

UGANDA CHRISTIAN UNIVERSITY

Mukono, Uganda

INFRASTRUCTURE INITIATIVE

Business Plan

26 November 2002

EXECUTIVE SUMMARY

As Uganda Christian University achieves its goal of receiving a charter from the Republic of Uganda, the Infrastructure Initiative will confirm its status as “A Centre of Excellence in the Heart of Africa.” The Infrastructure Initiative is one part of a larger Strategic Plan which includes a Technology Initiative, a Regional College Initiative and a Leadership Initiative.

The growth of Uganda Christian University is in response to a high demand in Uganda for higher education services, caused in part by the advent of universal primary education and by the rising needs and expectations of Ugandans to enter the knowledge economy. The increase in student numbers at Mukono has been steadily upward, and the University is trying to meet the pressures this causes on the infrastructure.

Among the greatest needs is for student housing. The University wishes to house a majority of its students on campus for their safety and welfare and to create a wholesome spiritual community. In addition, by charging board fees, accommodation will eventually become self-financing.

The Infrastructure Initiative at Uganda Christian University is a plan to make a “great leap forward” in the facilities for its staff and students. The Infrastructure Initiative will provide the hardware for the other parts of the Strategic Plan. It includes some projects that have already been funded and some currently under construction. Other projects will be completed in the coming year 2003.

The Infrastructure Initiative is to be funded by means of a loan and donor contributions. The loan sought for comes through the Apex Private Venture Loan Scheme, made available by the European Union through the Bank of Uganda and the East African Development Bank. The loan will be made in Uganda shillings at a rate of 10% for a 10 year period and secured by the property of the University as guaranteed through the Registered Trustees of the Church of Uganda.

The total amount of the Infrastructure Initiative is **\$3.35m**, of which **\$2m** will be secured by an Apex Loan to be repaid on a Uganda shilling basis, and **\$1.35m** through donor contributions (of which **\$410,000** is already in hand). Thus the donor portion of the Initiative totals **40%** of the entire project.

By ensuring that the bulk of the loan goes into the construction of Halls of Residence, which will be financed by student boarding fees, the plan minimizes risk. The balance of funding for other parts of the Initiative will require donor contributions. Some of these contributions have already been made and are complete, e.g., the construction of a Multi-Purpose Lecture Hall. Other parts of the Plan are partially funded, and yet others require further funding. The University hopes that the entire plan can be funded by October 2003 and that most of the facilities can be built or renovated by that time.

BACKGROUND

[A.1(a)]¹ Uganda Christian University (UCU) was founded in 1997 on the site of the former Bishop Tucker Theological College at Mukono. The University received a provisional licence from the Government in 1997 and has submitted its application for the grant of a Charter to the National Council for Higher Education. A charter grant is expected within the next six months, when the National Council for Higher Education Secretariat is fully organised.

Uganda Christian University is a “private, non-profit-making educational institution established by the Church of Uganda to provide Christian-based higher education, training and research for the expansion of God’s Kingdom and the betterment of society” (University Charter, sec. 4 (2)).

The proprietors of the University are the Registered Trustees of the Church of Uganda. Upon Charter approval the University will become

a body corporate with perpetual succession and a common seal and shall, in its corporate name, be capable of: (a) taking, purchasing or otherwise acquiring, holding, charging and disposing of movable and immovable property; (b) borrowing or lending money; (c) suing and being sued; (d) entering into contracts with Government, other institutions and individuals; (e) receiving bequests and gifts which shall be used for the purposes stated by the persons making such bequests and gifts; (f) doing all such other things as are incidental to the attainment of all the objectives and functions of the University. (sec. 4(3))

Presently the University offers eight degree and five diploma programmes and intends to add a Technology Faculty in the Academic Year 2003-2004. UCU has been recognized as one of the emerging private universities in Uganda and has adopted the motto “A Centre of Excellence in the Heart of Africa.”

The University receives financial support from donors around the world, such as the Archbishop of Canterbury (UK), Church Mission Society (UK), Uganda Church Society (UK), EMW (Germany), Hilfe für Brüder (Germany), the Episcopal Church (USA), and including many individual churches and individuals.

