



Institute of
Business Administration
Karachi

Leadership and Ideas for Tomorrow

Budget 2011-12



Budget 2011-12
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Sub: EXPLANATORY MEMORANDUM FOR PROPOSED BUDGET 2011-12

PART A

OPERATIONAL HIGHLIGHTS 2010-11

(a) A total number of 723 students were enrolled in 2010-11 with the following break up:

BBA	326
MBA Morning	64
MBA Evening	62
B.S. (CS)	66
M.S. (Economics)	32
Ph.D. (CS)	3
EMBA	170

This number is lower than 748 students enrolled in 2009-10.

(b) In all 486 students graduated this year; 231 with undergraduate and 255 graduate degrees.

(c) 8 full time and 21 part time / visiting faculty members were recruited during the year.

(d) 11 New staff members were recruited for support departments.

(e) Twenty seven Student Societies were actively engaged in various extra-curricular and co-curricular activities throughout the year. This empowerment of the students has had the desirable salutary effect in nurturing and honing their leadership and team building skills.

(f) Six eminent academics from foreign countries visited IBA and delivered lectures / workshops / seminars to the students and faculty while more than a dozen prominent Pakistanis from different walks of life participated in the Distinguished Lecture Series. A new format of DLS was introduced under which the CNBC Pakistan recorded video sessions of interchange between the visiting guests and the IBA students and telecast

the session every week. This has provided greater exposure to IBA and to our students before the national audiences.

- (g) 310 students received financial aid in form of scholarships / stipends this year amounting to Rs.43.9 million. The number of external sponsors of scholarship has risen from 32 to 40.

PART B

PROPOSED BUSINESS PLAN **2011-12**

The proposed Business Plan consists of the following five components as communicated in the Strategic Direction 2008/09 – 2013/14 approved by the Board:

- I. Academic Plan
- II. Human Resource Plan
- III. Technology Up-gradation Plan
- IV. Physical Infrastructure Development Plan
- V. Community Outreach Plan

I. ACADEMIC PLAN

FACULTY OF BUSINESS ADMINISTRATION

OUTCOMES 2010-11

MBA

1. The new MBA program was launched in Fall 2010-11. As two year work experience after 16 years graduation was required the number of applicants drastically dropped from over 1000 in the previous year to 300 this year. After the round of entry test, interviews and group discussion was completed only 50 students in the morning and 54 in the evening classes in the morning were admitted. This is almost one third of the previous year's level of admissions. One disturbing feature of the low enrollment was the sharp decline in the number of female students which came down to a low 14 percent. The deviation from the target had serious financial repercussions. As against expected revenue of Rs.103 Million from tuition and admission fees, etc. for MBA program the actual receipts were Rs.75 million a loss of Rs.28 million in revenues. The situation would be kept under close watch and continuously reviewed.
2. The philosophy of new MBA program is that it is combination of theory and experiential learning which would equip our graduates to succeed in tomorrow's uncertain and volatile markets. While theory, concepts and analytical techniques lay down the basics for developing critical thought process the experiential learning enables them to apply them to the actual problems faced by a Corporate Manager. For the first time 45 teams of second year MBA students were assigned to work on projects with different companies on the real world problems faced by them. The data collection, diagnostics, analysis, formulation of options and recommendations would form part of the final report which would be jointly evaluated by a faculty member and a staff member of the host company.
3. On the basis of the feedback received from the employers a Personal Effectiveness and Communication Course was introduced for the MBA students. Although a non-credit course it was made mandatory so that the students could develop soft skills.
4. A new course on "Global Economic and Political Environment" was introduced from this year. The students are exposed to the larger context in which they would be making decisions so that they fully understand the impact of developments that are

exogenous to the particular industry, sector or firm in which they are working but will have serious consequences. Experts from different fields are brought in as Guest Lecturers.

5. The Case Method is beginning to slowly permeate the pedagogical space in the MBA program. Although the progress is slow the continuous training and exposure of the MBA faculty, the establishment of a full fledged Case Unit, the explicit preference given to research and Case Studies in the faculty evaluation process are likely to accelerate the process in the coming year.
6. Another innovation that has been introduced in the MBA assessment methods is the relative grading of the students. Although this method has been in place in many leading universities it has been practiced for the first time at IBA. Teachers have, however, been given the discretion to choose either of the two systems of assessment.
7. Three MBA students have returned after spending one semester at the School of Management at Tsinghua University in Beijing. Four new students have proceeded to Tsinghua under this Student Exchange Program. The returning students shared their experience with the faculty at a seminar.

Designing New BBA program

8. It was decided to consult the main stakeholders in identifying the weaknesses of the existing program, align it with international best practices and come up with a new design for the BBA program. The committee formed to revamp the BBA program, in light of these consultations and research of other programs, has come up with major changes in the curriculum, instruction methods, sequencing and introduced experiential learning. The Committee's report was discussed by the whole faculty, the Academic Committee then presented to the Academic Board and the BoG for approval. After some modifications the design of the new BBA program was approved.
9. In the meanwhile, vigorous efforts were made to familiarize the corporate sector and recruiters with the concept of BBA as a terminal degree. Visits were made by the senior managers, on occasions such as HR Managers Forum and HR Summit, Career Fair were utilized for this purpose. IBA Corporate Leaders Advisory Board (ICLAB) which consists of CEOs of top 20 companies were also given briefing. While the graduating students' anxiety about their job prospects in a stagnant economy is

understandable the actual placement results from 206 class suggest that the market has started accepting our BBAs for entry level and Management trainee positions.

PROPOSED PLAN FOR 2011-12

New BBA Program

10. The main ingredient of the next year's Academic Plan is the launching of the revamped new BBA program in Fall 2011. The advice of the International Advisory Board consisting of Deans of leading Business Schools around the world will be sought on the various aspects of the program and useful suggestions will be incorporated through fine tuning. The distinguishing features of the new degree program will be:

- a) Greater emphasis on Social Sciences, Liberal Arts and Humanities to provide a solid foundation for critical thinking.
- b) Competency in any one of the three languages – Arabic, Chinese, French – which have been made mandatory.
- c) Personal effectiveness and Soft Skills development course.
- d) Experiential learning by spending one full semester working on a project in one of the selected companies and producing a report with recommendations for solving the problem that was analyzed.
- e) The number of elective courses has been increased from 4 to 18 to provide greater choice for course selection in the areas of major specialization.

B.S. in Economics and Mathematics

11. For the first time a degree with double majors will be offered at IBA. The details are given in para 27 below.

MS/Ph.D in Economics

12. The successful launch of two year M.S. Economics program in 2009 now provides a pipeline of well prepared students who can undertake Ph.d degree work in Economics. Along with this demand the Economics Department has now almost 12 foreign qualified Ph.ds on its roll who can now deliver advanced courses and supervise doctoral dissertations. The Academic Board has therefore decided to offer Ph.d in Economics degree at IBA beginning Fall 2011.

Research, Case Studies and Publications

13. IBA was ranked among the bottom few by HEC in 2010 ranking of research publications. This is now a big challenge that we have to achieve a higher ranking in the field of research. A three pronged strategy has been evolved to meet this challenge. First, twelve new faculty members with Ph.D degrees have been recruited during the last two years. This number is likely to rise with the return of those who are studying abroad. Second, the incentive structure has been realigned so that those who do not publish in high quality refereed journals or produce Case Studies will not receive higher grading in their annual performance evaluation. Third, research funds through IBA, HEC, NSF, and other external contracts are being mobilized to facilitate research work. It is hoped that this weakness in IBA's current fabric will be overcome with the passage of time.

International Linkages and Accreditation

14. IBA was granted membership this year by the prestigious European network EFMD – European Foundation for Management Development. It may be recalled that we are already members of GBSN, AAPBS, IAU, Commonwealth Universities Association and CASE.
15. AMDISA – The Association of Management Development Institutions in South Asia – organized a Peer Reviewer workshop and held its Executive Board meeting at IBA in June 2010.

FACULTY OF COMPUTER SCIENCE

OUTCOMES FOR 2010-11

BS(CS), MS(CS) and Ph.D. Programs

16. After being rated as the highest rating computer science program in the country, FCS (Faculty of Computer Science) doubled its efforts to improve the quality and image of its various CS programs. To ensure quality of the contents of courses, reference course outlines for each subject are prepared and posted online. The collaborative technology of wikis is used to create this common online repository and share other pertinent departmental information.

17. Student participation in the learning outcomes has improved by adopting a student-centered learning approach as opposed to a teacher-centered teaching approach. The collaborative technology of 'wikispaces' allows students to learn from each other by continuing their class room discussions online and contributing useful links to online information and other resources. The students are encouraged to take respectfully learning beyond a single text book. As a result of this three of BBA MIS students became finalists in world renowned CaseIT competition held each year by Simon Fraser University, Canada. Also FCS, IBA became the first team ever from South Asia to participate in RoboCup and acquire a position within top 16 robotic football teams in the world.

Creation of Department of Mathematical Sciences

18. A new Department of Mathematical Sciences was created within the Faculty of Computer Science in 2010 and Dr. Shahid Qureshi was inducted as a full time faculty member to head the new Department as Chairman. The new Department complements the existing Department of Computer Science and MIS by strengthening its quantitative base which is critical for research and teaching for all the programs of the IBA and especially so for the Computer Science programs. The Department, after induction of Dr. Hisham bin Zubair, has six Ph.Ds. as its teaching staff.

Research, Publications and International Collaborations

19. The research within the FCS was further strengthened by international collaboration in the areas of Artificial Intelligence/Robotics and wireless and sensor networks. On the AI/robotics front, Dr. Sajjad Haider, received the Endeavour Postdoctoral Research Fellowship and spent 5 months during Fall 2010 visiting the Center for Quantum Computation & Intelligent Systems (QCIS) at University of Technology Sydney (UTS). As a result of this IBA now has a formal collaboration with University of Technology, Sydney and have a joint RoboCup Soccer team. Dr. Haider, who is now also an Associate at the Faculty of Engineering and IT at UTS, also secured continuation of the Endeavour scholarship in which his PhD student Saleha Raza will be spending Spring 2011 in UTS.

20. Joint collaborations and research publications in the area of Wireless and Sensor networks were also achieved with Tampere University of Technology, Finland and Dalhousie University, Canada, respectively.

