



University of Aruba

Annual Report 2019

University of Aruba



ACADEMIC REPORT

January - December 2019

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Report from the Board of Trustees

Role of the Board of Trustees and Governance of the University of Aruba

The Board of Trustees (BoT) is an independent body of the University of Aruba (UA) responsible for the governance of the UA. In addition, the BoT oversees the progress on the fulfillment of the strategic objectives and the operational, personnel and financial matters of the UA.

As of June 2019, new members of the Board of Trustees have been appointed: the President of the BoT, mr. Sharin D. Luydens, Vice-President of the BoT, drs. Herry M. Koolman, members dr. Rigoberto H. Croes, and drs. Angelo Brete. These members replaced the previous members of the BoT: President of the BoT, Juri T. Nicolaas, M.A. (until June 2019), Adolfo Richardson M.A. (until June 2019) and Marielsa R. Arends -Croes, MSc. (until June 2019).

The BoT met six times during 2019. Outside of the regular meetings there was also regular contact among members of the BoT and the Management of the UA or individual meetings with employees of the UA.

The Daily Board with the participation of Rector, Business Director, President of the BoT and/or Vice-president of the BoT is considered the management team of the UA and is authorized to decide and advise on behalf of the BoT, subject to conditions and guidelines set by the BoT. The Daily Board formally met at least once a month in 2019.

The Rector is charged with the management and supervision of the day-to-day affairs within the University, subject to conditions set by the Daily Board and/or the BoT. The Rector is the first person responsible for the proper conduct of education and research. The Rector is accountable to the BoT.

The Advisory Board comprising of the Deans of the faculties and the Rector formally meets once a month and is an advisory body to the Daily Board, the BoT and the Faculties.

Strategy, quality assurance and multi-year planning

In 2019, the BoT held several discussions with regard to the progress of the strategic plan 2015-2020 and the need for formulation of succeeding strategic plan for the following period. It was decided that the backbone of the strategic plan and vision for 2021-2026 will be completely aligned with the goals and objectives to obtain the Institutional Accreditation by NVAO. UA subsequently discussed this with NVAO and committed to begin with the preparations for the institutional accreditation with the goal to conclude this process by 2024.

In March 2019, a 're-accreditation' site visit took place for the Law Faculty. The panel review resulted in the Bachelor and Master program both receiving a conditional positive judgement. All 11 standards were judged as met except for Standard 10 Assessment that was judged as 'met partially' and for which remediation actions have been agreed upon. Changes and adaptations within the administrative support for the faculties, particularly the administration of the exam committees, need to be prepared and put in place in the coming two years.

As part of the ongoing endeavor to improve financial management and reporting, for the first time at the end of 2019, the UA prepared a multi-year budget with a focus on a long-term financial planning.

In the latter half of 2019 the BoT members met with the Minister of Education and representatives of the Ministry of Education on several occasions to discuss policy matters related to UA.

In 2019, the new Board of Trustees also devoted attention to the governance structure of the UA. Whereas the LUA served its purpose in the past, the BoT is of the opinion that given the expansion the UA has gone through during the past years in both qualitative and quantitative terms, the LUA needs to be updated in line with a more sustainable and coherent model of the governance structure based on a two-tier board model. Considering that the BoT expects that an update of the LUA would take considerable time in view of the required legislative process, the BoT is contemplating to implement some procedural changes in the governance of UA, provided these are not in contrast with the nature of the LUA.

Finance and Operations

Frequent attention was devoted by the Board to financial matters and catching up on backlogs in external financial reporting. In 2019, Financial Statements of the years 2014-2017 have been finalized and audited by the external accountant with an unqualified opinion. Further focus was on advancing the finance agenda of increasing transparency, digitalization and process improvements. The BoT has further appointed PlusAccountants as the external auditor for financial statements of 2019 and 2020.

Throughout the year, the BoT regularly consulted on interim developments, current affairs and progress with multiple UA stakeholders.

Future outlook

The exposure of UA to the COVID-19 pandemic became eminent in mid-March 2020 and had a profound effect on our students, staff, operations and the Aruban community at large. UA switched almost from one day to another to online education and remote work. This status remained for the rest of the academic year 2019-2020 with some of the exams being facilitated online and some face-to-face. We have witnessed a great effort across all UA staff and students to make this work and we are proud to have seen that the UA community is sustaining these challenging times with minimum impact on our core objectives and operations. As a response to the profound economic and financial consequences of COVID-19 for the economy of Aruba, UA took a stance of solidarity and reduced personnel expenses of all its staff. A thorough risk assessment in relation to COVID-19 has been performed and measures have been taken to ensure the continuity of our operations and fulfilling of our strategic objectives.

Final remarks

UA is an interdisciplinary university whose student base has been steadily growing. This has been broadened even further with the addition of SISSTEM in 2019. There are many opportunities how UA can further develop offering local and international students world-class opportunities, develop further its research capabilities and service to Aruban society. In 2019 the determination of the strategy for the upcoming years, the governance structure of the UA and development of the administrative environment were central to the BoT discussions.

As the BoT we would like to express our special appreciation and gratitude to all the lecturers and researchers, students and PhD candidates, the participation bodies and all supporting staff members and the Rector for their contribution and commitment to the UA during the year 2019 and we look forward to each one's continued support in the years ahead since the future of the UA is in your hands.

Management Report

Rector's report on mission, vision and change

In 1988, shortly after attaining the 'country' status within the Kingdom of The Netherlands, Aruba instituted the University of Aruba (UA). The UA is a public entity, established by the 'Landsverordening Universiteit van Aruba' (LUA, AB 1988, 100). The LUA attributes the following function to the University of Aruba.

By offering higher education, the University has the task to:

- a. Prepare students for responsible social functions, which require higher education;
- b. Promote understanding of the interconnectedness of the sciences; and
- c. Promote awareness of community responsibility.

Furthermore, the University of Aruba collaborates with institutions and organizations that practice scientific research, both on and off the island.

The University of Aruba started with a single faculty offering a single program. By the year 2018, 30 years since opening its doors, the University of Aruba contained 4 Faculties offering in total ten degree programs, the Academic Foundations Year program and many courses that result in certifications and valorization of much needed sophisticated competencies to the Aruban community.

As a startup university within a young country, in 1988 there was no local coherent academic community on Aruba to feed the University of Aruba in its creation and growth. The necessity to collaborate out of scarcity was turned into a strategic choice to build all programs based on synergy seeking collaboration between local staff and strong international partners. In 2019, the SISSTEM program, funded by the EU and set up in collaboration with KU Leuven, was added to the offerings of the Faculty of Arts and Science (FAS). This is a testament to the successes this strategic choice has to offer the UA and the Aruban community.

By 2019, the University of Aruba is maturing steadily beyond its 30th anniversary. We have a solid commitment to continue to consolidate the capacity within the education programs and to take responsible steps towards increased diversity and more visible scientific research and output with our partners. We base our work on the following principles.

Our purpose and direction

The University of Aruba will guide Arubans to deepen their self-consciousness, sense of being and belonging, and contribute to an elevated existence as part of humanity. For this, through the University of Aruba, we will study ourselves, find ways to better ourselves as individuals and as a community and then reach out to the world to help humanity in its further development. The

University of Aruba is an agent for the creation of an enlightened society.

Our mission

Bring together inspired people who conduct and deliver quality research and higher education in order to enhance the students' and alumni capabilities to participate in the dynamic and ever-changing world, resulting in responsible, satisfied global citizens, who are lifelong learners



and who are prepared to positively contribute to the community's quality of life.

Our Values

At the UA, we value openness, personal and social awareness, collaboration, mindfulness, excellence, accessibility and innovation to help become the best graduates, educators and researchers.

Glenn Thodé
Rector of the University of Aruba

Our Vision

To build an exceptional institute of higher education and research that is recognized nationally, regionally and internationally as a leader in high quality teaching and relevant research that educates students for a sustainable and dynamic future. We aim to be a place that underscores and fosters possibilities, liberties, and personal and social responsibilities

Business Director's report on organization, staff and administrative developments

In 2019 the University of Aruba continued with improvements of processes and procedures. This was part of the strategic direction that started in 2018 and will continue in the next few years. In 2019 the approach was adopted to pursue a review and accreditation of the organization as a whole and all procedural improvements that were already planned as well as some new projects fit perfectly in that framework. As the road towards the institutional accreditation is a road not traveled lightly the UA has opted to make this the strategic goal for the upcoming 4-5 years. Timelines and further plans will need to be refined and approved in 2020.

Within the structure and staffing of the Offices and Centers, 2019 did bring a few changes, both planned and unforeseen. In the 2nd half of 2019 the Center for Quality Assurance (CQA) saw 2 people leave and 1 other contract was not renewed, this allows for some reflection on the goals and composition of that department. A process that so far has brought about some interesting discussions as well as various scenarios. Decisions are pending. The continued monthly meetings with all managers and coordinators, as well as the shared projects, has shown to have lasting impact on the cooperation and understanding between the different supporting services.

The year 2019 brought the opportunity for the UA to obtain additional funding through the Dutch Ministry of Education, Culture and Science (OCW). The multi-year funds were allocated to the Government of Aruba to promote studying in the Caribbean region to Aruban students. The UA became part of a project team deciding on the allocation of these funds. So far these have been used to grant a small number of students financial aid, the start of the Shoco Wellness Student and Staff mental wellbeing project and 3 classrooms at the UA have been transformed into fully blended learning classrooms, with video monitors, camera's, speakers and microphones, as well as the furnishing of a fully functional recording and editing studio for online educational materials. These classrooms and studio allow the UA to create and distribute online educational materials, livestream classes and record classes as well as have lecturers at a different location teach to students at the UA. Allocation of further funds to additional projects is expected in 2020.

Patrick Arens
Business Director of the University of Aruba



Education

Program characteristics and goals

Introduction

UA is organized in 4 faculties: Faculty of Law, Faculty of Arts and Science, Faculty of Accounting, Finance and Marketing, Faculty of Hospitality and Tourism Management Studies, and an Academic Foundation Year.

On August 1, 2019 the **SISSTEM** (Sustainable Island Solutions through Science, Technology, Engineering and Mathematics) project kicked off at the University of Aruba, an ambitious program aimed at the development of critical capacity for Sustainable Island Solutions. Organizationally within UA, SISSTEM falls within the Faculty of Arts and Science.