In particular, Uganda Christian University Partners is a legal charitable society (501(c)(3) in the USA whose sole purpose is to “support and inform Christians of the work and mission of the Uganda Christian University in Mukono, Uganda” (By-Laws, sec. II,2). This society has a Board of Trustees, an Executive Director, assets of \$166,000 in 2001, and an adopted budget of \$1,543,700 for 2003.

THE MANAGEMENT TEAM

[A.1(b)] The University has employed a number of consultants over the past year in the developing of its infrastructure. These include:

Mr. Hillary Obonyo, Chairman, Planning Board
Mr. Peter Nyombi, University Counsellor

¹ The notations in bold brackets refer to the Checklist sent by the East African Development Bank to the University on 11 November 2002.

Mungereza and Kariisa, Financial Management Consultants
Prof. Steven Riley, Water and Sewage Consultant
UTL, Telephone and Internet Providers
FBW Ltd., Architects
Cementers Ltd., Construction Company for Multi-Purpose Lecture Hall)
Mrs. Diane Stanton, Executive Director, Uganda Christian University Partners

[A.2(a)] The University has the advantage of having many talented people on its academic staff, including its executive leadership: the Vice Chancellor, the Deputy Vice Chancellor Academic and the Deputy Vice Chancellor Finance and Administration and a bishop serving as Deputy Vice Chancellor at large. This team has been working together for two years and has seen many advances in institutional life.

The Vice Chancellor is an American national who, in his first two years, has found significant donor support for scholarships (about 200 bursaries), for the library (16,000 new textbooks), for ICT (50+ networked computers), and for capital projects (see below). He has founded Uganda Christian University Partners, a charitable society in the USA with its own Executive Director and Board of Trustees, which is committed to raising \$1,000,000 or more per year for the University.

During the past year, the Management Team has worked successfully with a local architectural firm (FBW Ltd.) and a contractor (Cementers, Ltd.) to complete the Multi-Purpose Lecture Hall, a lovely structure and high-quality piece of workmanship so as to complete it exactly on schedule. The Team intends to work with some of the leaders in the business and professional community on this project.

The University has experienced normal growing pains in the steep rise in its budget to Ush 2.6bn in 2002-03. In order to better order its financial affairs, it hired and is now implementing a Financial Plan suggested by a firm of financial management consultants.

[A.2(b)] The University prepares annual audited accounts and is submitting these accounts for the past five years.

THE PRODUCT: INFRASTRUCTURE FOR THE FUTURE

[A.2(c)] In November 2002, the University Council approved a revised Master Site Plan for the 67-acre campus. This plan involves erection of Halls of Residence and a Dining Hall in the lightly occupied portion of the tract and renovation of the older facilities for academic purposes. In May 2002, the University embarked on the construction of the Multi-Purpose Lecture Hall, where lectures, community worship and social events take place. The Hall was opened in October 2002.

The University, working with several international partners, has secured and applied for several grants and signed agreements to provide a new water system, waste water system, telephone and Information Technology facilities. Several of these projects are under way and others shall soon begin.

It is in this context, that Uganda Christian University is proposing an *Infrastructure Initiative* as part of its Strategic Plan. As His Excellency the President has often emphasised, a country cannot progress without security, and without basic facilities like roads, water, sewerage, and healthy accommodations. Similarly, the University will be only as good as its infrastructure.

The product aimed at in this plan is a university campus which has all the basic amenities of a good community: smooth roads, flowing and drinkable water, sanitary sewage disposal, safe, healthy and attractive living and dining spaces for students; clean, efficient and useful offices for the academic staff; and spacious, technology-friendly lecture halls.

The Infrastructure Initiative will seek to produce such a campus holistically by funding the different aspects of a total environment.

The Plan calls for both loan and grant income. The particular loan sought is called Apex Private Venture Loan Scheme, the aim of which is “to offer long-term credit for the establishment and financing of small and medium-sized private sector investor investments in productive activities which help to increase Ugandan’s foreign exchange earnings or develop competitive enterprises serving the domestic market.” The University was advised to consider this scheme by the Governor of the Bank of Uganda, who has served as a University Council member for five years.