21. The research output from the FCS faculty also rose to an all-time high and about 30 international papers were published in journals and conference proceedings in 2010 resulting in about a 25% increase as compared to 2009.

CEO Forum

22. About a dozen CEOs from reputed organizations such as IBM, HBL, UBL, and TRG attended the first ever CEO forum at IBA. This event not only helped in projecting the new image of FCS but also in understanding the current market demands. At least fifteen of FCS graduates were hired by the organizations who participated in CEO Forum 2010. Also registration in our BS program jumped from 18 to 36 in the Fall intake and from 4 to 26 in the Spring intake.

PROPOSED PLAN FOR 2011-12

23. FCS plans to continuously update its curricula and lab facilities, as well as forging ahead with its marketing plans in order to attract more talented students and faculty. The philosophy of FCS will remain to impart leadership, collaboration, communication, and negotiation skills as well as building a solid core of functional and empirical knowledge in the areas of computer science, mathematics and information systems.

24. The second CEO Forum will be held in June 2011. Other marketing related events are also planned for the spring 2011 semester, including “Connexions” and “CIO Campus Conversations”. Also, in the planning stage are a monthly Technology Seminar series for IBA students as well as representatives from the industry. In addition a database is being prepared of industry figures who can contribute to the growth of FCS under the label of “Friends of FCS” program. A similar database of schools integrated with a GIS (Geographical Information Systems) is being envisioned which will give information about the schools that send most students to FCS IBA, as well as identify potential areas where “open house/road show” teams should be sent.

25. FCS also plans to conduct a BS Program Audit in 2011/12 on the lines of BBA Audit 2010. In this regard, consultations will be held with alumni, faculty, other academies, industry and their parents, which will be integrated with advice from national and international bodies such as HEC and IEEE/ACM/AIS on model and standard

curricula. FCS also plans to look at curricula offered by notable CS programs in the country including NUST and NUCES FAST. The possibility of offering an undergraduate degree in IS (Information Systems) in order to target positions such as Business Analyst, Application Developer, IS Security and Risk Manager, IT Architect and ERP Specialist is also being explored.

26. FCS is actively pursuing its plans to update its physical infrastructure, which included extension and addition of two wings to the existing building. The facilities will include various labs and office space for faculty as well as staff.

Planned launch of BS Economics and Mathematics Program

27. A new BS in Economics and Mathematics Program is planned to be launched in Spring 2012. This program is tentatively planned to be a double major in Economics and Mathematics and is being prepared jointly by the Faculty of Computer Science and Faculty of Business Administration. Subsequent to this, a third BS program in Actuarial Sciences is also envisioned to be similarly launched.

Improvement in inter-disciplinary research as well as external local collaboration

28. In order to strengthen the research collaboration both within and outside IBA, a monthly research seminar series is planned that will invite participants from both within IBA as well as leading researchers from local universities such as FAST, NED, Karachi University among others. It will feature presentations on the latest research conducted by IBA faculty in the areas of Computer Science, MIS and ICT, among others fields of interest. The objective is to enhance the collaboration between the FCS and the Faculty of Business Administration, as well as inter-university collaborations among researchers of similar interests.

Enrollment and Marketing drive

29. The marketing of the FCS programs will be further strengthened this year. A database of industry executives and academicians as well as national feeder schools and colleges will be kept for targeting. The dual intake in Fall and Spring is expected to continue for the foreseeable future with a goal of achieving approximately 500 BS(CS) and MS(CS) students in IBA.

International Accreditation

30. Efforts are underway to achieve international accreditation with ABET (Accreditation Board for Engineering and Technology) as well as the second 3-year round of evaluation to be conducted by the HEC NCEAC (National Computing Education Accreditation Council).

International Advisory Board

31. It is also planned to create an international advisory Board for the FCS from a panel of overseas experts in the fields of Computer Science and ICT. This would serve the dual purpose of strengthening the curricula as well as international recognition of the FCS programs.

II. HUMAN RESOURCE PLANS

OUTCOMES 2010-11

Change Management Process

32. Strengthening the Change Management process of IBA remained the central focus of HR during 2010-11. With the top Management Team in place, management of performance, feedback, and teambuilding was given importance. Several organizational development initiatives were rolled out. An Employee Motivation Survey and an Employee Satisfaction Survey were carried out, in addition to an exercise in 360 degree feedback for the Director IBA and his direct reports. The purpose was to create clarity in terms of areas that needed immediate as well as long term attention. IBA's first offsite team building event, attended by faculty and management staff, was held at a local hotel. This day long interactive, conference type event was aimed at communicating progress on strategy, building networks, and discussing ways of moving forward with respect to IBA's ambition and values. To facilitate communication of the numerous changes taking place in almost all areas of IBA, an internal publication for employees, The Current, was launched.

Faculty Development

33. During 2010-11, eight new full time faculty members comprising 6 PhD's and two Masters Degree holders were inducted, all from leading universities. Twenty one new visiting faculty members came on board, 4 of whom hold PhD degrees as well as

holding senior posts in the industry. The newly created category of Adjunct Faculty for those who have established names in the Corporate and Business world has resulted in the induction of 4 illustrious professionals.

34. A multi-pronged approach is being followed to upgrade the quality of the existing faculty. They are being encouraged to apply for competitive research grants, develop case studies, proceed for doctoral and post doctoral programs at top universities, and engage in consultancy to the industry, inter alia. The salient results of this approach are summarized below:

- As a result of proactively inviting reputed faculty members from leading universities, 4 such resources have visited IBA on an on-going basis, during 2010-11 to train our teachers in the writing and running of the case methodology as a newly introduced pedagogical tool especially for the MBA classes.
- Two faculty members were sent to the National University of Singapore during Fall 2010 to attend a Semester. Three faculty members were sent to Babson (USA) to attend a semester program in Entrepreneurship, during Fall 2010.
- Three faculty members will proceed to Slovenia to attend a 2 week training to be conducted by the International Management Teacher's Association, in June 2011.
- 24 faculty members presented their research papers in international conferences and 3 presented at local conferences. Additionally, 23 faculty attended various conferences, seminars and symposiums for development purposes.
- During the last budget year, 25 faculty members attended short term training programs of upto 2 weeks in duration, and 2 went on longer term training.
- At present, 2 faculty members are pursuing their PhD at top universities in UK and 1 is at LUMS Lahore. One faculty is in the US doing his Masters while another one is in Canada pursuing his master's degree.
- A faculty member from the Faculty of Computer Science was invited to a 5 month post doctoral research program held in Australia from July to November 2010.

35. Last year, efforts were made to bring a healthier balance between different components of the learning value chain, by encouraging faculty to allocate their time between research, case development, executive education, consultancy work, new course material and text book production, in addition to teaching and counseling. To ensure equitable distribution of work load and to create a common currency thereby ensuring a fairer yardstick to measure and reward effort, a Unit System for Workload Allocation is now in place since Fall 2010. It is anticipated that with the Unit System, the performance management process will benefit.

36. To support teachers in their research work and to facilitate case teaching, senior MBA/BBA students are now available as Teaching Assistants/Research Assistants for both full time and visiting faculty. Fresh graduates, interested in pursuing a teaching career are inducted as Teaching Fellows and assigned to experienced teachers who act as mentors and coaches.

HR Operations

37. In terms of HR Operations, the following key activities were completed:

- IBA Code Book containing key policy framework for all major departments was completed and cascaded.
- Major HR policies including Recruitment, Performance Management, and Promotion for faculty and staff are in place.
- A comprehensive job evaluation exercise has resulted in a market based compensation structure and policy, as well as rationalization of organization structure.
- Long term benefits, gratuity, PF and life insurance were introduced for employees on contract.

PROPOSED PLAN 2011-12

Faculty Development

38. Recruitment of new qualified faculty and up-gradation of the quality of the existing faculty would remain the single most challenging priority for IBA. A review of the experience of last three years has revealed some difficulties and weaknesses in our approach.

39. It was observed that IBA's full time faculty, or outside candidates for whom the Overseas Ph.D Scholarship facility is open, have not been able to get admission directly into PhD programs as most top ranking Universities require a Master's degree from a foreign reputable University before admitting them to their Ph.D programs. In some cases such as English, Accountancy and Law, a Master's degree or advanced professional degree may be considered a terminal degree for appointment and financing instead of PhD. In light of this review the Academic Board and the BoG have approved the following changes in our Faculty Development program:

- a. The present condition of admission to the top 50 universities of the world has been expanded to cover the top 100 universities (lists available on portal/website).
 - b. Full time faculty who get admission into a Masters program will be provided supplementary funding from IBA's Faculty Development Fund in addition to their salary paid under Study Leave Rules. All other conditions under the study leave rules will apply. The choice of disciplines for attracting this provision will be left to the discretion of the Dean and Director who will take into consideration the gaps in the teaching faculty and the immediate needs of the institution. BOG will, however, be kept informed about the faculty members sent for completing Master's degree under the Faculty Development Program.
 - c. IBA's full time faculty desirous of pursuing a PhD in Management, Marketing, Accounting, Finance and Economics, who may initially get admission into a Masters degree program will be allowed to avail Study Leave with full salary as per existing Study Leave Rules, with IBA supplementing the balance of their tuition and expenses from the Faculty Development Fund. Once the Masters program is completed and the candidate is admitted to the PhD program, he/she will be covered by the Overseas PhD Scholarship program already in place.
40. It is estimated that as a result of the above changes at least 2-3 faculty members would proceed abroad for Master's degree program.
41. Two of the faculty members will be pursuing post doctoral programs at McGill University (Canada) and Yale University (USA) this year.

III. TECHNOLOGY UP-GRADATION PLAN

OUTCOMES 2010-11

42. The main achievements under the Technology – Plan in the year 2010-11 are summarized below:

ERP

The first module of ERP – Campus Management System was implemented with nine modules in a period of only six months; this is the main module of the ERP and covers over 60 percent of the total ERP. SAKAI, a Learning Management System – LMS was also implemented. Web Radio and Web TV were initiated through IBA website. As large student data bases are being established, their maintenance shall heavily depend on a highly robust storage medium, together with sufficient measures taken for network and data security and data loss prevention. Encryption suites that protected against external threats have been installed.

