



# **University College Dublin**

**Periodic Quality Review**

**UCD Bursar's Office**

**September 2013**

**Accepted by the UCD Governing Authority at its meeting on 18 February 2014**

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# 1. INTRODUCTION AND DETAILS OF THE BURSAR'S OFFICE

## INTRODUCTION

- 1.1 This Report presents the findings of a quality review of UCD Bursar's Office, at University College Dublin (UCD), which was undertaken in September 2013.

## THE REVIEW PROCESS

- 1.2 Irish Universities have collectively agreed a framework for their quality review and quality improvement systems, which is consistent with both the legislative requirements of the Universities Act 1997, and international good practice (e.g. Standards and Guidelines for Quality Assurance in the European Higher Education Area, 2007). Quality reviews are carried out in academic, administrative and support service units.
- 1.3 The purpose of periodic review is to assist the University to assure itself of the quality of each of its constituent units, and to utilise learning from this essentially developmental process in order to effect improvement, including:
- To monitor the quality of the student experience, and of teaching and learning opportunities.
  - To monitor research activity, including: management of research activity; assessing the research performance with regard to: research productivity, research income, and recruiting and supporting doctoral students.
  - To provide an opportunity for units to test the effectiveness of their systems and procedures for monitoring and enhancing quality and standards.
  - To provide a framework within which the unit can continue to work in the future towards quality improvement.
  - To identify shortfalls in resources and provide an externally validated case for change and/or increased resources.
  - To identify, encourage and disseminate good practice.
  - To identify challenges and address these.
  - To provide public information on the University's capacity to assure the quality and standards of its awards. The University's implementation of its quality review procedures also enables it to demonstrate how it discharges its responsibilities for assuring the quality and standards of its awards, as required by the Universities Act 1997.

1.4 Typically, the review model is comprised of four major elements:

- Preparation of a Self-assessment Report (SAR)
- A visit by a Review Group (RG) that includes UCD staff and external experts, both national and international. The site visit normally will take place over a two or three day period
- Preparation of a Review Group Report that is made public
- Agreement of an Action Plan for Improvement (Quality Improvement Plan) based on the RG Report's recommendations; the University will also monitor progress against the Improvement Plan

Full details of the review process can be found on the UCD Quality Office website: [www.ucd.ie/quality](http://www.ucd.ie/quality).

1.5 The composition of the Review Group for the UCD Bursar's Office was as follows:

- Professor Muiris O'Sullivan UCD School of Archaeology (Chair)
- Dr Emer Cunningham, UCD Graduate Studies (Deputy Chair)
- Mr Allan Tait, CFO, University of Melbourne
- Mr Phil Harding, Director of Finance and Business Affairs, University College London

1.6 The Review Group visited UCD from 23-26 September 2013 and held meetings with UCD Bursar's Office staff on an individual or group basis, University staff, and external stakeholders from the HEA, KPMG, suppliers and SFI. The site visit schedule is included as Appendix 2.

1.7 In addition to the Self-assessment Report and its appendices, the Review Group considered documentation, provided in hard copy and online by the Unit during the Site Visit.

#### **PREPARATION OF THE SELF-ASSESSMENT REPORT**

1.8 UCD Bursar's Office established a Self-assessment Co-ordinating Committee in accordance with the UCD Quality Office Guidelines.

1.9 The Co-ordinating Committee (SARCC) met regularly during the preparation of the SAR and responsibility for compiling and co-ordinating the report allocated to a member of the committee. Feedback was sought from office staff, customers of each sub-unit, suppliers, banks and research agencies. All staff had an opportunity to contribute to the report preparation through the sub-unit representative and internal data collection and analysis.

The draft SAR was circulated to all Bursar's Office staff for comment prior to its finalisation and submission to the Quality Office.

## THE UNIVERSITY

1.10 University College Dublin (UCD) is a large and diverse university whose origin dates back to 1854. The University is situated on a large, modern campus, about 4km to the south of the centre of Dublin.

1.11 The University Strategic Plan (to 2014) states that the University's Mission is:

“to advance knowledge, to pursue truth and to foster learning, in an atmosphere of discovery, creativity, innovation and excellence, drawing out the best in each student, and contributing to the social, cultural and economic life of Ireland in the wider world”.

The University is organised into 38 Schools in seven Colleges;

- UCD College of Arts and Celtic Studies
- UCD College of Human Sciences
- UCD College of Science
- UCD College of Engineering and Architecture
- UCD College of Health Sciences
- UCD College of Business and Law
- UCD College of Agriculture, Food Science and Veterinary Medicine

1.12 As one of the largest universities on the island of Ireland, UCD supports a broad, deep and rich academic community in Science, Engineering, Medicine, Veterinary, Arts, Celtic Studies and Human Sciences. There are currently more than 24,000 students (15,400 undergraduates, 6,900 postgraduates and 1,900 Occasional and Adult Education students) registered on University programmes, including over 5,500 international students from more than 120 countries. The University also delivers degrees to over 5,000 students on overseas campuses

1.13 As a response to the testing financial situation facing UCD, caused primarily by the ongoing progressive cuts in State funding for University services, the executive leadership team of the University has been tasked by its own Finance, Remuneration and Asset Management Committee (FRAMC) to design and implement initiatives across six areas, known as the ‘Six Challenges’:

- Increase the revenue of those Colleges/Schools which are currently delivering the strongest financial performance, specifically the Schools of Business, Computer Science and Health Sciences;
- Improve the financial performance of the poorest performing Colleges /Schools, specifically the College of Engineering and Architecture and the College of Science (excluding Computer Science);
- Seek further efficiencies and savings in the general cost base of the University;
- Enhance and improve current performance in the international student market;
- Ensure that digital technologies are used to maximum effect to generate revenues from the educational IP of the University and to manage costs; and
- Explore the potential for generation of additional commercial income.

#### **UCD BURSAR’S OFFICE**

1.14 UCD Bursar’s Office is a support unit within the Office of the Bursar. The Office comprises three main functional areas: Finance Office, the Office of Corporate and Legal Affairs, and the Procurement Office.

1.15 The current operating structure is divided into four main units:

- Financial Planning and Resources
- Corporate and Legal Affairs (incorporating offices of legal, Safety, Records Management & Freedom of Information, and Research Ethics)
- Procurement
- Financial Management.

This current structure follows the Unit’s previous review in 2004, organisational restructuring and modularisation which commenced in 2005 across the University, with further refinement in 2011. A summary of the key functions of each unit and its sub-unit(s) was provided in the SAR and is briefly outlined in Section 2

1.16 In addition, designated appointments of College Finance Managers were established at College level to provide financial and commercial leadership in each College and its constituent Schools.

1.17 Reporting requirements have become more complex in response to:

- meeting the needs of the University planning and information requirements
- introduction of new systems
- compliance with relevant legislation and regulations.

- 1.18 The Unit currently employs a total of 74 staff, 4 in procurement, 13 in Corporate and Legal Affairs, 55 in Finance, 2 in the Office of the Bursar.
- 1.19 The age profile of staff is predominantly in the 30-55 year age category with approximately 68% in this category.
- 1.20 The Unit is located on the UCD campus with office accommodation in the Tierney Building, Belfield House, Science Building and Roebuck Castle. These facilities include individual and open plan offices as well as access to University held meeting rooms.

## **METHODOLOGY**

- 1.21 This review provided an opportunity for the Review Group to consider the activities of the Unit as outlined in the SAR and its appendices. A clear overview of the methodology undertaken in writing the SAR was presented to the Review Group. A series of meetings provided the Review Group with an opportunity to address issues raised from their reading of the SAR and its supplementary documentation. Key stakeholders as outlined in Section 1.6 met with the Review Group. All members of the Group participated in all discussions and meetings. This Report has been read and approved by all members of the Group.
- 1.22 At the exit presentation the Review Group provided an overview of the initial comments at a strategic and operational level.
- 1.23 The Self-assessment Report provided a clear insight into the workings of the Unit and the extent and variety of its activities and responsibilities. The Review Group found the SAR to be clear, comprehensive and constructive, reflecting an appropriately self-critical approach. A set of appendices was provided as a supplement, along with additional data provided by the Unit in the meeting room and as requested by the Review Group.
- 1.24 The Review Group met highly experienced and dedicated staff from within the Bursar's Office and the wider University. Staff had clearly engaged in the review process and fully participated in the meetings with the Review Group. The Review Group is appreciative of the openness of staff at these meetings, especially their engagement on issues where challenges have been recognized, and found that they engaged collaboratively and positively with the process.
- 1.25 A clear overview of the methodology undertaken in writing the SAR was presented to the Review Group. The Review Group is impressed by the warmth with which stakeholders from across the University and beyond spoke of the cooperation, dedication and professionalism they had experienced in their dealings with staff from the Bursar's Office.
- 1.26 The Review Group noted the current fiscal climate and diminishing resources both financial and human resources in parallel with increasing student numbers. It was noted that the core state grant fell from €126m in 2008 to €65m in 2013 while the increase in the student contribution, which is defined by the Minister for Education, is not sufficient to compensate. The number of UCD staff has reduced by 8% during the period 2008-12 with a corresponding

increase in student intake. This leads to a growing disconnect between the academic mission and financial resources of the University.

