

- Features of HEC Organizes Revenue Enhancement Framework
- Suggestions for Improvement in the draft framework “HEC Develops and Adopts the Framework for Financial Autonomy of the Universities”.
- Avenues of Revenue Enhancement
- University Development Office and MOUs
- Improvement in Governance in Universities
- New Accounting Model

- Better Financial Management.
- Cost Benefit Analysis and cost savings
- Endowment Funds
- Overview of Income Tax Ordinance
- Notices to universities, Responses, Appellate Forums
- External Audit by Auditor General Office
- Value addition by audit in areas concerning economic, efficient, and effective utilization of funds

The Pre- and Post-Training tests showed marked improvement of more around 60 % in the understanding and skills of the participants whereas the training lag was only 14 %. An evaluation of the capacity building program was conducted by the participants revealed that 41 % rated it as excellent, 38 % as very good, 18 % as good and only 2 % as average. As regards the accommodation and facilities, 3 % suggested the need for further improvement, though they rated the thematic areas and resource persons as very good.



**ONE OF THE BEST PARTICIPANTS- AWARDED BY RESOURCE
PERSON**



A PARTICIPANTS COMMENTING ON THE OVERALL IMPACT OF THE TRAINING

In the comments section, the participants stated that the training was very attractive and fruitful for planning, and funding, conducting audit and handling the tax matters of the public sector universities. It was observed that there was adequate representation of young administrators of the universities. It was an interactive session. The resource persons were very good, competent, qualified, and very knowledgeable. It provided an excellent forum for discussion of the financial issues of universities. The thematic areas were highly relevant and would help universities to

improve internal revenue generation. The arrangements of the event were considered appreciable by the participants.

In the suggestions section, it was proposed that such trainings should not be an isolated activity but be part of comprehensive continuing professional development program. Such events should be held regularly.



CERTIFICATE DISTRIBUTION

All the participants were awarded the certificates of successful completion the training and a copy of group photo, by the chief guest. The resource persons also evaluated the participants. Two participants were adjudged as the best participants of the program and were awarded mementos.



**MEMENTO FOR THE CHIEF GUEST VC GOVERNMENT COLLEGE
UNIVERSITY LAHORE RECEIVED ON HIS BEHALF BY MR. ABID
SHEHZAD TREASURER**

In the concluding sessions of the program, the chief guest Prof. Dr. Asghar Zaidi, Tamgha-e-Imtiaz, VC Government College University Lahore, addressed the participants through video link as he was in Germany.



**THE CHIEF GUEST VC GOVERNMENT COLLEGE UNIVERSITY
LAHORE PROF. DR. ASGHAR ZAIDI, TAMGHA-E-IMTLAZ**

Prof. Dr. Asghar Zaidi stated that he wished he was there in person but due to flight cancellation, he was stranded in Frankfurt. As he considered the event as very important, he made all arrangements to participate On-line. He emphasized the need to look for other sources

of revenues for our universities in line with the universities of the developed countries. He further stated that he has offered to facilitate this event as it was his cherished dream to make the university financially viable. The proposed framework for financial autonomy through revenue enhancement from HEC, is a step in the right direction. He re-assured that not only his university would implement the new initiative, but he would also act as an ambassador of HEC to convince the vice chancellors of other universities to adopt it.



**PARTICIPANTS FROM MUET, JAMSHORO PRESENTED MEMENTO
TO THE HOST GOVERNMENT COLLEGE UNIVERSITY**

Khawaja Zahid Hussain FMS HEDP, HEC thanked all the participants for their participation and gracing the occasion. He particularly thanked the VC, Treasurer, and the other officers of GCU for facilitating and supporting the event. The event ended successfully with a mutual vote of thanks.



**KHAWAJA ZAHID HUSSAIN, FMS HEDP, HEC THANKING THE
PARTICIPANTS**