F.(b) The Apex scheme is funded by loans from the European Union which are channelled through the Bank of Uganda to another lender and then to the recipient. The loan can be taken out in US Dollars/Euros or Uganda shillings, but it is strongly advised to take a slightly higher rate in shillings to protect against the devaluation of the shilling over time. The computations in this Plan are based on a 10 year loan at 10% in shillings with a current exchange rate of 1800 Ush per US Dollar and of 1 US Dollar per Euro.

It is assumed that the new and renovated facilities can be put in place by the beginning of the next Academic Year (by September 2003). To do all this will require a loan of **\$2m** and an additional **\$1.35m** in donor funds, with a total project goal of **\$3.35m**.

THE MARKET

[B.1] As an educational institution in Uganda, the University does not charge VAT. However, under the current VAT it pays tax on materials and labour, and VAT is included in the proposed budget.

[B.2] The University’s current and future growth is part of a larger trend of educational expansion in Uganda, which begins at the primary level (UPE) and now is extending to the secondary and tertiary levels.

The Ministry of Education and Sports has drafted an Issues Paper, titled “Higher Education for Economic Development in Uganda, 2002-2012,” which states the current situation of higher education clearly and cogently:

The entrance of market forces into higher education is a result of the triumph of the market after the fall of command economies in 1988-91. The state’s role in providing services, including higher education, has been reduced, the private sector’s increased, and higher education itself has become increasingly commodified: students are regarded as consumers and institutions as suppliers, and thousands of new providers have come into the business of selling the commodity. As a result, traditional institutions are now facing competition in areas that were previously thought to be their exclusive preserve, and the state or philanthropic organisations no longer have, through their control of these institutions, a monopoly of higher education provision.

Manifestations of market forces include not only the mushrooming private universities that are modelled on the traditional ones, but also virtual universities, corporate universities, for-profit subsidiaries of established universities, and evening and extra classes. The position taken in this paper is that Ugandan officials should come to terms with these market forces, demarcate lines of operation and co-operation for public and private institutions, and use legal regulatory frameworks to protect quality. (p. viii)

The White Paper goes on to spell out the demographics of the ever-increasing demand for higher education: “In 2001/2002, the higher education system will be asked to admit 60,000 students, in 2005, 120,000, and when UPE beneficiaries arrive for higher education in 2008, 180,000” (p. ix). The demand already greatly outstrips the supply, and projected into the future, the gap will be overwhelming. Universities will have to go in one of two directions: enroll massive numbers or seek a smaller cadre of the highest quality students.

Uganda Christian University is attempting to blend both these approaches. It plans to accommodate about 3000-3500 students at its main campus at Mukono by the year 2012. In addition, it plans to develop Constituent Colleges in the northern, eastern and western regions of the country. Finally, it plans to innovate distance learning and recess programmes to attract additional candidates.

At the same time, it feels no compulsion to grow for growth’s sake. Jesus chose a mere twelve disciples to change the world, and Uganda Christian University will seek to attract leaders from the different areas of society. To do this, it can build on its favourable location and its reputation as a place for people of integrity.

Uganda Christian University Mukono has grown every year in numbers as noted below:

Academic Year	Total Enrolled	Men	Women	Graduates
1996-1997	120	99	21	
1997-1998	250	176	74	
1998-1999	480	298	182	
1999-2000	650	394	256	150 [325*]
2000-2001	900	515	385	175
2001-2002	1450	756	694	285
2002-2003	1800	936	864	400

*Includes theology students from 1998-2000

It is therefore reasonable to assume that the University may expect continued growth in student numbers in the years ahead. The following table covers the next five years of anticipated growth.

Academic Year	Total Enrolled	Men	Women	Graduates
2003-2004	2000	1025	975	500
2004-2005	2200	1125	1075	600
2005-2006	2400	1225	1175	700
2006-2007	2600	1325	1275	800
2007-2008	2800	1425	1375	900

One of the great problems UCU has faced, along with other universities in Uganda, is providing capital infrastructure to keep up with student numbers. Student fees may cover recurrent expenditures, but other means are necessary to fund capital development. The Vice Chancellor has strengthened traditional Anglican ties with the Church in the UK and Australia and has also built a strong relationship with the USA through a charitable society he founded called Uganda Christian University Partners. Like most donors, however, UCU's supporters want to feel that they are "partners." Hence it is important for the University and its Ugandan supporters to find ways to contribute to the growth of the University.