- 1.27 The lack of timely information in relation to State funding creates challenges for the University in planning on a multi-annual basis and creates uncertainty in the annual budgeting process at University, College and School levels.
- 1.28 The Review Group was impressed with the achievements of the Bursar's Office, particularly in the current environment.



## 2. PLANNING, MANAGEMENT, ORGANISATION AND RESOURCES

### CONTEXT

#### 2.1 PLANNING

2.1.1 The Bursar's Office Mission Statement is to ensure prudent financial management of the University through the provision of financial and other services to support the strategic direction decided by the Governing Authority.

2.1.2 Operationally, the Bursar's Office strives to be best in class. In this context:

2.1.2.1 The key strategic challenge for the University and the Bursar's Office over the past five years has been the financial sustainability of continuing operations in an extremely difficult economic environment. For example, since 2007/8 the University has suffered reduced State funding in each successive year. These cuts persist while the demand for higher education continues to grow. UCD's core State grant was reduced by 43% between 2008 and 2012 followed by a further cut in 2013 (Section 1.26 above), while the grant per student FTE decreased by 61% in the same period. Replacement fee income from undergraduate students, as directed by the Minister for Education (i.e. the Student Contribution), has made only a minimal contribution to addressing the growing funding gap and it has been necessary to generate significant additional income from other sources.

2.1.2.2 Despite the external economic environment, in the period since the Bursar's Office was last reviewed (2004), the University has grown significantly and its activities have increased across all primary areas of activity as indicated in table 1 below (note: data as defined by HEA requirements and does not include students on overseas campuses)

Table 1:

	2004	2012	Increase
Research expenditure	€46m	€73m	58%
No. of project accounts	2,000	3,300	65%
No. of grant holders	650	1,200	85%
No of Students	22,899	24,914	8.9%
No. of Graduate Students	5,892	6,975	18%
No. of International Students	3,080	5,056	64%

2.1.3 Building on the success of placing finance managers in Colleges across the University, the Bursar's Office plans to continue the collaborative approach between it and the academic community in order to develop the future direction of schools and colleges on a sustainable basis. The trend of it providing advice in relation to all aspects of management is planned to continue over time, particularly to prepare academic staff for the management challenge of school/college leadership. This is acknowledged as a key issue for the University. The need for strong implementation teams to implement aspects of strategy, particularly surplus income generating initiatives, is a challenge for the University and this is being addressed

through work arising from the FRAMC (Finance, Remuneration & Asset Management Committee of the Governing Authority).

- 2.1.4 Continued investment in systems and processes is planned (for the immediate future on an incremental basis rather than a significant capital cost) to maintain a high standard of service as benchmarked internationally. Should major investment be needed, this will need to be justified on a cost/benefit basis.
- 2.1.5 It is planned that the wider finance team across the University will develop further experience which will increase the talent pool and the likelihood of existing staff rising to leadership positions.
- 2.1.6 As a consequence, it is acknowledged that the image of the unit must develop to a point where its involvement in the affairs of a college/school is welcomed, while still appreciating that its primary objective is to assure the financial sustainability of the University as a whole.

## 2.2 MANAGEMENT & ORGANISATION

2.2.1 The review focussed on four main operating areas of the Bursar’s Office, with the head of each of these areas reporting to the Bursar as shown in Table 2:

Table 2. Organisation of the Bursar’s Office

<i>Main reporting Area</i>	<b>Financial Planning and Resources</b>	<b>Corporate and Legal Affairs</b>	<b>Procurement</b>	<b>Financial Management</b>
<i>Sub-units</i>		<ul style="list-style-type: none"> <li>• Legal</li> <li>• Safety</li> <li>• Records Management &amp; Freedom of Information</li> <li>• Research Ethics</li> </ul>		<ul style="list-style-type: none"> <li>• Capital Accounting</li> <li>• Financial Reporting &amp; Systems Finance</li> <li>• Research Finance</li> <li>• Payroll</li> <li>• General Ledger</li> <li>• Payments</li> </ul>

2.2.2 In summary, the functions of each unit are:

### 2.2.2.1 Financial Planning & Resources

The Financial Planning and Resources unit consists of one core team of staff. It is responsible for supporting the Bursar and the University Management Team (UMT) in the overall allocation of the University’s financial resources in accordance with University policy. The principal roles of the unit are financial planning, resource allocation and provision of

management information. Much of the work of the unit, such as systems development and adaptation and preparation of special financial reports and analysis, is ad-hoc or developmental in nature. Key outputs include the University budget, the Resource Allocation Model (RAM) and the Full Economic Costing exercise (all of which arise annually or more regularly).

#### 2.2.2.2 *Corporate and Legal Affairs*

The Corporate & Legal Affairs Office (CLA) consists of the core corporate legal and contract assessment function, as well as the other functions listed in Table 2. It is responsible for advising the University on legal issues, including oversight, advice and coordination of matters relating to legal agreements and court proceedings, contractual arrangements, employment law and legislative compliance. It is also responsible for company secretarial services to UCD subsidiaries, safekeeping of original legal documents, Freedom of Information compliance, data protection requests and compliance, management of the insurance programme, operation of the occupational health programme (with UCD HR), health and safety management and managing the ethics review process and consultation/advice.

#### 2.2.2.3 *Procurement*

The Procurement function consists of one core team of staff. The Review Group also noted the purchasing unit, located in Science with a Head of Purchasing which was not included as part of this review. It is responsible for ensuring that the expenditure of funds is properly controlled and accounted for, and that optimum value for money is achieved within a framework of the ethical and professional standards. It also advises staff on the compliance requirements for national and EU tenders and ensures that all procurement practices are afforded sufficient legal protection.

#### 2.2.2.4 *Financial Management*

The Financial Management Unit is responsible for the management of the financial assets and financial operations of UCD. This includes financial reporting, treasury management, research finance, management of accounting systems, payroll, maintenance of the general ledger, and accounts payable. Individual sub-units, as itemised in Table 2, have emerged to discharge various aspects of these responsibilities.

- 2.2.3 The response of the Bursar's Office to the financial sustainability challenge has evolved over time. In recent years the Bursar's Office has moved to a more collaborative model in arriving at plans for individual colleges and schools, and a series of cross-institutional meetings facilitate the Bursar's Office in managing its responsibilities, including:

The Finance Office and College Finance Managers meeting held at six-weekly intervals, with members invited to submit items for the agenda which is circulated in advance. The style of the meeting is informal and the purpose of the meeting is to have an effective two-way dialogue.

The Budget Review Committee (BRC), a sub-committee of the University Management Team Finance & Operations Group (UMT-FOG), which is co-ordinated and convened fortnightly by the Financial Planning & Resources Unit. Terms of reference include reviewing, recommending and/or approving aspects of financial planning, policy and reporting, making decisions re applications for staff appointments, and approving student fee charges. The Bursar chairs this Committee and the other members are the Registrar, the Vice-Presidents for Staff and Research, and the Director of Strategic Planning.

The University's Finance, Remuneration and Asset Management Committee (FRAMC) which is organised by the Bursar's Office and meets six times a year.

- 2.2.4 The organisational structure of the Bursar's Office appears to have evolved organically over the years in response to changing needs and circumstances. Senior staff within the Bursar's Office have a good

understanding of this structure and the various areas of responsibility but this is less clear to stakeholders across the University and even to some staff working within sub-units of the Bursar's Office itself. It may also explain why communication challenges have emerged almost unnoticed.

## 2.3 RESOURCES

- 2.3.1 Financial resources are planned and allocated as part of the annual budget process, with the Finance Office – which the review panel takes to comprise both Financial Management and Financial Planning & Resources - Corporate & Legal Affairs and Procurement acting as separate Budget Units. Allocating resources requires balancing the strategic and operational needs and, in recent years, has also required coping with reduced allocations to the units.
- 2.3.2. Staffing numbers have increased from 60 in 2008 to 72 (excluding the Bursar and his Personal Assistant in 2013, with the majority of the increase relating to the assumption of responsibilities from other areas. On a like for like basis there has been an increase of approximately 5 staff.
- 2.3.4 When staffing changes occur, the opportunity is taken to align resources with strategy and with changing operational requirements rather than simply replacing like-with-like. Reduced allocations have been, in part, mitigated by the sourcing of additional external funding for designated positions, for example the funding of certain positions in the Research Finance Office from research overheads (the Overhead Investment Plan).
- 2.3.5 The Budgets for the three Budget Units in 2013/14 will be as follows, and this represents a 5.6% cut compared with 2012/13.

Table 3. Budgets for the Units of the Bursar's Office

<b>Budget Unit €000</b>	<b>Direct Income</b>	<b>Pay Expenditure</b>	<b>Non-Pay Expenditure</b>	<b>Net Direct Expenditure</b>
Finance Office	-2,327	3,661	411	1,745
Corporate & Legal Affairs	-400	730	478	808
Procurement Office	-210	442	21	253
<b>Total</b>	<b>-2,937</b>	<b>4,833</b>	<b>910</b>	<b>2,806</b>

The above amounts will be further adjusted by cuts totalling €122,000 to match the expected pay rate savings due to national pay cuts applied in July 2013.