Faculty of Law (FDR)

FDR offers two study program tracks, a bachelor and a master degree program in Aruban Law. The curriculum offered is organized according to the European Bachelor - Master structure. The goal of the program is to deliver graduates who can fulfill duties as judges, prosecutors and lawyers in the Aruban legal system. Graduates can also fulfill other roles in the society, as the study prepares the student to be competent in all the major legal fields or disciplines, both in private and public law. The master program differentiates two profiles, one with focus on 'Legal Practice' and on 'International Law, Regulation and Governance'. The Bachelor program is designed to be a three-year full-time study track, and the Master program is designed to be a one-year full-time study track.

Since 2016, the Faculty of Law has operated a Double degree program "International and European Tax Law" with the Maastricht University of The Netherlands. After three successful years, the decision was taken to no longer offer this program at Aruba and no new students have been accepted to academic year 2019-2020.

Faculty of Accounting, Finance and Marketing (FEF)

FEF offers two Bachelor programs in applied sciences. One is the Business Economics, which leans strongly towards Accounting and the other is Commercial Economics, which leans towards Marketing. The faculty works with a major-minor structure. The major is the core of the study. The propaedeutic phase, the second and third year and the graduation assignment are part of the major. The minor is the first semester of the fourth year where the student chooses to deepen his/her knowledge in specific subjects. Student can choose from a number of minors within the FEF, but the student can also opt for a minor at a university of applied sciences abroad.



The goal of the FEF programs is to foster the professional skills and professional attitude. The vision is to deliver graduates who are analytically thinking professionals with an eye for innovation and intercultural cooperation in order to stimulate and achieve the sustainable development of the Aruban economy.

The propaedeutic phase of the study has a duration of one year and is concluded with a propaedeutic certificate. The main phase of the study has a duration of three years and is concluded with a certificate conferring the right to use the title Bachelor of Economics (BEc) for the specialization Accounting & Finance / Business Economics or with the title Bachelor of Commerce (BCom) for the Marketing track.

Faculty of Hospitality and Tourism Management Studies (FHTMS)

FHTMS offers two degree programs. The Bachelor of Science program in Hospitality and Tourism Management at the University of Aruba has the goal to offer students and professionals opportunities to achieve both academic and personal skills and competencies to succeed in the international business world, with a focus on the Tourism and Hospitality sectors.

In this three-year program, students are introduced to the various business aspects of Hospitality and Tourism, including: Organization & Management, Sales & Marketing, Human Resources & Training, Operations & Technology, Economics and Finance & Accounting. Students also explore the international world of tourism and learn about the role and importance of sustainability in culture, heritage, nature and the environment.

In 2018 the FHTMS started another MBA cohort. The MBA is a program with a differentiated path in both education as financing aspects. The program is offered by combining local UA faculty members and faculty members of the University of South Carolina. The MBA program offers business professionals the opportunity to develop their leadership competences and scientific capabilities in the area of (international) business and management. The MBA aims to inspire innovation and innovative thinking, and to instill the competencies needed to create workable sustainable strategies in future business environments through interaction with experienced scientists, leaders and professionals.



Faculty of Arts and Science (FAS)

As the youngest faculty FAS embraced the principles starting with the Bologna agreement to unify higher education within the European Qualifications Framework. The FAS is the first faculty to offer studies in multiple disciplines. In 2019 it offered the programs of Organization, Governance and Management (OGM), Social Work and Development (SW&D) and a Mathematics teacher program.

The FAS offers a substantial expansion of the possibilities for higher education in Aruba, as well as the expansion of research and social service in the field of social-cultural studies and humanities. The embedding of the FAS within the University of Aruba impacts the Aruban society in multiple ways and it strengthens the role of the University as a change agent in the surrounding society. Set up as a multi-study faculty, the FAS contributes to the diversity in student population, teaching staff and study program.

The core values of the FAS are sustainability, diversity, civic participation and identity.

SISSTEM

On August 1, 2019 the SISSTEM (Sustainable Island Solutions through Science, Technology, Engineering and Mathematics) project kicked off at the University of Aruba, an ambitious program aimed at the development of critical capacity for Sustainable Island Solutions. SISSTEM advances sustainability policies at an academic level, supporting resilience in small island states while educating a new generation of academics that have the skills and capacity to make these policies a reality. The program was designed and is implemented in strong collaboration with our partner on this project, KU Leuven of Belgium.

SISSTEM offers a 3-year, 180 EC (European credits) bachelor program in STEM with specializations in bio-environmental sciences, technology and engineering, and informatics and data sciences; a 1.5-year, 90 EC multidisciplinary master program, PhD projects for sustainable development in small island states and a research and development center. The SISSTEM project is the result of a collaboration between the University of Aruba, KU Leuven and the initial phase is funded by the EU as part of the EDF-11 fund.

SISSTEM welcomed its first students in September 2019.

For SISSTEM, the University of Aruba has been granted right of use of the building Maria Convent next to the La Salle building in Oranjestad, Aruba. Renovation works of the building are expected to take approximately 2 years before being operational and are expected to begin in mid 2020. The new building will include new library as well as laboratories.



Academic Foundation Year (AFY)

In 2016 the UA started with the Academic Foundation Year (**AFY**) certificate program, which was started as an externally financed pilot to answer the need for a stronger academic foundation for young Arubans in their passage from secondary to tertiary education. In 2018 and 2019 the popularity of this program has shown it was much needed.

The AFY program aims to bridge the gap between high school and higher education and offers students of Aruba a great opportunity to be better prepared for their academic careers.

AFY students are trained in language skills, research skills and thinking skills and go through a coaching trajectory that is tailor made for the program. Students in the Foundation Year get the opportunity to participate in courses at the faculties of the university as well as electives offered by the program itself so they can experience the characteristics and challenges of the academic disciplines.

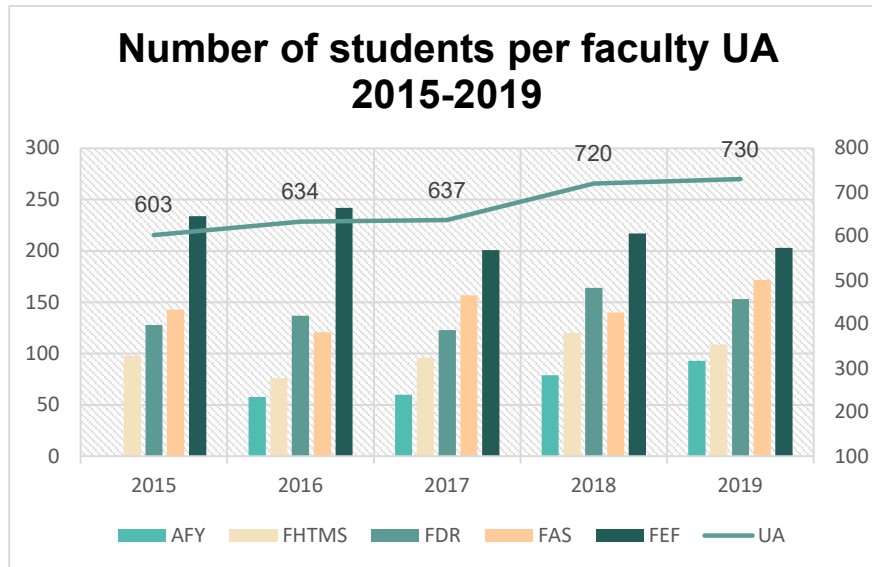
The whole program is focused on exposing students to a broad palette of experiences leading to successful academic learning. All the courses in these tracks follow a standard structure, and are based on student centered learning.



Statistics

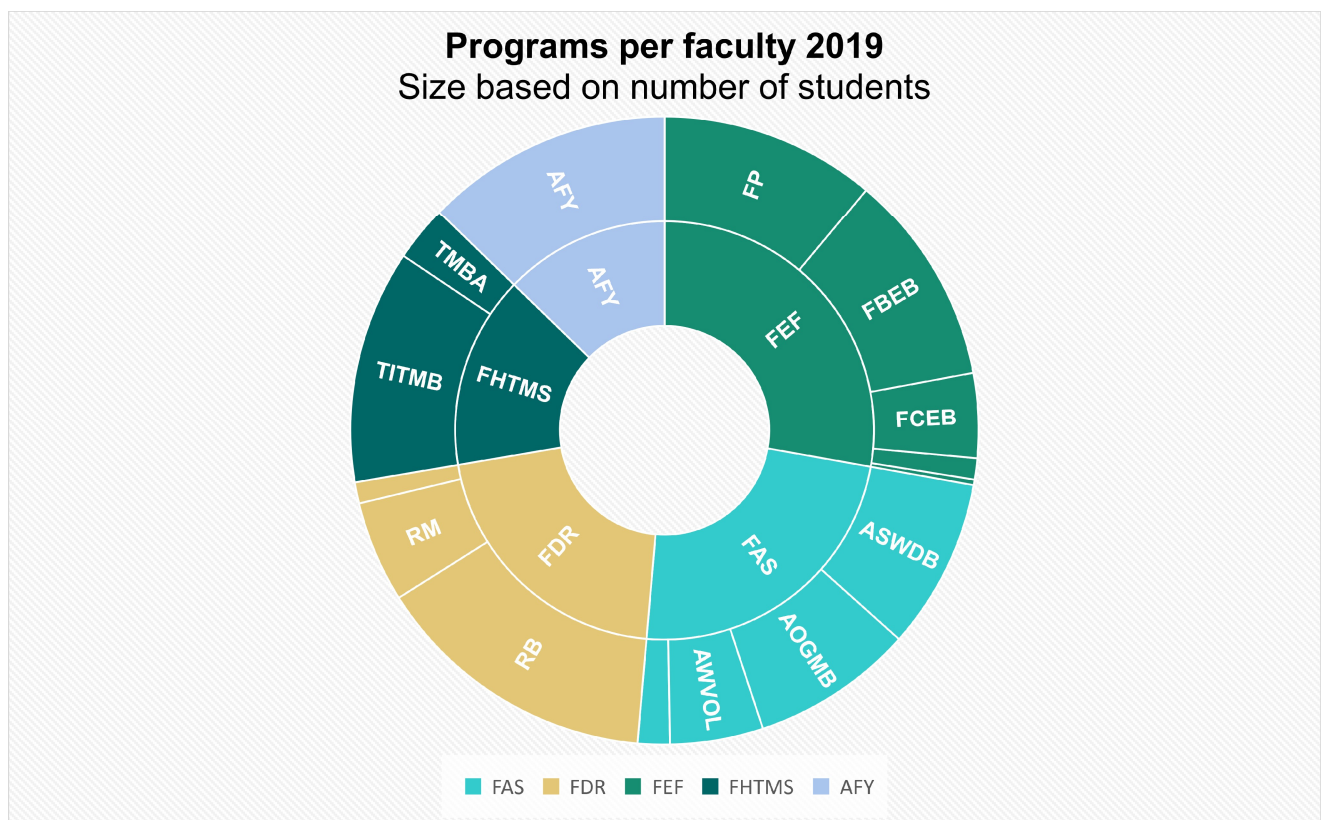
Students

Total number of UA students is steadily increasing over the years with a projection of further increase. In 2019, the biggest faculty is FEF with over 200 students, followed by FAS.



