



MAKERERE UNIVERSITY

# MAKERERE UNIVERSITY ENDOWMENT FUND



# STRATEGIC PLAN 2021/22 – 2025/26

---

JANUARY 2023

# Contents

EXECUTIVE SUMMARY.....	1
1. BACKGROUND .....	3
2. STRATEGIC PLAN DEVELOPMENT PROCESS AND METHODOLOGY.....	3
2.1. Technical Approach .....	3
2.2. Methodology.....	4
3. SITUATIONAL ANALYSIS.....	5
3.1. Introduction .....	5
3.2. The Social Context .....	5
3.3. Policy and Legal Frameworks.....	6
3.4. Economic Context .....	6
3.5. Financial and Investment Context .....	7
3.6. The Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis. ...	9
3.7. Themes and Emerging Issues .....	11
4. STRATEGIC DIRECTION .....	12
4.1. Vision, Mission and Values .....	12
4.2. Strategic Objectives .....	13
4.3. Strategic Enablers .....	13
4.4. Strategic Interventions .....	13
5. IMPLEMENTATION OF THE PLAN .....	16
5.1. Human Resources, Governance and Administrative Structure.....	16
5.2. Digital Transition .....	16

5.3. Financial and Physical Resources ..... 16

5.4. Risks and Key Success Factors..... 17

5.5. Monitoring and Evaluation Framework..... 17

5.6. Strategic Plan Results and Targets ..... 18

ANNEX 1: METHODOLOGY ..... 22

## Chairperson Foreword

# FOREWORD

Dear Friend,

During the induction of the 2<sup>nd</sup> Board of Trustees that I chair, the need for a strategic document to set forth the key interventions and deliverables for the Fund for the next five years was underscored. It is my singular honour to present to you the 2021/22 – 25/26 Strategic Plan for the Makerere University Endowment Fund. This plan is a culmination of a structured process that involved wide-ranging consultations with the University Council, Management, Colleges, affiliated institutions to Makerere and staff from various units.

The Plan underlines the efforts and indeed builds on the performance registered by the Dr Martin Alier first Board of Trustees that established the necessary infrastructure and institutional arrangements for the Fund. With an estimated UGX: 9 billion in Fund value, the Board has committed through this SP to grow the asset portfolio to UGX: 20 billion by end of the plan period in 2026. To realise this, I implore you to look at the SP interventions many of which are novel but critical to building a synergetic relationship between the University and its alumni/friends across the globe. In addition, the Board of Trustees pledges to explore and execute several projects that address current needs at the University while guaranteeing a return on investment with a specific focus on projects that enhance the student experiences.



I wish to acknowledge the facilitative role of Mr Ambrose M. Kibuuka and the technical support from Mr Emmanuel Kitamirike, the Fund Administrator towards the process to come up with the first SP for the Fund. The Board is equally indebted to the University Council, Management, College Principals and staff for their invaluable contributions throughout the entire consultative process. The Board recommits to working closely with you all to ensure the realisation of the set targets.

On behalf of the Board of Trustees, I reaffirm our collective commitment to walk along with the Secretariat in the execution of the strategic plan. We will put in place a policy architecture conducive to the aspirations outlined in this plan.

Sincerely,

Dr Margaret J. Kigozi

**CHAIRPERSON**

# EXECUTIVE SUMMARY

Makerere University Endowment Fund (MAKEF) was formally established by the University Council in 2014 with three specific objectives, namely; (a) to receive and or mobilize funds for the benefit of the University; (b) to invest the funds held by MAKEF in such a manner as may from time to time be determined by the Board of Trustees in line with the Investment Policy; and (c) to fund scholarships, research, infrastructure, teaching and learning materials, staff remuneration and activities that are aimed at attaining the objectives for which the University was established.

Currently, MAKEF is administered by a 7-member Board of Trustees and a full time secretariat headed by a Fund Administrator. Through this strategic plan, the Board of Trustees seeks to consolidate MAKEF's institutional capacity to popularise and grow the fund. The ultimate outcome of the plan is to have the fund grow from the current UGX. 9 billion held in perpetuity to UGX. 20 billion and generating at least 300 million as return on investment per annum by the end of 2026. This will be achieved through the pursuit of two strategic objectives.

Strategic Objective 1 focuses on building the necessary infrastructure for MAKEF to reach out to the alumni and mobilise them to participate in and contribute to their Alma Mater. The second objective is structured to help MAKEF leverage the University name, brand and ecosystem to mobilize funds,

gifts and other resources. Once effectively implemented, the combination of these two objectives will raise at least UGX: 500 million for MAKEF per year. A total of 800 million shall therefore be raised as a return on investment as well as from the various proposed interventions

Objective 1 and 2 have broadly four interventions including (i) monthly and annual giving campaigns targeting individuals and families; (ii) the annual Mak Run marathon; (iii) Annual alumni home-coming dinners and award events organised on basis of Colleges, Schools, Halls of Residence and generational cohorts; and (iv) Public fundraising campaigns on specific thematic causes. The other pragmatic resource mobilization outcomes attached to these two strategic objectives include at least 15 vibrant alumni chapters established and institutionally linked to Makerere University; at least 15 Ambassadors/Champions appointed to promote the Endowment Fund worldwide; and final year students formally initiated into the alumni fraternity and inspired to donate to MAKEF's various causes.

To support the realisation of the two strategic plan objectives, two enablers have been proposed. The enablers will strengthen MAKEF's policy and organizational capacity to efficiently and effectively deliver on its mandate. As part of the institutional strengthening, MAKEF will establish a symbiotic relationship with the Office of the Vice Chancellor and more specifically, the

Makerere University Advancement Office to jointly deliver all alumni-related engagements. The second key intervention is on reviewing the existing policy frameworks to create a conducive environment for MAKEF's operations. This includes developing guidelines for the mainstreaming of College endowment funds as well as alumni engagement activities at College level.

