

MUHIMBILI UNIVERSITY OF HEALTH AND ALLIED SCIENCES



Resource Mobilization and Cost Containment: Operational Policy and Procedures

Draft

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Abbreviations and Acronyms

CD	Capital Development
OC	Other Charges
CEPD	Continuing Education and Professional Development
DCEPD	Directorate of Continuing Education and Professional Development
DVC PFA	Deputy Vice Chancellor, Planning, Finance and Administration
ICT	Information Communication Technology
MAC	Management Advisory Committee
M&E	Monitoring and Evaluation
MDGs	Millennium Development Goals
MUHAS	Muhimbili University of Health and Allied Sciences
PDP	Professional Development Program (courses)
PFC	Planning and Financing Committee
RMC	Resource Mobilization Center
NSGPR	National Strategy for Growth and Poverty Reduction
PPP	Public-Private Partnership

1 Introduction

1.1 Purpose and context

From its origin in the early years of independence as the then Dar es Salaam School of Medicine, the Muhimbili University of Health and Allied Sciences (MUHAS) has stood for excellence in teaching, research and development, and consultancy in health sciences. The core mission is “to seek for quality health through training, research and health services for attainment of equitable social-economic development”. In pursuit of this mission MUHAS endeavors to produce competent and skilled health professionals, provide intellectual and professional leadership in health research and practice and maintain an internationally renowned institutional status. Being the premier University of Health and Allied Sciences in Tanzania, MUHAS is also expected to contribute substantially and effectively towards the country’s achievement of National Health Policy, Vision 2025 and Millennium Development Goals (MDGs).

Against this background and in spite of unprecedented effects of inflation, the government subventions to the University have been decreasing in real terms year after year. In the year 2010/2011 for example, the government disbursement to the University for Other Charges (recurrent expenditures) was less than 15% of the budget approved by the University Council. In that year no disbursement was made to the University for Capital Development although the government had approved a budget of 4,012,000,000 Tshs which was only 14% of the estimated expenditure (25,367,749,550 Tsh).

Review of economic trends in Tanzania shows that the government will no longer be able to fully finance public universities. Thus unless additional resources are obtained, the progress now being made by this University in training of health professionals will be stymied with deterioration of health services in the country as a consequence.

In an attempt to bridge the gap between budgetary allocations and actual expenditures the then Muhimbili University College of Health Sciences in 2004 established an operational policy to promote and coordinate income generating activities at all levels of the institution. Although the policy has brought about a number of achievements including an increase of revenue from consultancy and contracted research projects it does not provide ways to effectively mobilize the potentials of the University to address the important gaps of the University budget today. Consequently the amount of income generated by the University is small compared to its vast wealth of expertise and facilities. This discrepancy

prompted the University Planning and Finance Committee (PFC) in November 2011 to recommend the establishment of Resource Mobilization bureaus at Schools, Directorates and Institutes in order to give authority and some degree of autonomy for income generation to these units. The main thrust was to meet the targets for financial sustainability as described in the Five Year Strategic Rolling Plan for 2009/2010 to 2013/2014 in which the University, among other things, envisage to realize at least half of its budgetary requirements from non-traditional sources. Thus the resource mobilization policy of 2004 has been revised and articulated to match the current needs and situations at the University. Specifically the policy is designed to provide a framework for all the units of the University to seriously take account of their potential to generate resource internally. It also provides a framework through which linkage, coordination, and harmonization of income generating activities will support other policies and initiatives to attain financial sustainability of the University in line with aspirations of the Nation as spelt out in the National Development Vision 2025; the Mini Tiger Plan 2020; NSGPR 2025 and Public-Private Partnership Policy 2010.

It is however noteworthy that institutional sustainability hangs not only on availability of resource but also, and even more importantly, on how the resources are utilized. It requires the institution to focus on costs which are essential for the mission and vision of the institution and to avoid costs which are wasteful or unnecessary. For that reason the revised policy is intended also to provide guidance for the University to contain costs and reduce expenditures without marginalizing or compromising the core functions of the University.

