



NUI MAYNOOTH

Ollscoil na hÉireann Mhá Nuad

Quality Review of the Finance Office

September 2008

Peer Review Report

Peer Review Group:

External Reviewers:

**Mr Pat Lally;
Mr Michael Mc Grath;
Mrs Florence Gregg.**

Internal Reviewers:

**Professor Jim Walsh,
Deputy President,
Nui Maynooth;
Dr David Redmond, Registrar
NUI Maynooth.**

1. Introduction

The National University of Ireland, Maynooth has a responsibility under the Universities Act, 1997 to “promote the highest standards in, and quality of, teaching and research.” One route to achieving this requirement, as required under the Act, is through the completion of a quality review programme with the purpose of developing and implementing a proactive quality improvement programme.

The University is currently starting its second cycle of quality reviews. These reviews have, at their heart, an active self-assessment exercise through which the department examines its profile, reviews activities to date and identifies key actions that, when developed and implemented will improve its future performance.

The process involves:

- The completion of a Self Evaluation Report, taking into account feedback from stakeholders *and informing the development of a Quality Improvement Plan.*
- Quality (Peer) Review was by external experts (See Appendix A), both nationally and internationally, who have studied the Self Evaluation Report and visited the Department over a period of three days. The Panel conducted structured interviews with departmental staff and a representatives of the academic and administrative departments
- The Quality Review Report, prepared by the Review Panel, presents its conclusions on quality improvements on the Department. This report will be presented to the Governing Authority of the University.

2. The Finance Department

The Finance Department comprises 25 staff members and is managed by the Bursar, a Senior Officer of the University. The Department is divided into seven separate offices (Payroll, Payments, Student Fees, Income, Research Administration, Procurement and Financial & Management Accounting) based at three different locations on the South campus. The current department structure is set out in Appendix B.

Over the past 5 years, the Department has been reorganised with new posts created and a new layer of professional staff introduced. At the same time the current structure of seven distinct offices was formed. This Quality Review, therefore, presents an opportunity to evaluate the legacy of this restructuring by the Peer Review Panel now that the operational structures have bedded in.

3. Departmental Mission, Strategic Objectives

The Finance Department has identified five key objectives that underpin its operation and which help and support the University to achieve its published strategic Priorities and Goals published in the Strategic Plan 2006-2011.

- 3.1. Support University management in delivering on the Strategic Plan by providing objective, accurate and timely information to assist in decision making
- 3.2. Manage University assets by maintaining strong financial control, realising 'value for money' expenditure and minimising financial risk
- 3.3. Optimise University funding and prioritise the allocation of resources to assist with delivery of the Strategic Plan
- 3.4. Ensure accountability by preparing and delivering information to external stakeholders
- 3.5. Oversee financial compliance: meet all legal, statutory and regulatory requirements

4. Self Evaluation Report

The Review Panel found the Self Evaluation Report to be most informative and helped position the Department's activities within the University. The Department is to be commended for its clarity and for the open and candid way in which staff engaged with the members of the Review Panel. We believe that the information gained through our interviews has enabled us to confirm the contents of the Report and to draw our own conclusions in terms of the Department's current activities and future development programmes.

It is obvious that staff have engaged in the evaluation process and have sought to develop a fair and honest view of their current activities. They have highlighted areas of good practice and areas where improvements are required. Indeed, we note that a number of the recommendations listed in the Department's Quality improvement Plan, have already been implemented. This provides the Review Panel with evidence of the willingness of staff to embrace the process, its desire to improve the quality of service provided to its stakeholders and an inherent commitment for continual improvement which will stand it in good stead for the future.

Within the Self Evaluation Report, as part of the Quality Improvement Plan, each Office has prepared and presented a number of recommendations and planned actions some of which, as indicated above, have already been implemented. The Review Team has been assured that the outstanding actions identified will be pursued and, rather than replicating these within this Report, the Review Panel provides its own observations on the Department and each of the seven offices:

5. Comments on the Finance Department

The Finance department in the National University of Ireland Maynooth is very highly regarded both internally within the university and by external bodies dealt with. They are seen as progressive and sectoral leaders in key areas. Their achievement in the prompt publication of the University's Annual Accounts and the finalisation of its budgets is well recognised. The Finance department is acknowledged as a leader in this respect and also in the development of full economic costing.