Finally, the last strategic enabler focuses on diversifying MAKEF's asset and investment portfolio. In addition to investment in financial

markets, the Board of Trustees will seek to harness MAKEF's advantaged positioning to enter into Public Private Partnerships that leverage private sector investments into real estate ventures that promise a good return on investment. Such identified ventures include; a state-of-the-art student centre complex within Makerere University, as well as construction of student hostels and modern short accommodation for international visitors.

## 1. BACKGROUND

At its 130th meeting held on February 20th, 2014, the Makerere University Council approved the setting up of Makerere University Endowment Fund (MAKEF) with the following objectives;

- a). To receive and or mobilize funds for the benefit of the University;
- b). To invest the funds held by MAKEF in such a manner as may from time to time be determined by the Board of Trustees in line with the Investment Policy; and
- c). To fund scholarships, research, infrastructure, teaching and learning materials, staff remuneration and activities that are aimed at attaining the objectives for which the University was established.

MAKEF is governed by a 7-Member Board of Trustees and administered by a full time secretariat at the University. The Board of Trustees in its attempt to set new institutional priorities approved the development of a new Strategic Plan. In developing the plan, the Board was desirous of establishing and running pragmatic resource mobilization and investment strategies that offer the opportunity to grow the University Endowment Fund as well as exploit the Fund assets through investment products which fit the university investment policy, risk and return preferences.

## 2. STRATEGIC PLAN DEVELOPMENT PROCESS AND METHODOLOGY

### 2.1. Technical Approach

The conceptual approach to the development of the MAKEF SP was informed by that fact that 'Endowment Fund remains relatively novel in most Global South Universities. Its only Makerere University and some universities in South Africa that boast of well-established and structured Endowment Funds'. However, Endowment Funds are well established in many Global North Universities, especially in the Unites States of America<sup>1</sup>.

Based on the above, the SP technical approach was hinged on the following;

- a). Benchmarking to appreciate the allocations to endowment assets was virtually undertaken to;
  - Appreciate and draw insights into the rigours of maximizing returns on investments. In this regard, the Michigan State University in the United States presented a good learning scenario having secured a 41.5 % return on investment in 2021.
  - Draw learning on how to securely and sustainably use digital tools to mobilize donations and gifts to the general endowment as well as to specific causes at the university? On this front, the University of Witwatersrand presented a good learning environment with regard to digital mobilization.

---

<sup>1</sup> As of June 2011, the top five educational endowments (Harvard University, Yale University, Stanford University, Princeton University, and the University of Texas) managed a total of \$102 billion.



- Explore the concept of fiduciary responsibility and more specifically the duty of obedience, loyalty and care in regard to investments, keenly exploring how Fund Boards/Committees considered the environmental, social and governance factors as part of the endowment investment strategy; and
  - Guide the Board to set the optimal Fund size that would be held in perpetuity.
- b). The second dimension of the technical approach was the use of consultations to ensure that Makerere's wider stakeholder base participated in and contributed to the strategic planning processes. The approach was cognizant that the SP development team came in to facilitate

the collection of data, analysis and reporting and that SP knowledge was co-created with stakeholders who had the lived experiences. Consultations involved the various decision-makers including the University Council, Management and relevant colleges and units.

## **2.2. Methodology**

Based on the SP technical approach above, detailed methods pertaining to the inception activities, data collection and analysis, stakeholder consultations and validation of the report were developed and have been attached as **Annex I**

## 3. SITUATIONAL ANALYSIS

### 3.1. Introduction

An Endowment in the context of a College or University is a monetary reserve constituted of stocks of financial and real assets held by that institution. The concept of an Endowment Fund is novel in Africa and most of the universities in the global South. However, universities in the global North have held endowments for several centuries since the early 1680s. Harvard University based in the City of Cambridge in the United States holds the largest profiled university endowment established four centuries ago and was valued at USD 51.9 billion<sup>2</sup> as of December 2021. The State University of Michigan which Makerere has benchmarked for this strategic plan had an endowment fund valued at USD 17 billion as of December 2021.

Makerere' endowment has its origins in the 1930's when the University received donations from individuals with the main objective of establishing an investment portfolio to support the University. The individuals that started the university endowment included leaders of church missionary societies, former colonial government officials, foreign educationists, and lecturers. These individuals entrusted the funds<sup>3</sup> with Crown Agents Investment Management (CAIM) based in the United Kingdom for investments purposes.

### 3.2. The Social Context

In the global North where institutional endowment funds have thrived for centuries, a different and more favourable sense of giving towards a common good with long term

benefits is strongly entrenched in society. Foundations, endowments and many other forms of philanthropy are therefore a common feature anchored in a culture of giving at individual, corporate and government levels. Locally, the culture of direct giving is mainly appreciated in contexts that involve personal connection to a defined recipient, rather than a generic cause<sup>4</sup>. Generating donations locally for impersonal causes such as university endowments is yet to be fully appreciated.

Makerere's living alumni estimated to be over 400,000 are scattered all over the world as national and global leaders in governance, business, philanthropy and diplomacy. Alumni in many Global North Universities such as Harvard and Michigan were central in the success of endowment funds. This was attributed to the institutional culture of those universities that provided a rich student experience, tracked and profiled successful alumni through robust mechanisms. Respondents consulted for this plan intimated that student experiences at Makerere University have been below satisfactory levels across the entire value chain. The university's aging physical infrastructure including halls of residence and absence of 21<sup>st</sup> century student welfare facilities such as student centres were lately contributing to low ratings of student experiences. It is important to note that alumni engagements and giving is highly dependent on institutional culture, particularly, student experiences. The memories alumni carry from their Alma Mata have a direct bearing on their willingness to give back.

