



# Report of the Quality Review Group to the Finance Department

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UL QSU Website	<a href="http://www.ul.ie/quality">www.ul.ie/quality</a>
Unit Website	<a href="https://ulsites.ul.ie/finance/">https://ulsites.ul.ie/finance/</a>
QQI Website	<a href="http://www.qqi.ie">www.qqi.ie</a>

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## **1 The UL Quality Review Process**

The University of Limerick (UL) follows an established process for quality assurance (QA) and quality improvement (QI) in line with that originally developed jointly by the Irish Universities Association (IUA) and the Irish Universities Quality Board (IUQB), the latter whose functions are now carried out by Quality and Qualifications Ireland ([QQI](#)). The review process involves an approximate seven-year cycle during which each unit works to improve the quality of its programmes and services and undergoes a rigorous self-evaluation prior to a quality review by internationally recognised experts in the relevant field.

The common framework adopted by the Irish universities for their QA/QI systems is consistent with both legislative requirements and international good practice. The process itself evolved as a result of the Universities Act, 1997, in which the responsibility for QA/QI was placed directly on the individual universities. The process now complies with the [Qualifications and Quality Assurance \(Education and Training\) Act 2012](#), as amended by the *Qualifications and Quality Assurance (Education and Training) (Amendment) Act 2019*. The UL Quality Support Unit (QSU) website ([www.ul.ie/quality](http://www.ul.ie/quality)) provides details on the process.

All units are reviewed against quality assurance standards as described in the tailored quality review guidelines, which is available on the [QSU website](#). The planned schedule of quality reviews is available on the [QSU website](#).

The UL quality review process comprises the following three phases:

1. Pre-review phase, in which the unit under review conducts a self-evaluation exercise and writes a self-assessment report (SAR).
2. Review phase, in which a quality review group comprising external experts, both national and international, review the SAR, visit the unit, meet with stakeholders and produce a report (this report), which is made publicly available on the [QSU website](#).
3. Post-review phase, in which the unit considers and formally responds to the recommendations of the QRG, devises plans to implement them and reports implementation progress to the University Quality Committee and UL senior management.

The recommendations made by the quality review group (QRG) form the basis of a quality improvement plan (QIP) prepared by the QSU for the unit under review. Once the site visit is over, the unit sets about evaluating and implementing the recommendations, as appropriate.

Approximately seven to nine months after receiving the QIP template from the QSU, the head of unit provides a summary overview of progress to the university's Quality Committee. Committee members are afforded the opportunity to discuss and evaluate progress.

Approximately 18-24 months after receiving the QIP template, the head of unit, Provost/Deputy President, Chief Officer or Vice President Research, Dean (where relevant) and Director of Quality meet to formally review progress and to agree on any remaining actions to be taken.

## **2 Summary Details of Finance Department**

The Finance Department<sup>1</sup> is responsible for managing UL's financial, budgeting and reporting processes. There are currently 48.1 full-time equivalent permanent staff and two contract staff members working in Finance. The department is led by the Chief Financial and Performance Officer (CF&PO), who reports to the UL President. The CF&PO post was created in late 2020, and the first appointee commenced in September 2021. As well as leading the Finance Department, the CF&PO is responsible for UL's Information Technology Division (ITD) and Performance Unit, which do not fall within the scope of this review. The Performance Unit is currently being developed by the CF&PO.

The Finance Department comprises three distinct functions:

1. Operations and Research: Has responsibility for payroll, purchase to pay, treasury, procurement, expenses, finance systems management, risk, audit compliance, research finance, financial reporting and the fixed asset register.
2. Management, Planning and Reporting: Is responsible for resource allocation, costing, budgeting, management reporting, capital budgets, state funding, pension control account, accounts receivable and student fee billings.
3. Performance Unit: Currently under development and not included in the scope of this quality review.