Programs

Composition of program size per faculty in 2019 is shown in the figure below.

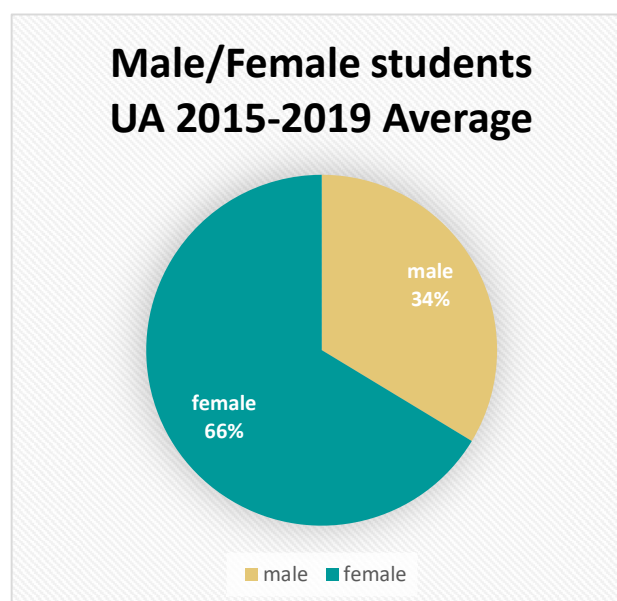
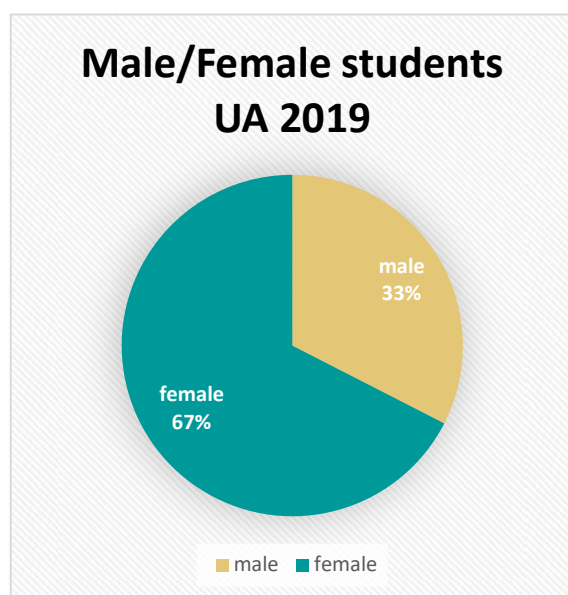


In 2019, UA offered 3 master programs with 67 students (2018: 101) and 8 bachelor study programs with 479 students (2018:443).

Number of accepted students per program			Degree	2019	2018
FAS	AOGMB	Organization & Management	BA	61	62
	ASWDB	Social Work	BA	64	44
	AWVOL	Mathematics	BA	35	34
	SIS	SISSTEM	BA	12	0
FDR	DDPIETL	Double Degree Program	MA	8	17
	RB	Bachelor in Law	BA	107	103
	RM	Master in Law	LLM	38	44
FEF	FBEB	Accounting and Finance	BA	80	90
	FCEB	Marketing	BA	32	30
	FNOVAA	Post Bachelor Accounting	AA	8	10
	FP	Propaedeutic	Certificate	81	85
	PBCONT	Post Bachelor Controlling	Certificate	2	2
FHTMS	TITMB	Tourism and International Business	BA	88	80
	TMBA	Master of Business Administration	MBA	21	40
AFY	AFY	Academic foundation year	Other	93	79
Total				730	720

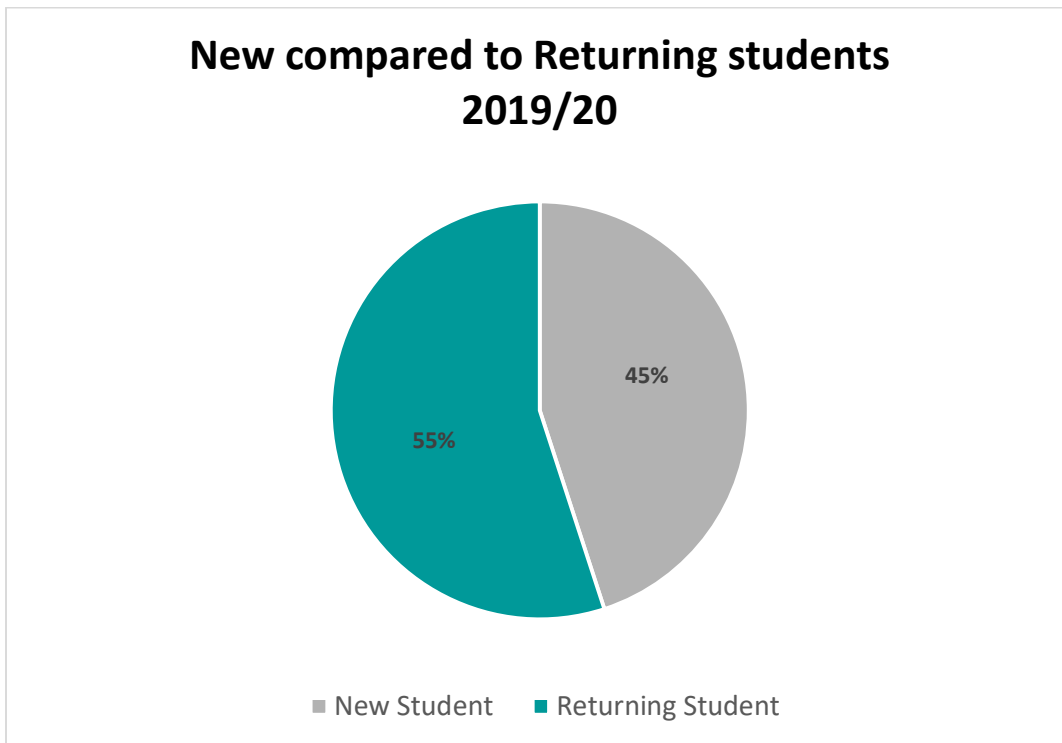
Demographics

In 2019 in line with the average of the last 5 years, UA students have been pre-dominantly female.



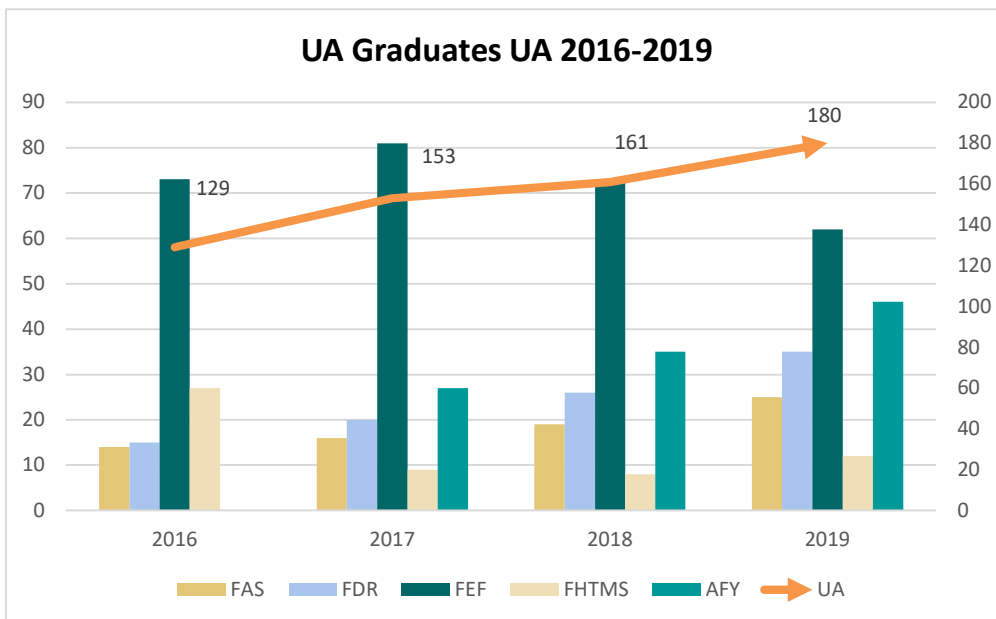
New compared to Returning students

In line with the average of last 5 years, in 2019 45% of all accepted students are new students.



Graduates

The following chart shows the number of graduates at UA by faculty:



Research

Introduction

Research and social services are one of the main tasks of the university as grounded in the law 'Landsverordening Universiteit van Aruba (LUA)' and in UA's strategic plan. Scientific research is a cornerstone in all our undergraduate and graduate programs and forms an important part of the curriculum. Faculties conduct research on Aruban social processes and collaborate with numerous local and international institutions. The results are shared with the Aruban and international community through education, publications, symposia, lectures and other activities.

The main ambitions of the UA for the research are: high-quality research with social impact in Aruba and the region, obtaining more third party funds for research and more commitment to local and international cooperation. To be able to fulfill these ambitions, it is necessary that the UA makes use of all possibilities for funding and thus relies more on external funding such as the NWO, the EU and others. It is recognized that drawing up a unified Research Agenda is a necessary instrument for managing these ambitions.