Hardware Upgrade

All of the legacy desktops, laptops and printers were changed to latest “All in One” PCs and laptops with V-PRO technology. All the servers from the legacy server room have been shifted to new temporary data Centre. New servers of ultra high configuration have been installed, over which virtualization application has been configured to support a large number of servers in a virtual environment. The servers are, in turn, connected to centralized storage to cater for ever increasing needs of storage of users data. State-of-the-art storage equipment of latest configuration has been installed and put into action.

Network Infrastructure

High End 6500 series switches have been installed to handle the total LAN and WAN traffic. Wireless connectivity is fully available at all the locations.

Network Security

LAN and WAN security has been implemented and all traffic goes through the security checks and controls. Further enhancement will be implemented to make sure that all incoming mails are thoroughly scrutinized by the level wise security measures and access to all unauthorized is denied.

Bandwidth Upgrade

Bandwidth was upgraded; in City Campus from 6MB to 34MB. In the Main Campus from 2 MB to 34 MB. The data link between campuses from Radio Link to Fiber has gone up from 9 MB to 34 MB. Gigabit speed network infrastructure supported by Cat 6 cabling and upgraded to fiber from copper has greatly enhanced the speed of the traffic between different network segments.

Email Services Up-gradation

Due to the increase of the users and dependency of email services, the existing servers were not able to cater; the exchange server was upgraded from MS-Exchange 2003 to MS-Exchange 2007, the hardware capacity was increased accordingly.

Labs Upgrade

The capacity and technology of Lab equipment was upgraded and expanded to cater larger class size and becoming state of the Technology Labs.

VOIP and Video Conferencing

Voice over internet (VoIP) in form of POC – Proof of Concept and Video Conferencing service between the two campuses were implanted and made available for meetings, lectures and conferences.

The Green Technology

Green technology Dell server was acquired along with other peripheral equipment to start the Green Technology operation at IBA.

IBA Portal and Website

The IBA Website and Portal were transformed into dynamic, interactive and user friendly sites.

PROPOSED PLAN 2011-12

43. As most of the hardware and equipment have arrived and the software packages become operational the thrust of the plan in 2011-12 will be enhancement up-gradation, improvements and deployment. The tasks that are planned during the year are:

- Installation of High-end Infra Structure.
- All back bones would be on Fiber Optics.
- Wireless Connectivity will be deployed in all Boys and Girls hostels with the feature of location appliance thus being able to have the real time tracking of the mobile users.
- IP Telephony will be implemented at both the campuses and hostels using Session Initiation Protocol (SIP) lines.
- Green Technology main servers and technology will be deployed.
- State of Art Enterprise Class Storage will be deployed.
- Network WAN and LAN Security System will be deployed.
- Shifting of the Data Centers.
- Financial Management Module will be implemented.
- Human Resources Management (HRM) will be implemented.

IV. PHYSICAL INFRASTRUCTURE DEVELOPMENT PLAN

OUTCOMES 2010-11

44. An amount of Rs.307 million was spent during the current year on completing and initiating new projects. The cumulative amount spent on Physical Infrastructure Development Plan so far is Rs. 836 million out of the estimated targeted amount of Rs.3.4 billion. The list of the projects completed in 2010-11 and are fully functional and operational is given below:

1. Renovation and up-gradation of Existing Academic Block, City Campus
2. Renovation & up gradation of Existing Administration Block , City Campus Phase-I
3. Construction of temporary Students' Lounge & Canteen, City Campus
4. Renovation and up-gradation of Existing Academic Block, Main Campus
5. Renovation and up-gradation of Existing Auditorium, Main Campus
6. Existing Girls Hostel Extension, Main Campus
7. Construction of Multipurpose Building First Floor.
8. Power Supply system(Overhead to Underground Cabling)

PROPOSED PLAN FOR 2011-12

45. It is proposed to incur an expenditure of Rs.640 million during the year 2011-12. This will result in the completion of the following projects during the year:

1. Construction Aman-CED Building , Main Campus
2. Construction of New Academic Block, Main Campus
3. Renovation and Up gradation of Existing Administration Block, City Campus Phase-II
4. Laying of water pipeline and construction of water tanks.
5. Construction of New Boys' Hostel.

46. In addition, the following thirteen projects will be tendered and their construction started this year.

1. Construction of Students' Centre, Main Campus
2. Construction of Multi-storied Building (Aman Tower), City Campus

3. Construction of Auditorium, City Campus
4. Renovation and up gradation of Existing Administration Block, Main Campus
5. Renovation and up gradation of Existing Library, Main Campus
6. Renovation and up gradation of Existing FCS Building, City Campus Phase-I
7. Construction of Data Centre, Main & City Campuses
8. External Development works at both campuses
9. Construction of Sports Facilities
10. Renovation and Improvement of Staff Colony
11. Construction of Prayer Hall, Main Campus
12. Electrical Infrastructure and backup power supply system
13. Installation of elevators, City Campus

V. COMMUNITY OUTREACH

OUTCOMES 2010-11

National and Sindh Talent Hunt Programs

47. Forty seven talented students from backward areas were selected for two months intensive orientation at I.B.A. Karachi (17 under the NTHP and 30 under the STHP). Out of these, as many as 11 cleared the I.B.A. entry tests and got admitted to BBA/BS programs. They will be fully financed for the next four years.

Centre for Entrepreneurship Development

Outcomes 2010-11

48. CED-IBA entered into a 10 year agreement with Babson College of Entrepreneurship, Boston, to replicate the curriculum and teaching pedagogy at Babson. This agreement broadly covers:
- a. Faculty training & curriculum development.
 - b. Support in setting 3 regional CED centers.
 - c. Becoming a founder member of the Global Consortium for Entrepreneurship Development.
49. CED-IBA took part in a global initiative of conducting research on entrepreneurial initiative and thinking in Pakistan. With the help of this national research, CED-IBA

became a member of the Global entrepreneurship Monitor which is a global body. GEM will conduct research in 39 countries.

50. The Centre joined hands with Shell Pakistan in providing basic entrepreneurial training to students and entrepreneurs. Eight one day courses were conducted with the help of Shell at IBA.

51. A national Business Plan competition across 25 universities in Pakistan was held. Two short courses on 'Entrepreneurial Marketing' were conducted in collaboration with SMEDA.

Plans 2011-2012

52. The CED-IBA plans to formally launch a BBA degree with specialization in 'Entrepreneurship' from September 2011. This would be a 4 year regular BBA program with 16 electives in Entrepreneurship.

53. Two teachers from IBA to go for semester training at Babson in the fall/spring, semester. Eight short courses in entrepreneurial marketing, finance and other areas to be held in Karachi, Gujranwala and Sialkot.

54. Women entrepreneurship activities to be initiated with the help of partnering institutions. A national business plan competition for 30 universities across Pakistan to be organized.

Executive MBA programs

55. In October 2009 three new Executive MBA Programs were launched for the professionals of banking, Corporate and Public Sector. This fast track, weekend program received encouraging response from all the three targeted segments. During 2010-11, through five induction efforts, more than 250 participants joined the program and are progressively moving towards completion phase. Early 2012 over fifty participants are expected to complete their studies with IBA. This program is projected to generate fee income of over Rs. 53 million by June 2011 and contribute surplus of Rs. 24 million after absorbing all direct and indirect costs.

56. During FY 2011-12 over 100 professionals will complete their education and will leave IBA. To replenish these natural outflows rigorous efforts are being planned. During this period, certificate courses will also be offered to cater to the needs of the professionals who are unable to make two years commitment for the degree program. The target of active registration for the Executive MBA Program is 300 by June 2012 and the estimated annual fee revenue will be Rs.70 million that will be able to contribute net operating surplus of over Rs. 29 million.

Centre for Executive Education

OUTCOMES 2010-11

57. Thirty two open enrollment programs attended by 610 executives and officers from public and private sector organizations. Four of which were conducted by expert/faculty/ from USA, UK and Canada.

58. Two long term and one short-term Client-Specific (Customized) Programs were conducted: Atlas Group of Companies (One year – Diploma in Business Administration), Sanofi Aventis Pakistan Limited (2-year Certification in Business Excellence), and HBFC (15-day Capacity Building Program for Senior Officers). Atlas Group's first batch of 30 passed out in September 2010 and a new batch of 35 participants has started studies from May 2011.

59. In addition to open programs, CEE has established and maintained Academia-Practitioners Linkages with PICG, VIS-JCR, SMEDA, and NPO. Virtual environment, which is important for running successful executive programs, has been tested with Queens School of Business, Canada by conducting multi-location interactive sessions. Another 5-day 6 country-multi linkage interactive workshop on Video Conferencing was organized with the Asian Productivity Organization, Japan (Through National Productivity Organization, Government of Pakistan). Besides video-conferencing, action-learning e-package was sent to Sanofi Aventis Certification participants for Project Management.

60. Four Seminars and one conference was also managed in 2011. Seminars: (a) Nancy Birdsall of CGD, USA, a "Brian Storming Session"; (b) Dr. Ehtasham Ahmad of LSE, UK on "Inter-governmental Relationship after 18th Amendment, 6th NFC Award and

Failure of Tax Reform”; (c) Dr. Imran Hashim of Intermolecular, USA on “Sharing Experiences with Budding Entrepreneurs”; and (d) Mr. A.R. Raman of SAFA (President) on ”Cost Management Framework for Cost Competitive Strategies”. Conference with INSEAD on “Entrepreneurship: Revitalizing the Economy”.

PROPOSED PLAN 2011-12

61. Continue open enrollment and Client Specific Programs. Open programs will include high price programs, such as “Transformational Leadership Workshop”. Will start program through video conferencing.

Part III

PROPOSED BUDGET 2011-12

Review of Budget 2010-11

62. The total actual expenditure (Revenue & Capital) is expected to be in the range of Rs.911 million against the approved budget of Rs.1,193 million (net of Depreciation) a saving of Rs. 282 million largely because of lower capital expenditure. Table I compares the actual outcomes for different heads against the budget appropriations and shows the variances.
63. The actual operating expenditure for the year 2010-11 of Rs.521 million was well within the approved budget of Rs.550 million. The actual capital expense however, estimated at Rs.390 million has fallen short of the budget of Rs.643 million by Rs.253 million.
64. The total revenue of the Fiscal year 2010-11 (Rs.629 million) is slightly lower than Rs.649 million approved in the budget. The shortfall occurred mainly because of the lower than projected enrollment in MBA class. Consequently, the drawdown of IBA reserves by Rs.366 million envisaged at the time of budget approval was avoided and the year, in fact, ended up with a surplus of Rs.52 million.

