1) **Introduction:**

University Estimate is simply a statement of University needs in financial terms for a stated period. It is usually made for the consumption of University Sponsors principally the NUC and is intended to guide them make realistic financial allocation for the upkeep and growth of the University. Presently, three financial proposals (estimates) are prepared by the Universities namely:

- The Estimate of Capital Funds needs
- The Estimate of Recurrent Fund needs
- The Estimate of Teaching and Research Equipment Fund needs.

It is after these estimates have passed the scrutiny of the various authorities that the sponsoring Body, that is the NUC announces the level of Fund it is in a position to allocate to the University.

2) **Preparation of Estimates:**

A cost is the amount of financial resource expended in procuring a need, be it the need for an item or a service. The University estimate therefore is a statement of the total cost of all University needs in order to fulfil its role over a given period. For Convenience of administration collection, evaluation and collation, cost centres called Schools or Departments are designated and assigned definite rolls to play in the Overall scheme of things. They therefore provide convenient collection points that enable easy assemblage of related needs for funding consideration.

Thus each School or Department assembles its needs in men and material, places money values on them and submits all these, suitably classified, to the Bursar for collation and submission to the Estimates Committee of the University.
What goes up to the Estimate Committee comprises:

1) **The Capital Estimate** which is a statement of the needs of the University as a whole and the cost centres, in the area of infrastructure such as Buildings, Roads, Water, Power and heavy equipment. This statement is a function of growth plans for the University as approved by the NUC and because of the large sums involved, approval before financial commitments are entered into, is usually obtained.

11) **The Recurrent Expenditure Estimate**: Provision is made in this statement to cover the following categories of expenditure:

(a) **Personal Emoluments**

(i) The salaries, stipends and wages of all categories of staff/academic, Technical, administrative, secretarial and other support intermediate and junior staff).

(ii) Staff Fringe benefits - Car/Transport allowances Rent Subsidy and leave transport allowance.

(b) **Other Charges**

(i) The Running Cost of the various Cost Centres and should cover their needs for staff travelling, stationery and other supplies of consumable goods and materials, Library books, periodicals and Journals, Laboratory Materials and teaching aids, office furniture and equipments, cost of student industrial work experience and other services such as audit and legal fees.

(ii) University wide needs for Maintenance of Roads, Buildings, Vehicles and Staff Quarters, Supplier of Fuel and other goods and services.

(iii) **Student Services**

- Maintenance of Halls, supply of Students Foods and subvention to Student Unions etc.

- **Teaching and Research Fund needs**

  This group of items of cost was only recently excised for the Recurrent Expenditure Estimate in
order to give it the prominence it rightly deserves and is again a summation in financial terms of the needs of the various academic departments in this area. In Universities such as ours, specializing in Technology, growing interest is being shown in research especially those that can be easily applied to improve the quality of life of Nigerians.

(3) In the preparation of these estimates the overriding factor is the Student Number. It is this factor that generates University needs, which the Estimate or forecast represents. Thus, in general, Universities with larger number of students have more needs and thus require more money.

(4) **Advantages of the Use of Estimates**

(a) The preparation of the forecasts and estimates raise questions which encourage analytical thinking on the part of the personnel involved. This would be unlikely in the absence of the budgeting exercise.

(b) The exercise encourages the formulation of definite plans with specific objectives and almost invariably lead to better results.

(c) The Estimate represents a convenient summary of policy objectives and serves as a permanent record of targets for which all personnel must strive.

(d) If accounting statements comparing actual results with the Estimates can be made available promptly, an excellent means of control over the operations of the University is assured.

(5) The use of Estimates can at times be counter productive if in order to strictly adhere to its provisions staff sacrifice initiative that would produce better results or that would lead to greater cost saving - the well known
rush to exhaust votes at year ends.

(6) The University Budget
The announcement by the NUC of the level of fund it is prepared to make available to the University immediately changes the critical budget factor from student numbers to the fund available. The next step is to prepare a plan to live within the fund available. This plan is the budget and is a statement of the best use the fund available can be put to realize University objectives as fully as possible. It also serves as a yard stick against which actual performance can be measured. The traditional method of arriving at the budget is by applying across the board reduction of all projections in the estimate. However more recent developments in this area include Zero-based Budgeting techniques and critical path analyses technique.

(7) University Funding
This topic has attracted a lot of spirited discussion and comments among academics and their leaders for some time now. What clearly emerges in the dwindling grants to universities in the face of double digit inflation in the cost of all materials and services. The politicisation of University expansion that has resulted in the setting up of over twenty Federal Universities in the last twenty years is a major cause, since Federal revenue is not growing at that rate. The multiple chair system which has enabled hard working academics becomes professors so early in their lives. Elsewhere, promotions depend on vacannies. The free education stance of the politicians and the apathy on the part of Nigerian millionaires to endow Universities have helped fuel the financial problems of the Universities. The state of our public utilities that would
have ensured that University finance is used for teaching and Research instead of being used to provide Furnished Housing, water, electricity, transport and Student Feeding again constitute a major cause of the problem. Gentlemen, so long as Nigerians especially our University people retain their high tastes and unstable Culture, so long as we continue to buy instruments of Foreign Culture and Technology to sustain and expand the frontiers of Nigerian Culture and Technology, so long as Federal character and quota not merit or ability to achieve dominate University life, so long as University money is used to provide public Utilities, so long as the Private Sector and other Nigerian millioners do not supplement Government effort, so long as we allow politicians bidding for cheap popularly to deceive us with free life at all levels, so long will University Finance remain a function of dwindling grant and escalating cost.

8. Can Anything be done?

I say yes because most of the causes of pressure on University Finance as discussed above are results of hasty and ill advised decisions taken at a time oil money made its tremendous debut to our economy. Now that things have changed, we will be well advised to reverse our Course. The Private Sector which has all the money should be forced even through legislation to assist.

The Bar Association should be made to contribute to University Funding by giving all legal Services to the Universities free and to supplement the pay of Lawyers in the University service. The Institute of Chartered Accountants should see to the Annual Audit of Universities free as well as supplement the pay of Members employed in the Universities. The Medical Association should run the Health Centres of the Universities and supplement the pay of Members in University Service.
The Insurance Industry should underwrite University risks free as its contribution to the system. The Motor Vehicle Industries should be made to make definite donations of their products to the University System every year. The Banking Industry should be made to handle University Banking free of charge. The Nigerian Institute of Architects, QSs and the COREN should be made to underwrite the cost of Services provided by their members to the University System.

Finally, the imposition of a University Tax of ₦5 per taxable Nigerian Adult p.a. is not a bad investment in the production of the right leadership this country needs and which leadership the present Universities, badly starved of Funds and yet required to provide everything free, are incapable of producing.

The Universities themselves may have to do some rethinking - a lot of what is called Research are far from good practical Research that can improve our lives. The size of University grounds and structures seem to be a measure of the size and greatness of our Universities. Less land, less road network, less Office space and less non-tutorial staff can effectively sustain our present level of University growth.

To conclude, I assert that the problems of University finance is a corollary of the malaise in our society. People are getting very highly paid for very useless work output. The present level at which Universities are financed would be more than adequate if municipal Services such as staff Housings, water, electricity,
transport and Students Housing and feeding go over to where they belong. If we also realize that the alternative to sustained University expansion is to send our sons abroad, then the sacrifice called for by the system now is worth making by all Nigerians.

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