In conclusion, there is a strong market for higher educational services among the thousands of students and their parents who see university education as a way forward. There is also a market among international donors, who have caught the vision of training a new generation of leaders in one of the most progressive nations in Africa.

THE NATURE OF THE ENTERPRISE

University education is not a business in the normal sense of the word. The goal is altruistic: to form strong leaders for civil society and the Church. While the University operates on a non-profit basis, it is a capital-intensive enterprise, providing high-quality services to its students in the form of well-furnished Halls of Residence, library facilities, communications and Internet services, classrooms and laboratories. Its academic staff is highly qualified with Master's and Ph.D degrees. Some prominent leaders in the country sit on its University Council.

The University is competing for a market share of the students graduating from secondary schools and looking for higher education. In the current Academic Year, it established an Honours College to attract some of the nation's top young scholars. In 2003, it is preparing to open a Faculty of Technology to serve the growing needs of the country. It is seeking not just the cast-offs of the public universities but is offering a competitive menu of programmes on a smaller, more personal scale and in a strong spiritual and moral atmosphere.

OBJECTIVES AND GOALS

The short-term goal of the Infrastructure Initiative is to build new Residence and Dining Hall facilities for 1200 students, to provide modern water, sewerage and road facilities, and to renew the academic area with a new Lecture Hall and with academic offices and classrooms.

In the long term, this Initiative is only one part of a complete 10-year and 20-year plan to boost student accommodations to 2000-2500, to add a top-notch Technology Faculty, and to build up the regional colleges of the University.

OWNERSHIP OF THE LAND TITLE

[C.1(a)] The University is located on 67 acres of freehold land registered in the name of the Native Anglican Church (Church of Uganda). The land has been recently surveyed, and a Site Plan and Land Title are attached.

[C.1(b)/F.(f)] The proprietors, the Registered Trustees of the Church of Uganda, have agreed to lease the property rent-free to the University for 99 years upon chartering, when the University will become a "body corporate" with rights of ownership. Until that time, the Trustees have agreed to grant Power of Attorney to the Vice Chancellor and University

Council Chairperson to make liens on the property to secure the proposed loan (see attached letter and minute of the Trustees).

The University has been particularly blessed in the accessibility, beauty and functionality of its property. The campus is within 25km (30 minutes) of downtown Kampala and thus is accessible for “commuter” students and lecturers. Yet its setting in Mukono is safe and healthful (there have been no serious incidents of crime in the past five years). Mukono itself is fast evolving its infrastructure. A new tarmac road is being completed outside the University property, and municipal water is expected in 2003, with central sewage to follow after that. The University’s proximity to Mukono has allowed it to acquire a direct hook-up to the Internet. The University authorities are working cooperatively with town planners in all its projects.

The proprietors have also promised an additional tract of land at “Ntawo,” a 675-acre site about 1.5km from the main campus. In a separate initiative, the University is consulting with Mukono authorities about future development of this site for educational and income-generating purposes.

COMPONENTS OF THE INFRASTRUCTURE INITIATIVE

[C.2] The following are the major components of the plan.

Water System

A grant of \$100,000 has already been obtained from the Episcopal Relief and Development Fund (USA) to build a safe-water purification system. The water system will draw from municipal water, while using its older supply as a backup. The construction is being directed by Prof. Steven Riley of the University of Western Sydney and should be completed by September 2003.

Prof. Riley has also worked with University management to seek grants to install a central waste water system. While it is hoped that the entire system can be installed as part of this Plan, construction of a single Reactor will be a first priority and will hook up with the new Halls.

Phone and Internet Connections

UCU has entered into a special relationship with Uganda Telecom, Ltd., the privatized telephone company and Internet provider. Under this arrangement, the University has set up a high-speed Internet connection that is available to students in the Library and is now being extended to staff via a Local Area Network. In addition, UTL has provided a new phone exchange with five incoming lines and great capacity for future extension.

The University now has computers in all staff offices and more than 50 computer work stations available to students in two computer laboratories. In addition, it has been licenced to offer the International Computing Driving Licence, a widely recognised credential which is now offered to students and staff. Student computing services are being paid for by a Computing Fee charged to every student at registration.