### **3 Preliminary Comments of the Quality Review Group (QRG)**

#### **3.0 Preliminary Comments of the Quality Review Group (QRG)**

The Quality Review Group (QRG) appreciated the warm welcome it received from the University of Limerick (UL) and wishes to thank the Finance Department, the Finance Quality Team and the Quality Support Unit for the cooperation it received throughout the review process. The Finance Department has produced a thorough and well-presented self-assessment document that identifies many of its strengths and some of its concerns. The QRG has had open and informative meetings with members of the department, and these meetings, as well as discussions with various stakeholders, have facilitated our work.

The QRG recognises that the Finance Department has a strong position within the university. Stakeholders, at all levels, described the staff at the Finance Department as responsive, hardworking and supportive. The Finance team has implemented significant improvements in areas such as business partnering, greater transparency of the budgeting process and compliance. However, in order for the department to reach its full potential, the development of a more strategic Finance function is needed to support the university in achieving strategic objectives. The university should consider strengthening the financial expertise in the upcoming reconstitution of Governing Authority and relevant subcommittees and the expansion of the business partner model.

The Finance Department has a clear strategy and goals that are aligned to the delivery of the university's strategy. There is a structure of leadership within the department which stimulates a culture of feedback and continuous improvement. The initiative to introduce focus group stakeholder interviews as part of the self-assessment process is an example of the Finance Department's openness to receiving and acting on feedback. From the QRG point of view, an overall university investment into automation and finance systems would in the long term be a saving of both administrative and research staff resources for the university. The university should also consider investment in additional resource to support procurement activity, recognising the increase in volume and complexity of this activity across the university, and this could be delivered through a shared services model. The QRG also recognises that some of the strategic processes at university level need further development, such as in the areas of workforce and business planning and the strategic investment process.

## 4 QRG Commendations and Recommendations

### 4.1 Commendations

The QRG commends the following:

1.	The new Chief Finance & Performance Officer (CF&PO), who presents as a strong leader with a clear vision for Finance and a stated aim to support and develop the Finance team.
2.	The executive leadership at UL, which is clearly very supportive of the Finance team and its journey towards being a more strategic and performance-focused function.
3.	The prioritisation of strategic plan objectives in the budgetary process, which has given the university greater transparency into how funding decisions are aligned to the strategic priorities of UL.
4.	The effective collaboration between Finance and the rest of the university, which has achieved high levels of compliance as evidenced by comparisons with peers in the sector.
5.	The consistent feedback from stakeholders that, despite some challenging systems and process issues identified by internal stakeholders, the Finance team members are responsive, hardworking and supportive and always willing to give of their best.
6.	The introduction of the business partner model, which is highly valued by stakeholders.
7.	The focus group activity as part of the self-evaluation process, which demonstrates a culture of continuous improvement and openness to receiving feedback.
8.	The identification by the Finance team of the need for enhanced process and workflow developments as listed on their project register, with a high level of correlation between the project register and needs identified by stakeholders during this review.
9.	The initial adoption of a multi-year planning approach for some UL units, such as the Information Technology Division (ITD).
10.	The significant improvement in the timely completion of year-end audit and financial accounts presented for approval by Governing Authority.
11.	The quality and visual presentation of the finance reports to Governing Authority and the Executive Committee, which were highly commended for clarity, context and relevance.
12.	The resizing and evaluation work that is underway on administrative roles within the department, which will help to recognise Finance staff appropriately and may help to reduce staff turnover.
13.	The flexibility and commitment demonstrated by staff during the Covid-19 pandemic, which allowed them to adapt to a changing environment and continue to operate without disruption.