1.2 Scope of application of the policy

This policy pertains to the conduct of resource mobilization and cost containment in the whole University. It embraces and applies to:

- i. All institutional structures of the University including Schools, Directorates, Institutes and Departments.
- ii. All staff of the University regardless of the nature of employment.
- iii. All students registered with the University.
- iv. All infrastructure of the University including physical and intangible assets as well as social amenities.
- v. All University companies.

1.3 Vision

The vision of the policy is that:

“MUHAS becomes a leading institution of Health Sciences in Africa that operates sustainably across the full range of its activities”. This vision is in line with that of the University which envisages becoming a center of excellence with, among other things, “sustainable resource generation”.

1.4 Mission

In line with the mission of the University which is “To seek for quality health through education, training, research and health for attainment of equitable socio-economic development”, the mission of this policy is: **“To supplement the University budgetary requirements for education, training, research and development through income generation and cost containment”**.

1.5 Objectives of the policy

The main objective of this policy is to provide guidance to the university community and other stakeholders in addressing challenges for achieving financial sustainability of the University. Specifically the policy seeks to:

- i. Set appropriate coordination and management system for resource mobilization and cost containment at the University
- ii. Define and assign responsibilities for resource mobilization and cost containment to staff and units of the University
- iii. Ensure prudent utilization of resources in supporting the operational and developmental budget of the University
- iv. Assist Schools/Directorates/Institutes to establish strong and specialized bureaus for resource mobilization and cost containment
- v. Facilitate partnerships and networks between the University and other institutional organizations for commercialization of University potentials.
- vi. Establish benchmarks for evaluating outcomes of resource mobilization and cost containment at the University.
- vii. Enable the staff of the University supplement their income thereby enhancing their satisfaction and retention

2 Definition of terms

- i. **‘Cost containment’** means the process of controlling the expenses required to operate an organization or perform a project within preplanned budgetary constraint
- ii. **‘Council’** means the Council of the Muhimbili University of Health and Allied Sciences established under Article 18 (1) of the University Charter of 2007
- iii. **‘Capital Development’** means the process in which remodeling, renovation and construction projects are initiated, approved and completed.
- iv. **‘University’** means means the Muhimbili University of Health and Allied Sciences
- v. **‘Financial Regulation’** means the financial Regulations of the Muhimbili University of Health and Allied Sciences of 2012
- vi. **‘Contracted Research’** means the research that originates from a specific request by a client, the costs of which are paid for by the client.
- vii. **‘Professional services’** means work that requires special skills and qualification such as patient care, laboratory investigations, pharmaceutical services etc.
- viii. **‘Consultancy’** means provision of expert advice and work which is crucially dependent on a high degree of intellectual input.
- ix. **‘Management Advisory Committee (MAC)’** is a committee whose purpose is to advise RMCC management on operational activities with particular focus to strategies, operations, productivity, best practice, customer service, and technology.
- x. **‘Resource’** means inputs that are used in the activities of a program. Broadly speaking, the term encompasses natural, physical, financial, human, and social resources.
- xi. **‘University’** means the means means the Muhimbili University of Health and Allied Sciences

3 Policy statements and procedures

The policy of resource mobilization and cost containment at MUHAS is that of generating income proactively and lowering operational costs without marginalizing or compromising the core functions. In the light of the vision and mission presented above, nine focal areas of policy have been identified for articulation:

- Management and coordination
- Capacity building
- Optimal utilization of resources
- Markets and marketing
- Strategic collaboration and partnership
- Cost containment
- Monitoring and evaluation
- Initiation and implementation of projects
- Collection and sharing of revenue

3.1 Management and Coordination of Resource Mobilization and Cost containment

Mobilization of resources and management of costs at a University requires a comprehensive organizational system that has a capacity and mandate to facilitate, coordinate, and harmonize activities in all the constituent units. The current policy does not provide for this unified outlook and there is no organ to particularly oversee resource mobilization and cost containment at the University.