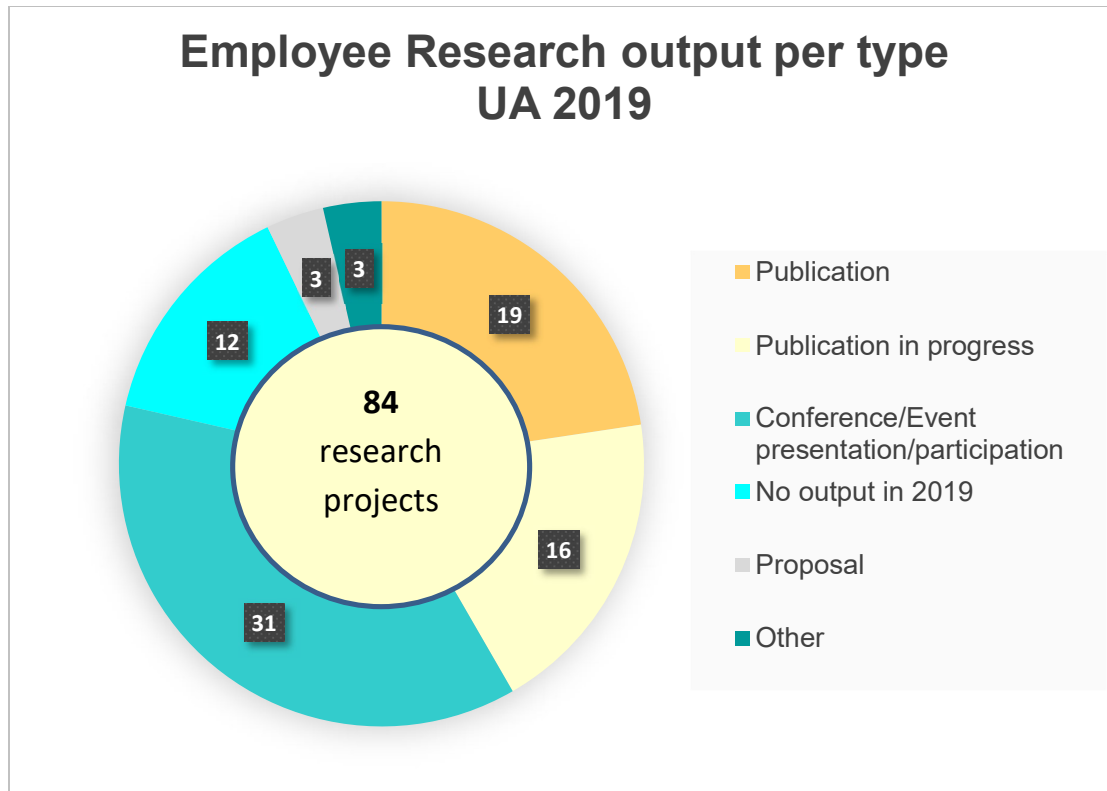
NWO opening to the Dutch Caribbean!

In 2019, the Dutch Research Council (NWO) has changed its granting rules. As a result, universities in the Caribbean part of the Kingdom qualify for NWO research funding. Scientists from these institutions can now act as main or co-applicants within all NWO calls for proposals.

As a follow up on this development that positively impacts opportunities for research funding, in March 2020 UA hosted a meeting with Dr. Jeanet Bruil (MBA), head of the Dutch Research Agenda (NWA) at the Dutch Research Council (NWO) to discuss the challenges and opportunities of this program.

Projects

In 2019, there were 84 active research projects done by the employees of the UA.



Below are highlights of some of the research projects and collaborations in 2019.

Circular economy

In the beginning of 2018 UA with a consortium of partners from the Netherlands have started a project titled 'De Zaak is Rond' – literally translated from Dutch "The Business is Round". The project continued throughout the 2019. The project conducts a practically oriented research of financing small and middle sized companies in circular economy. The goal of this project is that the companies are no longer restrained to take part in circular economy due to missing practical knowledge of financing options. Its ambition is to provide knowledge about financing of companies in circular economy to a group of companies, financing institutions and decision makers.

Child maltreatment and human capabilities in Aruba

The child maltreatment and human capabilities research project lead by PhD candidate and lecturer Clementia Eugene, MSW seeks to provide national prevalence estimates of child maltreatment in Aruba. It also has as its objectives to determine the likely impact of child maltreatment on the evolving human capabilities of children, using Nussbaum's list of 10 Central Human Capabilities. The end goal is to explore a conceptual basis for valorizing child maltreatment as a human development impediment. Data has been collected on the Perceptions, Opinions and Attitudes about Adult Sexual Behaviour Involving Children and the National Prevalence Estimates of Child Maltreatment phases of the study, and the results are pending.

The available results of a pilot study conducted in 2019 were disturbing and raise concerns about the probable normalization of abuse in Aruba.

UAUCU Student Research Program

The University of Aruba (UA) and University College Utrecht (UCU) have an agreement for international student mobility. Students in their final year are provided the opportunity to work on their thesis research or on a specific research assignment in a multidisciplinary student group.

The fifth edition of the UAUCU (2019) has become a great product of student research and peer to peer support with wide range of research subjects and have been published in: Mijts, E. & J. Ballantyne (red.) UAUCU Student Research Exchange collected Papers 2019. The publication can be view on the website of the UA <http://www.ua.aw/international/>.

SISSTEM

During the first three years of the SISSTEM project, up to 12 PhD-projects for Sustainable Development in Small Island States will be initiated in close collaboration between the University of Aruba and KU Leuven. Six projects have started already, a second group will start later in 2020.

- Aruba's indoor vertical farm based on LED light technology (Kryss Facun)
- Development of an optimal waste management system for Aruba (Colleen Weekes)
- Detection and spatial analysis of urbanization and land use change in small island states, by means of GIS and remote sensing techniques (Sharona Jurgens)
- Connectivity of Marine Fish Populations (Diana Melville)
- Comparative research on social innovation and just resilience in the governance of small insular socio-ecological systems (Francielle Laclé)
- Engineering sustainability... or sustainable engineering. Research project on the edge of sustainability, engineering, entrepreneurship, and education in Aruba (Alba de Agustin)

**"A new generation of
scientists for
sustainable
development"**



Center of Excellence

In 2019 the University of Aruba received a grant by the FDA ("Fondo Desaroyo Aruba") to setup and integrate the Center of Excellence within the University of Aruba. It has soon emerged that this center should primarily focus on Research and therefore become a Research Center within the UA which would serve as a platform of research across faculties. UA is currently working out a business plan for the most effective ways to use this grant to support our research ambitions.

Service to society

Aruba Institute for Good Governance & Leadership (GG&L)

The Aruban Institute for Good Governance and Leadership (GG&L) was incorporated within UA on 6 March 2019. It is envisioned to be an independent, multi-disciplinary and not-for-profit competence center of the UA. The GG&L will organize activities for public and private professionals, civil servants, politicians, scholars, administrators and board members, as well as for opinion leaders and the Aruban public at large. In 2019 the GG&L has taken off by organizing a series of six public dialogues. The GG&L will gradually extend its activities by organizing seminars, training events, research and consultancy. The GG&L will not function as a separate organization, but rather function as a platform and an umbrella from which we organize and promote our activities in the domain of Good Governance & Leadership that have meaning for the broader Aruban society.

The institute has been organized within current UA structure, using services of CLL. Mieke de Droog, Ph.D. has been appointed the Program Director of GG&L.



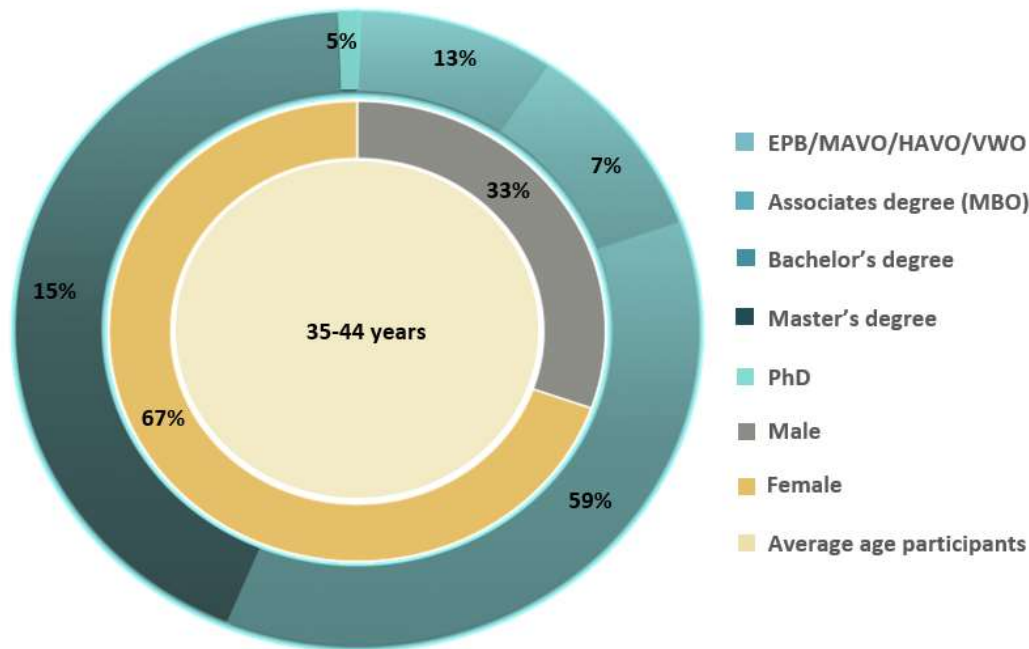
Center for Lifelong Learning (CLL)

Since its establishment in 2003, CLL has been positioning itself as the bridge between the University of Aruba and the Aruban Community. Enabling professional growth and personal enrichment to all as part of strengthening the human capital in Aruba in a continuous effort to contribute to the sustainable socio-economic growth and development of our nation and surrounding regions.

CLL prides itself that in 2019 it saw a growth in the number of activities organized. In 2019 CLL offered/promoted in total a number of 67 events under the header of 'studium generale', short courses, projects, workshops, seminars and Post Academic Courses (PAO). The highlights for this year were several. Starting with the 1st International Conference on Small Island States (SIS) and Subnational Island jurisdictions (SNIJs) with as theme "Sharing Stories of Island Life, Governance and Global Engagement". See more information on page 19 under heading 'International conferences'.

CLL also collaborated with the 'Stichting Deugdelijk Bestuur Aruba' (Foundation for Corporate Governance Aruba) in organizing its second symposium "Road to Good Governance" and "WeConnect Aruba" in organizing the seminar: "Bringing our graduates back home". Other highpoints were trainings offered in collaboration with 'Taalcentrum Vrije Universiteit Amsterdam' (Language Center of VU Amsterdam). Numerous lecture series were held on the topic of Burn Out and Circular Economy. The UA's newly established Aruba Institute of Good Governance and Leadership via CLL also held a lecture series. Last but not least, CLL was able to host the radio program Straight Up Conversation about Education on the Massive 103.5 FM bringing the concept Lifelong Learning closer to the community.

A total number of 350 certificates were handed over to the different participants throughout the year. This is an increase of 13% compared to the previous year. In serving the Aruban Community, CLL continues to focus on inclusiveness by offering courses in the English, Dutch and Spanish language. In looking at the demographics of the Lifelong Learners, we observed the persistent trend of an overrepresentation of women attending CLL's activities however there has been a slight increase in male (3%) participation. The majority of our participants have a degree in higher education and can be described as being midcareer falling into the age category of 35-44 years old. For a total overview in percentage see figure below:



Other areas that CLL focused on during 2019 was the further updating of CLL database, re-defining the deliverables and services offered by CLL.