Based upon the responses to the staff surveys, completed as part of the Self Evaluation process, the Department is held in high regard and staff are felt to be a major help and support to end-users. This was endorsed in our discussions with users. As the University grows in terms of student numbers and research activity, it will be important that the Finance Department develops with it, managing the University financial resources to maximise the value for money achieved. This will necessitate proactive communications with both its internal and external stakeholders.

We found staff to be experienced, knowledgeable and dedicated with a strong allegiance to the University and, especially in the student facing areas, a genuine desire to provide a high standard of service to the student population. There is a pride in the service provided. In a small number of instances, however, we found a sense of frustration where internal processes, systems or inter-departmental communications were not as proactive or streamlined as they should be, causing the need for manual interventions, rather than automated data generation.

There is a desire to provide approved training to users of the Finance Department, however, there may be benefit from the provision of 'internal' awareness workshops to help each Office understand the roles and responsibilities of the others. This should also help instill a collegiate, cohesive approach to sharing and helping out in times of peak workloads through a flexible arrangement to the deployment of staff.

Long serving staff members were of the view that increased workloads combined with pressure for improved systems and efficiencies and restricted accommodation has put the traditional friendly working environment and customer focus of the department under strain. This is not unusual in a modern working environment.

6. Finance Department Offices

6.1. Payroll Office

- The Office works to strict deadlines and prides itself on its success in paying both monthly and weekly staff on the due dates. It would help considerably if departments within the university made themselves aware of the “cut-off” dates for processing payroll.
- Over the last 3 years it has successfully managed an increase in total staff payroll activity of over 25%
- Within its Quality Improvement Plan, it has identified a number of recommendations that will improve its efficiency and effectiveness
- The planned introduction of e-payslips project will bring increased efficiencies to the payroll process
- Higher priority needs to be put on improving the interaction and cohesion between Payroll and Human Resources offices to facilitate and guarantee more efficient working processes.
- Relationships between Payroll and Human Resources departments mainly on the creation of staff records and inputting contract payment details is primarily due to new, inexperienced staff in H.R. This situation will improve with training and better exploitation of computer systems.
- Office space is relatively cramped and the public counter is not always appropriate when dealing with personal and confidential staff enquiries

6.2. Payments Office

- There has been a doubling of electronic payments and a notable reduction (66%) in number of invoices incurring prompt payment interest charges over the last three years
- Good use is made of interns to clear and manage work backlogs over summer. This also provides excellent personal development opportunities for the students
- The Office has indicated its willingness to investigate the introduction of corporate procurement cards to help manage low value purchases with named suppliers in a more cost effective manner

- The majority of supplier payments and staff expenses are now paid via EFT
- Plans are in hand to introduce use of e-remittances to suppliers
- Staff are happy with their accommodation
- The Office should publish a monthly payment timetable on its website to inform user departments of close down dates and any changes to the published timetable should be notified directly to departments by email

6.3. Research Administration Office

- Departmental staff using the Research Administration Office were very positive about the staff and support they provide
- Over the past year, the Office has managed a substantial increase in the number and value of research awards and associated audits
- When developing training programmes for Principal Investigators [PIs], consideration should be given to the provision of joint training course with the Procurement Office to encourage the achievement of VFM
- When enhancing the RAO's web site, consideration should be given to including a link to the Procurement Office's site to help ensure that where there is non-pay expenditure planned, the Procurement Office staff are involved at the earliest opportunity
- The automation of the current office planner should be expedited
- Discussions should be undertaken with IT departments to investigate the generation of reports that will support the office and Principal Investigators (PIs) to manage the University's research portfolio efficiently. This work could, perhaps, provide project opportunities for a post graduate student as part of his/her studies
- To support future PI training programmes, they should enhance and improve the information briefs to deal with frequently asked questions and makes these available on the RAO website

6.4. Fees Office

- Staff in the fees office provide a high level of service to the new and returning students despite a considerable increase in student numbers in recent years.
- The core staff are experienced and well informed and have shown an ability and willingness to adapt to ongoing changes
- There is evidence of low staff morale which appears to be due to poor manpower planning in dealing with peak demands and also due to staff working with sub-optimal information systems