TABLE – I
Comparison of Budget 2010-11 with Actual Projections

	Budget 2010-11	Projected Actual 2010-11	Variation
A. Expenditure			
A-1 Operating Expenditure (net off Dep)	550.2	521.2	29.0
A.2 Capital Expenditure	642.8	390.2	252.6
	1,193.0	911.4	281.6
(B) Revenue			
B.1 Operating Revenues	421.1	398.6	(22.5)
B.2 HEC Recurring Grant	72.8	72.8	0.0
B.3 Govt. of Sindh – Grant in Aid	30.0	10.0	(20.0)
B.4 Interest on Reserves	125.4	147.3	21.8
	649.3	628.7	(20.7)
(C) Other Sources of funding			
C.1 Aman Foundation	105.0	198.0	93.0
C.2 HEC Development Grants	32.9	42.0	9.1
C.3 Prime Minister Grant for Libraries	20.0	12.6	(7.4)
C.4 Adamjee Foundation	20.0	60.0	40.0
C.5 Aziz Tabba Foundation	-	20.0	20.0
C.6 Standard Shipping (Pvt) Ltd.	-	2.5	2.5
	177.9	335.1	157.2
Net (Deficit)/Surplus	(365.7)	52.4	418.1

65. An analysis of the approved budget 2010-11 (Table II) and the projected outcomes till June 30 reveals that the operational deficit would be Rs.134.5 million as against budget of Rs.159 million. Government Grants of Rs.82.8 million will reduce this deficit to Rs.39.8 million

TABLE – II
Summary of Budget and actual outcome

	Budget 2010-11	Projected Actual 2010-11	Variation
1. <u>Operational Budget</u>			
Operating Revenues	421.1	398.6	(22.5)
Operating Expenses	550.2	521.2	29.0
Operational Deficit	129.0	122.5	6.5
<u>Financed By</u>			
Government grants	102.8	82.8	(20.0)
Surplus / (Deficit) on Operational Budget	(26.3)	(39.8)	(13.5)
2. <u>Capital Budget</u>			
Capital Expenditure	642.8	390.2	(252.6)
3. <u>Total Funds Required</u>			
	669.0	430.0	
4. <u>Financed By</u>			
Interest/Endowment Income	125.4	147.3	21.8
Aman Foundation	105.0	198.0	93.0
HEC Development Grants	32.9	42.0	9.1
Prime Minister Grant for Libraries	20.0	12.6	(7.4)
Adamjee Foundation	20.0	60.0	40.0
Aziz Tabba Foundation	-	20.0	20.0
Standard Shipping (Pvt) Ltd.	-	2.5	2.5
<i>Total Financing received</i>	303.4	482.4	179.0
5. <u>Draw down from reserves</u>			
	(365.7)	52.4	

66. Capital expenditure incurred in the year was Rs.390 million as against the budget of Rs.642 million resulting in underutilization of budget by Rs.252 million. The underutilization was mainly due to delays in designing and procurement process and thus the projects could not start on time. Meanwhile the Architect also left the country. The unpredictable delays occurred due to uncertain law and order situation, frequent closure of markets and an increased number of off days. The supply of labor was scarce during the strikes and off days. There were also delays due to unforeseen site conditions.
67. During the year we have been successful in generating more funds for our ongoing projects than we had foreseen at the time of budget preparation. The approved budget had identified Rs.303 million as sources of financing while in actual fact this amount turned out to be Rs.482.4 million. The construction of CED building raised the contribution of Aman Foundation to Rs.198 million while Rs.60 million was received from Adamjee Foundation for renovation of Academic Block and another Rs.20 million would be received from Tabba Foundation by June 2011. The total interest income also increased to Rs. 147 million against the budget of Rs.125 million. In overall terms, there will be a net surplus of Rs.52.4 million by the close of the fiscal year 2011.
68. Another way of examining the funding is to identify each major source and then determine if these are stable, reliable and predictable or not. The picture as emerges from Table III is not that encouraging. Although the share of reserves drawn down has declined from 31% in budget 2010-11 to 18% in 2011-12 the absolute amount of reserves is likely to decline in the future and thus reduce the flow of interest income earned. At the same time the Government's own financial health is not that good and they cannot be relied upon to pick up any slack. The risks to the funding can only be mitigated if the efforts to reach the remaining target of Rs.1.3 billion from private donors, alumni, philanthropists and external agencies are accelerated.

Budget Proposal for 2011-12

69. It is proposed that for the year 2011-12 the level of Operating expenditures (net of depreciation) be kept at Rs.619.9 million – an increase of Rs.18.9% over the actual outcome of 2010-11. Capital expenditures are estimated to almost double to Rs.732 million as against Rs.390.2 million. There has been a perceptible pick up in the spending capacity of Projects Department as evidenced by the following data:

2007-08	Rs.33 million
2008-09	Rs.113 million
2009-10	Rs.277 million
2010-11	Rs.307 million

However, we must caution that the actual realizations have always fallen short of the planned expenditure. The Department is however, of the view that all the prior steps for construction of big ticket items have been crossed this year and therefore the likelihood of achieving this proposed amount is much stronger. The total budgeted expenditure this year is projected to Rs.1,352.3 million from Rs.911.4 million – almost 48% increase in nominal terms.

70. On the revenue side, the quantum of increase is quite modest – 8.7% increase over the 2010-11 actuals. Operational deficit (operating expenses minus Operating Revenues plus Govt. Grants) will therefore amount to Rs.83.9 million twice the amount of Rs.39.8 million recorded in the current fiscal year.

71. Adding the capital expenditure of Rs.732.4 million and the operational deficit of Rs. 83.9 million the total funding requirements of 2011-12 will be Rs.816.3 million. The current picture of the identifiable sources of funding leads us to a figure of Rs.571.1 million. The remaining balance of Rs.241.2 million will have to be filled in by the drawing down the reserves.

TABLE – III

Net Funding Sources

2010-11 and 2011-12

			(Percentage Share)		
	Budget 2011-12	Budget 2010-11	Actual 2010-11	Budget 2009-10	Actual 2009-10
Tuition fees & other fees	30	33	42	23	32
Endowment / Investment Income	11	10	16	8	17
Domestic Gifts / Donations / Grants	27	10	31	7	2
Government Support including Development	11	13	15	17	12
Income from Profits Centers	1	3	1	0.3	2
Draw Drawn from Reserves	20	31	(6)	45	35

TABLE – IV
Summary of Budget Proposal 2011-12

	Proposed Budget 2011-12	Projected Actual 2010-11	Variation
(A) Expenditure			
A-1 Operating Expenditure (net off Dep)	619.9	521.2	(98.7)
A.2 Capital Expenditure	732.4	390.2	(381.8)
	1,352.3	911.4	(480.6)
(B) Revenue			
B.1 Operating Revenues	433.2	398.6	34.6
B.2 HEC Recurring Grant	72.8	72.8	-
B.3 Govt. of Sindh – Grant in Aid	30.0	10.0	20.0
B.4 Interest on Reserves	147.7	147.3	0.4
	683.6	628.7	55.0
(C) Other Sources of funding			
C.1 Aman Foundation	161.0	198.0	(37.0)
C.2 HEC Development Grants	59.0	42.0	17.0
C.3 Prime Minister Grant for Libraries	30.0	12.6	17.4
C.4 Adamjee Foundation	-	60.0	(60.0)
C.5 Aziz Tabba Foundation	120.0	20.0	100.0
C.6 TPL Holding (Pvt) Ltd.	25.0	-	25.0
C.7 MJ Siddiqui Foundation	20.0	-	20.0
C.8 Standard Shipping (Pvt) Ltd.	12.5	2.5	10.0
	427.5	335.1	92.4
Operational Deficit/Surplus	83.9	39.8	
Net (Deficit)/Surplus	(241.2)	52.4	(333.2)

Estimated Revenues

72. The Operational Revenues for the year 2011-12 are estimated at Rs.433 million as compared to the Projected Actual Revenues at Rs.399 million. Thus, an overall increase of Rs.34 million is expected as explained below:-

(Rs. million)

Operational Revenues	Proposed Budget 2011-12	Projected Actual 2010-11	Variation
Program Revenues	338	309	29
Non-Program Revenues	46	43	3
Scholarships	34	34	0
Executive Development Programs	14	12	2
Total	433	399	34

73. The program revenues are expected to step-up by Rs.34 million as follows:

- Proposed fee increase by 7% for regular and 14% for ongoing concessional students effective from Fall 2011 21m
 - Fresh intake of students is expected to increase. 11m
 - Increase in EMBA Corporate/Public/Banking & Finance 2m
- Total** **34m**

74. The increase in fees has been proposed at 7% for all students with an increase of 14% for ongoing students enrolled in concessional programs. The existing and proposed fee structure is mentioned below:

Programs	Existing Fee	Proposed Fee
BBA / MBA	102,000	109,200
BS / BBA (Ongoing students in concessional)	55,000	62,700
MBA Evening - Concessional (Fee for average three courses)	37,000	41,000
MBA MIS Evening (Fee for average three courses)	51,000	54,600

Estimated Operating Expenses

75. The Proposed Operating Expenditure of Rs.742 million or Rs.620 million (net off depreciation) represents 19% increase over the actual expenditure for the last year (Table V below). The main factors that can explain for this large increase of Rs.107 million over the actual expenditure are described in (a) to (k) below.