3.1.1 Policy statement

The University is committed to implement / undertake resource mobilization and cost containment as integral part of its corporate and strategic plans. To meet this commitment the University shall maintain an organizational unit, here in called the “Resource Mobilization and Cost Containment Center (RMCC)”, which will be mandated to manage, coordinate and harmonize resource mobilization and cost containment across the University.

Procedures

- i. PFC which is the organ entrusted with financial sustainability of the University shall take the overall responsibility to ensure that the University becomes optimally

effective in mobilization of resources and containment of costs, and shall set mechanisms to that effect.

- ii. The Vice Chancellor and the management of the University shall take the responsibility to
 - a. Integrate resource mobilization and cost containment within the University's management, planning, reviews, and decision making process.
 - b. Facilitate formation of Resource Mobilization bureaus within the University entities and ensure harmonious and synergetic relation between and among the bureaus and academic units.
 - c. Initiate and facilitate schemes that will motivate staff to carry out income generating projects through the University machinery
 - d. Ensure that all staff and students recognize their continuing obligation to mobilize resources and contain costs as part of their responsibilities in the University
- iii. Deans, Directors shall be responsible for implementation of RMCC policy in their Schools/Directorates/Institutes and shall provide progress report the management and administrative organs of the University including to CDD, and PFC.

3.1.2 Policy statement

The University shall maintain an organizational unit, here in called the "Resource Mobilization and Cost Containment Center (RMCC)", which will be mandated to manage, coordinate and harmonize resource mobilization and cost containment across the University.

- i. Deputy Vice Chancellor (PFA) shall facilitate the establishment of a Center for Resource Mobilization and Cost Containment and mandate it to oversee the activities for resource mobilization and cost containment across the University
- ii. Human resource manager shall facilitate the recruitment and engagement of competent personnel for managerial and operational activities of the Center

- iii. An advisory committee here in called the ‘Management Advisory Committee (MAC)’ shall oversee and advice RMCC on matters pertaining to resource mobilization and cost containment including. The committee shall compose of:
- a. Chairperson (Appointed by Vice Chancellor)
 - b. Director of Planning and Development
 - c. RMCC manager
 - d. University Bursar
 - e. Representative from each resource mobilization bureau
 - f. Two members appointed by the Vice Chancellor

3.1.3 Policy statement

Every operational unit of the University i.e. School, Directorate and Institute shall maintain a bureau/ bureaus for resource mobilization and cost containment in alignment with the University Resource Mobilization and Cost Containment Centre.

Procedures

- i. Deans / Directors shall, in collaboration with other stakeholders facilitate the establishment of a bureau /bureaus for resource mobilization and cost containment in their respective Schools/Directorates/Institutes.
- ii. Deans / Directors shall provide terms of reference for operationalization of bureaus in their respective Schools/Directorates/Institutes and shall support them to be effective accountable.

3.1.4 Policy statement

The University shall maintain a comprehensive database for resource mobilization and cost containment and shall facilitate accessibility of such data to all MUHAS staff

Procedure

- i. University RMCC shall establish and periodically update data for resource mobilization and cost containment at the University and facilitate establishment of the same for the bureaus at lower levels.
- ii. University RMCC shall link with the respective bureaus at Schools/Directorates/Institutes to ensure continuous access and utilization of data on resource mobilization and cost containment.

- iii. RMCC shall promote and support regular meetings to share and disseminate information about resource mobilization and cost containment.

3.2 Capacity building

Essentially all staff, especially the academic staff, are expected to proactively mobilize and generate resources at the University. However, although the staff of MUHAS are academically highly qualified, the majority do not have expertise to mobilize resources in the environment of intense global competition and increasing complexity. There is therefore a need to enhance the capacity and capability of staff in this domain and to avail them with required facilities.

3.2.1 Policy statement

The University shall enhance and continuously update the capacity of staff to mobilize resources and contain costs.