<sup>2</sup> 2022 NACUBO Endowment Study (NES) statistics.

<sup>3</sup> These funds included; (i) the Alice Davy Fund; (ii) the College Investment Fund; (iii) the Fisher Scholarship Fund; (iv) the Nuffield Education Fund; (v) the Prizes Fund; (vi) Sir D. Cameron Prize Fund; and (vii) the College Endowment Fund

<sup>4</sup> For instance, people will give towards a wedding or funeral because of their personal connection to the beneficiary - as a member of a community, clan, family, association, ethnic group or club.

### **3.3. Policy and Legal Frameworks**

In 2014, the Makerere University Council approved the Endowment Fund Rules which provided the initial policy framework to establish and operationalize the Makerere University Endowment Fund. The endowment fund rules were enacted in line with section 88 (1) (a) of the Universities and Other Tertiary Institutions Act (2001) that provides that ‘the funds of a Public Tertiary Institution shall include revenue from time to time accruing to the institution from the Government by way of subvention; grant-in-aid, endowment or otherwise’. Section 6.1 of the Endowment Fund Rules provide for a Board of Trustees for the administration of the Endowment Fund. To provide legal basis for the Board of Trustees within the laws of Uganda, a Trustee Deed was registered with the Uganda Registration Services Bureau in 2014 designating a seven-member Board. Besides the Endowment Fund Rules, the University Council approved the Makerere University Investment Policy (2006, revised in 2021) to guide the fund’s investment decisions.

In 2020, Makerere University Council approved a new 5-year strategic plan (2020/21 – 2024/25) that sets forth new institutional priorities and repositions the University to respond to the changing global educational trends. The Strategic plan more specifically highlights the institution’s contribution to the National Development Plan (NDP) III sub-sub-programmes under the Human Capital Development Programme. The NDP III Programme Implementation Action Plan (PIAP) requires Universities to improve human capital development through enhancing quality

5 In FY 2021/22, the university experienced a funding shortfall due to a Government decision to implement a 41% reduction on the non-wage recurrent and development budgets of all Ministries, Departments and Agencies (MDAs) due to the impact of COVID-19. Besides the 41 percent reduction, Government further suppressed the funds appropriated for workshops and seminars and travel abroad resulting into a further shortfall of UGX 4.322 Bn. Accordingly, Makerere University in one FY suffered a total budget reduction of UGX 66.027 Bn.

as a pathway for international accreditation, improving physical infrastructure, including facilities for blended learning, and research and innovations. In addition, the University Strategic Plan underscores the need to institute structures for resource diversification through the Makerere University Holding Company (Mak Holdings) and Makerere University Endowment Fund (MAKEF).

### **3.4. Economic Context**

Since its establishment in 1922, Makerere University has heavily relied on government subventions to deliver its core mandate of teaching, research and outreach. Makerere University is a publicly funded institution whose annual budget is met by the Government of Uganda through subventions. However, in some instances funding the University has been affected by Government’s own revenue performances<sup>5</sup>. Besides Government subventions, Makerere University receives substantial funding from development partners for various recurrent and development activities. In FY2020/2021 the University received a total of UGX 285.294 billion off-the-budget for mainly research related activities. This funding demonstrates Makerere’s standing reputation as a brand and further augments its research stature as well as strategic ambition to transform into a research-led institution. However, the Fund’s analysis indicated a disproportionate share of the off-the-budget funding with much of it realized in three out of ten Colleges including Health Sciences (CHS); Agriculture and Environmental Sciences (CAES); as well as Humanities and Social Sciences (CHUSS).

Despite Government funding of the University as well as a considerable outturn from the off-the-budget resources, the university continues to register several challenges in fully meeting its obligations. Government releases are subject to its own revenue performance and as seen in FY2021/22, such funding can be erratic, thereby affecting crucial university activities. Every year, the university registers several unfunded priorities including crucial activities such as the renovation of the University infrastructure most of which has aged considerably. According to the University Budget Framework Paper (BFP) for FY 2021/2022, 'such funding volatilities present significant challenges to the University's operations. They affect critical items, including teaching materials, ongoing research activities and development projects among others'. In several cases, less than optimal funding of the university has always presented a risk of student unrest and threatened to undermine the quality of teaching and training. Beyond the confines of Makerere, government has approved several other public universities<sup>6</sup> which has increased pressure on its limited resources.

### **3.5. Financial and Investment Context**

The University Council in 2014 approved a proposal to have each student pay UGX: 10,000 (ten thousand only) as part of functional fees as their contribution to the Makerere University Endowment Fund. From students' collections, the Fund annually generates over UGX: 300 million (three hundred million). In addition, the Fund has engaged in several fundraising activities both from within and outside of the University including organizing the MakRun and encouraging Colleges to

<sup>6</sup> The total number of public universities is now 11 (eleven)

open up their own endowment funds. So far the College of Business and Management Sciences (COBAMS) and the College of Computing and Information Sciences have endowments in excess of UGX: 450 million. Overall the Makerere University Endowment Fund is valued at slightly over UGX: 9 billion. These funds are managed through two Fund Managers based in Uganda and the United Kingdom. Onshore endowment funds are invested in mainly government securities while the offshore funds are invested in mainly equities.

The financial market where the endowment fund invests its funds was marked by several challenges during the COVID-19 era. Inflation increased rapidly (6.3% in May 2022 compared to 2.7% in June 2021). This was mainly attributed to post-Covid-19 supply chain disruptions that led to spikes in commodity and energy prices. The Uganda Shilling (UGX) subsequently faced pressures in early-mid 2022 bringing depreciation to 5% year to date. Bank of Uganda (BoU) indicated that 'inflation was likely to continue on the rise and peak in the second quarter of 2023 before gradually declining to stabilize around the medium target of 5 percent by mid-2024'.