- Communications between office staff and management are not as good as they should be. Several attempts at Finance department meetings to resolve issues have not achieved the desired results
- There appears to have been a failure to take full account of the effect on fee structure and collection changes arising from the introduction of modularisation..This is exacerbated by a lack of readiness of the ITS computerised system to manage the fee structure changes arising from modularisation.
- There is a need for an urgent review of the registration/fee process and the interrelationship between the Fees and Student Records Offices. More streamlined and integrated processes / systems would alleviate much of the issues in this area.
- It is suggested that the introduction of regular meetings with, in particular, the Registrar's Office will assist with the resolution of these problems.
- In addition, overall communications needs to be improved between the Fees Office and other offices that are involved with student processing
- The positioning of the Fees, Student Grants enquiry desk effectively leads to the operation of a student enquiry desk. Appreciation of the demands placed on staff when dealing directly with students concerns regarding grants, fee payments, dealing with local councils etc is not fully apparent.
- Security/safety arrangements for the collection of fees where cash is tendered , needs to be reviewed.
- There appears to be a lack of clarity in the definition of role descriptions and employment status within the Office

6.5. Income Office

- User departments are positive in their experience of the Income Office.
- There has been a substantial increase in the volume and value of invoices processed over the past 3 years
- Office space is cramped and the public counter is inappropriate when dealing with personal and confidential staff enquiries
- Credit control and difficulties of obtaining age debtor reports should be investigated and resolved
- Planned increases in the number of apartments will put strain on the existing systems and resources
- There is a need to clarify areas of responsibility between Income and Residences Offices
- Security/safety arrangements for the collection of fees, particularly in respect of cash appear to be inadequate

6.6. Procurement Office

- The Procurement Office has a major role in the achievement of value for money in non-pay expenditure throughout the university. The key role of procurement in maximising value for money should be consistently reinforced by senior management and also through the budgetary allocation process.
- There has been a significant increase in the volume of competitive tendering activity which may lead to a resource issue in future. If as expected, the volume of activity continues to increase through the lowering, in real terms, of legislative financial thresholds and the University's increasing non-pay and research expenditure, this will add to the pressure.
- The existing training programme should be enhanced by developing a number of short courses in conjunction with other Finance Department Offices, such as the Research Administration Office. This is with a view to positioning the procurement processes within the context of, for example, budgetary planning, risk reduction, value for money
- There is a requirement from Government for public bodies, including Universities, to develop an Annual Corporate Procurement Plan which will map out the route to maximising value for money. This requirement has been reinforced with the demands to achieve real cash savings under the current economic climate and resulting budgetary constraints.
- The Plan's development should provide for arrangements on how best to manage the procurement process including the introduction of on-line purchase order processing, managing the increasing volume of competitive procurement activity and streamlining the purchase-to-pay processes.
- The Procurement Office should seek to lead the implementation of corporate procurement cards to streamline the purchase-to-pay process for low value purchases and, where these cards are used with contracted suppliers, seek to improve payment terms in terms of lower unit prices and improved lead times

6.7. Financial and Management Accounting Office

- The exceptional performance of the Office in the timely publication of the University's Annual Accounts and the finalisation of its budgets is highly commendable. It is acknowledged that the University is a sectoral leader in this respect. It is also the leading university in the development of full economic costing.

- The growth in staff numbers and the increasing diversity and complexity of employment contracts and their financial implications makes the development of a post management system essential. The potential of CORE should be exploited to solve this issue as soon as possible. This will primarily involve the H.R. department allocating resources to this project.
- There appears to be some uncertainty with regard to the administration of pensions and the responsibilities need to be assigned to a specific officer. This needs to be resolved through negotiations between the Finance and Human Resources Departments
- The use of a data warehousing system should be explored to enhance the planning and reporting capabilities of the Finance and other associated Departments
- There appears to be uncertainty over the carry-over of underspends year-on-year as to the ability of retaining the funds in the following year. A consistent approach should be developed, ratified and communicated to all budget holders.
- Some concern was expressed over managing budgets due to not always having commitment data. On checking, it was discovered that departments do not always use the existing systems effectively to monitor their expenditure.
- In relation to communications, the Office plans to hold more regular meetings with departments and to review and monitor the allocation of departments among the accountant groups. We endorse this approach
- In relation to the current economic environment, consideration should be given to introducing an incentive approach to budgetary management within which departments are encouraged to proactively save money and, when this is achieved, an agreed proportion is retained in the departmental budget for the following financial year.
- The general trend in universities is to measure expenditure quite carefully, however, the measurement of true value for money requires the measurement of output achieved for the amount spent, for example, cost per student taught at each level/course type. Further, consideration should be given to developing a number of value for money measures and monitoring and reporting cash savings and efficiency gains.