- 2.3.6 Direct income in Corporate & Legal Affairs is primarily from research overheads (Overhead Investment Plan). Direct income in the Procurement Office is an internal transfer to fund additional procurement staff hired for a major cost reduction exercise, supplementing the core staff. Direct income in the Finance Office consists primarily of management and administration charges to ancillary and subsidiary units (€1m), VAT recovery (€750k), research overhead income (€260k) and pension administration recovery (€150k).
- 2.3.7 External professional fees represent the majority of the Corporate & Legal Affairs non-pay budget, with the balance covering office running costs. In the Finance Office, the largest item of non-pay expenditure is computer expenses, with approx. €220k required to cover licences, maintenance agreements etc. of the financial systems. The balance covers the running costs of the Finance Office, Research Finance Office and Payroll Office.
- 2.3.8 Control during the year is exercised by cost centre managers running monthly reports to monitor expenditure versus budget, with formal outturn projections for the Bursar's Office prepared on a quarterly basis by the Financial Accountant.
- 2.3.9 While the units have managed to deal with successive years of cuts, it is proving increasingly difficult to do so.

2.3.10 A number of resourcing challenges were reported to the review which have:

- restricted some areas to fire fighting activities thereby not enabling the unit to focus on the enhancement of value and other strategic issues;
- restricted the ability of the Bursar's Office as a whole to address strategic and operational issues comprehensively, and potentially to deliver enhanced outcomes.

2.3.11 It is however recognised that additional resources are likely to be constrained for the foreseeable future and the following priorities are identified accordingly.

### **Commendations**

2.4 In the areas of planning, management, organisation and resources there was good feedback from key internal & external stakeholders regarding the level of leadership, professionalism, knowledge and service provided, including:

- Generally positive responses in the internal client survey responses;
- High regard for the unit by key Committees (Audit and FRAMC), external auditors and funding agencies;
- Spontaneous expressions of appreciation by stakeholders during the review visit, examples of which include: "contribution is one of best of administrative areas"; the team 'know their stuff'; "one of the best" in Ireland.

2.5 With respect to the key strategic challenge for the University and for the Bursar's Office noted above (ie the financial sustainability of continuing operations in the current extremely difficult economic environment), the review found strong leadership, management and control resulting in the immediate financial position returning to surplus and the elimination of the accumulated deficit. In particular, the review noted that:

- the Bursar's Office has reacted well to the paradigm shift in the financial environment and to the financial strategy & management responses required;
- the Bursar's Office has responded to the cuts in an "exemplary" manner;
- the Bursar is regarded as a strong leader, providing certainty in very uncertain times, and other senior staff in the unit are regarded as having a good oversight of the University and of the sector.

2.6 The review found that there had been a proactive approach to addressing long term financial sustainability, while recognising that the current financial position remains marginal. This included positive developments regarding the Bursar's Office:

- working with all schools to develop 5 year plans to establish their sustainability (which is approximately 60% completed);
- implementing a review of six key financial sustainability challenges facing the University (Section 1.13 above), assisted by external consultants (PricewaterhouseCoopers);
- establishing improved relationships with Colleges, resulting in a more collaborative University-wide approach to addressing financial issues, and in this regard the implementation of College Finance Manger roles was found to be working well.

2.7 The work undertaken by the Bursar and the unit on prudent and sustainable financial management, coupled with commencing a review of long term financial strategy, is commended.

2.8 In addition, the review found that:

- management of systems development has been good with progress in recent years despite the budget constraints), more on-line services and automation of manual processes have been implemented, data quality is high and information produced is regarded as accurate and (generally) helpful;
- compliance issues are well managed despite a substantial increase, and there are no significant control issues.

### ***Recommendations***

2.9 As noted above, the quality of the Bursar's Office's work in the key areas of financial management, financial reporting, and systems, policy and processes was found to be good and the leadership of the Bursar with respect to the financial health of the University is commended. However, feedback to the review and the observations of the reviewers indicate that there are areas that require attention, and these are set out below. In addition, the reviewers have provided for consideration comments on areas of broader development based on emerging practice elsewhere in the sector and more generally.

### ***Strategy and planning***

2.10 The Review Group recommends that the Bursar's Office develop a Business Plan specifying a shared purpose and goals. The process should involve input from across the unit and take account of relevant external and internal factors, the optimal organisation structure for the unit and a close alignment with the University's strategic vision.

An agreed Strategic Plan would:

- a. confirm that its strategic goals and operations align to the objectives set out in the UCD Strategic Plan and enable its success in achieving a specified level of performance to be evaluated.
- b. contribute to a shared view of the purpose and goals of the Bursar's Office as well as its constituent units and sub-units or functions. It seemed that managers within the unit had varying views on the role of the Bursar's Office, with many suggesting it was generally around prudent management and others believing there should be a greater emphasis on Strategic Planning, financial performance and predictive analysis.
- c. Instill a sense of common purpose and associated group objectives would also foster a greater sense of belonging to a cohesive unit to which their group or individual roles contribute. In this context it was noted that some of its own staff referred to the Bursar's Office as a third party.
- d. improve the overall profile of the unit and, by facilitating stakeholder understanding of the unit, would demonstrate how it adds value to the University.

2.11 The Strategic Plan needs to be supported by agreed measures of success, hard or soft (for example, reporting on procurement outcomes). The process of translating the goals and metrics into an annual operating plan would enable each area to understand how it and others are contributing to those goals

2.13 Determine a plan for benchmarking performance with international comparator universities and organisations, and best practice generally. While UCD has participated in a benchmarking study with other Irish universities, the outcomes of this have not been finalised and the issue of international benchmarking remains to be addressed.

2.14 The Planning process, taking account of relevant external and internal factors, should include a review of the optimal organisational structure for the unit. This in turn should inform the agreed purpose, set of goals, overall plan and suite of performance metrics. It may not, for example, be appropriate for there to be a single narrow purpose for the Bursar's Office as a whole given the differing activities within the unit.

2.15 The following is an example of a 'Purpose' and 'Strategic financial Goals' statement

Purpose

The Finance & Planning Group provides business advice and commercial discipline to enable the University to undertake sustainable, world class teaching and research.

Strategic goals

Planning, performance and financial management for a sustainable future by:

- facilitating the long term sustainability of the University;
- providing expert leadership on all aspects of planning, performance & financial management;
- enabling enhanced evidenced based decision making will:
  - ensure strategic, operational & financial considerations are taken into account;
  - deliver "fit for purpose" data, management information & reporting;
  - provide analysis not static data;
- managing strategic, operational, performance and financial risks;
- providing a "critical mass" of financial and analytical skills to ensure adequate divisional resources and capability;
- thoroughly understanding stakeholder needs and business drivers (financial & non-financial) and working in partnership with them.

*Organisation*

2.16 It is recommended that consideration be given to whether the organisation structure of the Bursar's Office is optimal, particularly with regard to economies of skill & scale, grouping/interaction of cognate activities, clarity of function, prevention of a silo approach and the mitigation of certain areas reliance on one individual.

2.16.1 The Bursar's Office undertakes a diverse range of activities, including but not confined to those subject to the review. In common with a number of organisations, the structure to undertake these activities appears to have grown incrementally and organically rather than in a planned way. This manifested itself in reports to the review and observations of the reviewers that:

- there are silos within the unit as a whole and within groups within the unit (noting that interaction between directly relevant groups appears reasonable);
- the grouping and/or interaction of cognate activities could be improved;
- there is a lack of clarity of roles and responsibilities within the group;
- there is a lack of cross training within the unit as a whole and within groups within the unit;
- there is some duplication of activities across groups within the unit;
- there is a lack of clarity in relative responsibilities between some areas within the unit and other units within UCD.

2.16.2 This is exemplified by the following:

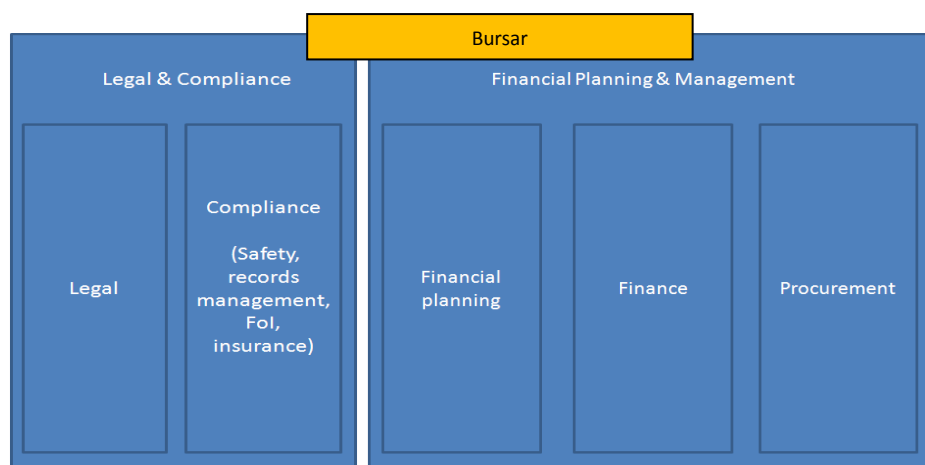
- The Capital Accounting group includes a diverse range of activities, such as capital/project accounting, trusts, subsidiaries accounting, pensions, US GAAP, some of which are also undertaken in part in other groups. It was also observed that there is a lack of understanding of the group's role from outside of the group.
- CAL includes a diverse range of activities, such as legal, safety, research ethics and FOI, with no professional interaction between the component parts, a lack of understanding and recognition of the breadth of activities undertaken by "Safety", and uncertainty about resourcing for research ethics (potentially due to a lack of recognition of its importance given where it sits in the organisation structure).
- Pre- and post- award support provided by Research Finance versus the services provided by UCD Research – the interrelationship between Financial Planning & Resources and UCD's Strategic function, including Institutional Research).
- procurement within the Bursar's Office and purchasing in the wider University – it is considered that a plan for evolving the function of procurement toward institution-wide value-added, with appropriate targets, monitoring and reporting should be developed (noting the potential impact of developments at a national level).
- There is an over reliance in a number of areas on one individual (e.g. systems management, planning & budgeting, FEC exercise, capital accounting, EU research).