Procedures:

- i. RMCC in collaboration with DCEPD shall undertake needs assessment and facilitate tailor made training in resource mobilization and cost containment focusing on short, medium and long term plans.
- ii. RMCC in collaboration with DCEPD and DRP shall support and encourage seniority mix of staff (senior and juniors) in income generating projects in order to enhance mentorship and inculcate entrepreneurial skills to juniors.
- iii. RMCC in collaboration with DCEPD shall provide guidelines to staff on proposal writing and the art of carrying out projects to completion.

3.2.2 Policy statement

The University shall facilitate acquisition of equipment and facilities in the state of the art for RMCC programs.

Procedures

- i. RMCC shall establish and update priority needs for equipment and facilities and facilitate their purchase by the University
- ii. Every year the RMCC in collaboration with resource mobilization bureaus shall prepare and submit to the University a budget for equipment and facilities.

- iii. Each bureau shall reserve a portion of its income to cater for purchase and maintenance of equipment and other facilities.
- iv. Subject to realistic business plan the University shall provide, on loan or grant, money to purchase equipment and facilities for RMCC projects

3.3 Optimal Utilization of University Resources

The closest reference to the expression "optimal utilization of resources" is "value-for-money". This phenomenon has not been fully realized in the University, especially with regard to utilization of human resources for income generation. The reasons are varied including low motivation of staff, unattractive incentives from income generation activities, lack of sense of ownership, inadequate team work and inadequate advocacy of resource mobilization at the University. There is also a problem of inadequate staffing and lack of clear modalities for sharing facilities.

3.3.1 Policy statement

The University shall encourage and motivate staff to solicit and undertake income generating projects under the umbrella of RMCC.

Procedures

- i. The Deputy Vice Chancellor – PFA in collaboration with RMCC manager shall provide a written acknowledgement to all the individuals who undertake income generating projects in the University
- ii. The Vice Chancellor shall recognize and award individuals / groups who foster excellence in resource mobilization and cost containment. The awards can be in form of money and or certificate worth promotion credit points in addition to publicity in the University Newsletter and or pronouncement during major events such as graduation ceremonies.
- iii. RMCC and DCEPD shall mount promotional programs to inculcate entrepreneurial culture to young and upcoming staff.
- iv. The bursar shall ensure that payments for income generating activities are done timely and fully.

3.3.2 Policy statement

The University shall make deliberate efforts to promote synergism, productivity, innovation and satisfaction among staff.

Procedures

- i. RMCC and DCEPD shall mount continuing education programs to inculcate the culture of team work, sense of ownership, and collaborative spirit among staff
- ii. The University shall set aside funds and maintain other means to support staff and families on critical issues of the social welfare.
- iii. RMCC and DCEPD shall mount educational programs to promote ethics and professionalism among staff
- iv. RMCC and DCEPD shall institute mechanisms to ensure transparency in reporting income from the bureaus as well as preparation of quarterly reports on for submission to higher University organs.

3.3.3 Policy statement

The University shall promote and support a culture of sharing resources and facilities across the university.

Procedures

- i. RMCC in collaboration with the Directorate of Planning and Development shall create and disseminate data of MUHAS human resource, infrastructure and equipment and where possible, recommend a modality for their utilization.
- ii. RMC shall avail centrally the essential support services such as high quality printing facilities and editorial services.
- iii. Director of Planning and Development shall identify and encourage opportunities to share space and technology to meet academic and or research needs wherever appropriate
- iv. RMCC and DCEPD shall nurture linkages and a spirit of sharing information, human resource capacity and infrastructure at the University.
- v. Subject to approval by the University, HRM shall enhance human resource levels at the unit bureaus to enable them (bureaus) to mobilize and generate resources optimally without compromising other core functions.

3.3.4 Policy statement

The University shall endeavor to achieve value for money from its non-human resources such as land, buildings, equipment, facilities and intangible amenities.