Internationalization

Introduction

Every semester students from the University of Aruba have the opportunity to apply for an Erasmus grant. Students have the possibility to take advantage of the study abroad agreements between the UA and its partner universities, which is a great opportunity to gain a different perspective, not only on academic subjects, but also in real world experience; most notably to learn about a different culture, learn a new language and to grow and develop personally. Besides studying abroad, students also have the opportunity to go on an internship or traineeship abroad with the Erasmus grant.

Institutional collaboration

The UA had 30 Partner Institutions for mobility of students and staff in 2019. 21 are Erasmus Partners and the other 9 are Dutch Partners and therefore cannot be a part of the Erasmus program. From the Erasmus Partner Institutions, 2 are located in the US, 4 are in Belgium, 6 in Germany and in France, Sweden, Spain, Romania, Czech Republic, Greenland, Austria and Ireland we have one Partner Institution in each country.



Students

In 2019, UA has seen an increase in the Erasmus mobilities for both incoming and outgoing students. 24 UA students went abroad with the Erasmus program. 21 went to Partner Institutions in Europe and 3 went to Partner Institutions in the US. Of the students that went abroad, 9 were from the FEF, 4 were from FHTMS, 3 from the Law Faculty and 8 of FAS.

The University received 57 students from both European and American Partner Institutions. With the Erasmus Program we received 32 students, the other 25 students were from Dutch Partner Institutions and there were also students from other European Institutions (Freemovers) that opted to come to the UA for study purposes. Of the students that came to study at the UA, 18 studied at FEF, 17 at FHTMS, 11 at the Law Faculty and 11 at FAS. Furthermore, 4 students of the UA and 6 students of the UCU participated in the UAUCU Student Research Exchange Program in 2019.

Staff

There were 5 staff members that went abroad with the Erasmus Program. 2 were academic staff and 3 were non-academic staff. We received 9 staff members from both European and Non-European Partners within the Erasmus Program.

International conferences

In March 2019, UA hosted the 1st International Conference on Small Island States (SIS) and Subnational Island Jurisdictions (SNIJs) with as theme "Sharing Stories of Island Life, Governance and Global Engagement". This conference was organized in collaboration with the Centre of Excellence for the

Sustainable Development of Small Island Developing States (COE) and the UNESCO Chair in Island Studies and Sustainability, which is shared between the University of Prince Edward Island (UPEI) in Canada and the University of Malta with approximately 100 attendants.

OCW Funds

In 2018 the countries of Aruba and The Netherlands entered into an agreement on 'OCW funds 2018-2023' (OCW stands for the Ministry of Education, Culture and Science of the Netherlands) with purpose to support local students to continue with their higher education in Aruba and the region. UA in its role of Administrator of these funds received the proceeds from OCW and from the same distributes these for approved projects and scholarships in line with the established administrative protocol. In the school year 2018/2019 UA has distributed total of AFL 870 thousand of funds on projects, scholarships and education of Aruban teachers across the community. In the school year 2019/2020 a budget of AFL 552.000 is available and in 2020/2021 will be Afl. 747.500.

The following projects have been executed directly at the UA in 2019 financed from OCW funds:

Active Learning Classrooms at the University of Aruba ('UA') and Instituto Pedagógico Arubano ('IPA')

In August 2019, UA introduced a new system in three classrooms and IPA in two classrooms. The main feature of this system is the ability to use Video Conferencing (VC) using Zoom Rooms. This feature enables guest and host zoom meetings. Next to the VC, there is a modern lectern with a built-in presentation system with Audio & Visual capabilities. The classrooms consist each of 3 TVs, audio system, microphone, touch panel to redirect inputs to all or a dedicated TV(s). It is possible to connect through HDMI with any device or wireless with a smartphone or tablet.

Goal: to effectively integrate technology into education, thereby creating an exciting opportunity to blend infrastructure, access, and knowledge while enabling students, teachers, institutions and communities to rapidly adapt to technological changes in the workplace and in society. We envision using technology to strengthen the balance between the best of traditional education and new insights about how people learn successfully.

Video recording and editing studio at the UA

Recording studio has been installed and made operational since August 2019 at the UA premises.

Goal: to support faculties and departments in creating their own digital content and support their classes in blended learning format at the UA. In this studio the users are able to create and edit their own video lectures.

Shoco Wellness Project: Mental Health & Wellbeing for Students in Higher Education in Aruba

Shoco Wellness is a project for Mental Health and Wellbeing, a comprehensive intervention program based on a 4 zone model of psychological states to address student mental health and wellbeing issues that form obstacles to their learning success at the UA. OCW Funds are financing implementation period of 2 years (July 2019 – 2021), including mental health and wellbeing of the UA employees.

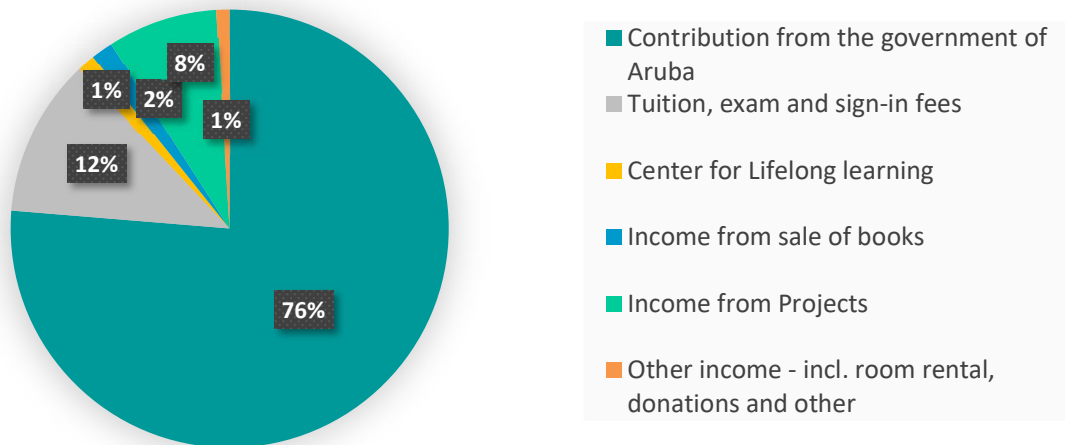
In 2019 the project team has been creating awareness within the UA community by presentations and workshops and created a platform for students to take part in subsidized counselling sessions with psychologists.

Business operations

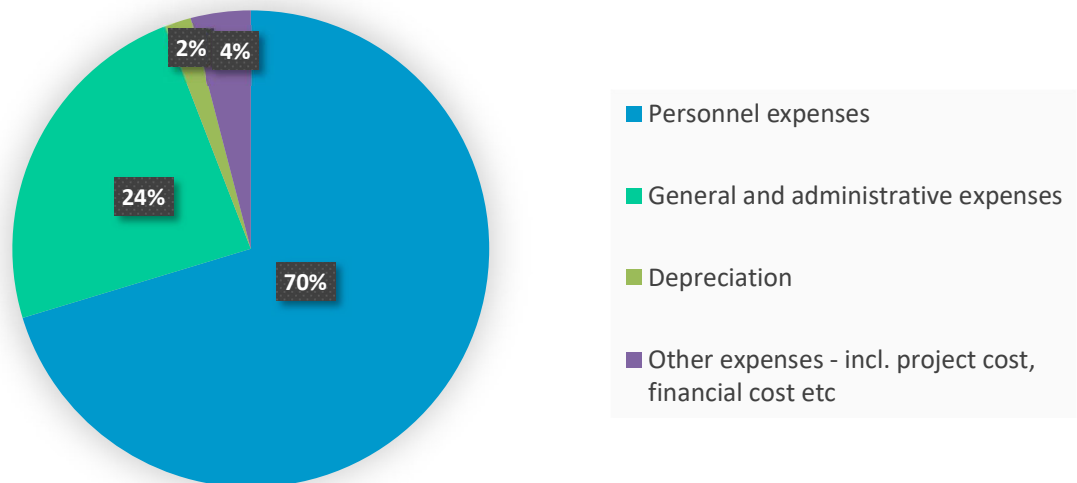
Finance

UA operated at a profit of AWG 649 thousand in year 2019 (2018: loss of AWG 459k) and net cash outflow of AWG 229 thousand (2018: cash inflow of AWG 1.078k).