14.	The flexibility of the Fees Office in providing support for students in financial difficulty and with arrears of fees, particularly during the pandemic.
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## 4.2 Recommendations

The QRG recommends the following:

### 4.2.1 Level 1 recommendations

No.	Recommendation	Commentary
1.	Work with senior management to ensure consultation with Finance is embedded at the appropriate stage in all policy and business case development.	Involvement of Finance in policy development and in the preparation of the business case for new operational and project expenditure can add significant benefit. Finance can be viewed not only as a service partner but also as a strategic partner. The involvement of the department can also inform the budget process and the identification of potential compliance requirements. Early Finance involvement should be standard practice as per the UL policy development framework.
2.	Increase Finance’s visibility and influence across UL for support in strategic decision making and project evaluation.	Finance should be integral to any university planning and operational decision making from an early stage, such as during planning for new academic programmes, and should be used as a source of strategic advice. Expansion of the business partner model is one example of where this could be achieved.
3.	In the upcoming reconstitution of Governing Authority, consider strengthening the level of financial expertise within the authority and relevant subcommittees.	The refresh of Governing Authority later this year and the Higher Education Authority (HEA) legislation due in 2023 offer an opportunity to review the mix of skills required on the new authority. Strengthening the financial expertise in the authority and relevant subcommittees would be of significant benefit in an increasingly complex regulatory environment.
4.	Work with senior management to develop processes for student recruitment and workforce and business planning to align with the financial planning process.	Stakeholder interviews revealed that the broader strategic and planning frameworks at UL need further development. These include agreement of multi-year student recruitment targets and adoption of a standard approach to workforce and business planning. The financial plan should be the costed output of these broader bottom-up planning exercises.
5.	Develop a standard business case template to include standard financial inputs (such as return on investment, financial payback and future costs, benefits and investment outlay) as well as strategy and risk evaluation.	Strategic investment proposals are currently presented to Governing Authority in different formats. The adoption of a standard approach will provide consistency of information, improve the rigour of evaluation of projects and facilitate better-informed decision making. The strategic investment process should also be developed to include post-implementation reviews, which monitor project implementation and delivery against the approved plan and capture lessons learned.
6.	Review the institutional resourcing for procurement	It was noted across several operational areas (Research, Buildings & Estates and Marketing) that there is insufficient



	activity with UL senior management to ensure that it is sufficient to meet the growing volume and complexity of this activity.	administrative resource to support procurement activity, with the result that this activity is often undertaken by people who lack experience and knowledge of the procurement process. To address the growing volume and complexity of procurement activity, the institution might consider creating dedicated team(s) of appropriately trained staff who can support the procurement activity in multiple departments in an efficient manner, using standardised best practice.
7.	Review UL's interpretation of the Government Procurement Framework to ensure that it is appropriately consistent with that in peer national organisations, while meeting compliance requirements.	It was noted that some peer universities operate under a different interpretation of the Government Procurement Framework to that of UL (as disclosed in the financial statements of other universities).
8.	Expand the business partner model to other functional areas.	Stakeholders commended the introduction of the business partner model. Increasing the number of partners would give the Finance team additional capacity to support strategy development and decision making across university departments.
9.	Provide in-person student-facing Finance services on campus as soon as possible.	Finance's student-facing activity is not being delivered consistently with other support and student-facing administrative services. Recent examples include students seeking to access the Fees Office which had not opened post pandemic. Steps to open and provide in-person service should be taken as soon as possible.
10.	Consider the adoption of a centralised, in-person unit for student-facing administration needs.	Consideration should be given to offering a joint student-facing administration service with other units, such as Academic Registry, to provide a consistent and enhanced student service experience.
11.	Work with senior management to review the need for investment in automation and finance systems.	The QRG heard multiple examples of manual workarounds in Finance and other university units to compensate for lack of functionality in finance systems and reporting. Investment in finance systems and automation will significantly reduce the risk of manual error, improve access to information and reduce workload in Finance and across the university.
12.	Review and update training materials to ensure that they are more accessible and concise for non-finance users.	While documentation and training videos to guide stakeholders through Finance policies and processes exist, users are frequently unaware of their existence. The materials are difficult to find and hard to understand. Guidance documentation and other finance communication with stakeholders should be easy and intuitive to find. It should be user-friendly, clear and concise and not include jargon.
13.	Consider a move to a monthly financial reporting model with	Provision of monthly financial statements for the Executive Committee can provide more timely and complete financial

	full statements of P&L balance sheets and cash flows.	information for the university, while easing some of the workload required at year end in preparation for the external audit. This may require additional resources.
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**4.2.2 Level 2 recommendations**