Procedures

- i. RMCC shall prepare and continually update database of non-human resource of the University and estimation of current levels of their utilization.
- ii. RMCC shall undertake or commission studies to determine how greater value for money could be achieved from resource which are apparently underutilized

3.4 Markets and marketing promotion

Success of resource mobilization at MUHAS will depend on the ability of the University to publicize itself and compete for assignments in internal and external market. Whether it is through paid advertising, media relations, brochures and other printed publications, promotional videos, TV commercials, Web pages, direct mail or other means, the consistent application of strategies to promote and protect the University brands is of vital importance. As markets are usually competitive and unpredictable, marketing strategies have to be dynamic, aggressive and scientific.

3.4.1 Policy statement

The University shall support and facilitate a unified marketing strategy for publicizing and selling the University's capacity and capabilities nationwide and worldwide.

Procedures

- iii. RMCC shall establish a separate budget line for marketing the potentials the University including capacity profiles for the RMCC, Schools, Directorates, Institutes and bureaus.
- iv. The HRM shall facilitate employment of a competent marketing officer who shall, among other things, establish a strong marketing unit for RMCC.
- v. RMCC in collaboration with DCEPD shall facilitate continuing education on marketing to staff members of the University.

- vi. RMCC shall establish and continuously update promotional means such as websites, fliers/ posters, newsletters, brochures and nameplate materials (business cards, logo, business letterheads etc).
- vii. RMCC shall map capabilities at Schools, Directorates and Institutes and prepare a data base for each of these units based on experience, expertise and academic qualifications.
- viii. RMCC shall participate actively in trade fairs and exhibitions in the country, region and beyond
- ix. Upon recommendation by RMCC and approval by the relevant organs, the University shall appoint an external advertising agent to provide professional advice and creative services for University branding campaigns and other key projects.

3.5 Strategic Collaboration and Partnership

The University has made efforts to foster collaboration with governments, development partners, the private sector and various other stakeholders at national, regional and international levels. This has brought in valuable experiences in training and research in addition to enhancing the recognition of the University worldwide. This framework of collaboration should now be expanded to include entrepreneurial activities.

3.5.1 Policy statement

The University shall promote and support entrepreneurial linkages and partnership with governments, private institutions and development partners including Diaspora.

Procedures

- i. RMCC shall establish and update a directory of potential collaborators worldwide and avail it to Schools/Directorates/Institutes and the University community at large.
- ii. The Legal officer(s) of the University shall advice RMCC and bureaus on matters pertaining to collaborative agreements and shall facilitate formalization of such agreements through memoranda of understanding.
- iii. RMCC shall establish and nurture collaborative networks with alumni and other potential partners including Diaspora.
- iv. Management of University shall implore the government, development partners, NGOs and the private sector to make MUHAS the first port of call for health related consultancies.

- v. RMCC shall maintain contact persons in institutions at national, regional and international level to provide hints about possible areas of collaborations and partnership
- vi. RMCC shall solicit and maintain relationships with similar coordinating bodies in the country, region and worldwide, and facilitate the same for the unit bureaus.
- vii. Deans, Directors and Heads of Departments/Units shall make deliberate efforts to solicit collaborative partners in academic and developmental activities including activities including research and consultancies.

3.6 Cost containment

A key procedure to deal with constrained financial circumstances is the ability to contain costs, reduce expenditures and re-allocate expenses within general fund budget. Done correctly, cost containment allows the institution to deploy resources profitably, enhance effectiveness and efficiency in operational areas and avoid wastage of resources. It is a powerful way for the University to outpace competition, reward investments and achieve its financial goals.

3.6.1 Policy statement

The University shall maintain a mechanism to identify and implement cost containment strategies at all operating units.

Procedures

- i. The University shall adopt and advocate cost containment as key result area of its strategic rolling plan.
- ii. Director of Planning and Development shall incorporate an assumed level of cost containment in each year's general fund budget of the University
- iii. RMCC shall establish and continuously update data of cost containing processes and procedures that have been used successfully in other institutions.
- iv. Deans, Directors and Heads of Departments /Units shall make deliberate efforts to inculcate the culture of cost consciousness in their respective units. The aim is, among other things, to ensure inclusiveness and ownership of cost containment procedures across the University.