**Medium term Outlook:** There are a number of considerations in the medium term. Uganda's First Oil is scheduled to be achieved in 36 to 45 months. This is expected to increase Foreign Direct Investment (FDI) in the country, narrow the current account deficit and provide reprieve to the exchange rate that is currently facing pressure from elevated oil import prices. However, some medium term risks include; recurring COVID-19 related restrictions, persistent geopolitical

tensions and uncertainties around the 2026 Uganda election cycle. These factors might add pressure to the financial account position of our market, leading to portfolio outflows and/or limited new inflows. During times of uncertainty, foreign investors become net sellers of bonds in Uganda and this leads to an elevation of yields across the curve. An increase in rates negatively affects the value of existing fixed income portfolios but creates an opportunity to acquire new bonds at discounted prices.

### **Conclusion**

Although the Endowment Fund concept is still novel and yet to be fully appreciated by local stakeholders, Makerere University has made strides in providing a conducive legal, policy and institutional arrangement for its endowment fund. With Makerere's living alumni estimated in excess of 400,000,

the university has an opportunity to set in motion appropriate tools through which such alumni can be mobilized to participate in and contribute to the institution's revenue diversification aspirations. Tapping into the potentials made available by the alumni must begin with enhancing the student experiences while still at the university as a way of building mutually beneficial relationships. In this way, the University's reliance on government subventions which are subject to revenue volatilities will be reduced. The University has already demonstrated its fundraising capacity through the off-the-budget resources which in itself demonstrates its standing reputation as a brand and further augments its capacity to attract funding.

### 3.6. The Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis.

Table 1: SWOT Analysis Matrix

Strengths		Weaknesses	
Strengths	How to Leverage the Strength	Weaknesses	How to strengthen the Weak Areas
Strong Governance Structure giving effect to an effective oversight	Establish a performance management framework for the Board of Trustees	Limited visibility of the fund and its achievements among key stakeholders	Develop and implement a game-changing - MAKEF Communication Strategy
An independent structure which enables swift decision making without limitations from University management	Consolidate effective communication between MAKEF and University Administration.	Lean staffing structure which challenges secretariat to effectively execute the mandate	Review MAKEF Management structure to include critical functions like Investment Analyst, Business Development Officer etc.
Sustainable contribution from students and colleges to the Fund	Facilitate the opening and growth of College Endowment Funds for each College.	Inability to continuously engage stakeholders through a variety of innovative activities/causes geared towards active participation and resource mobilization	Review MAKEF structure and establish an Advancement Office with two core functions for an Endowment Fund and Alumni and Stakeholder engagement
Enabling legal and policy framework	Operationalise existing policies by developing an investment strategy, resource mobilization strategy and College Endowment Funds Guidelines	Limited diversity of investments asset portfolios	Diversify investment vehicles to ensure good return on investments as well as safety against risks of eroding the fund's value.
Proactive Fund secretariat	Institutionalize performance-based remuneration (results-based management) and recruit more staffing in key areas	No specific investment strategy to guide investment decisions by Fund Managers	Develop MAKEF Investment Strategy to guide decision of Fund Managers.
		Limited engagement between MAKEF and Fund Managers	MAKEF Board to hold quarterly meetings with the Fund Managers; as well as College-based endowment initiatives

Opportunities		Threats	
Opportunities	How to Harness the Opportunities	Threats	How to Mitigate Against Threats
Goodwill and support from University Management and University Council	Lobby University Council to provide physical assets to the Endowment Fund such as land for redevelopment	Limited appreciation of MAKEF by key stakeholders.	Develop and implement a Communication Strategy as a tool to guide systematic engagement of stakeholders.
The Universities and Other Tertiary Institutions Act (2001) provides legal basis for endowment as one of the gazetted sources of revenue for a Public Tertiary Institution	Capitalize on this provision to develop strategies that consolidates MAKEF identity by segmenting the Fund into (i) restricted funds; (ii) term Endowment Funds; (iii) Unrestricted Funds; and (iv) Quasi Endowment Funds	Poor students experiences while still at campus	MAKEF to partner with University Management to develop a Makerere University Student Experience Charter and set up a state-of-the-art students' centre as a facility to enhance students' experiences while at campus.
Over 400,000 living alumni spread across the globe in positions of opportunity and influence.	Set up an Advancement Office with two core functions; (i) endowment fund; and (ii) alumni and stakeholder engagement	Overlapping mandate between MAKEF and Mak Holdings.	MAKEF should continuously profile and amplify its mandate to stakeholders
Makerere University has strategic and high-potential assets that MAKEF can tap and invest in to generate good return on investment.	MAKEF to seek Council approval to invest in selected assets such as (i) land at Makindye; (ii) Construction state-of-the-art Students Centre; (iii) Construction of a modern Students Hostel	Fear and scepticism on the abuse of the endowment fund.	Establish quality assurance and internal control systems that address the fears and scepticism.
MAK has a good historical brand and goodwill in higher education, research, training and service.	<ul style="list-style-type: none"> <li>• Create a network of Ambassadors to champion fundraising</li> <li>• Institutionalize Outstanding Alumni Awards</li> </ul>	Makerere University's land as an asset is under threat by third-party claimants.	MAKEF should support the University by investing in some of these assets
Existing Public-Private Partnerships Policy and Unit in Government	Identify areas of opportunity for PPPs that can generate good return on investment.	Tax Policy as a threat to donations/ fundraising.	Lobby Government for tax exemptions on funds raised for the endowment fund.

### 3.7. Themes and Emerging Issues

From the situational and SWOT analysis, the following are the thematic areas, key issues and enablers.