TABLE – V
Summary of Operating Expenses

(Rs. In 000)

		Budget 2011-12	Projected Actual 2010-11	Variance
a)	Employment Cost	366,929	312,167	54,762
b)	Depreciation Expense	121,939	113,783	8,157
c)	Repair & Maintenance	56,523	35,208	21,315
d)	Scholarships	41,695	43,944	-2,249
e)	Training & Development	30,668	24,813	5,856
f)	Utilities	27,050	21,750	5,300
g)	Communication	18,465	19,008	-543
h)	Students' Transportation	16,415	15,431	985
i)	Printing and Stationery	14,521	11,839	2,682
j)	Fuel & Diesel Expenses	12,480	9,654	2,826
k)	Other Expenses	35,164	27,352	7,812
		741,850	634,948	106,902
	Net off Depreciation	619,911	521,166	98,745

(a) **Salaries of Faculty and Staff** (increase by Rs. 55 million)

The budget for Faculty & Staff salaries would be impacted by the following factors:

- i) Average annual increment @ 15%
- ii) New benefits introduced in the current year i-e Gratuity & Provident Fund that would cost an additional Rs.7 million

(b) **Depreciation expense** (Increased by Rs.8 million)

The depreciation expense has been increased due to increase in Fixed Assets, especially depreciation on Computers & peripherals @33%

(c) **Repair & Maintenance (increase by Rs.21 million)**

This includes various maintenance contracts for Equipment & Computers, including licensing fees. Details are as under:

- Computer Hardware and Software
Include cost of maintenance of Server and Services Rs.6 m, Network Security Rs.13 m, Hardware maintenance & helpdesk services will cost Rs.3.6 million
- Software Licensing
Microsoft Licensed Software for PCs and Servers Rs.6.6 m, Opnet & SAP Rs.2.1 million
- Air conditioners & Chillers at a an estimated cost of Rs.4.7 million
Two chillers of Main Campus are planned to be outsourced for maintenance and upkeep. Further, the ACs of classrooms will be added in maintenance contracts which were with the contractor in the last year.

(d) The current budget for **Scholarship** is Rs.42 million for 280 students, which includes an amount of Rs.7.2 million for meritorious students.

(e) **Training & Development** Expense budgeted at Rs.30.6 million (increased by Rs.5.8 million)

- Includes cost of three faculty members for PhD program and one for MS Program
- For Research and case unit programs Rs.4 million is being allocated
- 39 Foreign trainings are budgeted for the next year at a cost of Rs.7 million

(f) **Utilities** (Increased by Rs.5.3 million)

The major increase in utilities is due to increase in Electricity load at both the campuses; simultaneously tariff is also increased drastically.

It was increased by 22% in the current year; load has also been increased after renovation of buildings.

(g) **Communication expense** budgeted at Rs.18.5 million.

Major expense includes Rs.15 million for Internet Services

(h) **Students' Transportation** is budgeted at Rs.16.5 million

- Shuttle services started in between both the campuses
 - Cost of Diesel has increased drastically
- (i) **Printing & Stationery** budgeted at Rs.14.5 million includes:
- Cost of printing of prospectus, increased in number and price
 - Printing & Design of Graduate Directory
- (j) **Accreditation, memberships and Linkages** budgeted at Rs.9.4 million includes:
- GBSN IAC Contract (Renewal) at Rs.5 million
 - American Board for Engineering & Technology (ABET) Rs.2.1 million

76. The total capital expenditure proposed for 2011-12 is Rs.732 million of which Rs.640 million would be for physical infrastructure development projects while Rs.70 million are allocated for the information and Communication Technology (ICT) projects.

TABLE-VI
Summary of Capital Expenditure

Civil Works Projects

Code	Type of Project	Amount in Millions
401 RC	<u>Renovation Projects at City Campus</u>	107 m
	Existing FCS Building 30	
	Existing Administration Block 52	
	External Development 25	
402 RM	<u>Renovation Project at Main Campus</u>	70 m
	Library & relevant landscape 30	
	Existing Administration Block 25	
	Data Centre 10	
	Improvement of Staff Town 5	
403 NC	<u>New Projects at City Campus</u>	95 m
	Aman Tower 60	
	Data Centre 15	
	Auditorium 20	
404 NM	<u>New Projects at Main Campus</u>	321 m
	Sports Ground 15	
	New Boys Hostel 43	
	New Academic Block 60	
	Student Centre 30	
	New Girls Hostel 15	
	External Development 42	
	Mosque 15	
	Aman Centre for Entrepreneurial Development 101	
405 CT	Architect's, Consultants' & Project Managers' fee	23 m
406 MISC	Miscellaneous Works & Jobs	25 m
Total:		640 m

b) Computers & Peripherals

	ICT Requirements for Civil Works Projects	10
	Video Conferencing Solution	15
	Hardware Lab for FCS	7
	Call Manager (CUCM)	6
	Alliance Agreement with CISCO Hardware Lab	4
	Other Hardware Requirements	5
		46

c) ERP & Other Software

	ERP Modules	19
	Other Software	5
		24

d) Other Capital Expenditures

	Furniture & Fixture, Equipment, vehicles, Library Books etc.	23
Total:		732

RISK TO THE BUDGET OUTLOOK

77. The cause of deviation between the approved budget and the actual outcome has persistently been the slow utilization of capital expenditure. The BoG has always been supportive and provided us ample flexibility but it must be cautioned that there are both internal and external circumstances that come in the way. Although there has been a significant enhancement in the capacity of the two capital spending departments there is a greater need for result orientation rather than the usual bureaucratic way of doing things and placing greater emphasis on procedures and processes. A much better planning can anticipate and overcome some of the procedural difficulties by factoring them in the timelines. The security situation whereby the laborers do not turn up on the days of strike or other unrest is also responsible for non-achievement of the targets. One of the mitigants is that quality contractors, project managers and consultants are now working on most of the new projects. Their performance is relatively much superior to those with whom we have worked on the renovation projects in the past. This gives us some encouragement that the gap between the promises we make at the time of budget and the actual achievements would be further narrowed barring unforeseen circumstances.

CONCLUDING REMARKS

78. IBA is fast converting its cash and liquid reserves into real asset formation as it renovates, modernizes the existing buildings and facilities and constructs new ones. So far, the rate of depletion of reserves has been contained because private donors have been providing a lot of financial support to IBA in this process. As against cumulative net depletion of Rs.445 million from the base year 2007-08, we have built up net balances of Rs.482 million in additional funds raised. Our current projections show that with the approval of the 2011-12 budget by the BoG, we would have built real new assets worth Rs.1.06 billion out of our own resources and another Rs.0.82 Billion of assets from the donations and contributions. The simple accounting shows that starting with cash and liquid reserves of approximately Rs.1.1 billion in June 2008 we would end up with cash and liquid reserves of Rs.0.69 billion, incremental real assets of Rs.2.17 billion and endowment fund of Rs.0.48 Billion.

79. Approval of the BoG is sought for the Budget proposals for 2011-2012 contained in this memo.





Financial Summaries



Institute of Business Administration, Karachi
Budget 2011-12



(Rs. In 000)

	Note Ref	Budget 2011-12	Budget 2010-11	Projected Actuals 2010-11
Operating Revenues				
Program Revenue		338,147	335,398	308,739
Non-Program Revenue		46,235	25,468	43,469
Scholarships		39,295	30,663	34,497
Total Operational Revenues		423,678	391,529	386,705
Interest Income		147,660	125,445	147,274
Government Grants				
HEC - Recurring Grant		72,773	72,770	72,773
Govt. of Sindh - Grant in Aid		30,000	30,000	10,000
		102,773	102,770	82,773
Total Income		674,111	619,744	616,752
Operating Expenses				
Employment Cost	1	366,929	341,647	312,167
Training & Development	2	30,668	27,483	24,813
Traveling Expenses	3	4,865	6,215	3,832
Students' Transportation	4	16,415	11,656	15,431
Printing and Stationery	5	14,521	14,514	11,839
Periodicals, Newspapers & Subscriptions	6	2,600	3,200	1,901
Communication	7	18,465	14,151	19,008
Utilities	8	27,050	14,980	21,750
Fuel & Diesel Expenses	9	12,480	11,800	9,654
Depreciation Expense	10	121,939	115,037	113,783
Repair & Maintenance	11	56,523	24,927	35,208
Insurance Expense	12	6,025	5,241	4,052
Advertising Expense	13	5,500	8,500	3,178
Entertainment	14	1,650	2,000	1,682
Seminars, Meetings, & Convocation Expenses	15	7,063	10,957	5,708
Scholarships	16	46,495	39,819	43,944
Accreditation, Memberships and Linkages	17	9,434	7,902	5,263
Other Administrative Expenses	18	4,200	1,672	2,686
Temporary Rented Facility (APWA)	19	7,625	7,500	7,470
Contingent Expenses	20	1,400	1,500	49
Legal and Professional Charges	21	4,435	10,809	3,928
Bank Charges	22	900	420	626
Overheads recovered from IBA-Centers	23	(20,534)	(16,733)	(13,022)
Total Operating Expenses		746,650	665,197	634,948
Surplus/(Deficit) from IBA Activities		(72,540)	(45,453)	(18,196)
IBA - Centers - Operating Performance				
Center of Executive Education Expenses	CEE	2,445	9,165	2,083
Centre for Entrepreneurial Development	CED	(13,003)	4,500	(11,878)
Centre for Business & Economic Research	CBER	(525)	(1,695)	(1,043)
EMBA - B&F/CM/PSE	EMBA	29,020	14,506	24,063
Talent Hunt Program	NTHP/STHP	(3,606)	2,623	(1,304)
(Deficit)/Surplus from Profit Centers		14,332	29,099	11,921
(Deficit)/Surplus		(58,208)	(16,353)	(6,275)

Institute of Business Administration, Karachi
Budgeted Fund Flow Statement

(Rs. In 000)

	Budget 2011-12	Budget 2010-11	Projected Actuals
Operating Revenues	423,678	391,529	386,705
Operating Expenses (net of Depreciation)	(624,711)	(550,159)	(521,166)
Deficit on Operating Activities	(201,033)	(158,630)	(134,461)
Financing of Operations			
<i>Income from Other Profit Centres</i>	14,332	29,599	11,921
<i>HEC Recurring Grant</i>	72,773	72,770	72,773
<i>Sindh Govt Grant in Aid</i>	30,000	30,000	10,000
	117,105	132,369	94,694
Net outflow from Operating Activities	(83,929)	(26,261)	(39,767)
Capital Expenditure	(732,420)	(642,766)	(390,203)
Other Sources of Funds			
<i>Income from Investment</i>	147,660	125,445	147,274
<i>HEC Funding</i>	59,000	32,924	42,000
<i>P.M Grant for Libraries</i>	30,000	20,000	12,600
<i>Aman Foundation Funding</i>	161,000	105,000	198,000
<i>Aziz Tabba Foundation</i>	120,000		20,000
<i>TPL Holding (Pvt) Ltd.</i>	25,000	-	-
<i>MJ Siddiqui Foundation</i>	20,000	-	-
<i>Standard Shipping (Pvt) Ltd.</i>	12,500	-	2,500
<i>Adamjee Foundation Funding</i>	-	20,000	60,000
	575,160	303,369	482,374
Net outflow for Capital Expenditure	(157,260)	(339,397)	92,172
Total (Shortfall)	(241,189)	(365,659)	52,405

The total short fall for the year will be met from IBA reserves.