2.17 The consideration of inter-related and cognate functions could result in a single head for each or "virtual" groupings with the Bursar as the head. The structure within each group would then be considered, with a number of logical sub-groups with a single head of each. For example, the activities that were the subject of the review could indicatively be grouped as shown in Figure 2 below.

2.18 Further to the findings under the *Strategy & Planning* section above, each group (eg Financial Planning & Management) would have its own statement of purpose, strategic goals, operating plan and KPIs, and these would not be applied across the entire Bursar's Office.



**Figure 1. Schematic of Suggested Structure for Bursar's Office**



### *Resources*

- 2.19 The panel recommends a review & revision of any activities that are not seen to be value adding and/or offering simplification of processes. For example, as specified in Section 3.2.5 below, it became clear during the review that the current Resource Allocation Model (RAM) needs to be streamlined or scrapped
- 2.20 The unit should identify areas where systems development would assist efficiency and effectiveness – the review panel notes that there are a number of areas known to the unit where this could occur.
- 2.21 A review of the University's risk appetite is recommended, extending for example to the level of delegated authority and risk tolerance with a view to reducing unnecessary compliance work. This might involve the creation of a revised risk management (strategic & operational) framework;
- 2.22 The unit should build on the currently ongoing "six challenges" review to identify areas of business process reform through:
- end to end process mapping in key areas in order to identify opportunities for efficiency/effectiveness - e.g. one such area reported to the review is payroll;
  - a more fundamental and all-encompassing business improvement review.

### *Communication*

- 2.23 It is recommended that the internal and external communication issues outlined below are addressed systematically.
- 2.23.1 The review found a gap in communications within the unit from a top down and peer to peer perspective. It was reported that information is shared on a need to know basis. For example:
- a) there is no cross unit wrap up of the outcome of the year-end processes despite the broad involvement of staff in it;
  - b) there is limited sharing of the extensive knowledge of senior staff of the University;

- c) staff get to know things depending on who they know, and
- d) there are no routine one to one meetings, cross unit managers' meetings, all staff meetings or meetings with managers from other units.

2.23.1 This is constraining in a number of ways with respect to planning, management, organisation and resources, including:

- a) the establishment of a cohesive network of finance, planning and compliance professionals (it was reported that there are approximately 18 qualified accountants in the unit but staff in the unit would not be generally aware of this);
- b) the creation of a common sense of purpose;
- c) a shared understanding of key business issues, developments & needs;
- d) the knowledge of changes to policies, processes and systems;
- e) the maximisation of resourcing;
- f) fostering innovation; and
- g) the identification & mitigation of risk.

2.23.3 The review found that there is a lack of understanding of the responsibilities and activities of the unit amongst the wider university community and a lack of clarity as to who to contact in the unit on a range of matters. Knowledge in this regard is often based on personal contacts rather than formal sources of information. Addressing this would, among other things:

- a) improve the outcomes of the unit's work and assist in realising the potential benefits of that work;
- b) improve efficiency e.g. it would reduce the time spent in dealing with misdirected queries (this was, for example, raised as an issue within CAL).

#### *Business intelligence capacity and capability*

2.24 It is recommended that consideration be given to the development of a University wide business intelligence capacity and capability. In this regard, universities generally have data to run their business, but that data is not adequately used to manage the business or as a strategic asset to enable innovation and drive a competitive advantage and often information is captured but not necessarily used for predictive analysis.

- It is critical that this is regarded as a business issue not an IT matter and the Bursar's Office is ideally placed to lead this (it is common and best practice for this to be led by a CFO or equivalent).

2.25 The scope of the review did not extend to the University's critical information needs and fundamental business requirements and it is recommended that this be undertaken, possibly as a component of the "six challenges" review. Potential areas this may identify a requirement for review include:

- the development of an integrated University Business Intelligence, business and performance analytics strategy;
- the establishment of a foundational capability for enhanced business analytics to drive better informed decision making and performance management;
- integrated reporting (single and cross domain, strategic and management), including dashboards, based on a single point of reference and a consistent data set drawn from across all information domains;
- the on-going identification of the University's information and decision making needs, the prioritisation of these needs, identification of necessary data and data modelling and

delivery of the required information in a coordinated and consistent way through fit for purpose views and reports; and

- more efficient internal business processes and collaboration, higher return on information assets and increased user satisfaction.
- In reporting to the review, some heads of Colleges/Schools noted that they did not believe that they had direct access to data and tools to allow them to scenario plan and run their businesses effectively.

*Service assurance framework*

2.26 It is recommended that the application of a Service Enhancement Framework, relevant to and appropriate for UCD, be applied to provide clarity to senior management as to how performance will be set, managed and improved. An example of such a framework is illustrated in figure 2, below.

**Figure 2: Example of a Accountability Framework**



2.27 As noted above, the interrelationship between the Bursar’s Office and UCD’s strategic function is a potential area for review and revision. This could provide the opportunity for economies of skill and scale in planning related activities and closer alignment between planning, budgeting and performance management. A coherent Accountability Framework will:

- facilitate alignment of strategic and operating actions with UCD’s strategic objectives so as to deliver on those objectives i.e. all activities should be in direct, measurable support of the overall UCD strategy;
- provide the process & metrics to hold units accountable for measurable objectives (e.g. including controllable surpluses);
- effectively measure and assess unit performance;
- identify opportunities for improvement.

## 3. Functions, Activities and Processes

### 3.1 GENERAL

- 3.1.1 The services provided by the units of the Bursar's Office vary considerably, ranging from legal affairs and research ethics to financial reporting and procurement. Each unit carries out a specialised function but also interacts with other units within the Bursar's Office.

The previous section of the report outlined the need for an organisational review of the Bursar's Office. Of necessity, Section 3 addresses existing structures and is not intended to overlook the need for a review.

#### Commendations

- 3.1.2 The Bursar's Office is regarded as having responded to the impact of the harsh economic regime and in particular the sizeable funding cuts in an exemplary manner. They have actively assisted the University to ensure it sustains its record of academic achievement whilst continuing to invest impressively in the physical and IT infrastructure.
- 3.1.3 The attitude and responsiveness of the staff is highly praised. The comment was made that it is "very hard to find a member of staff who is not exceptionally helpful". There is evidence that the service culture is well established and that a good spirit exists amongst the staff in the various teams. The move to establish College-level finance staff is widely appreciated.
- 3.1.4 Staff members appear to be knowledgeable and performing to a high standard. There is a good mix of senior and more experienced individuals, together with newer recruits and those at earlier stages in their career development. With the exception of the head of Corporate and Legal Affairs (CLA), there are no apparent gaps in the leadership team. As noted elsewhere, however, attention might be given to leadership succession planning at various levels.
- 3.1.5 As noted in Section 2.8 above, systems development is good and has been maintained despite the era of resource constraint. There are areas for further development but these are all known to the team and will be delivered when resources permit.
- 3.1.6 Likewise, compliance issues and controls are well managed (Sections 2.4 and 2.8 above). The outputs from the Bursar's Office, and the helpfulness and expertise of the staff, received very high praise from external funders, regulators and auditors. Representatives from the Audit Committee and the Finance Remuneration and Asset Management Committee (FRAMC) were also very positive about the Bursar's Office team.