**Table 2: Emerging Thematic Areas and Issues**

Theme	Key Emerging Issues
Alumni Engagement	<ul style="list-style-type: none"> <li>• The need to mobilize the over 400,000 alumni to register and validate their data online on the MakAdvance as well as register and recognise alumni chapters.</li> <li>• Student experiences at Makerere University are generally below satisfactory levels across the entire value chain. Yet, student experience determines the level of alumni engagement and giving back to their alma mater.</li> </ul>
Resource Mobilization	<ul style="list-style-type: none"> <li>• Create opportunities for alumni to give to causes they have attachments to. Under the prevailing socio-cultural context people are more inclined to giving for causes where they have personal connections with the beneficiaries than for impersonal causes of general common good</li> <li>• College based causes should be encouraged to build up College endowment funds.</li> </ul>

**Table 3: Strategic Plan Enabler**

Theme	Key Emerging Issues
Institutional strengthening	<ul style="list-style-type: none"> <li>• The need for guidelines on the relationship between MAKEF and College endowment funds.</li> <li>• A strengthened institutional structure to incorporate the aspects of University advancement competences.</li> </ul>
Investment Options	<ul style="list-style-type: none"> <li>• The need for an Investment strategy/guidelines to guide fund managers.</li> <li>• The need to diversify asset portfolios and gradually move away from risk investments.</li> </ul>



## 4. STRATEGIC DIRECTION

### 4.1. Vision, Mission and Values

In view of the foregoing situation and SWOT analysis, below are the vision, mission and values statements which espouse the strategic direction of this plan – its aspirations, spirit and driving force.

#### Vision

A global top tier and perpetual endowment fund contributing to the core mandate of Makerere University.

#### Mission

To build a perpetual fund through innovative technology-driven engagements resulting into a reliable stream of income to support Makerere University’s core mandate

**Table 4: MAKEF’s Core Values**

<b>Integrity</b>	The Board of Trustees, MAKEF Secretariat and other key players will at all times be transparent in all their dealings
<b>Respectful Engagement</b>	MAKEF stakeholders will always deal with each other in ways that uphold utmost mutual respect, including respect for diversity and different views.
<b>Accountability</b>	The Board of Trustees is answerable to the wider University stakeholders in all its dealings.
<b>Innovative enterprise</b>	MAKEF will thrive on the spirit of continuous innovation in enterprise, always seeking to maximise resource mobilization and return on investment.
<b>Professionalism</b>	In the pursuit of her mandate, MAKEF will at all times deploy technically competent people and carry out all transactions with utmost regard to high professional standards.

## 4.2. Strategic Objectives

Accordingly, there are two strategic objectives and two enablers derived from the thematic areas and emerging issues identified in table 2 and 3.

**Table 5: Strategic Objectives**

Thematic Area	Corresponding Strategic Objective
Alumni Engagement	Alumni engagements, relationships and their contribution to the mandate and core objectives of MAKEF enhanced
Resource Mobilization	The Fund's ecosystem and its capacity to mobilize funds, gifts and other resources improved by at least 30%.

## 4.3. Strategic Enablers

**Table 6: Strategic Enablers**

Thematic Area	Corresponding Strategic Objective
Institutional Strengthening	MAKEF's policy and organizational capacity to efficiently and effectively deliver on its mandate strengthened
Investment options	MAKEF's asset and investment portfolio diversified to include real estate investment.

## 4.4. Strategic Interventions

The strategic interventions proposed against each strategic objective/enabler have been derived from the insights collected from the interviews with the key stakeholders as well as issues emerging in the context analysis. In the table below, each strategic objective is presented with a set of corresponding strategic interventions.

Table 5: Strategic Interventions

Strategic Objectives	Strategic Interventions
<p><b>Strategic Objective I</b></p> <p>Alumni engagements, relationships and their contribution to the mandate and core objectives of MAKEF enhanced</p>	<p><b>1) Alumni Mobilisation and Engagement</b></p> <ul style="list-style-type: none"> <li>a) Promote the utilization of the MakAdvance portal for alumni information, communication, mobilization and fundraising</li> <li>b) Identify/create and consolidate local and international Alumni Chapters</li> <li>c) Appoint and deploy endowment fund champions and ambassadors</li> <li>d) Institutionalize Outstanding Alumni Awards to recognize and bring on board alumni occupying positions of power and influence in various parts of the world.</li> </ul> <p><b>2) Improvement of student experiences at Makerere University</b></p> <ul style="list-style-type: none"> <li>a) Institutionalize Makerere alumni week.</li> <li>b) Introduce farewell/leavers ball for finalists, characterized by initiation into alumni fraternity and the MAKEF’s Award given to the best students in various categories (academic, leadership, innovation, etc.)</li> <li>c) Introduce the Finalists Pitch Bazaar where final year students pitch their enterprise or career concepts to alumni who run big companies and venture capitalists for scouting (tell-your-dream pitch).</li> <li>d) MAKEF to spearhead the campaign of resource mobilization for the annual students’ cultural gala.</li> <li>e) Build a student centre as well as Science, Technology and Innovation and business linkages Centre</li> <li>f) Set up and run a scholarship fund</li> </ul>