Road Grid and Athletic Fields

A new road grid, which follows the Master Site Plan and includes a new campus entrance was surveyed in October 2002. A new soccer pitch is also planned in the residential area of

the campus. It will be desirable to double-use earth moving equipment at the time of the building of the Halls and the Waste Water Reactor to construct at least some of the main roads and the soccer pitch.

Halls of Residence

The University will construct two Halls of Residence, one for men and another for women, accommodating up to 600 students each. These Halls will be attractive and economical semi-private rooms, with 4 students per unit, with pleasant bath and toilet facilities, and with lounges and study-classrooms on the ground floor of each unit.

Dining Hall

The Dining Hall will be a simple yet attractive pavilion with a central kitchen and housing 500 per seating under the main roof, and with outdoor space for additional canopied seating. The Hall will have inner partitions to seat smaller groups, including an executive suite.

Multi-Purpose Lecture Hall

The Multi-Purpose Lecture Hall is a new structure that can accommodate 500 students for large lectures, for community worship and for social events, such as music productions, video shows and weekend socials. Opened in October 2002, the Hall is already in constant use.

Renovating the Quad for Academic Uses

After the Halls of Residence are completed, students will no longer reside in Walker, Pilkington and Mackay Halls (presently accommodating 125 residents). These halls, which border the old campus or "Quad" will be renovated and turned into offices for the Faculty of Education, Arts and Sciences, the Faculty of Business and Management, and the Faculty of Law. Renovation will include making a staff lounge in Walker Hall, tearing down walls in some areas, and adding phone and Internet services. Toilet facilities will also be redesigned. The old Dining Hall will be renovated as a large classroom for about 200 students. Precise plans for the renovation are still in process.

Communications Centre

The former "Radio Centre" of the Church of Uganda, which forms the extreme boundary of the campus on the Quad will be renovated for the Department of Mass Communications and will include a radio station and a small repertory theatre. Once again, precise plans are in process of completion.

Staff Housing

The plan will provide 5 additional staff houses on campus, both for resident teaching staff and also for visiting lecturers.

EXPENSING THE PLAN

E.(a) The primary use of the Apex Loan will be to construct the Halls of Residence and the Dining Hall. The Residence and Dining Halls are the only part of the Plan that must go up exactly on schedule in order to begin generating income. Donor funds will constitute **40%** of the whole project, but the Plan leaves room for possible delay in raising and receiving donor funds, whereas the Apex Loan funds will be immediately used as it is received in five installments over ten months as the buildings are constructed.

The Halls of Residence and Dining Hall

The cost of each Hall will be **\$800,000** thus totalling **\$1.6m**. The cost of the Dining Hall will be **\$300,000**. The cost of furnishing the Halls of Residence with beds and chairs and lounge furniture will be **\$100,000**. Hence the entire cost of the new halls totals **\$2m**, which is the amount of the Apex Loan. The Halls will be built by a professional contractor. The designs and estimates for these buildings are attached as Design Report 2 by FBW Ltd. architects.

Repayment Plan for Apex Loan

The following calculations demonstrate that the University can make adequate monthly payments on the Apex Loan from the income from student boarding fees.

Expected Balance

Each Hall of Residence will have 150 bedrooms that can be fitted out with 4 beds each (two double-deckers). The rooms are designed to provide semi-privacy for 4 students. The University will charge these initial annual board rates to students:

4 per room @ Ush 550,000 per student per year (+Ush 200,000 for food)*
**This is the current Board fee.*

The resulting totals for the first year's income are summarized below. The mortgage expense is estimated at 10% for 10 years, with a 1% surcharge from the lending institution.

Income	4 Students per room
Regular semesters	\$330,000
Recess semester	\$170,000
*Loss from existing halls	(\$35,000)
Total	\$465,000
Expense	
Apex Loan (+ 1%)	\$293,000
Balance	\$172,000

*If the University vacates Walker, Pilkington and Mackay Halls at end of Academic Year 2002-2003, it will lose about 125 student boarding fees, totalling Ush 62.5m (\$35,000).