Revenues



Institute of Business Administration, Karachi

Revenue Budget 2011-12

Sr. Nos.	Programs	Budget 2011-12		Year 2010-11			
		Number of Students	Budget Amount *	Number of Students	Budget Amount	Number of Students	Projected Actuals
IBA Academic Programs (BBA, MBA)							
1	BBA	1,078	230,443	1,065	197,708	1,064	195,295
2	BS	153	25,219	97	15,558	100	15,700
3	MBA	137	30,467	320	65,280	272	55,386
4	MBA Evening	302	26,357	370	37,584	307	19,153
5	Summer	-	13,377	-	14,688		16,541
6	MS	133	12,285	100	5,857	86	6,664
		1,803	338,147	1,952	336,675	1,828	308,739
Admission Fee and Other Charges							
7	Admission Charges	650	6,500	621	6,210	522	5,220
8	Transcript	650	650	621	621	522	522
9	Lab cum Library Charges	1,803	9,015	1,952	9,760	1,828	9,140
10	Testing Service	11,500	20,400	3,300	9,900	5,200	20,081
11	Comprehensive Exam Fee	300	1,500	300	750	183	918
12	Hostel Fee	155	4,650	140	4,200	153	4,579
13	Student Transportation Fee	110	3,520	135	3,787	107	3,010
		15,168	46,235	7,069	35,228	8,515	43,469
Grand Total			384,382		371,903		352,208

* Proposed fee increase by 7% for regular and 14% for ongoing concessional students effective from Fall 2011



Operating Expenses



Institute of Business Administration, Karachi

Budgeted Operating Expenses 2011-12

(Rs. In 000)

Notes Ref.

Budget 2011-12	Projected Actuals 2010-11
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1 Employment Cost

Salary, Allowances & Benefits

Teaching Staff	144,817	118,924
Teaching supporting staff	31,778	27,359
Part Time Teaching Remuneration	28,496	25,790
Non-Teaching Staff	96,760	83,423
Over Time	13,392	14,067
Leave Encashment	10,159	8,997
<u>Other Benefits:</u>		
Hospitalization Expenses	12,000	10,386
Attendance Reward / Prizes to Staff	1,389	942
Exemption to fee waivers	1,445	1,295
Commutation Expense	2,000	3,974
Pension Expense	5,000	4,785
Gratuity Expense	1,500	-
Provident Fund (IBA Contribution)	5,427	2,763
Staff Welfare Fund	750	2,000
Group Insurance	500	131
Other Employment Cost		
Student's Assistantship/Work Study/Internship Programs	7,114	3,513
Testing Remuneration	4,401	3,819

Total Employment Cost

366,929	312,167
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2 Training & Development

Faculty Development Program	20,260	18,221
External Expert Services	2,580	3,927
Faculty Research Programs	2,500	-
Case Unit	1,528	-
Staff Training & Development	3,801	2,665
Total Training & Development	30,668	24,813

3 Traveling Expenses

Traveling Expenses - Foreign (including reimbursement of traveling to outsiders & students)	1,664	1,373
Traveling Expenses - Domestic (including reimbursement of traveling to outsiders)	3,101	2,459
Other Traveling Expenses	100	-
Total Traveling Expenses	4,865	3,832

4 Students' Transportation

Drivers' Salary & Allowances	2,831	2,648
Fuel	7,804	6,968
Repair & Maintenance	1,480	2,562
Rented Vehicles	3,130	2,131
Insurance Expenses	1,125	1,084
Taxes	45	38
Total Students' Transportation	16,415	15,431

5 Printing and Stationery**Printing and Publication**

Prospectus	1,800	1,746
Graduate Directory Printing	1,800	1,587
Alumni Newsletter & Directory	500	-
Transcripts & Degree Printing	240	394
Others - Printing & Publication	1,000	348
	5,340	4,075

Computer Supplies

Printers' Toners	4,590	3,977
Others - Computer Supplies	585	393
	5,175	4,370

Office Stationery	1,500	1,402
Photocopy Charges	1,006	764
Master Roll & Copy Printer Ink	300	147
Others - Printing & Stationery	1,200	1,080

Total Printing and Stationery **14,521** **11,839**

6 Newspapers, Periodicals, Journals & Subscriptions

Newspapers	300	226
Periodicals & Journals	1,100	658
Online Subscriptions	1,200	1,017
Total News Papers, Periodicals, Journals & Subscriptions	2,600	1,901

7 Communication

Postage/Courier	1,200	1,182
Telephone	1,740	2,273
Internet charges	15,225	15,344
Others - Communication	300	210
Total Communication	18,465	19,008

8 Utilities

Gas	100	0.3
Water	750	258
Electricity	26,000	21,491
Generators on Rentals	200	-
Total Utilities	27,050	21,750

9 Fuel & Diesel Expenses

Fuel - Vehicles	4,680	3,900
Diesel for Generators	7,800	5,754

12,480 9,654

10 Depreciation Expense

Dep. Exp. - Building & Structures	21,946	13,940
Dep. Exp.-Equipment & Machinery	10,801	7,483
Dep. Exp. - Computers & Peripherals	75,604	80,022
Dep. Exp. - Software	1,222	1,087
Dep. Exp. - Library Books	2,331	2,144
Dep. Exp. - Vehicles	5,410	5,834
Dep. Exp. - Furniture & Fixtures	4,525	3,206
Dep. Exp. - Sports Goods	100	67
Total Depreciation Expenses	121,939	113,783

11 Repair & Maintenance

Motor Vehicles	1,426	1,100
Computer Hardware and Software	25,279	14,622
Software Licensing	10,260	9,514
Telephone Exchange	400	680
Air conditioners & Chillers	4,692	
Generators	3,800	3,432
General Mach. & Equipment	950	
Furniture and Fixture	1,000	850
Building and Structures	8,466	4,976
Other Repair & Maintenance	250	35
Total Repair & Maintenance	56,523	35,208

12 Insurance Expense

Vehicles, Buildings, Furniture, Fixtures	6,025	4,052
Generators, Office Equipment, Computers & Peripherals		
Total Insurance Expense	6,025	4,052

13 Advertising Expense

	5,500	3,178
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14 Entertainment

	1,650	1,682
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15 Seminars, Meetings, & Convocation Expenses

Convocation	1,284	1,585
Social Events	485	872
Orientation Program	277	244
Open House	1,038	1,059
Alumni & RM	1,439	854
Public Affairs	824	-
ICICT	305	509
CDC	183	83
Misc. Seminars, Conferences and Meetings	1,229	503
	7,063	5,708

16 Scholarships

IBA (Merit Based)	7,200	9,447
HEC	6,374	12,891

Sind Endowment	7,000	8,052
Others	25,922	13,554
	46,495	43,944

17 Accreditation, memberships and Linkages

GBSN	5,310	4,487
American Board for Engineering & Technology	2,175	-
Subscriptions and Memberships	1,949	776
	9,434	5,263

18 Other Administrative Expenses

Contribution to University Fund	100	90
Uniforms	700	297
Degree Verification Charges	200	-
Security Expense	3,200	2,299
Total Other Administrative Expenses	4,200	2,686

19 Temporary Rented Facility (APWA)

Rent Expenses	7,625	7,470
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20 Contingent Expenses

	1,400	49
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761,849 **643,417**

21 Legal, Consultancy and Professional Charges

Audit Fee & Other Expenses		
Audit Fee	350	350
Out of Pocket Expenses	35	35
Audit of Information Systems	750	-
	1,135	385

Consultancy Fee		
Financial Consultancy	250	481
Online Payment Software Expenses	100	54
HR Consultancy	1,500	1,812
Other - Consultancy	250	-
	2,100	2,348

Legal charges		
Legal & professional charges	1,200	1,195

Total Legal and Professional Charges **4,435** **3,928**

22 Bank charges

Bank Charges	600	540
Fee Collection Charges	300	86
	900	626

23 Overheads recovered from IBA-Centers

(20,534) **(13,022)**

Total Other Charges **(15,199)** **(8,468)**

Total Operating Expenses **746,650** **634,948**

Activity Wise Budgets

Budget 2011-12	Budget 2010-11	Actual 2010- 11
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Resource Mobilization, Alumni & Public Affairs

Alumni Newsletter
 Consultancy - Resource Mobilization
 Public Affairs Activities
 Alumni - Chapter Formation

500	100	-
-	1,500	-
824	1,350	-
1,439	1,319	1,432
2,762	4,269	1,432

Admission Related Expenses

Prospectus
 Admission Ads
 Orientation Program
 Open House

1,800	1,700	1,746
2,500	3,000	1,897
277	298	206
1,038	1,522	1,059
5,615	6,520	4,908

Career Development Centre

Graduate Directory Designing & Printing
 Career Fair / HR Forum
 Expenses related to recruitment drives
 Other Expenses

1,800	1,800	1,587
500	1,000	66
200	300	4
200	-	-
2,700	3,100	1,656

Seminars, Meetings, & Convocation Expenses

Convocation
 Social Events
 ICICT
 Misc. Seminars, Conferences and Meetings

1,284	1,740	1,585
485	860	872
305	1,000	509
1,229	1,568	503
3,303	5,168	3,468

14,380	19,057	11,465
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FACULTY TRAINING & DEVELOPMENT