<p><b>Strategic Objective II</b></p> <p>The Fund's ecosystem and its capacity to mobilize funds, gifts and other resources strengthened.</p>	<ol style="list-style-type: none"> <li>1) Finalize and Commission the Makerere MakAdvance platform as a tool for soliciting donations towards the various causes championed by MAKEF <ol style="list-style-type: none"> <li>a) Launch and sustain a robust public campaign to popularize MAKEF and appeal to donations from the public (locally and internationally)</li> <li>b) Facilitate the opening and growth of College Endowment Funds for each of the 10 Colleges by setting College based causes through the MakAdvance portal</li> </ol> </li> <li>2) Lobby the University to allocate part of the institution's capital development funds to finance a defined infrastructural project in the university pursued by MAKEF for the next 5 years. <ol style="list-style-type: none"> <li>a) Institutionalise Makerere Education Week - "Come See Makerere" – demystifying Makerere (career fair, academic fair, exhibition and pitching of student innovations)</li> <li>b) Popularise the University gift and souvenir shop and lobby Management to offer the Endowment Fund monopoly to produce University Gowns as another revenue stream.</li> <li>c) Fundraising activities should be regularised such as Mak Run, Inter university sports and games, and bull roasting etc.</li> </ol> </li> </ol>
<p><b>Strategic Enabler 1</b></p> <p>MAKEF's policy and organizational capacity to efficiently and effectively deliver its mandate strengthened</p>	<ol style="list-style-type: none"> <li>1) Establish a cooperation arrangement with the Makerere University Advancement Office <ol style="list-style-type: none"> <li>d) Mainstream the structure of MAKEF with links in the Colleges</li> <li>e) Establish and run vibrant alumni relations structure with the Advancement Office</li> </ol> </li> <li>2) Review existing policy frameworks to create a conducive environment for MAKEF's operations. <ol style="list-style-type: none"> <li>a) Develop Guidelines for College Endowments.</li> <li>b) Segment the Fund into (i) restricted Funds; (ii) term endowment funds; (iii) unrestricted funds and (iv) quasi endowment funds</li> <li>c) Develop MAKEF Investment Strategy</li> <li>d) Develop and implement a Communication Strategy</li> <li>e) Develop and roll out a Performance Management framework based on the 2 objectives of the Fund</li> </ol> </li> </ol>
<p><b>Strategic Enabler 2</b></p> <p>MAKEF's asset and investment portfolio diversified</p>	<ol style="list-style-type: none"> <li>1) Invest in building a state-of-the-art student centre complex and harvest the return on investment.</li> <li>2) Invest in construction and running of a modern student hostel.</li> <li>3) Renovate and upgrade an existing residential infrastructure at the University for short term accommodation as a revenue source for MAKEF.</li> <li>4) Secure land from the University to set up a production unit for the Souvenir and Gift Shop.</li> </ol>

## **5. IMPLEMENTATION OF THE PLAN**

### **5.1. Human Resources, Governance and Administrative Structure**

This plan is predicated on the assumption of a strengthened staffing of MAKEF. It is proposed that the University Council establishes the University Advancement Office as a broader institutional structure to ally with MAKEF and jointly deliver on MAKEF's alumni engagement interventions. This is particularly because the sustainability of MAKEF is strongly linked to the function of alumni engagement, which MAKEF does not have direct jurisdiction over in its current mandate.

### **5.2. Digital Transition**

The MakAdvance system provides a springboard of MAKEF's resource mobilisation efforts through the execution of this plan. Through the portal, MAKEF shall automate raising of funds towards different causes in the university while recognizing/building a digital alumni network. Through the Alumni database and chapters, MAKEF shall provide real-time updates on what is happening at the University and encourage Alumni to participate in and make their respective contributions.

In the medium term, the MakAdvance system shall be utilized by staff, students, alumni and other stakeholders at the University in undertaking any activity related to networking, mobilizing, and receiving funds for the benefit of the university. This process will entail computerized activities that should facilitate alumni and stakeholder management, payment management, donor ranking, cause management, news, events and webinar management, fund profiling, dashboard and reports management, alumni networking features, and social media management support.

### **5.3. Financial and Physical Resources**

The fund will increase resource mobilization by 30% on all existing channels, build some regular income in form of rental fees – as well as additional funding from student's contribution. The implementation of the Strategic Plan will be dependent on the availability of financial resources. The interventions identified in the SWOT analysis and framework of strategic direction have great potential to translate into revenues for MAKEF. However, translating this potential into actual revenue will largely depend on the calibre of staff and the enabling institutional environment. As a premier function, MAKEF staff should quickly move to scrutinize the interventions proposed under the strategic objectives and enablers of the plan with the view of identifying the low hanging fruits and translate them into project proposals to drive action.

#### **5.4. Risks and Key Success Factors**

- a). The Chairperson, Board of Trustees together with the Head of MAKEF Secretariat shall be the key champions of the strategic plan ensuring that it remains a living document.
- b). The implementation tools including the M&E framework should be intricately populated and applied by both the Secretariat and the BOT in order to progressively monitor performance of the plan. Ideally, an automated performance management software should be employed.
- c). Establishment of College-based MAKEF officers (also doubling as alumni relations officers) will be a key success factor for this plan.
- a). A symbiotic relationship between the University Advancement Office and MAKEF is critical to the success of all alumni engagement activities proposed herein.

#### **5.5. Monitoring and Evaluation Framework**

Implementation of this strategic plan shall be informed by the Monitoring and Evaluation framework, which shall include strategic results, performance measures and annual targets for each objective/ or initiative. Given the lean staffing size of MAKEF, the Fund Administrator shall be responsible for the function of monitoring plan implementation. Periodic reports shall be developed on quarterly and annual basis, to inform both the Secretariat team and the Board of Trustees. A midterm review of the performance of the Plan shall be conducted in the 3rd year, to further evaluate progress towards the overall goals as well as address any emerging issues that may have arisen in the course of the plan implementation. The Mid Term Review will assess the continued relevance of the plan and further agree on the changes to strategy and interventions. At the end of the plan period, a terminal review and evaluation shall be conducted. The achievements registered, lessons learnt, and challenges experienced shall be documented to inform the successor plan.