- v. School, Directorate and Institutes shall identify strategies for cost containment in their respective units and periodically report progress of implementation to higher organs of the University including PFC.
- vi. The Directorate of Planning and Development shall monitor cost of non-core services at the University with the view of outsourcing them when that leads to reduction of cost and or improvement of services.

3.7 Monitoring and Evaluation

Quality assurance is an indispensable component of successful implementation of resource mobilization and cost containment programs at the University. Indeed the quality of services and activities in the bureaus will determine the extent to which decision makers in public and private-sector as well as individual clients will continue to engage the University for income generating projects. Therefore all projects / activities under RMCC shall be subjected to monitoring and evaluation in order to assess progress and outcomes in line with their original objectives and expectations.

3.7.1 Policy statement

RMCC shall have the mandate and responsibility to monitor progress and evaluate outcomes of resource mobilization and cost containment activities across the University.

Procedures

- i. RMCC shall develop a five year strategic rolling plan in alignment with the University strategic rolling plan and include therein a component of monitoring and evaluation of all RMCC projects
- ii. RMCC shall maintain a University-wide check list of performance indicators and impact factors aimed at ensuring quantifiable inputs and outputs for resource mobilization activities.
- iii. Deans, Directors and Heads of Departments /units shall monitor implementation of projects in their respective bureaus and shall facilitate preparation and submission of reports accordingly.
- iv. Every School / Directorate / institute shall prepare and submit to the RMCC a progress report of their strategic plan every two years.
- v. RMCC shall prepare a biennial workshop to discuss the implementation of RMCC

strategic plan. This workshop shall be held few weeks before the University level workshop on strategic planning.

3.7.2 Policy statement

Policy statement

RMCC shall conduct a midterm evaluation of the strategic plan after two and half years using an evaluation team internal to MUHAS and a full term evaluation at the end of fifth year using external evaluators.

Procedures

- i. The DVC PFA in liaison with the RMCC manager shall appoint a team of evaluators for the two types of evaluation
- ii. Management Advisory Committee (MAC) shall prepare terms of reference for evaluation focusing on the originally expected impacts of the strategic plan to determine whether:
 - a. the strategic plan is achieving its objectives
 - b. the effects of strategic plan are contributing to a better fulfillment of the mission of RMCC and the University
 - c. adequate resources are being mobilized to implement the plan
 - d. available resources are being utilized efficiently to achieve the objectives of RMCC strategic plan
 - e. the process of strategic planning and implementation is encountering any serious problems and needs review
- iii. RMCC manager will ensure that those charged with implementation of the strategic plan will participate in evaluation exercises
- iv. RMCC manager ensure that outputs of monitoring and evaluation are discussed by all stakeholders from i.e. from departmental level to the University Council

3.8 Initiation and Implementation of RMCC Projects

RMCC and unit bureaus shall be the main source of exploring, identifying and implementing income generating activities or projects. However, RMCC shall not be allowed to conduct assignments. Instead RMCC should consider itself as a facilitating body and the bureaus at the Schools, Institutes, and Directorates as its business strategic units

primarily responsible for promoting their own capacities, engaging clients, preparing project proposals and managing the implementation of projects.

3.8.1 Policy statement

All income generating activities/ projects/ services contracted by the members of staff shall be registered and processed for approval by RMCC and unit bureaus which must also facilitate and ensure implementation according to agreements.