The expected balance on the Halls of Residence, as computed above, should result in a positive balance in the range of **\$172,000**. This positive balance can serve as a reserve against unexpected or general expenses or can be used to pay off the loan early. If the board fees rise at 2% per year for the ten years, the positive balance will increase each year by approximately \$100,000. Clearly the University will be able to meet the mortgage payments on the Halls of Residence and Dining Hall by charging current fees or small increases in fees.

Maintenance and Utility Costs

The new buildings will undoubtedly lead to depreciation, increased utility costs and extra maintenance staff. However, the growth in housing capacity will allow the University to admit at least 300-600 additional students to its programmes. Their tuition and fee income should offset these additional costs. And after the loan is paid off, the entire fee income will be available for use.

EXPENSING THE OTHER PARTS OF THE PLAN

As noted above, it should be possible to erect the Halls of Residence Apex Loan money, whether or not donor funds arrive on time. However, this is not the expected scenario. With

successful and timely donor fundraising, the University can distribute funds for the whole Infrastructure Initiative as outlined below.

Road Grid and Athletic Fields

The road grid and athletic fields will be built optimally along with the other work in the same area (Waste Water Reactor and Residence and Dining Halls).

Water and Sewerage System

The University has \$100,000 in hand for the purpose of building a water purification system. The purification plant will be constructed in 2003. An additional \$50,000 is needed for a complete piping system for water to various buildings on campus.

Secondly, the University has applied for a grant of \$70,000 for a waste water reactor to be located in the lower corner of the campus. In addition, it is intending to ask for an additional \$150,000 for a second reactor and the piping for the entire campus network.

As with other elements of this Initiative, there are economies to be achieved by installing the road grid along with the water and waste water networks simultaneously and by one contractor.

Computer and Internet Services

The Computer and Internet services have been largely paid for already either by small grants and gifts in kind (e.g., used computers), and by the student Computing Fee. An additional \$15,000 in funding is promised in the Uganda Christian University Partners budget (which is not counted in this plan).

The Academic Quad

The Academic Quad includes one new structure and a number of renovated structures:

Multi-Purpose Lecture Hall

This building is already completed and will require no further funding. This has been funded by the Uganda Christian University Partners organization and completed on schedule.

Faculty Office/Classroom Renovation

The faculty offices and large classroom will make use of existing dormitory facilities of Walker, Pilkington and Mackay halls, and the old Dining Hall. Funding for this will be financed from the Apex Loan. This project will be financed out of Uganda Christian University Partners funds.

Communications Building

The Communications Building (the former Provincial Radio Centre) will be renovated to include classrooms, faculty offices and recording studios. It will be equipped with a radio transmitter and mast in order to establish a UCU Radio station. A small repertory theatre will be added on to the complex, which can be used for dramatic productions, musical numbers and for recordings. Funding for this will be provided by two separate grants: one for the radio facilities and one for the repertory theatre.

Staff Housing

The plan includes construction of five houses, two of which will have apartments for two families. The funding will come from donor contributions, of which \$30,000 is in hand. The university will receive a return benefit by means of a housing allowance or rental fee. Funding for this project will come from the Uganda Christian University Partners.

VAT Payments

VAT payments are included in one item totaling \$350,000 for the whole project. Although the VAT rate is 17%, not all parts of the project will be subject to VAT. Funding for VAT will also come from Uganda Christian University Partners.

FINANCIAL SUMMARY

The following is an itemized list of needs and sources of funding according to the plan detailed above.

Apex Loan (60%)

Halls of Residence	\$1,600,000
Dining Hall	300,000
Furnishings	100,000

TOTAL **\$2,000,000**

Donor Funds (40%)

<i>Agency</i>	<i>Funds Needed</i>	<i>In hand</i>
UCU Partners	\$830,000	\$280,000
Multi-Purpose Lecture Hall	180,000	180,000
Road Grid/Athletic Fields	100,000	
Office/Classroom Renovation	50,000	
VAT on Infrastructure Initiative	350,000	100,000
Staff Houses	150,000	30,000
Sewerage Donors	220,000	0
Initial Grant	70,000	0
Completion Grant	150,000	0
Water Donors	150,000	\$100,000
Initial Grant	100,000	\$100,000
Completion Grant	50,000	0
Communications Building	150,000	0
Radio Facility	70,000	
Repertory Theatre	80,000	
TOTAL	\$1,350,000	

GRAND TOTAL **\$3,350,000**

(Apex Loan + Donor Funds)

Cash Flow Phase-In for Apex Loan

F.(a) The following chart proposes a timetable in which the Apex loan is received, and the contractor paid, in five installments (1 January, 1 April, 1 July, 1 September, 1 November 2003) totalling **\$2m** to cover the entire building of the Residence and Dining Halls. In each case, sufficient capital is retained to pay the interest payments accruing. The final balance shows that by the time the loan and halls are complete, the University will have a positive cash balance. Any of these balances can be used for incidental expenses or over-runs.