No	Area	FCS	Business Admin	Total Faculty members visits	Unit Cost \$	HEC funding	Fees and Living expenses	Air Fare	Total IBA Cost 2011-12
<u>IBA FACULTY</u>									
1	Ph. D (2011 - 12)		1	1	\$45,000	2,130,650	1,919,350	100,000	2,019,350
2	MS		1	1	\$63,000		5,670,000	100,000	5,770,000
3	Ph. D (2011 - 12) (already studying)		2	2	\$45,000	4,261,300	3,838,700		3,838,700
4	Upto 6 Months Short Courses - Abroad		2	2	\$9,000	1,400,000	148,000	140,000	288,000
5	Workshop abroad upto 2 weeks	2	5	7	\$3,000		1,806,000	490,000	2,296,000
6	Workshop local upto 1 week (outside Karachi)		10	10			300,000	200,000	500,000
7	International Reputed Conferences upto 1 week	15	15	30	\$2,000		2,580,000	1,500,000	4,080,000
8	Local Conference upto 2 days (outside Karachi)	1	18	19			475,000	380,000	855,000
9	Seminars (local 2 days) in Karachi		15	15			112,500		112,500
10	Faculty Workshops in-house		60	60			500,000		500,000
		18	129	147		7,791,950	17,349,550	2,910,000	20,259,550
<u>OUTSIDERS</u>									
1	From GBSN		2	2	\$2,500		430,000	860,000	1,290,000
2	Others		2	2	\$2,500		430,000	860,000	1,290,000
		0	4	4			860,000	1,720,000	2,580,000
	Total					7,791,950	18,209,550	4,630,000	22,839,550



Capital Expenditure



Planned Capital Expenditure

2011-12

(Rs. In 000)

S. No	Description	Buildings & Structures	Computers & Peripherals	Softwares	Furniture & Fixtures	Machinery & Office Equipment	Library Books	Vehicles	Total
1	Budgeted Civil Works Projects 2011-12 (including interior décor furnishing & Equipment)	639,862							639,862
2	ICT Infrastructure for Buildings		9,500						9,500
3	Other Capital Expenditure		36,690	23,623	8,000	2,000	7,000	5,745	83,058
Total		639,862	46,190	23,623	8,000	2,000	7,000	5,745	732,420

Civil Works

Project Code	Project Title	Cost of Completion	2011-12		
			Budget 2011-12	Donor plus HEC	IBA
401 RC	Renovation Projects at City Campus				
401.1	Existing Academic Block	124.5			
401.1.1	Refurbishment, Renovation of Class Rooms(BW) (First Floor)	52.6			
401.1.2	Furniture Fixtures of class rooms including ground floor and IT component	5.9			
401.1.3	Addition of Class rooms on G.F +Bathrooms (BW) including Voice and Data Cabling	66.0			
401.1.4	Façade development and walkway extension(BW) (only improvement)	-			
401.2	Existing FCS Building	69.0	30.0	30.0	-
401.2.1	Renovation & extension including voice and Data Cabling	61.0	30.0	30.0	-
401.2.2	Furniture Fixtures including G.F. & 4th floors (F&F)	8.0			-
401.2.3	FCS Phase II	-	-		-
401.3	Existing Administration Block	101.0	52.0	-	52.0
401.3.1	Extension of Admin Block including A/C, Server room (BW) including Voice and Data Cabling	88.0	43.0		43.0
401.3.3	Phase-II of Admin Block & Façade Development ,Addition of lifts & Staircase (BW)	3.0	3.0		3.0
401.3.2	Furniture for new extension(F&F)	6.0	6.0		6.0
401.3.4	Replacement of Old furniture(F&F)	4.0			-
401.4	External Development	63.0	25.0	-	25.0
401.4.1	Building works (Shifting of Substation)	6.0	1.3		1.3
401.4.2	Load Extension From 374 to 850 KW	2.0			-
401.4.3	Construction of New Substation & Shifting of Generators	45.0	18.7		18.7
404.9.6	Extension of Load from 850KW to 2000kW	10.0	5.0		5.0
	Sub total	357.5	107.0	30.0	77.0
402 RM	Renovation Project at Main Campus				
402.1	Library & relevant landscape	112.0	30.0	30.0	-
402.1.1	Building Works	92.0	30.0	30.0	-
402.1.2	Interior Decoration	20.0			-
402.2	Existing Auditorium	68.0	-	-	-
402.2.1	Civil, Electrical, Mechanical & HVAC(BW)	68.0			-
402.2.2	Interior & furniture(F&F) (Fountain area lobbies, sitting area, back stage, stage, etc.)	0.0			-
402.3	Existing Academic Block	104.6	-	-	-
402.3.1	New class room and old Class Rooms renovation	100.0			-
402.3.3	Façade Ramp & Construction(BW)	0.0			-
402.3.2	Class Rooms Furniture & Seminar room (F&F) & IT	4.6			-
402.4	Existing Boys Hostel	96.0	-	-	-
402.4.1	On going Works of renovation	92.0			-
402.4.2	Furniture For Dorm, GYM, Laundry, lounge, Kitchen Building, new rooms, dining	4.0			-
402.5	Existing Administration Block	169.7	35.0	5.3	29.8
402.5.1	Ground + 3 Stories	146.7	25.0	5.3	19.8
402.5.2	Interior decoration	23.0			-
402.5.3	Data Center	20.0	10.0		10.0
402.6	Improvement of Staff Town	20.0	5.0	-	5.0
402.6.1	Building Works	20.0	5.0		5.0
	Sub Total:	590.3	70.0	35.3	34.8
403 NC	New Projects at City Campus				
403.1	Master Plan of IBA City Campus	-	-	-	-
403.1.1	Master Planning External Development(Survey)	-			-
403.2	Captive Power Generation	0.0			
403.3	Student lounge and Canteen (Temporary)	5.3			
403.3.1	Building Works	5.3			
403.3.2	Furniture & Fixture	0.0			
403.4	Infrastructure for CCS-UAP (SAP)	4.0	-	-	-
403.4.1	IT & Lab Equipment, Hardware Lab (IT)	4.0			-
403.5	Security & Pump Room	1.3			
403.6	AMAN Tower	660.0	60.0	60.0	-
403.6.1	Building Works	600.0	60.0	60.0	-
403.6.2	Interior Decoration	60.0			-
403.7	Auditorium (JS)	100.0	20.0	20.0	-
403.7.1	Building Works	100.0	20.0	20.0	-
403.7.2	Interior Decoration				-
403.8	Data Center	20.0	15.0		15.0
	Sub Total:	790.6	95.0	80.0	15.0
404 NM	New Projects at Main Campus				
404.1	Master Plan of IBA Main Campus	-			

404.1.1	Master Planning External Development (Survey)	-			-
404.1.2	Sports Ground	50.0	15.0		15.0
404.2	New Boys Hostel Phase-I	152.0	42.5	42.5	-
404.2.1	Building Works	140.0	42.5	42.5	-
404.2.2	Furniture & Fixtures	12.0			-
404.3	New Academic Block	226.0	60.0	60.0	-
404.3.1	Building Works	204.0	60.0	60.0	-
404.3.2	Furniture & Fixtures	18.0			-
404.3.3	IT infrastructure	4.0			-
404.4	Student Centre	165.0	30.0	6.0	24.0
404.4.1	Building Works	134.0	30.0	6.0	24.0
404.4.2	Furniture & Fixtures (Interior decoration)	31.0			-
404.4.3	IT infrastructure	0.0			-
404.5	Visiting Faculty Hostel at IBA staff Town	136.0			-
404.5.1	Building Works	126.0			-
404.5.2	Furniture & Fixtures	10.0			-
404.5.3	IT infrastructure	0.0			-
404.6	Multipurpose Building	28.1	-	-	-
404.6.1	Building Works (G.F)	9.9			-
404.6.2	Building Works (F.F)	12.3			-
404.6.3	Furniture & Fixtures				-
404.6.4	IT Infrastructure & Equipment	5.9			-
404.7	Girls Hostel Extension and furniture	12.6			-
404.8	New Girls Hostel	108.0	15.0	8.8	6.2
404.8.1	Building Works	98.0	15.0	8.8	6.2
404.8.2	Furniture & Fixtures	10.0			-
404.8.3	IT infrastructure	0.0			-
404.9	External Development	323.4	42.0	5.0	37.0
404.9.1	Buildling Works > Accesses, Pathways & Parking	100.0	5.0	5.0	-
404.9.2	Construction of Three KESC Substation	3.0	3.0		3.0
404.9.3	Electrical system Rectification	10.0			-
404.9.4	New Connections HT of 660 KW - Staff Colony	2.3			-
404.9.5	New Connections HT of 750 KW - Boys Hostel	3.8			-
404.9.6	Extention of Load from 400 KW to 2500 KW	14.4			-
404.9.7	Electrical Infrastructure inc: Back up Power	55.0	5.0		5.0
404.9.8	Water Pipe Line	36.8	15.0		15.0
404.9.9	Sewerage Line	81.2	14.0		14.0
404.9.10	Conversion from Over Head to Underground power System KU	16.9			-
404.10	Prayer Hall	15.0	15.0	15.0	-
404.11.1	Building Works	15.0	15.0	15.0	-
404.11.2	Furniture & Fixtures	-			-
404.11	Aman Centre for Entrepreneurial Development	240.0	101.0	101.0	-
404.11.1	Building Works	208.0	101.0	101.0	-
404.11.2	Interior Decoration	32.0			-
	Sub Total:	1,456.1	320.5	238.3	82.2
405 CT	Architect's, Consultants' & Project Managers' fee				
405.1	Project Architects & Consultants fee	100.0	13.5	9.0	4.5
405.2	Project Managers fee	47.0	9.2	-	9.2
405.3	Competition fee for new projects			-	-
405.4	Specialty Consultants			-	-
	Sub Total:	147.0	22.7	9.0	13.6
406 MISC	Miscellaneous Works & Jobs				
406.1	Construction of Security/Reception Rooms - City & Main Campus	-		-	-
406.2	Temporary Wooden Offices	-		-	-
406.3	Improvement of site office	-		-	-
406.4	Bathrooms & Spaces for staff (Drivers, office attendants)	-		-	-
406.5	Non destructive testing of structures	-		-	-
406.6	Unforeseen Works	9.9	2.0	-	2.0
406.7	Pedestrian Bridge	-		-	-
406.8	Cost of Project Execution Staff	94.4	22.7	-	22.7
406.9	Temporary Faculty (APWA) including IT infrastructure for Labs etc.	-		-	-
406.10	Lab-16 City Campus and Server Room Main & City Campus (Including Extensions)	5.7		-	-
406.12	Site Clearance of Staff Town	0.5		-	-
406.13	Furnished Site Office for Nespak	0.2		-	-
406.14	Furnished Site Office for Project Managers (Consult-tec)	0.2		-	-
	Sub Total:	110.8	24.7	-	24.7
	Grand Total:	3,452.4	639.9	392.5	247.3