## **Recommendations**

- 3.1.7 The objectives for the Bursar's Office as included in the University's Strategic Plan, did not feature prominently in the SAR as might have been expected. It is recommended that the senior team keep these in focus and report regularly on progress to the appropriate forum.
- 3.1.8 Whilst systems development has been good, the development of management information for decision support does not appear to have progressed as satisfactorily. This was evident, for example, in the general absence of performance data for most of the units within the Bursar's Office. The SAR contains some activity data but performance data is virtually absent. As previously outlined in 2.30 the Review Group recommend that a small number of key performance metrics are established, for which appropriate targets can be set and progress monitored. This work could be usefully informed by some benchmarking, in Ireland and internationally, to establish a view of progress relative to suitable comparators. As mentioned in 2.24, we would further recommend that options be explored to offer Heads of Schools direct access to financial and other data analysis, together with the tools to assist them in scenario planning.
- 3.1.9 The planning process has been, of necessity, finance-driven and short-term focussed. A recommendation for the University is to revert to a more academically led planning process with a medium-term focus.
- 3.1.10 As mentioned in 2.3.3 the roles of some units within the Bursar's Office appear ill defined to stakeholders. It is unlikely that many will appreciate the duties of the General Ledger section, for example, or would understand the scope of the Capital Accounting team. This does not appear to detract significantly from the effectiveness of interactions across the institution but should be taken into consideration in reviewing the organisation of the Bursar's Office and its constituent functions.
- 3.1.11 Staff in the Bursar's Office work hard and there appears to be little capacity to deploy staff onto strategic projects and developments. Key skills exist within the team that could be of significant institutional benefit. If possible, it is recommended that a cadre of key staff is identified that can be so deployed, with appropriate cover arrangements that can be swiftly engaged.
- 3.1.12 Succession planning should form part of the Unit's planning process.

## **3.2 Financial Planning & Resources**

- 3.2.1 The Financial Planning and Resources unit provides financial forecasts and management information, undertakes the annual budget-setting exercise and co-ordinates the financial aspects of University planning. It also develops and maintains the resource allocation model

(RAM) and is responsible for the University's participation in the sector's full economic costing (FEC) project.

- 3.2.2 The work undertaken by the unit is a combination of routine planned work, such as the annual budget, and much ad-hoc and developmental work. The responsibilities of the unit require a combination of technical expertise, sector-wide knowledge and the ability to interact effectively with other units in the Bursar's Office as well as across the University.

### ***Commendations***

- 3.2.3 The unit is highly regarded, with sought-after knowledge and expertise.

### ***Recommendations***

- 3.2.4 There is a high degree of dependence on key individuals with specialist knowledge and understanding. A plan should be developed to share knowledge of specialist areas among team members in order to build resilience and assist with job rotation and career progression.

- 3.2.5 It is recommended that a full review of the RAM is undertaken, including consideration of an option to scrap it. RAM is widely considered to be over-engineered and opaque and the introduction of the concept of a 'controllable surplus', whilst worthwhile, has further undermined its perceived value. The review found significant confusion among College representatives as to how RAM operates and it was not regarded as helping them to plan or manage their business. As a consequence, the RAM is not regarded as being of any value and appears to be widely ignored. If it is to be maintained, then stakeholders need to be consulted on its value and application. A 'hearts and minds' exercise will also be necessary to enhance its credibility and value. Linking the RAM to the FEC exercise, in terms of the distribution of overhead costs, may be worth considering.

## **3.3 Corporate & Legal Affairs**

- 3.3.1 The role of CLA is particularly diverse, including (but not limited to) a wide range of legal work, assistance with legislative compliance, health and safety, occupational health, research ethics, insurance, Freedom of Information and Data Protection. The CLA unit is currently without a head and the announcement of a restructure of this area was imminent at the time of review. The uncertainty arising from this situation was evident during the review.

### ***Commendations***

- 3.3.2 The individual teams and functions within CLA all appear to be working well and performing to a high standard, despite the uncertainty about the organisation and despite being

geographically dispersed. There is no evidence of any compliance lapses or particular risk exposure.

### ***Recommendations***

3.3.3 It is possible that recommendations may be superseded by the forthcoming re-organisation, but three specific recommendations are made below.

- An effort should be made to more clearly describe the functions of the unit (however organised) on the website and in other materials, with points of contact clearly identified.
- The document management system to assist the legal team should be afforded a high priority and pursued when resources permit.
- The resourcing of the research ethics unit should be clarified as soon as possible. There is uncertainty about whether the second post will be filled and a concern that, if not, it will create a degree of unwelcome institutional exposure.

## **3.4 Procurement**

3.4.1 The Procurement unit has a responsibility for value for money in relation to all purchasing activity, and to ensure compliance with relevant procedures and regulations. The University participates in a considerable amount of collaborative procurement with other universities, and often leads such exercises.

3.4.2 There has been a concerted effort to concentrate purchasing activity and knowledge to a smaller group of staff, currently around 100. The central procurement unit performs a co-ordinating role, with buying undertaken by staff based around the University and with local lines of reporting. The current plan is to create a more cohesive structure with a dedicated Senior Procurement Manager overseeing the work of the Buyers. The restructuring of Buyers is in progress, with the intention of operating an overall university central buyer structure comprising of approximately 20 full-time staff.

3.4.3 Uncertainty around the procurement strategy of UCD has emerged in recent months with the appointment of a national Chief Procurement Officer.

### ***Commendations***

3.4.4 The team are clearly highly knowledgeable, experienced and proficient. They represent a valuable resource for the University.

### ***Recommendations***

3.4.5 The Procurement unit is seen by some as emphasising compliance to the detriment of value for money. There is a necessary balance to achieve and it is recommended that a plan for

development of the procurement function in UCD should be established, which asserts a greater focus on achieving value for money. The national developments referred to above will need to be taken into consideration in the development of such a plan.

- 3.4.6 There was difficulty in ascertaining measures of performance for procurement. A part of the plan should include the identification of such measures, with associated targets and monitoring arrangements. The usual 'I can buy it cheaper' or 'quality/service has deteriorated' complaints could be countered with good quality performance data.

### **3.5 Capital Accounting**

- 3.5.1 The Capital Accounting unit undertakes the accounting for capital projects and fixed assets, as one would expect, but also assumes responsibility for pension fund accounts, other balance sheet accounting, tax management and subsidiaries.

#### ***Commendations***

- 3.5.2 The team appear to be well led and high performing. They have benefited from an additional temporary member of staff at a qualified level, resulting in a healthy mix of more senior and less experienced team members.

#### ***Recommendations***

- 3.5.3 The title of the unit does not describe accurately the range of functions undertaken. This may have been behind some comments made from stakeholders outside the Bursar's Office that it is sometimes not easy to identify the key contact points for different types of enquiry. Thought should be given either to re-visiting the scope of functions performed by the team or ensuring the clarity of information for the benefit of those wishing to interact with the Bursar's Office.
- 3.5.4 The office space occupied by the Capital Accounting team is, perhaps, the most overcrowded of those seen by the review team, and opportunities to relieve this situation should be examined.

### **3.6 Financial Reporting and Finance Systems**

- 3.6.1 The Financial Reporting and Finance Systems unit is responsible for the management, maintenance and development of the University's central finance systems, including training and support, development of reports and user management. The Financial Reporting unit has responsibility for the annual HEA Funding Statement, the University's annual financial statements (including US GAAP), VAT returns and management accounts.

#### ***Commendations***

- 3.6.2 The University's external and internal auditors offered fulsome praise for the quality of financial reporting.



### ***Recommendations***

- 3.6.3 Whilst other university stakeholders acknowledge progress with the quality and accessibility of internal financial reports, comment was made that there is still progress to be made in this regard. It may be worth canvassing opinion amongst a number of key managers in order to inform the next stages of development in reporting.

### **3.7 Research Finance**

- 3.7.1 The Research Finance Office is responsible for all post-award research contract administration, as well as the pre-award financial assessment of contracts, including determining their VAT status. The unit has a heavy burden of accountability for submitting claims, returns and information to external funders and ensuring compliance with terms and conditions. The unit is regularly subject to audit and receives a large volume of queries and requests for information and guidance.

### ***Commendations***

- 3.7.2 The unit is universally regarded as comprised of knowledgeable hard-working individuals that are dedicated to offering high levels of service. The team has accommodated a significant increase in the volume of routine and ad-hoc work. The view of Science Foundation Ireland and HEA senior management was extremely positive, indicating that all interactions are satisfactory and that the quality and performance of staff is high.

### ***Recommendations***

- 3.7.3 Some stakeholders were critical of service response times, assigning this shortcoming to a lack of resources rather than any attitudinal or system failure. There were views also expressed that process efficiencies could be derived that would, for example, help with the prompt closure of accounts. It is recommended that the aforementioned review of processes also ascertain the scope for process efficiencies, including any systems development that would assist.

### **3.8 Payroll**

- 3.8.1 The main function of the Payroll Office is to ensure the timely and accurate payment of all staff. The Payroll Office, however, offers a range of additional related services including giving advice, handling tax and other deductions, pension payments, tax returns and performing reconciliations.

- 3.8.2 The unit operates at the interface of HR and the Bursar's Office and occupies good quality premises alongside HR but distant from the other Bursar's Office units. The work of the unit has increased in volume and complexity as a result of additional requirements in relation to payroll deductions. .
- 3.8.3 The dislocation of the unit from the rest of Bursar's Office is regarded as sub-optimal, resulting in operational inefficiencies and a sense of isolation. It is difficult to assess the impact of this objectively and we were unable to obtain a view from HR but it is a strongly held view within the management of the Bursar's Office.

#### ***Commendations***

- 3.8.4 The Unit is widely recognised as offering a high quality service. The team are experienced and highly motivated with a strong service ethos.