Date	Inflow	Activity	Outflow	Interest	Balance
1 Jan-31 Mar (2003)	\$500,000 (Loan)	Begin Halls Build Furniture	\$400,000 (Contractor) \$50,000 (UCU Carpentry)	\$13,000	\$37,000
1 Apr-30 Jun	\$350,000 (Loan)	Continue Halls	\$350,000 (Contractor)	\$26,000	\$61,000
1 July-31 Aug	\$350,000 (Loan)	Continue Halls	\$350,000 (Contractor)	\$35,000	\$76,000
1 Sep-31 Oct	\$350,000 (Loan)	Complete Halls	\$350,000 (Contractor)	\$44,000	\$82,000
1 Nov-31 Dec	\$350,000 (Loan) \$150,000 (Fees)	Final Payment	\$500,000 (Contractor)	\$53,000	\$132,000
1 Jan-28 Feb (2004)	0		Total: \$2m	\$53,000	\$79,000

Cash Flow Phase-In for Donor Projects

F.(a) The following chart proposes a timetable in which donor funds are received and expended, totalling **\$1.35m** to cover the VAT payment on the Residence and Dining Halls and the additional items in the site development, water and waste systems and building renovations. These items are dependent on donations, some of which are in hand, some of which are pledged and some of which are yet to be raised.

Item Date	Inflow	Activity	Outflow
1 Oct 2002	\$180,000	Multi-Purpose Lecture Hall	\$180,000 (Contractor)
1 Jan-31 Mar 2003	\$100,000 (UCUP)	Road Grid/Athletic Fields	\$350,000 (Contractor)
1 Mar-31 Aug	\$150,000 (UCUP)	Staff Houses	\$150,000 (On-site builder)
1 Apr –31 July	\$100,000 (ERD Grant)	Build water treatment plant	\$100,000 (Engineer/on-site builder)
1 Apr-31 July	\$70,000 (Methodist Church USA)	Build sewage plant	\$70,000 (Engineer/ on-site builder)
1 July-30 Sep	\$70,000 (UTO grant)	Radio facility renovation	\$70,000 (on-site builder)
1 July-30 Sep	\$50,000 (UCUP)	Office/classroom renovation	\$50,000 (on-site builder)
1 Oct –31 Dec	\$80,000 (UK donors)	Repertory theatre	\$80,000 (New contractor)
1 Nov –31 Dec	\$350,000 (UCUP)	VAT payment	\$350,000 (Contractor)
1 Jan-28 Feb 2004	\$50,000 (USA donors) \$150,000 (Aus. Donors)	Lay pipes for water and sewage system	\$200,000 (Engineer/on-site builder)

Notes on donors

Uganda Christian University Partners – This USA support society has targeted \$680,000 for the Infrastructure Initiative.

Episcopal Relief and Development Fund (ERD) – This grant has come from the Episcopal Church USA in installments in 2000, 2001 and 2002.

Methodist Church USA – The University has submitted a grant request for \$70,000 to a Methodist Church in Montgomery, Alabama.

United Thank Offering (UTO) – The University is submitting a grant proposal for \$70,000 to renovate the Communications Building and construct a campus radio station.

UK Donors – The Vice Chancellor is soliciting memorial gifts from the UK in memory of Bishop John Taylor, a former Principal of Bishop Tucker Theological College.

USA Donors – The University intends to submit a request for a completion grant with a relevant USA water-aid donor, e.g., Water Missions International, of Charleston, South Carolina.

Australian Donors – The University is submitting a request for a completion grant of \$150,000 on the sewage system to the Archbishop of Sydney's Overseas Development Fund, which is matched out of AusAid.