No.	Recommendation	Commentary
1.	As part of the job sizing review, use the opportunity to consider an appropriate organisational structure within the Finance unit.	With new leadership in place over a year now, the job sizing review provides an opportunity to consider an appropriate organisational structure in Finance. With the growth of the university since the last review and the increase in complexity of the regulatory environment, a more strategic Finance function will be needed to support continued development of the institution.
2.	To enable prioritisation and resourcing of Finance improvement projects, establish a governance committee with clear guidelines on decision making.	There are many projects on the agenda for Finance, with decisions on prioritisation made informally. A committee with clear guidelines for decision making would facilitate and formalise this.  Finance leadership should consider appropriate resourcing to support improvement projects.
3.	Assess what additional support may be required for faculties and departments to allow Finance a 'seat at the table' in support of financial decision-making and performance conversations, ensuring the ongoing success of the Finance business partner model.	There is hesitancy across some departments around allowing Finance a 'seat at the table' to support them in financial decision-making and performance conversations.  Further discussions with the faculties and support services would help to identify where support is needed to ensure that UL can get the best out of the business partner model.
4.	To provide areas such as research and ITD with visibility of actual and committed future expenditure, implement improvements to incorporate commitments related to pay and other contracts and services into reporting.	The QRG received feedback that off-line spreadsheets are used to track future pay and non-pay contractual commitments. This is time-consuming and increases organisational risk. Finance has identified a potential solution to this issue but has not had sufficient resources to undertake the work required. Given the scale of this issue and the associated risk, it is important that a solution be found for this problem.
5.	Extend the multi-year planning approach to all UL units.	Finance has successfully implemented a multi-year planning approach for the ITD budgets. It is recommended that this approach be extended to cover other units, such as Buildings & Estates and the faculties, to ensure that UL can plan over a longer timescale than the next academic year.

6.	Implement a detailed bottom-up budgeting process for all UL functions.	The QRG received stakeholder feedback that budgets tend to be set on a 'last year plus' basis rather than through a process of bottom-up budgeting. Senior leaders expressed a desire to have a better understanding and more visibility of their budget assumptions, particularly where the size and shape of the future cost base is changing. This increased visibility will enable robust conversations about how the university ensures value for money.
7.	Implement the Performance, Development and Review system (PDRS) for all Finance staff in a consistent manner.	The QRG considers that implementation of the PDRS in compliance with UL HR policy would be of benefit to the department and aid in staff development and performance.

## **Appendix One**

### **A Membership of the QRG**

Karin Järplid (Chair)	Head of Quality Assurance Department, Swedish Higher Education Authority (UKÄ)
Helen Lawrenson	Director of Financial Management, University of Nottingham
John McGarrigle	Former Registrar & Company Secretary, National College of Ireland
Louis Pemble	President, Postgraduate Students' Union, University of Limerick
Cathal Linnane	Head of Research Post Award Supports, University of Limerick
Ailish O'Farrell (Recording Secretary)	Technical Writer

### **B Membership of Finance Quality Team**

Gary Butler	Chief Financial & Performance Officer
Áine Crowe	Executive Administrator Fees
John Field	Director of Management, Planning and Reporting
Rosemary Fogarty	Financial Controller, Operations and Research
Braonán Gardiner	Operations & Process Accountant
Declan Hannan	Financial Controller, Management, Planning and Reporting
Emma Hofler	Finance Business Partner
Leona Kelly	Fees Office Manager
Edmund Meehan	Research Accountant
Valerie Moore	Capital Projects Accountant
Mary Prenderville	Senior Administrator Purchasing
Tanya Prior	Administrator Accounts Receivable