5.6. Strategic Plan Results and Targets

Table 6: Strategic Plan Implementation Matrix

Intervention	Activities	Expected Outcome/ Results/Output	Responsibility	YR 1	YR 2	YR 3	YR 4	YR 5
<b>Strategic Objective I: Alumni engagements, relationships and their contribution to the mandate and core objectives of MAKEF enhanced</b>								
Alumni Mobilisation and Engagement	Validate alumni data in the MakAdvance System	Data for at least 300,000 alumni is validated	Fund Admin	X	X	X		
	Establish Makerere University alumni chapters in various parts of the globe.	At least 15 vibrant alumni chapters institutionally linked to Makerere University	Fund Admin	X	X	X		
		At least 15 Ambassadors/ Champions appointed to promote the Endowment Fund	Board	X	X			
		Alumni actively participating in, and contributing to Makerere University Advancement activities.	Fund Admin	X	X	X	X	X
		Final year student formally initiated into the alumni fraternity and donating to MAKEF	Fund Admin	X	X	X	X	X
Institutionalise Makerere Alumni week	Alumni actively participating in, and contributing to Makerere University Advancement activities.	Fund Admin/ Advancement Officer	X	X	X	X	X	
	At least UGX 200 million generated for the Endowment Fund annually	Fund Admin	X	X	X	X	X	
	Construct and operate a state-of-the-art students' centre	University Council lobbied to contribute at least UGX 2bn to the construction of the centre	Board	X	X			
		Centre generating at least UGX: 300 million for the Endowment Fund per year	Fund Admin	X	X	X	X	X

Intervention	Activities	Expected Outcome/ Results/Output	Responsibility	YR 1	YR 2	YR 3	YR 4	YR 5
<b>Improvement of Student Experiences at Makerere University</b>	Introduce the Finalists Enterprise and Career Pitch Bazaar	Strengthened bond between students and the endowment fund as future contributors to MAKEF	Fund Admin	X	X	X	X	X
<b>Strategic Objective II: The Fund's ecosystem and its capacity to mobilise funds, gifts and other resources strengthened.</b>								
<b>Strengthening of Makerere Gift and Souvenir Shop</b>	Lobby university management to grant the Endowment Fund exclusive rights to produce and sell university gowns	At least UGX: 125 million mobilised from the franchise and commissions on sales per annum.	Board	X	X	X	X	X
	Popularise the online gift and souvenir shop and build its capacity for deliveries	At least UGX: 50 million generated from online sales per annum.	Fund Admin	X	X	X	X	X
<b>Diversification of MAKEF's Sources of Funds</b>	Organise the annual Mak Run	At least UGX: 200 million mobilised from the proceeds annually	Fund Admin	X	X	X	X	X
	Organise Annual Alumni Home-coming Dinners on basis of Colleges/ Faculties and Cohorts (Generations of Alumni)	At least UGX: 100 million released per year from the dinner through sale of card	Fund Administrator/Advancement Officer	X	X	X	X	X
	Organise public fundraising campaigns for specific thematic causes	At least 100 million realised from cause-specific drives per year	Fund Admin	X	X	X	X	X



Interven- tion	Activities	Expected Outcome/ Results/Output	Respon- sibility	YR 1	YR 2	YR 3	YR 4	YR 5
<b>MAKEF's policy and organizational capacity to efficiently and effectively deliver its mandate strengthened</b>								
<b>Develop- ment and implemen- tation of MAKEF Communi- cation Strategy</b>	Roll out promotional campaign to mobilize corporate sponsorship of specific thematic causes	At least 100 million raised per annum	Fund Admin		X	X	X	X
	Roll out a public promotional campaign to mobilize monthly and annual giving by individuals and families	At least 100 million raised per annum	Fund Admin		X	X	X	X
<b>Consoli- dation of MAKEF Secretariat</b>	Establish and jointly design alumni mobilisation activities with Makerere University Advancement Office	Funds raised from a variety of fundraising projects increased by over 300% compared to current levels  Makerere University Alumni better engaged and mobilized (by about 500% from current levels) and are actively contributing to MAKEF.	Board/ University Council	X	X	X	X	X
	Facilitate MAKEF Secretariat with the required infrastructure/ equipment and operational expenses (Office space, furniture, transport, operational budget)	All staff provided with appropriately furnished office space.  All staff paid competitive remuneration	Board	X	X	X	X	X

Intervention	Activities	Expected Outcome/ Results/Output	Responsibility	YR 1	YR 2	YR 3	YR 4	YR 5
<b>Streamlining of MAKEF Policy Regime</b>	Develop and adopt MAKEF Investment Strategy	MAKEF investment guidelines in place. Fund managers making the most optimal investment decisions	Board	X				
	Develop and implement College Endowment Fund Guidelines	Guidelines in place to streamline the relationship with, and management of College Endowment Funds	Board	X				
	Develop and adopt Guidelines on partnerships and collaborations	All MAKEF partnerships and collaborations guided by policy	Board		X			
<b>MAKEF's asset and investment portfolio diversified</b>								
<b>Investment in Real Estate</b>	Secure and afforest 15 acres of Makerere University Land	15 acres of soft wood trees Proceeds worth UGX: 1.5 billion after 10 years	Board	X	X	X	X	X
	Develop the 15 acres of land into an eco-tourism leisure park	Leisure park operational and raising UGX: 120 million in net revenue per annum	Fund Admin					X
	Renovate an existing structure and convert it into a short stay facility for University Guests	An estimated UGX: 200 million in net revenue per annum	Fund Admin		X	X	X	X
	Construct a modern Students Hostel in Makerere University.	New hostel accommodating 400 students and generating UGX:700 million in net revenue per annum	Fund Admin				X	X
	Construct a state-of-the-art Students' Centre at Makerere University	Students centre generating UGX: 400 million in net revenue per annum				X	X	X
Growth of fund volume held in perpetuity	Accumulate the endowment fund held in perpetuity from the current 9 bn.	Over UGX: 20bn held in perpetuity and generating over 2bn as Return on Investment per annum						X

# ANNEX 1: METHODOLOGY

Based on the SP's technical approach, the following methodology was applied.