#### ***Recommendations***

- 3.8.5 HR staff observed that there may be opportunities for efficiencies to be derived from a thorough review of HR and payroll processes, the interface between the two functions and resulting system developments

### **3.9 General Ledger**

- 3.9.1 The role of the General Ledger section is to preserve the integrity of the nominal ledger, and the section is also responsible for the University's treasury function, including cash flow forecasts and managing cash deposits. There is considerable involvement in system developments. It is worth noting that this function has become more critically important as the changes to the funding regime have increased pressure on cash flow.

#### ***Commendation***

- 3.9.2 The leadership and quality of staff in the team was widely praised.

#### ***Recommendations***

- 3.9.3 It was not intuitively apparent how the divisions of responsibility between the General Ledger section, the Financial Reporting Team and the Capital Accounting unit have been established. There is no evidence to suggest this creates any operational inefficiency but it did appear to cause others outside the Bursar's Office some difficulty in locating responsibility and making contact with the right individuals. This is largely overcome by contacts with known individuals to help direct enquiries to the right destination. However it is recommended that greater clarity be provided to those outside the Bursar's Office.

### **3.10 Payments**

- 3.10.1 The Payments unit makes payments to suppliers, whilst maintaining a strict regime of controls and accounting for relevant taxes. The unit also processes staff expenses.

3.10.2 The University operates a single centralised invoice-processing function, which is widely recognised as good practice. The basic processing work can be repetitive but the associated queries, tax decisions, review work, etc is time consuming and requires relevant knowledge and expertise. There is a requirement to pay invoices within a specified timescale and performance is good in this regard.

***Commendations***

3.10.3 There was nothing but praise for the payments unit which appears to offer an efficient and responsive service.

## **4. MANAGEMENT OF RESOURCES**

### **4.1 General**

- 4.1.1 Overall UCD Bursar's Office has a professional and planned approach to managing their financial resources, data management and staff allocation in a period of significant financial uncertainty.
- 4.1.2 As noted earlier, the Review team has noted that there are resource constraints in a number of areas so that there is limited scope to address strategic and operational issues. There are, however, a number of areas where systems development would assist efficacy and effectiveness. The Research Finance Office appears to be particularly under-resourced leading to some service delivery problems.

### ***Recommendation***

- 4.1.3 The Bursar's Office is recommended to consider developing staff through a range of channels, including resourcing projects with staff from across the unit, job rotation and formal learning.

### **4.2 Financial Resources**

- 4.2.1 Financial Resources are allocated as part of the annual budget process, with the Finance office, Corporate and Legal Affairs and Procurement acting as separate budget units. The Management's focus on streamlining processes and using technology more effectively are positive initiatives.

### ***Commendations***

- 4.2.3 The Bursar and Senior Management appear to have a professional and structured approach to financial management. Significant savings have been achieved over the past number of years across the unit. One example of this appears to be the recruitment of an additional solicitor in Corporate and Legal Affairs leading to significant savings on external providers
- 4.2.3 Efficiencies have been implemented by developing CORE capabilities
- 4.2.4 The introduction of InfoHub reporting aids Heads of Schools in their financial forecasting and Strategic Planning.

### ***Recommendation***

- 4.2.5 The Review Panel would recommend proceeding with the planned roll out of the CORE budget module beyond Financial Planning and Resources Unit to local finance managers for direct data input with a view to improved payroll forecasting.
- 4.2.6 There would be merit in developing a plan for evolving the function of the Procurement Office toward institution-wide value add with appropriate targets.

### **4.3 Data Management**

- 4.3.1 In the Corporate and Legal Affairs Unit there is significant weakness in the contract document management system for tracking the movement of documents to completion for purposes of retention and retrieval.
- 4.3.2 The Research Finance Office appears to be under a degree of operational strain with the increase in research accounts being set up and the level of compliance required by external stakeholders. There is on-going improvement in data systems such as the introduction of the automated Grant registration system.

### ***Commendations***

- 4.3.4 The data quality is high and the information produced is regarded as accurate and helpful.
- 4.3.5 Overall, systems development is good with significant progress in recent years. There has been an increase in both online services and the automation of manual processes.

### ***Recommendations***

- 4.3.6 The review panel recommends the introduction of a document management system for CLA once budget allows
- 4.3.7 The review panel would recommend a full review of systems from research grant application, through to research award and maintenance with a view to improving efficiencies.
- 4.3.8 As noted in earlier sections, the panel recommends consideration of a means of providing Heads of schools with direct access to data and tools to allow them to scenario plan.

#### **4.4 Staff**

- 4.4.1 The Review Panel noted that there is no overarching mission statement to which each of the units could work. In the course of the review interviews there was a call from many staff members for clear goals and objectives with a view to working to a given strategy rather than the reactive approach that is perceived to be current practice.
- 4.4.2 As noted earlier, there is a gap in communication in the Bursar's office both from senior management to staff and from peer to peer. As part of the Performance Management Framework referred to earlier (section 2.30) there is need for a feedback mechanism for staff to evaluate their own performance i.e. staff do not know when they are doing a good job other than noting the lack of complaints.
- 4.4.3 The staff survey in the SAR showed that 25% of staff didn't feel that they receive adequate feedback from their manager 27% of staff felt their career needs not met; 13% felt inadequate training avail; 38% staff thought career supports inadequate to meet career goals. While a majority in each case did not express these views, the minorities are substantial.
- 4.4.5 Staff in the Research Finance Office indicated that they face intensified pressure with the increase in the number of research accounts being set up and the onerous compliance requirements placed upon them. Similarly there is increased pressure in Payroll given the number of adjustments to be put in place, imposed by successive national budgets.
- 4.4.6 With the role of Corporate Secretary removed there is a lack of leadership for the legal group. Furthermore, there is a concern about the lack of legal representation at senior management committees to provide advice/input to crucial decision-making.
- 4.4.7 In some units staff members are isolated within their job and not aware of where they sit within the organisation.
- 4.4.8 The accountants working within the sub-units of the Bursars Office do not appear to be aware of each other.

#### ***Commendations***

- 4.4.9 Among stakeholders within and outside the University, staff in the Bursar's Office are universally held in the highest esteem for their approachability, helpfulness, dedication and general operational quality.
- 4.4.10 The implementation of the College Finance Manager role is seen to be working well and a very positive development, improving the collaborative relationship with Colleges.

#### ***Recommendations***

- 4.4.11 The Review Group would recommend the implementation of a formal flow of information from senior management to Head of Unit and onward to all staff. While plenary staff

meetings may not be considered practical, some regular forum for exchange of information, top down and peer-to-peer, should be implemented. The systems in operation within UCD Registry might be looked at as a model operating in a comparable unit.

- 4.4.12 The development of an institutional Service Enhancement Framework referred to earlier (section 2.30) would
- facilitate alignment of strategic and operating actions with UCD's strategic objectives i.e. all activities should be in direct, measurable support of the overall UCD strategy.
  - Provide the process and metrics to hold units accountable for measurable objectives
  - Effectively measure and assess unit performance
  - Identify opportunities for improvement
- 4.4.13 The Review Group recommends cross training of staff members and improved opportunities for rotation within the Bursar's Office in order to broaden the scope of staff and provide an enhanced range of experience. Cross training would also develop capacity for seconding staff temporarily to strategic projects that lie within the responsibility of the Bursar's Office.
- 4.4.14 The Review Group recommends the establishment of a network of accountants and within it, a forum for trainee and part-qualified accountants, to share experience and institutional knowledge.
- 4.4.15 Since Payroll is situated apart from the majority of the Bursars Office staff, we recommend exploring ways to address the perception of dislocation that is prevalent amongst Payroll staff.
- 4.4.16 The Review Group recommends the leadership of the Bursar's Office to investigate how to alleviate some of the pressure on Payroll resources given the number of changes resulting from the financial environment
- 4.4.17 The Review Group recommends a full review of processes in the Research Finance Office with a view to increased efficiencies and workload control.

## **5 USER PERSPECTIVE**

- 5.1 A Service ethos is well established within the Bursar's Office and this has earned the unit an enviable reputation for professionalism and helpfulness. Furthermore a collaborative approach with clients has improved relationships. Initiatives such the introduction of College Finance Managers has assisted in addressing the financial situation at local level, not least in establishing an understanding of the need for finance to underpin strategy, especially in current financial circumstances.
- 5.2 The Bursar's Office is highly regarded by internal finance committees as well as external auditors and funders and perceived to have a good oversight of both the University and the sector. However, communication and promotion of the unit's activities as previously articulated is in need of attention, particularly in relation to internal customers.
- 5.3 The review panel noted that performance data and benchmarking are not evident.
- 5.4 The customer survey in the SAR shows the Research Finance Office staff are perceived to be working hard but under-resourced. The survey indicated that there is an unacceptable time taken to respond to queries and that it is not clear which member of staff to contact for specific issues.

### ***Commendations***

- 5.5 The customer driven approach by Bursar's staff is exemplary. Staff are recognised to be helpful, efficient and hard working.
- 5.6 External stakeholders report excellent working relationships with individuals and appreciation of the pressures on the units. Furthermore, auditors found a good record for compliance with customer requirements.
- 5.7 The Communications strategy is good in some units, a good example being General Ledger.
- 5.8 Induction Programme for new Heads of Schools from the Financial Planning and Resources Unit is apposite initiative
- 5.9 Research Finance Bi monthly 'Managing Research Accounts' meetings good practice but probably need further promotion amongst researchers

### **Recommendations**

- 5.10 As specified in Section 2.10 above, the Review Group recommends the development of a Business Plan for both the Bursar's Office as a whole and constituent functions within it. This



would have the added benefit for groups and individuals of enhancing a sense of belonging to a cohesive entity while improving their understanding of the overall goals to which their roles are contributing.