Capital Expenditure Requirements

Budget 2011-12

(Rs. In 000)

ICT DEPARTMENT			
S. No.	Rate	Quantity	Total

Computers & Peripherals

ICT Requirements for Civil Works Projects

1	Renovation & Refurbishment of Existing Admin Building, Main Campus (Active Components, 2nd & 3rd Floor)		5,000
2	Master Planning (External Development)		4,500
			9,500

3	Video Conferencing Solution		15,000
4	Hardware Lab for FCS		7,000
5	Call Manager (CUCM) Routers Interface card, Misc. Passive works & other parts)		5,850
6	Alliance Agreement with CISCO Hardware Lab		3,700
			31,550

Other Hardware Requirements

7	Laptops	5	540
8	Printer		
	a. Color Printer	1	90
	b. Black/White	8	288
	c. A3 size Printers	7	1,386
9	Scanners	2	72
10	Multimedia Projectors	2	540
11	USBs		
	a. Flash Drive	28	252
	b. Pocket Drive	19	342
12	Radio Link Up gradation		630
13	Hardware Items		1,000
Sub Total:			36,690

Total Hardware Cost			46,190
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ERP & Other Software

14	Licensing Fee & Implementation Cost for ERP Financial Module PeopleSoft/Oracle Financials, Purchasing, Inventory		6,750
15	Licensing Fee & Implementation Cost for HCM , Payroll Module (through HEC) PeopleSoft Core HR , PeopleSoft Payroll, PeopleSoft Absence Management, PeopleSoft Time & Labor, PeopleSoft eRecruiting, PeopleSoft ePerformance, PeopleSoft Benefits Administration		10,000
16	Transport Module Transport Module of PeopleSoft (Customized Module)		495
17	Scheduling Software UniTime Integration with PeopleSoft (Customized Module)		1,728
18	Alumni/CDC Website Development		1,650
19	Misc Software Requirments (Faculty & Admin Deptts)		3,000
Total Software Cost			23,623
Grand Total:			69,813

Rs. 000

FURNITURE & EQIPMENT**Furniture & Fixture**

1	Furniture for Classrooms & Offices	6,000
2	Misc. Furniture items	2,000
TOTAL FURNITURE & FIXTURE		8,000

Machinery & Equipment

1	Misc. Office Equipment	2,000
TOTAL MACHINERY & OFFICE EQUIPMENT		2,000

Rs. 000

VEHICLES

S. No.	Description	Quantity	Price per Unit	Total Cost (including taxes etc.)
1	Hino Coaster (Replacement)	1	4,000	4,100
2	Toyota Corolla GLI Car (Replacement)	1	1,600	1,645
				5,745

IBA - Center of Executive Education (CEE)

Budget for the year 2011-12

Rs. In 000

Workshops	Atlas Program	Customized Program 2	Customized Program 3	Misc Program	BE/SDP	General CEE	Budget 2011-12	Budget 2010-11	Projected Actual
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Operating Revenue

Total Revenue	10,000	9,310	3,500	6,000	1,500	6,380	36,690	36,645	24,242
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Operating Expenses

<i>Salary & Allowances</i>							8,053	8,053	6,086	6,222
<i>Teaching / trainers' Remuneration</i>	2,640	1,800	400	400	100	912	-	6,252	6,162	5,111
<i>Transportation & Traveling Expenses</i>	-	-	-	-	-		400	400	300	378
<i>Boarding & Lodging Expenses</i>	-	4,416	-	-	-		-	4,416	3,214	3,850
<i>Printing and Stationery/Photocopy Handout etc</i>	450	300	120	120	120	25	-	1,135	1,858	598
<i>Communication (Telephone, Internet etc)</i>							75	75	500	22
<i>Repair & Maintenance</i>							200	200	300	160
<i>Advertising Expense</i>	2,100					560		2,660	2,705	1,265
<i>Entertainment/Lunch etc</i>	750	2,000	280	240	60	5		3,335	1,060	1,685
<i>Overheads to IBA</i>	2,010	778	930	1,692	396	1,463		7,270	4,796	2,868
<i>Photography, banners, Misc etc.</i>							450	450	500	
Total Expenses	7,950	9,294	1,730	2,452	676	2,965	9,178	34,245	27,480	22,160
Profit / Loss	2,050	16	1,770	3,548	824	3,415	(9,178)	2,445	9,165	2,083

IBA - Centre for Entrepreneurial Development

Budget for the year 2011-12

Rs. 000

	Budget 2011-12	Projected Actual	Budget 2010-11
International Certification Courses - Full Day	-	-	1,500.0
Short Courses for Women & Youth	-	-	720.0
Short Courses for Established Entrepreneurs	1,200.0	-	750.0
Short Courses for Established Executives	1,200.0	-	-
Babson Trained faculty at Abu Dhabi School	7,794.0	-	-
INVENT 2011 Earnings	10,000.0	-	-
USAID Financing	-	18,282.6	119,965.8
	20,194.0	18,282.6	122,935.8
Operating Expenses			
Establishment Charges	6,174.1	11,293.8	25,921.6
International Training on Entrepreneurship Strategies	17,320.0	11,244.4	35,923.8
Travelling & Lodging	-	-	-
International - Babson training	400.0	693.1	-
International - Foreign Consultant	500.0	-	-
Local Travelling	100.0	100.0	-
Local Lodging including foreign consultant	360.0	37.7	-
Training & development	100.0	-	-
Center Development Expense	-	4,678.8	-
Short Courses Arrangement	300.0	-	-
	-	-	-
Consultant Providing Entrepreneurial Training Strategies	400.0	-	8,946.0
Distance Coaching	-	-	300.0
Awareness Campaigns/Marketing	3,000.0	-	20,000.0
Student Support Program	-	-	22,700.0
Other Expenses	500.0	-	640.0
APS (Adult Population Survey) for GEM	3,000.0	1,900.0	-
Affiliation & Certifications	-	-	-
Babson Geen Membership	-	-	-
GEM Membership	1,042.5	-	4,250.0
Depreciation	-	212.6	-
	-	-	-
Total Expenses	33,196.6	30,160.4	118,681.4
Net Surplus / Loss from CED Operations	(13,002.6)	(11,877.8)	4,254.4

IBA - Centre for Economic & Business Research

Budget for the year 2011-12

Rs. 000

Budget 2011-12	Budget 2010-11	Projected Actual
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Operating Revenue

Project 1	4,133	1,100	
Project 2	1,000	1,300	
		4,000	
Total operating Revenue	5,133	6,400	-

Operating Expenses

<i>Salary Wages and Benefits</i>	919	750	781
<i>Researcher's Remuneration</i>	2,000	3,500	
<i>Transportation & Traveling Expenses</i>	1,500	300	19
<i>Business Review Printing/Stationery etc.</i>	300	700	168
<i>Communication (Telephone, Internet etc)</i>	25	50	
<i>Overhead to IBA</i>	664	2,745	
<i>Entertainment</i>	50	50	
<i>Others</i>	200		75
	5,658	8,095	1,043
Total Expenses	(525)	(1,695)	(1,043)

IBA - EMBA Programs

Budget for the year 2011-12

(Rs. In 000)

Operating Revenue

Operating Revenues

Budget 2011-12	Budget 2010-11	Projected Actual
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70,000	62,600	53,632
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Operating Expenses

Salaries, Wages Benefit etc.	6,380	8,100	4,842
Visiting Faculty & mentoring	15,000	22,460	9,671
Traveling Expenses	300	600	153
Printing & Stationary	500	1,460	544
Communication	200	176	40
Depreciation	1,000	800	1,464
Repair and Maintenance	500	263	382
Insurance		90	192
Advertisement	3,000	2,900	1,206
Entertainment	500	800	46
Office Supplies	500	306	4
Overhead Chgs	12,600	9,192	11,022
Misc.	500	947	3
	40,980	48,094	29,569

Surplus from the Program

29,020	14,506	24,063
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Institute of Business Administration, Karachi

National / Sindh Talent Hunt Program

Budget 2011 - 12

Orientation program 2012 Batch	Total Amount	Findings Available		
		NTHP (IHSA TRUST)	STHP (Sindh Govt)	IBA
Accommodation (Rs. 4500/P.M. X 2 months X 60 students)	540,000	360,000	126,000	54,000
Breakfast, Meals and Refreshments (Rs.5250 X 2months X 60 students)	630,000	420,000	147,000	63,000
Trainer's remuneration for teaching (28 sessions X 90 minutes / 50 = 50.4 Hours, 3 Faculty in each)	504,000	277,200	158,760	68,040
Mentor's remuneration (28 sessions X 90 minutes / 50 = 50.4 Hours, 12 Mentors in each)	302,400	151,200	105,840	45,360
(Rs.2000 X 2months X 60 students)	240,000	160,000	56,000	24,000
Miscellaneous expenses & Contingencies (Testing Fee, Medical, Newspaper, Contingent expenses)	400,000	300,000	70,000	30,000
Total Orientation Cost	2,616,400	1,668,400	663,600	284,400

IBA Program Management cost				
Salaries				
Coordinator & Executive NTHP & STHP	1,898,430	-	511,014	1,387,416
Internee/Assistant	240,000	-	-	240,000
Travelling cost for visiting schools	270,000	-	105,000	165,000
Printing and Stationery	200,000	-	70,000	130,000
Postage & Courier Expense	50,000	-	15,000	35,000
Advertising Expense	300,000	-	105,000	195,000
Entertainment	20,000	-	7,000	13,000
Newspapers, Periodicals, Journals & Subscriptions	10,000	-	3,500	6,500
Total Program Management Cost	2,988,430	-	816,514	2,171,916

Scholarship Fee				
Scholarship Amount (Existing Students)	4,642,000	2,611,000	1,421,700	609,300
Scholarship Amount (new entrants)				
NTHP Scholarship for 8 students (Rs.400,000 X 8 students)	3,200,000	3,200,000		-
STHP Scholarship for 5 students (Rs.400,000 X 5 students)	1,600,000		1,120,000	480,000
Contingent and Unforeseen expenses	500,000	300,000	140,000	60,000
Total Scholarship:	9,942,000	6,111,000	2,681,700	1,149,300

Total Talent Hunt Cost **15,546,830** **7,779,400** **4,161,814** **3,605,616**

Shortfall Borne by IBA

3,605,616