Income UA 2019 AWG 15.25 mln

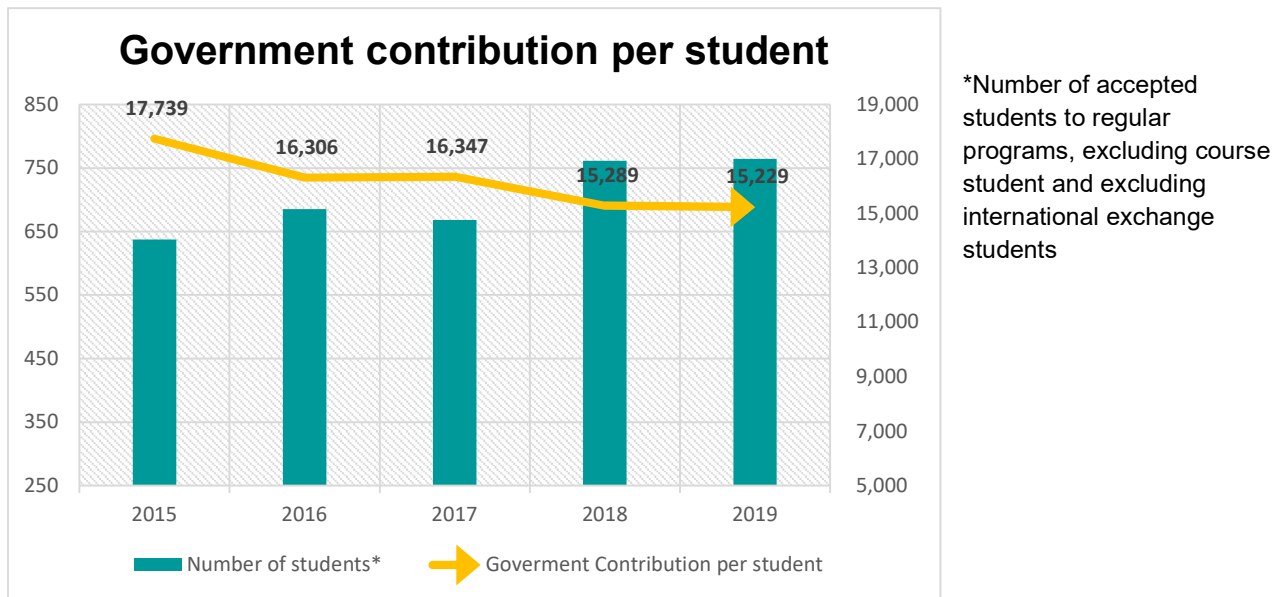


Expenses UA 2019 AWG 14.60 mln

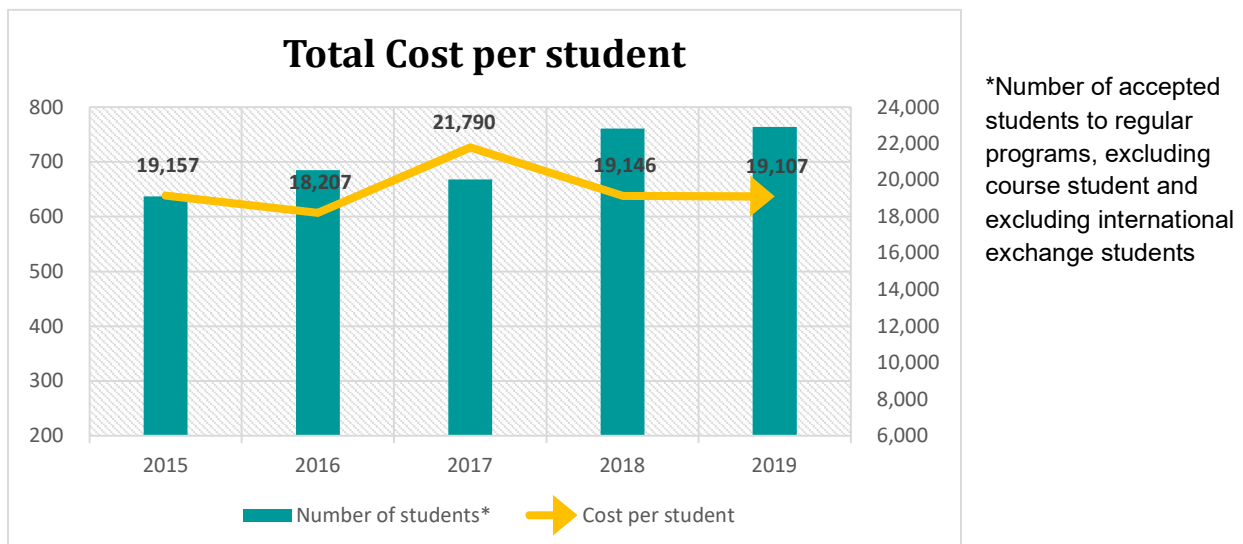


In 2019 the Finance Department of the UA continued with projects to improve financial and operational processes at the UA with focus on cost control, transparency and digitalization. Of the more notable projects, finance department has implemented Purchase order process for Facility Management and IT purchases that account for about 90% of all UA purchases. Contract management was rolled out mid-2019.

Government contribution: UA is financed mainly by the contribution from the government of Aruba. Over the years, UA is increasing number of students and lowering the government funding per student.

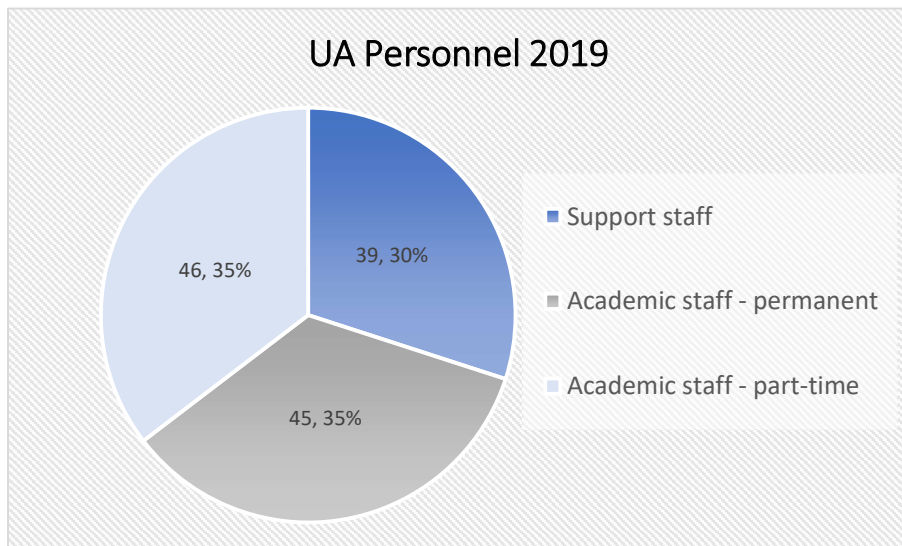


Cost per student: Average total cost per student has declined in 2018 and 2019 back to the level of 2015 but over the course of the years remains in the same line.



Personnel

As of 31 December 2019, UA had 78 full time employees and 52 part-timers. The composition of academic vs. support staff is shown in the overview below.



Overview of changes in the full time employees of the UA:

	<u>Start of 2019</u>	<u>Starters</u>	<u>Leavers</u>	<u>End of 2019</u>
	74	12	8	78
Changes:				
Teachers FEF		3	2	Academic
Senior Researcher FDR			1	Academic
Teacher FAS		1		Academic
Teacher AFY		1	1	Academic
Teacher SISSTEM		1		Academic
Junior Researchers SISSTEM		2		Academic
Project Manager SISSTEM		1		Non-academic
Curriculum specialist			1	Non-academic
Administrative assistant OEA/OSA		2	1	Non-academic
Project Administrator OSA		1	1	Non-academic
Project Administrator CQA			1	Non-academic

Quality Assurance at the UA

Quality assurance at the UA comprises a 6-year cycle of internal and external quality checks based on international standards for program accreditation. These quality checks are part of the PDCA (Plan, Do, Check, Act) model adopted by the UA.

External Quality Assurance

The external quality assurance cycle comprises of a site visit by an external panel of discipline and educational experts who submit an evaluation report of the program to NVAO (The Accreditation Organization of the Netherlands and Flanders) for final judgement and the decision of program accreditation. This happens in the 5th year of the 6 year cycle.

In March 2019, such a 're-accreditation' site visit took place for the Law Faculty. The panel consisted of Prof. mr. dr. Anja Oskamp (Chair), Rector Magnificus, Open Universiteit (until January 2019), Prof. mr. dr. Ruben Houweling, Professor of Employment Law, Erasmus Universiteit Rotterdam; Prof. mr. dr. Raymond Schlössels, Professor of Constitutional and Administrative Law, Radboud Universiteit, Nijmegen; Mr. Justice Jacob Wit, Judge of the Caribbean Court of Justice, Port of Spain, Trinidad; Ing. Pieter van der Valk (student-member), Master's student of Law, Faculty of Law, University of Curaçao; and a panel secretary drs. Linda te Marvelde. The panel review resulted in the FdR Bachelor and Master program both receiving a conditional positive judgement. All 11 standards were judged as met except for Standard 10 Assessment that was judged as 'met partially' and for which remediation actions have been agreed upon. Changes and adaptations within the administrative support for the faculties, particularly the administration of the exam committees, need to be prepared and put in place in the coming two years.

Internal Quality Assurance

At the program level the internal quality assurance cycle comprises a mid-term review (MTR), course evaluation and improvement planning following a PDCA cycle.

- FEF: A mid-term review is scheduled half way through the 6 year cycle. A mid-term review of the FEF program was conducted in Oct 2019 by an externally contracted panel consisting of academic peers: Leo Broekhuizen (Avans Hogeschool); Alidus Dannenberg (Hogeschool Windesheim) and Kartini Slaats (Hogeschool van Arnhem en Nijmegen). The resulting evaluation provided feedback for improvement and input for preparation for the re-accreditation site visit initially planned for March 2020, but postponed due to pandemic.
- Course Evaluation: Preparations involving multiple stakeholders (centers, faculties and student representatives) and necessary training sessions to transition from the limited online tool SurveyMonkey to a more powerful web-based course assessment system such as CoursEval was finalized and rolled out for implementation in the last quarter of 2019.

At the institutional level, the internal quality assurance cycle comprises inter-faculty platforms, faculty development through professional certification tracks, and improvement of processes.

- IFQM (Inter-Faculty Quality Meeting): program vice-deans, the rector, and business director meet on a monthly basis. The purpose of the IFQM is to share faculty experience, progress and good practices program QA; provide faculty updates on implementation plans; and signal quality issues to be addressed at the institutional level.
- IFExCie (Inter-Faculty Exam Committee): the chairs of each faculty Exam Committee meet monthly with the purpose of creating common standards, processes and procedures to help

safeguard the quality of the UA educational programs. The vision is to evolve towards an institutional level exam committee that will transcend faculties.

- Faculty Development: CQA educational staff provided faculty with didactic support through classroom observations and one-on-one consultations.

Academic Learning Certificate

The Center of Quality assurance of the UA designed and rolled out a home grown professional academic teaching program called The Academic Learning Certificate (ALC), thereby ensuring the quality of academic education. The program started with 18 lecturers. Eleven lecturers completed the ALC in December 2018.

In 2019, shortly after completion of this program by the first cohort enlisted, the ALC program was nominated for an award Appel di Oro in the category 'Proyecto di Scol!'. Appel di Oro (The Golden Apple) is an award yearly awarded to best projects in education by the Department of Education of Aruba. This is an important recognition for this personnel competency enhancement program.

Project structure related to process improvements.

As the UA is changing so should many of the current processes and procedures. These changes could best be organized by addressing them through a project-based approach. UA's partner on AFAS-InSite, company Work-flows was approached to guide the UA in naming, structuring and managing these projects. To kick-start this process a multiple day pressure cooker session was organized in 2018. All coordinators of the offices & centers, as well as the Dean of the FAS were involved together with the Rector and the Business Director.

The outcome of this session was a complete project plan for improvements of faculty and supporting processes and UA project structure including reporting lines. Execution of these projects continued throughout 2018 and 2019.

Innovation

In 2019, the UA's mayor technological innovation has been the already mentioned 3 blended learning classrooms as well as the recording and editing studio. However, creating this digital learning infrastructure does not automatically entail all lecturers using the equipment, therefore the UA partnered with the University of South-Carolina (USC) to offer the academic staff the opportunity to improve their online teaching abilities. The USC people were brought to Aruba using Erasmus+ staff mobility funding.

A new air-conditioning system has been installed in the A-building (classrooms A, B, C, D (1+2)). Improving efficiency as well as lowering electrical usage.



The signing of the European Development Fund grant for the SISSTEM project in June of 2019 allowed for the start of the Bachelor program of SISSTEM only 3 months later. As the focus of this program is on sustainable solutions for island states through the application of STEM sciences, it brought in a new "type" of students as well as staff to the UA. The approval of the Maria Convent building to be renovated for UA purposes promises an innovative and sustainable route for UA's future development.