- 5.11 The Group recommend improvements in the webpages for communicating policies and procedures to users, including the provision of worked examples
- 5.12 An improvement of the profile of the Bursar's Office is required. The role and activities of units and how they add value to the University needs to be clearly communicated to enhance stakeholder understanding of the Bursar's Office.
- 5.13 The Group recommends a complete review of the functions and process of Research Finance. The staff is highly regarded but service issues clearly exist, as encapsulated by the external term 'bottleneck' (the phrase used by one College financial representative) and the internal phrase 'not enough time in the day' used by a member of the unit.
- 5.14 The Review Group recommends speedy clarification around the future functions, organisation and leadership of CLA. This must then be clearly communicated to staff across the University.

## 6. Commentary by the Review Group on the Bursar's Office Overall Analysis and Recommendations for Improvement

As noted earlier in the report, the Self-Assessment Report (SAR) prepared by the Bursar's Office in advance of the site visit is deemed to be clear, comprehensive and constructive, appropriately self-critical and borne out by feedback during meetings with various stakeholders.

The stated mission of the Bursar's Office is "to ensure prudent financial management of the University through the provision of financial and other services to support the strategic direction decided by the Governing Authority". The SAR recognises the sustainability of continuing operations during the current extremely difficult economic environment as the single biggest financial challenge facing the University in the short to medium term and is deemed by the Review Team to have addressed the challenge in an exemplary manner to date. The emerging acceleration of the Six Challenges initiative (Section 1.13 above) highlights the ongoing efforts to manage the situation. The SAR is appropriately aware of the imperative to keep academic priorities at the heart of decisions in this regard.

The Bursar's Office has already shown flexibility and management vision by the appointment of Finance Managers in Colleges across the University. It has a vision of not only drawing from but also deepening and broadening financial expertise across the University to a point where Schools welcome the involvement of the finance function in their affairs. It recognises that developments need to take place in systems management and in the sharing of knowledge and expertise. The review notes the issues around over-reliance on individuals and the need for a greater number of staff to learn about different functions as part of a broader succession planning strategy including the cultivation of potential future leaders at different levels within the Bursar's Office.

In addition to these and other issues raised in the SAR, the Bursar's Office has a number of key priorities to address:

- Building on the SAR and the QR experience to develop a Strategic Plan that fuses with the University strategic vision and sets the agenda for operations across the Bursar's Office and financial management across the University;
- Consciously addressing the *key finance actions* or key metrics and performance indicators set out in the University's Strategic Plan to 2014, entitled *Forming Global Minds*. This includes the identification of key performance indicators (KPIs) and setting specific targets against which performance can be measured in the Bursar's Office and benchmarked against best practice nationally and internationally;
- Developing vertical and horizontal communication channels for staff and units across the Bursar's Office and, through the web, more information on points of contact for stakeholders across the University and beyond in relation to specific functions.

Touched upon to varying degrees in the SAR and site meetings, these areas are identified by the review panel as significant priorities for the Bursar's Office.

## 7. Commendations and Recommendations of the Review Group

The Bursar's Office is highly regarded both internally and externally for its oversight, service ethos and general professionalism. The review team has found much to commend and, building on that foundation, offers the following recommendations both general and specific, with further information available in previous sections of the report.

### *Commendations*

1. The UCD Bursar's Office enjoys an excellent reputation internally and externally for the level of leadership, professionalism, knowledge and service it provides. This regard is shared by key committees, external auditors, funding agencies and service providers. The University's external and internal auditors offered fulsome praise for the quality of financial reporting.
2. The key strategic challenge for the University and for the Bursar's Office is the financial sustainability of continuing operations in the current extremely difficult economic environment. In this regard the review found strong leadership, management and control resulting in the immediate financial position returning to surplus and the elimination of the accumulated deficit.
3. The Bursar's Office is regarded as having responded to the impact of the harsh economic regime and in particular the sizeable funding cuts in an exemplary manner. They have actively assisted the University to ensure it sustains its record of academic achievement whilst continuing to invest impressively in the physical and IT infrastructure.
4. The Bursar is regarded as a strong leader, providing certainty in very uncertain times, and other senior staff in the unit are regarded as having a good oversight of the University and of the sector.
5. There has been a proactive approach to addressing long term financial sustainability, while recognising that the current financial position remains marginal. The following in particular are manifestations of this approach:
  - working with all Schools across the University to develop 5 year plans designed to establish their sustainability, with approximately 60% completed at the time of the review;
  - addressing six key financial sustainability challenges facing the University, assisted by external consultants (PricewaterhouseCoopers);
  - Working with Colleges to develop a more collaborative University-wide approach to addressing financial issues, notably through the establishment of College Finance Manager roles.
6. Management of systems development has been good with progress in recent years, notably in online reporting, despite the budget constraints. There are areas for further

development but these are all known to the team and will be delivered when resources permit.

7. Compliance issues are well managed and there are no significant control issues.
8. The attitude and responsiveness of staff in the Bursar's Office is highly praised. The comment was made that it is "very hard to find a member of staff who is not exceptionally helpful" and this positive view of staff in a variety of sections across the Bursar's Office was a recurring theme in meetings with internal and external stakeholders as well as in questionnaire responses. A service culture appears to be well established and a positive spirit prevails amongst the staff in the various teams. This mixture of knowledge, proficiency and goodwill represents a valuable resource for the University
9. Staff members appear to be knowledgeable and performing to a high standard. There is a good mix of senior and more experienced individuals, together with newer recruits and those at earlier stages in their career development. With the exception of the head of Corporate and Legal Affairs (CLA), there are no apparent gaps in the leadership team.
10. Savings and efficiencies have been achieved over the past number of years across the unit.
11. The customer survey in the SAR shows the Research Finance Office staff are perceived to be working hard but under-resourced.

### ***Recommendations***

1. The review panel recommend the development and implementation of a shared statement of purpose, including goals and operating plans, and the alignment of those to objectives in the University's Strategic Plan. This applies both to the Bursar's Office as a whole and its constituent functions. A recommendation for the University is to revert as quickly as possible to a more academically led planning process with a medium-term focus after the necessarily finance-driven and short-term focus of recent years.
2. Based on the strategic vision, the Bursar's Office is recommended to identify or develop a limited set of key metrics to measure performance against the goals. Translating the goals and metrics into an annual operating plan enables each area to understand how it and others are contributing to those goals.
3. The Bursar's Office should determine a system for benchmarking performance against best practice and also against international comparator universities and organisations.
4. The application of a Accountability Framework, relevant to and appropriate for UCD, is recommended in order to provide clarity to senior management as to how performance will be set, managed and improved. An example of such a framework is illustrated in figure 2 (Section 2.30) above.

5. It is recommended that consideration be given to whether the organisation structure of the Bursar's Office is optimal, particularly with regard to economies of skill & scale, grouping/interaction of cognate activities, clarity, and the prevention of a silo approach or over-reliance on specific individuals in certain areas.
6. The grouping of inter-related and cognate functions could result in a single head for each grouping, reporting to the Bursar. The structure within each group would then be considered, with a number of logical sub-groups, each with its own head. An indicative example, based on activities encountered by the review is illustrated in Figure 1 (Section 2) above. Each of the groups would then have its own statement of purpose, strategic goals, operating plan and KPIs. These are to be aligned with the overall strategy of the Bursar's Office (Recommendations 1-3 above) and agreed with the leadership. A key outcome of this review would be to articulate and clarify the responsibilities of each group for University and external stakeholders.
7. Activities that are not seen to be value adding need to be reviewed and revised as appropriate, and in some cases processes might be simplified. For example, the review concludes that the Resource Allocation Model (RAM) needs review and simplification to ensure it remains valuable, or it should be replaced with an alternative form of accountability for central expenditure.
8. The review panel notes that there are a number of areas known to the unit where systems development would assist efficiency and effectiveness, and action on these areas is recommended while continuing the process of identifying other areas in need of such development.
9. A review of the University's risk appetite is recommended, for example the level of delegated authority and risk tolerance, which may reduce unnecessary compliance work. This could extend to the creation of a revised risk management (strategic & operational) framework.
10. Building on the currently ongoing "six challenges" review, the Bursar's Office is recommended to identify areas of business process reform through:
  - end to end process mapping in key areas in order to identify opportunities for efficiency/effectiveness - e.g. one such area reported to the review is payroll;
  - a more fundamental and all-encompassing business improvement review.
11. While noting that internal communication in some units within the Bursar's Office appears to be excellent, the review has identified systemic communications difficulties. Accordingly it recommends that the internal and external communication issues outlined in Section 2.25 above are addressed systematically through a combination of web information, internal information flow from top down and an infrastructure of appropriate staff meetings.

