



EASTERN AND SOUTHERN AFRICA HIGHER EDUCATION CENTERS OF EXCELLENCE
(ACE II) PROJECT


AFRICAN CENTRE OF EXCELLENCE FOR INNOVATIVE TEACHING AND
LEARNING MATHEMATICS AND SCIENCE (ACE-ITLMS)

AUDIT REPORT ON REVENUES GENERATED
FOR THE SEMESTER TWO OF THE YEAR ENDED 30th JUNE 2021


Prepared by;

S/N	Names	Position
1	TUGIRUMUREMYI Daniel	UR Internal Auditor

Reviewed by;

S/N	Names	Position	Signature
1	NDAYAMBAJE Justin	UR Internal Auditor	

Supervised by;

S/N	Names	Position	Signature
1	UWABABYEYI Diane	UR Ag. Chief Internal Auditor	

September, 2021

Table of Content

1. INTRODUCTION..... 3

1.1. PROJECTS BACKGROUND 3

1.2. OBJECTIVES 3

1.3. SOURCES OF FUNDING 3

1.4. STRUCTURE 4

1.5. RESPONSIBILITIES 4

1.6. AUDIT OBJECTIVES..... 5

1.7. SCOPE OF THE AUDIT 5

1.8. AUDIT APPROACH..... 5

2. DETAILED FINDINGS 6

2.1. Review of revenues generated by center..... 6

2.1.1. Total amount of revenue generated by ACE ITLMS from January to June 2021..... 6

1. INTRODUCTION

1.1. PROJECTS BACKGROUND

University of Rwanda Centres of Excellence composed of African Centre of Excellence in Energy for Sustainable Development (ACE-ESD), African centre of Excellence in Internet of Things (UR-ACEIoT), African Centre of Excellence for Innovative Teaching and Learning Mathematics and Science (ACE-ITLMS) and The African Centre of Excellence for Data Sciences (ACE-DS) are 4 out of 24 centres initiated by the World Bank in Eastern and Southern Africa Higher Education Centres of Excellence Project (ACE II).

They are competitive loan won by the University of Rwanda-College Science and Technology (CST), College of Education(CE) and College of Business and Economics (CBE) respectively, on behalf of the Government of Rwanda to overcome the identified gaps in handling big data, bio informatics, data mining, reliability modelling, research design and evidence-based policy analysis through delivering postgraduate studies, organizing professional courses and promoting collaborative research in the Eastern and Southern Africa.

The main objective of this project is to establish and strengthen specialization and collaboration among a network of higher education institutions in the Eastern and Southern Africa region to deliver quality post graduate education and build corroborative research capacity in the regional priority area to address key development challenges facing the region.

1.2. OBJECTIVES

To strengthen selected Eastern and Southern African higher education institutions to deliver quality post-graduate education and build collaborative research capacity in the regional priority areas.

1.3. SOURCES OF FUNDING

University of Rwanda, Center's of Excellence are financed through credit Agreement no 5796-RW signed on 17th June 2016 between the Government of Rwanda and International Development Association as revised up to date. The credit is valued at 20 USD million for

a period starting from 30 September 2016 to 31 December 2023, where funds allocated to ACE-ITLMS worth of USD 4.5 million for the period of 6 years.

Their funding mode is performance based whereby plans and achievements must be guided by the set indicators to lead to funds disbursement (Disbursement Linked Indicators and Disbursement Linked results).

1.4. STRUCTURE

The daily activities of the University of Rwanda African Centre of Excellence academic programs are coordinated by Directors while the Deputy Vice Chancellor for Finance, SPIU coordinator coordinate the Finance and administrative services of ACE-ITLMS.

1.5. RESPONSIBILITIES

1.5.1. Auditor's responsibility

Article 10 of Ministerial Order N° 003/17/10/TC Of 27/10/2017 setting out Regulations for Internal Audit and Audit Committees in Public Entities states that Internal Auditor must evaluate the adequacy and effectiveness of controls of governance, operations and information systems; provide assurance to management and the Audit Committee on the adequacy and effectiveness of the risk management process, provide appropriate recommendations for improving the governance process in accomplishment of its objectives; make recommendations to avoid waste and fraud and investigate the suspected fraud or irregularity; provide consulting services through training, support implementation of accounting systems, internal control documentation, risk management facilitation and other similar services on the request of management, Audit Committee or other high level authorities; communicate opportunities for improving management control, viability and sustainability of services or profitability identified during the audit to appropriate level of management.