Facilities and Infrastructure

In 2019 the following developments occurred in the area of facilities:

- The IT Department started a project together with OpenEdu (host moodle) and CACI BV (host OSIRIS) to build an interface between OSIRIS and moodle (StOnE) to automatically handle services/queries/actions from OSIRIS to moodle and vice versa. The interface is running in our TEST environment for now.
- Interactive classrooms and Zoom Rooms and Video Editing & Recording Studio. See also above 'OCW funds'.
- Replacement of a blade server: the project was designed and submitted in December 2019. UA replaced 4 of the blade servers with 2 new generation blade servers with more resources which run more virtual machines, faster and more stable. The project has been executed and final adjustments have been implemented in 2020.
- UA renovated central patio of the LSB building (known as Patio 1) by installing a new floor made from the concrete pavers. Besides installing warm ambient lighting amidst the landscaping also charging docks have been put in place that consist of 110V outlets for students to charge their laptops and other devices around the campus and the student park.
- To promote the optimal and pleasant use of the student park (known as Patio 2), UA built 3 pergola structures with sunscreen shade. After the installation we have experienced significant increase in the number of users and frequency of using these work & leisure sitting areas.
- UA Library upgraded EBSCO Academic Search and Business Source databases from 'complete' to 'ultimate' package providing its users more full-text articles available.
- After a successful trial in 2018, UA Library offered book packages to all freshman students from FDR, FEF and FAS and focused on increase of book sales, which increased year on year with 89%.



FINANCIAL STATEMENTS 2019

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INCOME STATEMENT

For the year ended 31 December 2019

	Notes	2019	2018
Revenue			
Contribution from the Government of Aruba		11,634,600	11,634,600
Tuition, exam and sign-in fees		1,776,473	1,708,104
Course fees		200,377	149,241
Income from sale of books		246,630	130,805
Rental income		16,203	15,095
Donations	(3)	5,500	6,851
Income from projects	(4)	1,239,660	340,001
Other income		127,370	126,414
Total Revenue		15,246,813	14,111,111
Operating Expenses			
Personnel expenses	(5)	10,263,044	10,244,067
General and administrative expenses	(6)	3,476,558	3,502,193
Depreciation	(9)	265,199	215,496
Other expenses	(7)	526,799	549,936
Total Expenses		14,531,599	14,511,692
Financial income and Expenses			
Finance costs	(8)	65,921	58,164
Total Financial income and Expenses		65,921	58,164
Net surplus/(deficit) for the period		649,293	(458,744)

BALANCE SHEET

As at 31 December 2019

	Notes	2019	2018
ASSETS			
Non-current Assets			
Property, Plant & Equipment	(9)	2,288,862	2,139,026
Total non-current assets		2,288,862	2,139,026
Current Assets			
Inventory		52,968	68,324
Receivables from exchange transactions	(10)	691,462	683,423
Prepayments	(11)	159,512	176,379
Cash and cash equivalents	(12)	4,719,085	4,947,944
Total current assets		5,623,028	5,876,070
TOTAL ASSETS		7,911,890	8,015,097

BALANCE SHEET

As at 31 December 2019

	Notes	2019	2018
LIABILITIES			
Equity			
Contributed initial capital	(13)	1,464,193	1,464,193
Accumulated result		2,889,806	2,240,513
		4,353,999	3,704,706
Non-Current Liabilities			
Provisions	(14)	108,592	129,542
Current Liabilities			
Payables under exchange transactions	(15)	831,691	1,048,399
Payables under non-exchange transactions	(16)	1,233,418	2,017,548
Deferred income on tuition		907,195	919,787
Pension payables		192,312	190,865
Wage taxes and social security premiums	(17)	284,684	4,251
		3,449,299	4,180,849
TOTAL LIABILITIES		7,911,890	8,015,097

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2019

	Notes	Contributed initial capital	Accumulated result income statement	Total
Balance as at 31 December 2018		1,464,193	2,240,513	3,704,706
Net surplus/(deficit) for the period		-	649,293	649,293
Balance as at 31 December 2019		1,464,193	2,889,803	4,353,999

CASH FLOW STATEMENT

For the year ended 31 December 2019

	2019	2018
Cash Flow from operating activities		
Net surplus/(deficit) for the period	649,293	(458,744)
Depreciation & Amortization	265,199	215,496
Changes in provisions	(20,950)	5,876
Decrease/(increase) in Inventory	15,356	(25,407)
Decrease/(increase) in Receivables and Prepayments	7,673	(123,383)
(Increase)/decrease in short-term liabilities	(730,394)	1,569,747
Net Cash Flow from operating activities	186,176	1,183,585
Cash Flow from Investing activities		
Additions to the Property Plant & Equipment	(415,034)	(105,394)
Net Cash Flow from Investing activities	(415,034)	(105,394)
Net increase/decrease(-) in Cash and cash equivalents	(228,858)	1,078,191
Cash and Cash equivalents per 1 January	4,947,944	3,869,753
Cash and cash equivalents 31 December	4,719,085	4,947,944

NOTES TO THE FINANCIAL STATEMENTS

1 General information

University of Aruba

University of Aruba (the University) is a legal entity under public law with its seat in Oranjestad, Aruba. The University was founded and organized in accordance with the Land ordinance 'Landsverordening Universiteit van Aruba' (AB 1988 no. 100). Yearly, University receives a contribution from the Government of Aruba to cover for its expenses and investments.

Financial book year

The book year is from 1 January 2019 until 31 December 2019.

Foreign currency conversion

The financial statements are prepared in Aruban florin. Transactions in foreign currency are recalculated with an exchange rate of the transaction date. Assets and liabilities denominated in foreign currency are revalued to the exchange rate of the balance sheet date. The exchange rate differences are recorded in the Income statement.

The exchange rates of the US dollar and Euro were as following per the balance sheet date:

US\$ 1 = Afl. 1,78

€ 1 = Afl. 2,00

Number of employees

The number of employees per the balance sheet date 31 December 2019: 78 full time and 52 part-time (2018: 74 full time and 59 part-time).

Campus

The land and the building of the University campus are ownership of the University. University rents administrative offices for support staff at another location in Aruba.

Approval of the Financial statements

The financial statements were approved by the Board of Trustees on 28 September 2020.

2 Summary of significant accounting policies

The important accounting policies for valuation of assets and liabilities and method of determining the results of the entity are described below.

Basis of preparation

The financial statements of the University have been prepared in accordance with and comply with the International Public Sector Accounting Standards (IPSAS).

Revenue recognition

Revenue from non-exchange transactions

The University recognizes revenues from non-exchange transactions when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the fair value of the asset can be measured reliably. IPSAS 23.107 (a) Transfers from other government entities IPSAS 23.107 (a) Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the University and can be measured reliably.

Revenue from exchange transactions

Rendering of services

The University recognizes revenue from rendering of services by reference to the completion when the outcome of the transaction can be estimated reliably. IPSAS 9.19z IPSAS 9.39(a) Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable. IPSAS 9.25

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the University.

Summary of significant accounting policies continuation

Amounts collected as an agent of the government or another government organization or other third parties will not give rise to an increase in net assets or revenue of the agent. This is because the agent entity cannot control the use of, or otherwise benefit from, the collected assets in the pursuit of its objectives.

Personnel cost

The personnel cost are recognized in year when they are incurred. Holiday allowances and unused vacation days are recognized in the period in which employee has entitlement for them.

Cost of goods and services

Costs are recognized in the book year when the goods and services are delivered.

Pension premiums

Up to and including 2010, the University paid pension contributions to the pension fund for government employees 'Stichting Algemeen Pensioenfonds Aruba' (APFA) for three pensioners who fall under the old Pension Ordinance for National Servants (PVL). This pension scheme is based on the final pay system, whereby a franchise amount is not taken into account.

However, there are also employees without a pension scheme. In 2006, the Board of Trustees decided to make a pension plan for the other permanent employees. In this context, the University entered into a financing agreement with the General Pension Fund Aruba on 23 September 2008. The agreed pension plan is based on the average pay, taking into account a franchise. The agreement was entered into for an indefinite period of time and entered into force on August 1, 2008. The aforementioned employees have been given the opportunity to purchase pension rights from the years that have already passed.

The APFA has performed an actuarial calculation for the purchase of the pension rights for the period 2001 up to and including 31 July 2008. The University has proposed to the staff to divide the total "past service" premium as follows: 75% on behalf of the University and 25% on behalf of the employee. The employees gave their approval and the deductions were started in October 2008. The amount reserved for the purchase was adjusted to the actuarial calculation and the University's proposal.

On 24 June 2011, the University signed a new financing agreement with the APFA (NPR 2011). It was agreed that all agreements valid before 1 January 2011 will be replaced by the new financing agreement and that the accrued pension entitlements for employees who fell under the old PVL or NPR 2005 will be treated in accordance with the provisions in the appendix "Transitional provisions for members of the former pension regulation servants" resp. the appendix "Transitional provisions for members of the former pension scheme 2005".

On 9 January 2015, the University signed a new financing agreement with the APFA. It was agreed that the NPR 2011 was replaced by the NPR 2014 on 1 January 2014. This was the result of the Bilateral Agreement concluded on 28 May 2014 between the State of Aruba and the governmental unions SEPPA, SIMAR, SPA, SADA and SIWA. With regard to its employees who participated in the NPR 2011, the University has joined the NPR 2014 scheme.

There are also employees with a private pension scheme with a life insurance company. The University reimburses the pension premiums of these employees.

Property, plant & equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. Repair and maintenance costs are recognized in the income statement as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

Depreciation on assets is charged on a straight-line basis over the useful life of the asset. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life:

Buildings and renovations: 40 years

Furnitures and Fixtures: 5 years

Electronic equipment: 4 years

Capitalization criteria

Investments are capitalized in the book year where the delivery has taken place. Single items of cost value above AFL 1.000 are capitalized, items below AFL 1.000 are expensed. In 2019 UA has lowered its capitalization threshold from AFL 2.500 applied in the preceding years to more accurately reflect the assets and depreciation. 2018 figures have not been restated in these financial statements. The individual assets with purchase value above AFL 1.000 but below 2.500 put in use in 2018 had value of AFL 62.7 thousand and have been fully expensed in 2018 comparative figures.

Current Assets*Inventory*

Inventory is measured at cost upon initial recognition. After initial recognition, inventory is measured at the lower of cost and net realizable value. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the University.

Receivables

Receivables are valued at nominal value. Provision for bad debt is established for doubtful receivables. If it is established that a receivable is irrecoverable, it is written off against the provision.

Cash and Cash equivalents

Cash and cash equivalents comprise cash on hand and cash at local banks.