## a) Methodology for Inception Activities

The following inception activities were undertaken;

- a). Conducted a half-day detailed debrief between the MAKEF Board of Trustees/Management and the consultant. The debrief aimed to achieve the following;
  - ii. Clarification of expectations from both parties;
  - iii. Review and further refine the project scope of work and proposed methods;
  - iv. Obtain further references in terms of documents and stakeholders to engage;
  - v. Obtain the preliminary views and perspectives of the Board of Trustees/Management regarding the strategic directions;

## b) Methodology for Core Activities – Data Collection and Analysis

### a.) Literature Review

It was noted from the outset that literature or document review will be a continuous process throughout this assignment, to serve varying purposes. This is an underlying activity which, though not repeatedly alluded to, is prominent and value-adding engagement at all stages of the assignment.

The following documents were reviewed to inform the contents in this this document;

**Table 1: Key Documents**

Makerere University Strategic Plan 2021/22 – 2025/26
1. Universities and Other Tertiary Institutions Act (2001)
2. Makerere University Investment Policy (2021)
3. Makerere University Endowment Fund Trustee Deed
4. Makerere University Endowment Fund Rules
5. Makerere University Endowment Fund Status Report as of September 30th 2021
6. Universities and Other Tertiary Institutions Makerere University Collegiate Statute (2012)
7. Michigan and Witwatersrand Universities advancement reports and other publications

The document/literature review took into consideration the following areas;

- a). Legal and policy provisions to aid the strategic aspirations of MAKEF
- b). Management and governance framework of the MAKEF strategic plan.
- c). Critical elements and features of a functioning strategy/system in the Higher Education Sub-sector.
- d). Capital Markets Authority reports?

**c) Benchmarking the Universities of the Witwatersrand and Michigan State**

It was envisaged that benchmarking with the two universities is a vital aspect of this strategic planning process. The consultant, with the direct help of MAKEF Administrator, reached out to relevant contacts at both universities. As a result of several back and forth correspondences, a virtual meeting was held between the consultant, the Fund Administrator, and the International Relations staff of Michigan State University. However, their efforts to fix a virtual benchmarking meeting with the technical staff of Michigan's endowment fund has so far not yielded. Their preference was a physical visit, which was not possible on the consultant's part under the circumstances. A similar limitation has been the case with Witwatersrand. The benchmarking exercise had been conceptualised to inform the following five areas of interest;

- i. Asset allocations to appreciate how to maximize returns on investments and draw insights into the applicable mechanisms. In this regard, Michigan presents a good learning scenario having secured a 41.5 % return on investment in 2021.
- ii. Learning how to securely and sustainably use digital tools to mobilize donations and gifts to the general endowment as well as to the specific causes at the university?
- iii. Explore the concept of fiduciary responsibility and more specifically the duty of obedience, loyalty and care in regard to investments. How best can a Board of Trustees consider the environmental, social and governance factors as part of the endowment investment strategy?
- iv. In appreciation of the fact that Makerere's Endowment is valued at approximately \$2.3m as of June 2021, how can the Board be guided on setting the optimal size that should be held in perpetuity?
- v. How do these institutions keep their donors perpetually interested in giving to the universities/ or university causes – how do they maintain these relationships?

It was envisaged that information generated from the benchmarking would be analysed and contextualized to draw good practices to inform MAKEF's strategic plan.

**d) Stakeholder Consultations**

Information/ data was to be collected from the various clusters of stakeholders related to MAKEF. In this regard, a cluster sampling design was employed. For each cluster, key informants were purposely identified and engaged using a structured interview guide. The sample clusters and method of engagement are highlighted in the table below;

No	Cluster	Method
1	Board of Trustees and Management of MAKEF	<ul style="list-style-type: none"> <li>• Half-Day Debrief Meeting</li> <li>• 1-Day Strategic Plan Development Workshop</li> <li>• 1-Day Strategic Plan Validation Meeting</li> </ul>
2	Vice Chancellor	<ul style="list-style-type: none"> <li>• Key Informant Interview/SPD Workshop</li> </ul>
3	College Principals	<ul style="list-style-type: none"> <li>• Strategic Plan Development Workshop</li> </ul>
4	Affiliated Institutions	<ul style="list-style-type: none"> <li>• Strategic Plan Development Workshop</li> </ul>
5	Students	<ul style="list-style-type: none"> <li>• Strategic Plan Development Workshop</li> </ul>
6	Chairperson - Convocation	<ul style="list-style-type: none"> <li>• Key Informant Interview/SPD Workshop</li> </ul>

Note:

One Strategic Plan Development Workshop was convened on 15th July 2022 and all stakeholders engaged through this method participated in that same workshop.

**e) Data Analysis, Validation and Reporting**

Largely, a qualitative data analysis framework was used to distil and interrogate themes emerging from the review of documents, stakeholder consultations, bench-marking and the broader situation analysis. The first draft report was discussed at a one-day strategic plan development workshop involving stakeholders from all the clusters. This final draft shall be discussed at a one-day validation workshop for the members of the MAKEF Board of Trustees and University Management. Outputs of the validation workshop will culminate into the final strategic plan report.



MAKERERE UNIVERSITY

## MAKERERE UNIVERSITY ENDOWMENT FUND

### MAKERERE UNIVERSITY ENDOWMENT FUND

C4 Lincoln House, Lincoln Lane. Makerere  
University main Campus

P. O. Box 7062 Kampala

Tel: +256 414 660416

Email: [ef@mak.ac.ug](mailto:ef@mak.ac.ug)

<http://endowment.mak.ac.ug/>



@MakEndowmentFnd



makerereendowmentfund



Makerere University Endowment Fund