7. Conclusion

Overall the Quality Review Panel were impressed with the considerable improvements in the operations and performance of the Department both in-house and within the University sector that have been achieved over the past number of years. This is all the more laudable given the high level of change both in terms of structure, volumes and complexity. The process begun through the workshops in the self evaluation exercise should be built upon to achieve a greater level of collegiality of the staff as a Department.

In terms of liaison with the user departments there was strong evidence of high customer satisfaction and we would hope that this will continue as new changes emerge and are adopted.

The full potential of information technologies and more effective processes should be exploited to enhance communication and information flows with customers which will provide a higher quality of service.

As stressed previously, the Finance Department is highly regarded within the university and also with external bodies. Our review very much confirms those views.

Appendix A

Membership of the Quality Review Panel

External Reviewers

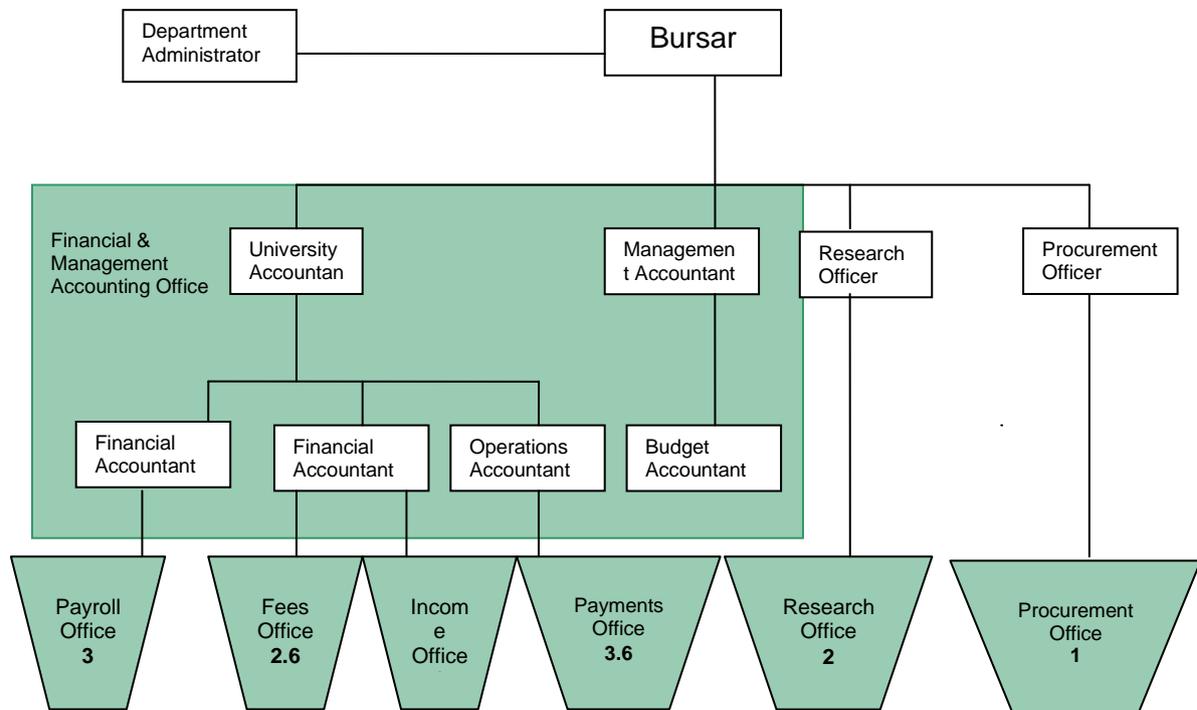
Mr Pat Lally (Chair)

Mr Michael McGrath

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Internal Reviewers

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