12. It is recommended that consideration be given to continued development of a University wide business intelligence capacity and capability. Greater use of captured data is recommended not only for business management but also for predictive analysis, using data as a strategic asset to enable innovation and drive a competitive advantage. This requires a change of mindset and even the Bursar's Office own self-assessment report (SAR) is noticeable for its emphasis on activity data over performance data. Nevertheless the Bursar's Office is best placed to shift the emphasis of data capture from an IT to a business and financial issue, allowing appropriate targets to be set and progress monitored, thus holding units across the University to account, identifying areas of potential improvement and contributing to addressing the University's "six challenges".
13. The Review Panel recommends proceeding with the planned roll out of the CORE budget module beyond Financial Planning and Resources Unit to local finance managers for direct data input with a view to improved payroll forecasting.
14. If possible, it is recommended that a cadre of key staff is identified that can be deployed quickly on urgent strategic projects, with appropriate cover arrangements available to be engaged with minimal disruption.
15. A plan should be developed to share knowledge of specialist areas among team members in order to build resilience by reducing over-dependence on key individuals, and assist with job rotation and career progression.
16. The document management system to assist the legal team in CLA should be afforded a high priority and pursued when resources permit.
17. The resourcing of the research ethics unit should be clarified as soon as possible.
18. It is recommended that a plan for the development of the procurement function in UCD should be established, which asserts a greater focus on achieving value for money by measuring performance against set targets. The panel recognises that this process may be affected by impending national developments.
19. The office space occupied by the Capital Accounting team is, perhaps, the most over-crowded of those seen by the review team, and opportunities to relieve this situation should be examined.
20. Whilst other university stakeholders acknowledge progress with the quality and accessibility of internal financial reports, comment was made that there is still progress to be made in this regard. It may be worth canvassing opinion amongst a number of key managers in order to inform the next stages of development in reporting.
21. It is recommended that a review of Research Finance activities be undertaken with particular reference to the interface with UCD Research, in order to create a single integrated system from funding application to award and maintenance. As a contribution to the elimination of

unnecessary communication traffic and complications in the system, it is recommended that consideration might be given to the option of combining the units into a single function, as is the case in a number of UK research-intensive universities. As part of this review/reframing exercise, reform of processes and workload models in Research Finance might help to alleviate the pressure under which at least some and possibly all staff appear to operate.

22. System process development might improve service response times in some area. For example, HR staff observed that there may be opportunities for efficiencies to be derived from a thorough review of HR and payroll processes, the interface between the two functions and resulting system developments.
23. The review panel recommends the establishment of a network of accountants and within it, a forum for trainee and part-qualified accountants, to share experience and institutional knowledge.
24. Since Payroll is situated apart from the majority of the Bursars Office staff, we recommend exploring ways to address the perception of dislocation that is prevalent amongst Payroll staff. The panel also recommends the leadership of the Bursar's Office to investigate how to alleviate some of the pressure on Payroll resources given the number of changes resulting from the financial environment.

## **Appendix One: UCD Bursar's Office Response to the Review Group Report**

The UCD Bursar's Office welcomes the Quality Review Report. The report recognises the many positive aspects to the way the office does its business and supports the academic mission. The positive comments on the quality, professionalism and commitment of staff in the unit are very welcome and such public acknowledgement is lauded. This will have strong motivational impact in difficult times.

It is a credit to the reviewers that they did not shy away from pushing the office to further enhance and improve the services it offers and the frank delivery of the recommendations is much appreciated.

The recommendations will now be used to inform the strategic and technical planning for the office as part of the current cycle of such planning under our new President. The office looks forward to setting ambitious but realistic targets incorporating all of the recommendations of the report to allow it to become one of the very best Bursars' Offices matching the high aspirations of UCD's academics.



## Appendix Two: Schedule for Review Site Visit to UCD Bursar's Office

### Planning Day – Monday, 23<sup>rd</sup> September, 2013

#### Pre-Visit Briefing Prior to Site Visit – venue off-campus

17.00-19.30	Review Group and Deputy Director of Quality <b><i>only</i></b> meet in the hotel to review preliminary issues and to confirm the work schedule and assignment of tasks for the site visit
19.30	Review Group and Deputy Director of Quality <b><i>only</i></b> - Dinner hosted by UCD Registrar and Deputy President

### Day 1 – Tuesday, 24<sup>th</sup> September 2013

#### Venue: Boardroom 1, Ardmore House

08.30-09.00	Private meeting of Review Group
09.00-10.00	Review Group meet with member of <b>UCD University Management Team with responsibility for unit and Head of Financial Management:</b>
10.00-10.15	Tea/Coffee Break
10.30-11.10	Review Group meet with individual Bursar's Office Section Heads
11.10-11.20	Break
11.20-11.50	Review Group meet with Chair of the UCD Audit Committee, Head of UCD Internal Audit, and a representative from the UCD Finance Remuneration and Asset Management Committee (FRAMC)
11.50-12.05	Break
12.05-12.50	Meeting with Self-assessment Report Co-ordinating Committee
12.50-13.30	Working lunch for Review Group
13.30-14.15	<ul style="list-style-type: none"><li>Meeting with Service Heads: UCD Buildings &amp; Services, UCD Commercial Conference Office, UCD Campus Sports &amp; Leisure</li></ul>
14.15-14.20	Break
14.20-15.05	Meeting with stakeholder groups: Representative group of support units supported by UCD Bursar's Office: Strategic Planning, UCD Registry, UCD Buildings & Services, UCD Research Finance & Operations
15.05-15.25	Tea/Coffee break

15.25-16.10	<ul style="list-style-type: none"> <li>Meeting with stakeholder groups: Representative group of academic units supported by UCD Bursar's Office: UCD College of Science, College of Arts &amp; Celtic Studies, School of Physics, UCD School of Applied Social Science</li> </ul>
16.10-16.20	Break
16.20-17.05	<ul style="list-style-type: none"> <li>Meeting with representatives of University Support Units that provide support to the UCD Bursar's Office: Institutional Research, UCD Conway Institute, UCD Human Resources, UCD Registry</li> </ul>
17.05-18.00	Review Group meeting to review findings to date
18.00	Review Group departs

### **Day 2, Wednesday, 25<sup>th</sup> September 2013**

#### **Venue: Boardroom 1, Ardmore House**

08.30-8.45	Private meeting of Review Group
8.45 -10.00	Tour of key facilities - Roebuck Offices, Ardmore House, Tierney Building
10.00-10.25	Meetings with functional groups from within the Bursar's Office: Financial Planning & Resources
10.25-10.30	Break
10.30-10.55	Meetings with functional groups from within the Bursar's Office: Corporate and Legal Affairs
10.55-11.05	School Manager, School of Art History and Cultural Policy
11.05-11.15	Tea/Coffee Break
11.15-11.40	Meetings with functional groups from within the Bursar's Office: Procurement
11.40-11.45	Break
11.45-12.10	Meetings with functional groups from within the Bursar's Office: Capital Accounting
12.10-12.15	Break
12.15-13.00	Meetings with functional groups: Financial Reporting and Finance Systems
13.00-13.30	Working lunch for Review Group
13.30-14.00	<ul style="list-style-type: none"> <li>Meeting with Functional Group Heads</li> </ul>
14.00-14.25	Meetings with functional groups from within the Bursar's Office: Research Finance
14.25-45	Break
14.15-14.40	Meetings with functional groups from within the Bursar's Office: Payroll

14.40-14.45	Break
14.45-15.10	Meetings with functional groups from within the Bursar's Office: General Ledger
15.10-15.30	Tea/Coffee Break
15.30-15.55	Meetings with functional groups from within the Bursar's Office: Payments
15.55-16.20	Break
16.20	Meetings with individual staff – by request to the Quality Office (10 minute sessions)
16.45 -17.00	Stephen Manuel, Head of Research Finance Group
17.00-17.15	Meeting with Research Ethics Group
17.15-17.30	Meeting with Safety Office Group
17.45-18.00	Review Group meeting to review findings to date
18.00	Review Group departs

**Day 3, Thursday, 26<sup>th</sup> September 2013**

**Venue: Boardroom 1, Ardmore House**

08.45-09.15	Review Group private meeting
09.15-09.30	Review Group meet Chair, Research Ethics Committee
09.30-10.00	Optional: Review Group meet with University and/or Unit staff as required to clarify or sweep up any issues and/or RG begin work on first draft of Review Group Report
10.00-10.45	RG meet with non-UCD external stakeholders
10.45-11.00	Tea/Coffee Break
11.00-13.00	Review Group prepare first draft of Review Group Report and extract key <u>provisional</u> points of commendation and recommendations for improvement for exit presentation
13.00-13.45	Lunch
13.45-15.00	Review Group finalise first draft of Review Group Report and exit presentation. Exit presentation made by extern(s) members (or other member of Review Group, as agreed) – and confirm arrangements for Report completion and deadline.
15.00-15.15	Break
15.15-15.30	Review Group meet Bursar and Head of Financial Management to feedback initial outline

commendations and findings

15.30-15.45 RG travel to Room 216 Engineering Building for exit presentation

15.45-16.15 Exit presentation to all available staff of the Unit

16.15 Review Group departs