Procedures

- i. Once an income generating activity has been identified and approved by the unit bureau the following shall be done
 - a. A comprehensive proposal /business plan shall be developed by or in association with responsible unit bureaus.
 - b. The unit bureaus shall submit a draft proposal / business plan to RMCC office for facilitation of approval by management of the University.
 - c. Once an approval has been granted, the unit bureau shall be fully responsible for implementation and completion of the project to the expectation of the University.
 - d. The RMCC shall monitor the implementation to ensure bureaus abiding by the agreement and take necessary action when required.
- ii. Where an assignment is secured through the RMCC or other higher organs of the University, this shall be delegated to the bureau considered most appropriate in terms of expertise and facilities.
- iii. For multidisciplinary projects that involve two or more bureaus, RMCC shall appoint a lead bureau depending on where the requirements for assignments in terms of expertise are mostly inclined to. The lead bureau shall appoint a leader to coordinate the project

3.9 Collection and sharing of revenue

Collection of revenue shall be done in accordance with the University Financial Regulations – 2012. Uniform formula for sharing of revenue shall be used across the University and shall provide a fair percentage to: a) individual staff, b) University operational budget, c) RMCC., d) Schools / Directorates/ Institutes e) Unit bureaus/ Departments.

3.9.1 Policy statement

As required by the University Research Policy of 2011, research projects shall contribute at least 15% of the total research cost to the institutional overheads.

Procedure

- i. All funded research projects shall include a budget item of institutional overheads which shall at minimum be 15% of the total research cost leaving 85% to pay for research costs by the individual researchers
- ii. The institutional overheads shall be used to strengthen institutional systems related to research including but not limited to i) ethical clearance ii) procurements iii) space utilization iv) utilities v) expenditure reports and vi) ICT.
- iii. Institutional overheads for research projects shall be deducted directly from the funds remitted to the University and shall be shared in accordance to the following formula:

Table 3-1: Formula for sharing of revenue from research grants based on total project cost

s/no	Unit	Percentage share
1.	Department / unit bureau	2
2	Unit bureau	1
3.	School / Directorate / Institute	2
4.	RMCC	2
5.	University's operational budget	8
6	Individual researchers	85

3.9.2 Policy statement

The total institutional fee charged from consultancy jobs shall be at least 15% of the gross income leaving 85 to pay for consultant fees and direct costs.

Procedures

- i. The cost for institutional overheads shall be calculated in advance and shall be included in the total project cost that shall be submitted to the client.
- ii. Institutional overheads for consultancy assignments shall be deducted directly from the funds remitted to the University and shall be shared in accordance to the following formula:

Table 3-2: Formula for sharing of consultancy payments based on gross revenue

s/no	Unit	Percentage share
1.	Department / Unit Bureau	2
2	Unit bureau	1
3.	School / Directorate / Institute	2
4.	RMCC	2
5.	University's operational budget	8
6	Consultancy fee and direct costs	85

3.9.3 Policy statement

The total institutional fee for DCEPD courses and evening programs shall respectively be 15 and 30percent of the net revenue after deduction of direct costs. The remaining 85% of the net revenue from DCEPD courses and 30% of the net revenue from evening programs shall be paid to involved staff.

Procedures

- i. All DCEPD courses and evening programs will be costed fully and the participants shall pay fees to recover costs and a mark-up margin for sustainability
- ii. All direct costs for DCEPD courses and evening programs shall be deduced from the gross revenues to arrive at net rates which shall be shared between the University and the involved staff as follows:

Table 3-3: Formula for sharing of net revenue from DCEPD courses and evening programs

s/no	Unit	Percentage share	
		DCEPD Courses	Evening programs
1.	Department / Unit bureau	2	10
2	Unit bureaus	1	2
3.	School / Directorate / Institute	2	8
4.	DCEPD	3	0
5	RMCC	1	2
6.	University's operational budget	6	8
7.	Individual staff / Facilitators	85%	70

3.9.4 Policy statement

The minimum institutional fee for academic services such as teaching etc. in other universities shall be 15 percent of the net revenue after deduction of direct costs.