1.5.2. Management responsibility

Article 19 of Organic Law No 12/2013 of 12/09/2013 on State Finances and Property requires the chief budget manager:

- To manage effectively, efficiently and in a transparent manner all the public funds for the public entity under his/her responsibility in accordance with relevant legal provisions;
- To establish and maintain effective, efficient and transparent systems of internal controls and risk management.
- To supervise and ensure proper use of public funds at the disposal of subsidiary entities under his/her responsibility.

1.6. AUDIT OBJECTIVES

The general objective of the review was to evaluate the adequacy and effectiveness of African Centre of Excellence for Innovative Teaching and Learning Mathematics and Science (ACE-ITLMS) at UR, existing risk management, controls and governance processes in order to provide independent opinion whether these processes are functioning as intended and will enable the UR ACE-ITLMS objectives and goals are met. We intended to provide recommendations for improving both efficient and effective performance.

1.7. SCOPE OF THE AUDIT

The audit exercise covered activities of ACE-ITLMS starting from 1st January 2021 to 30th June 2021.

1.8. AUDIT APPROACH

The following approaches have been used.

Documentations desk reviews and Interviews where applicable: we reviewed different documentation and discussed with SPIU and ACE ITLMS management, staff from M&E, Procurement and finance units (Accountant) in order to understand the programs.

We have also performed audit procedures to obtain sufficient and appropriate evidence in order to provide reasonable assurance that resources deployed in ACE-ITLMS are properly managed.

2. DETAILED FINDINGS

2.1. Review of revenues generated by center.

According to the Project Operational Manual (POM) as revised in January 2020, the Delivery Linked Result (DLR) 2.7 is mentioned as one of the resource mobilization approach and also indicator to be achieved before requesting the World Bank to disburse financial resources.

For the sustainability of the ACE-ITLMS, it is expected that the center will generate more funds to build their financial sustainability. The project also includes an indicator in the Results Framework, externally generated revenue, to monitor progress of fundraising made by the ACE-ITLMS under this project. It is in this framework that, there is a need of having specific collection account, which is different from the disbursement account (which is specific to the funds disbursed from World Bank). In order to make operations easier, the collection account shall be specific to each centre and be opened in one of national commercial banks. This account will be exclusively dedicated to collection of project funds. These funds shall include, but not limited to, school fees of students belonging to the concerned centre, administration fees, short-courses' fees, tuition fees from private candidates, fundraising funds, etc.

Further, it is stated that, the project will match US\$1 for every US\$1 raised from national sources, and US\$2 for every US\$1 raised from regional and international sources.

2.1.1. Total amount of revenue generated by ACE ITLMS from January to June 2021

During the period under review of ACE ITLMS Financial statement ended June 2021, we noted that, total amount of revenues generated by ACE ITLMS were equivalent to **32,871.90 USD** from January to 30th June 2021 resulting from students' tuition and administrative fees. *See details in annexed tables below;*

Table No 1. Summarized revenue for the period of six months ended 30th June 2021

DESCRIPTIONS	DESCRIPTIONS	AMOUNT (RWF)	Exchange rate	AMOUNT (USD)
STUDENTS REVENUES	Locally generated students fees	22,439,851.67	987.139896	22,732.19
	Regional student fees	6,793,368.44	987.139896	6,881.87
	International student fees	3,215,943.84	987.139896	3,257.84
TOTAL		32,449,163.95		32,871.90

**AFRICAN CENTER OF EXCELLENCE-INNOVATION TEACHING AND LEARNING MATHEMATICS AND
SCIENCES INTERNAL AUDIT REPORT**

Table No 2. Detailed revenue for the period of six months ended 30th June 2021

ACE ITLMS - REVENUE GENERATED FROM JANUARY TO JUNE 2021										
PERIOD / Financial year	Description	SPONSOR - ACE ITLMS		SPONSORS - OTHERS		TOTAL AMOUNT GENERATED				OVERALL TOTAL AMOUNT IN USD
		FRW	USD	FRW	USD	In local Currency	EXCHANG E RATE USD	USD	USD	
January to June 2021	Local students			22,439,850	-	22,439,850	987.139896	22,732.19	22,732.19	
	Regional students			2,928,715	3,915	2,928,715	987.139896	2,966.87	6,881.87	
	International students			3,215,939	-	3,215,939	987.139896	3,257.84	3,257.84	
TOTAL				28,584,939	3,915	28,584,939		32,871.90	32,871.90	

-15-