Procedures

- i. The University shall encourage staff to transmit to the RMCC their proposition and or invitation to perform professional engagements in other institutions
- ii. The University shall facilitate and oversee negotiation for contractual agreement between client (e.g. engaging Universities) and staff prior to signing of contract. This procedure will protect the staff and MUHAS from liabilities of such works and can provide better rates and terms than could be obtained by individuals alone.
- iii. Payments shall be made to the University in according the financial regulations of the University
- iv. All direct costs will be deduced from the gross revenues to arrive at net rates of which 15% shall be the institutional fee distributed as follows:

Table 3-4: Sharing of revenue from academic services e.g teaching in other universities

s/no	Unit	Percentage share
1.	Department	2
2	Unit bureau	1
3.	School / Directorate / Institute	2
4.	RMC	2
5.	University's operational budget	8
6.	Individual staff	85

3.9.5 Policy statement

The Sharing of revenue from intramural practices operating under the umbrella of the University such as clinical services, diagnostic laboratories, pharmaceutical shops, commercial laboratories etc., shall be based on the net profit after deduction of all operational direct costs.

Procedures

- i. The staff who provides services (outside normal duties) in an income generating facility shall be paid 40% of the revenue accrued from his / her services.
- ii. Management of the facility e.g. hospital, pharmacy laboratory etc. shall take account of operational / direct costs including salaries, utilities, tax, rent allowances, etc. and make reports quarterly or more frequently as may be decided by the governing authorities.
- iii. All direct costs will be deduced from the gross revenues to arrive at net rates of which 40% shall be institutional overheads leaving the remaining 60% to carter for development and sustainability of the facility.

Table 3-: Sharing of revenue from intramural private practices e.g. clinical services, pharmaceutical shops, private hospitals, commercial laboratories etc.

s/no	Unit	Percentage share
1.	Department / Unit bureau	14
2.	School / Directorate / Institute	10
4.	RMCC	8
5.	University's operational budget	8
6	Owner of the facility	60

4 Policy status

This policy is a revised version of the “Operational Policy and Procedures for Income Generation and Cost Containment” of 2004

5 Key stakeholders

The revised policy was developed in consultation with the following key stakeholders who also have direct responsibilities in its implementation and compliance monitoring:

- i. The Vice Chancellor
- ii. Deputy Vice Chancellor PFA
- iii. Deans and Directors
- iv. Community of the academic staff of the University
- v. University Grants Committee
- vi. Planning and Finance Committee

6 Related legislation

This policy is formulated in accordance with rule 36 (paragraph *d* and *e*) of the University Charter which states that: “the funds and other resources of the University shall consist of such sums as may accrue to University from investments, leases, licenses, consultancies etc. of the University; and such sums as may be in any manner become payable to or vested in the University under the provision of the act or as incidental to the carrying out of its function”.

7 Related documents

This policy is closely related to and supported by institutional and national deliberations explicated by the following documents:

- i. Millenium Development Goals: United Republic of Tanzania
www.indexmundi.com United Republic of Tanzania
- ii. National Strategy for Growth and Poverty Reduction (NSGPR)
[www.povertymonitoring](http://www.povertymonitoring.go.tz) .go.tz
- iii. Tanzania National Vision 2025.
www.theredddesk.org/countries/tanzania/.../national_vision_2025_tanza...
- iv. National Private Public Partnership (PPP) policy
www.pmo.go.tz/index.php?option=com_docman&task=doc
- v. MUHAS Five Year Rolling Strategic Plan 2009/2010 – 2013/2014
- vi. MUHAS Corporate Strategic Plan 2004-2013
- vii. MUHAS Research Policy guidelines 2011

8 Effective date of policy

This policy shall come into force immediately after the approval by the University Council

9 Next review date

This policy shall be reviewed every three years from the date of approval.

10 Policy owner

This policy belongs to the University Council. However, the Deputy Vice Chancellor (PFA) shall be responsible to oversee its implementation.

11 Contact persons

The contact person for issues related to this policy shall be:

The Vice Chancellor,

Muhimbili University of Health and Allied Sciences,

Administrative block,

United Nations Road, Dar es Salaam