Long-term liabilities*Provisions*

Provisions are valued based on nominal value of the liability or the foreseeable loss. Provisions are recognized when the University has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Short-term liabilities

Short term liabilities are valued at the nominal value.

3 Donations

	2019	2018
V.N.O.	2,500	5,000
Nederlandse Taal Unie		1,851
AIB Bank	1,000	
Qredits Microfinanciering Nederland	1,000	
Kiwanis Palm Beach Aruba	1,000	
	5,500	6,851

4 Income from projects

	2019	2018
EU: SISSTEM project	324,914	-
Erasmus+	346,079	307,973
Contributed assets by OCW: Active Learning Classrooms and Recording studio	312,913	-
Other projects	255,754	32,028
	1,239,660	340,001

5 Personnel expenses

	2019	2018
Wages and Salaries	7,822,465	7,773,038
Allowance Board of Trustees	72,250	101,750
Social security and Public health insurance	1,238,029	1,250,711
Pensions	688,628	715,028
Costs for teachers at other educational institutions	305,760	307,541
Training and Education	38,320	57,306
Staff recruitment	1,016	7,561
Allowance unused vacation days	(4,475)	11,176
Relocation expenses new staff	83,910	11,362
Other	17,141	8,593
	10,263,044	10,244,067

6 General and administrative expenses

	2019	2018
Building and maintenance	431,983	515,177
Security	153,973	145,082
Utilities and office supplies	412,450	442,804
Lease of office space and machines	537,644	551,291
Software and Licences	289,315	264,359
Advertising and Promotion	174,634	216,230
Books, educational resources and subscriptions	501,020	394,521
Catering, amusement and representation	144,440	137,187
Travel	600,284	653,865
Quality assurance	115,577	86,366
Consulting and advisory fees	86,135	61,194
Legal fees	29,051	29,868
Other	50	4,251
	3,476,558	3,502,193

7 Other expenses

	2019	2018
Student activities	80,464	77,342
Addition provision for bad debt	7,399	16,419
Project cost	109,574	141,437
Cost Erasmus+	346,079	307,973
Other	(16,717)	6,766
	526,799	549,936

8 Financial income and Expenses

	2019	2018
Bank charges	59,295	53,553
Gain/Loss on foreign exchange transactions	6,626	4,611
	65,921	58,164

9 Property, Plant & Equipment

	Buildings	Furniture and Fixtures	Electronic equipment	Totaal
Net book value at 1 January 2019	1,780,724	244,656	113,646	2,139,026
Additions	39,734	18,575	356,726	415,035
Disposals	-	-	-	-
Depreciation	(85,397)	(77,663)	(102,138)	(265,199)
Net book value at 31 December 2019	1,735,060	185,567	368,235	2,288,862
At 1 January 2019				
Cost price	3,431,760	793,427	447,866	4,673,053
Accumulated depreciation	(1,651,036)	(548,772)	(334,220)	(2,534,028)
Net book value at 1 January 2019	1,780,724	244,656	113,646	2,139,026
At 31 December 2019				
Cost price	3,471,493	812,001	804,592	5,088,085
Accumulated depreciation	(1,736,433)	(626,434)	(436,357)	(2,799,224)
Net book value at 31 December 2019	1,735,060	185,567	368,235	2,288,862

10 Receivables from exchange transactions

	2019	2018
Receivables from tuition, exam and registration fees	464,963	471,734
Receivables from employee portion of pension premiums	9,505	13,184
Receivables from (former) employees	3,094	21,654
Deposits	75,719	75,719
Other receivables	138,182	101,133
	691,462	683,423

11 Prepayments

	2019	2018
Prepaid travel expenses	11,604	26,435
Prepaid contributions/subscriptions	147,908	149,397
Other prepaid expenses	-	546
	159,512	176,379

12 Cash and cash equivalents

	2019	2018
Current accounts RBC Bank Aruba NV.	2,220,622	4,593,705
Deposit account RBC Bank Aruba NV.	352,629	352,629
Current account Aruba Bank NV.	1,577,142	-
OCW Restricted fund Aruba Bank NV	568,550	-
Petty Cash	143	1,610
	4,719,085	4,947,944

Cash at banks earns interest at floating rates based on daily bank deposit rates.

The University's current bank balances include restricted cash of total of AFL 1.182.743 as following:

AFL 568.470 which must be used on projects based on the agreement between the Government of Aruba and Dutch Ministry of Education, Science and Culture (OCW).

AFL 8.625 which are funds collected and raised by the students and the faculty to be used on educational field excursions abroad.

AFL 367.764 of Erasmus+ grants which can only be used in line with the Erasmus agreements.

AFL 237.884 of European Development Fund distributed by KU Leuven for setup of the SISSTEM programme.

Above grants have conditions attached to them on how they can be spent and any remaining amount of the funds must be returned to its originator.

13 Equity**Contributed initial capital**

The contributed initial capital comprises of capital contribution of Afl. 1.464.193 by the Government of Aruba, which, in accordance with article 48 of the University of Aruba National Ordinance, was provided to the University when it was established on 8 September 1988.

14 Provisions

	2019	2018
Cost of living allowance ('duurtetoelag') as at 1 January	129,542	123,666
Granted	(7,678)	19,148
Paid	(13,272)	(13,272)
Cost of living allowance ('duurtetoelag') as at 31 December	108,592	129,542

On the basis of the "National Decree on the Cost of Living Allowance for Retired Persons" ("Landsbesluit duurtetoelag gepensioneerden" A.B. 1996 no. GT 55), the University must pay the duration allowance to three retired former employees. The University has made a provision for guaranteeing future payments based on an actuarial calculation. The duration supplement is valued according to the "Projected Unit Credit Method" on the basis of the GBM 1015 mortality table (formerly GBM0510), with 2 years of age return and a discount rate of 5.25% (being the interest of the last issued island bond for the year; 2018: 4.5%).

In 2016, one of the three retired former employees passed away. The provision for duration allowance continues after the death for the widow of the former employee.

15 Payables under exchange transactions

	2019	2018
Accounts payable	252,287	322,882
Accrued expenses	71,162	131,616
Holiday allowance	137,328	253,730
Accrual unused vacation days	178,737	183,211
Other liabilities	192,177	102,487
Debt to the Government of Aruba	-	54,472
	831,691	1,048,398

16 Payables under non-exchange transactions

	2019	2018
Erasmus +	367,763	505,731
Educational field trips student fund and faculty projects FEF	25,619	42,253
Educational field trips student fund and faculty projects FHTMS	30,704	34,124
Educational field trips student fund and faculty projects FAS	2,977	-
OCW Funds	568,470	1,435,440
EDF Funds: SISSTEM	237,884	-
	1,233,418	2,017,548

In December 2018, the Ministry of Education of Aruba signed a cooperation agreement with the Ministry of Education, Culture and Science of the Netherlands on stimulation of the local students to study in the Caribbean region. Based on this agreement, the University of Aruba has received funds of AFL 1.435.440 which are strictly to be used on projects as defined by this agreement. Projects' execution began in 2019 with remaining funds per 31 Dec 2019 of AFL 568.470.

In September 2019, UA has opened pilot year of SISSTEM (Sustainable Island Solutions through Science, Technology, Engineering and Mathematics) program organized under FAS (Faculty of Arts and Science). The first 3 years of the program are financed by the European Development Fund and the grant is distributed to the UA by KU Leuven. The unrealized portion of the grant received by the UA as of 31 December 2019 was AFL 237.884.

17 Wage taxes and social security premiums

	2019	2018
Payroll tax payable	54,513	475
AOV/AWW payable	165,449	2,251
AZV payable	64,722	1,525
	284,684	4,251

18 Contingent events and obligations*Lease and rental contracts and other agreements with an obligation*

The University has various long-term agreements. The amounts to be paid in the future under these agreements as of 31 December 2019 are as follows:

	Within 1 year	Within 5 years
Subscription Database Academic Collection	65,761	65,761
Subscription Research Methods	18,916	18,916
Subscription Academic Journals Collection	26,315	26,315
Subscription Database Social Work Abstracts	8,290	9,679
ERP Software	66,535	66,535
Rent Administrative Building	367,290	434,198
Rent Faculty Space	48,000	48,000
Waste Disposal Services	11,394	11,394
International Academic Collaboration	307,541	1,537,704
License Academic Journals and Books	20,810	20,810
Cleaning Services	104,800	104,800
Lease Cars	44,544	74,240
Subscription Legal Resources Database	29,650	29,650
Business Insurances	45,114	45,114
Lease Printers	75,129	201,095
Security Service	132,585	132,585
Backup Services	5,378	7,171
Student Administration Software	46,860	46,860
Library Management Software	19,985	19,985
Service Management Software	14,982	14,982
Qualitative Data Analysis Software	9,588	9,588
Maintenance Airconditioning	7,683	7,683
Course Evaluation Software	5,130	5,130
Alarm Services	7,441	7,441
SDU Library Database	14,071	18,761
Internet	16,657	16,657
Webmaster services	18,444	18,444
Mobility Software	6,113	12,613
Financial Journal Subscription	4,418	4,418
Anti Plagiarism Software	2,767	2,767
Academic Solutions Marketing Licence	6,884	6,884
GPS Car Tracking Terminals services	1,813	1,813
Writing Software	2,000	9,500
	1,562,887	3,037,491

The University regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the University, or vice versa. Members of key management are regarded as related parties and comprise of Government of Aruba, Rector, Business Director and the members of the Board of Trustees.

19 Related parties

The extent of the transactions and balances with the related parties at the balance sheet date and the related costs and revenues for the year are as follows:

<i>(in Aruban florins)</i>	2019	2018
Receivables		
Government of Aruba	245,156	245,735
Provision for receivables with Government of Aruba	(225,965)	(225,469)
Net receivables	19,191	20,266
Revenue		
Government of Aruba	11,634,600	11,634,600
Personnel expenses		
Members of the Board of Trustees and Rector	290,247	302,275

The Board of Trustees consisted of 4 members at year-end 2019 (2018: 3 members).
The employer's part of the pension premium is not included under the personnel costs rector.

The wage tax and social security contributions due to Government of Aruba are not included, because the levy is not influenced by the parties' affiliation. The levying of taxes and social contributions is in fact governed by national ordinance with general scope.

20 Other information: Subsequent events

COVID-19 Pandemic

The Covid-19 outbreak has developed quickly in 2020. Measures have been taken by the government of Aruba (GoA) and other governments to contain the virus, which negatively affected economic activity and economic outlook in Aruba. The University of Aruba has taken a number of measures in relation to Covid-19 pandemic. For the academic year 2019/2020, as of mid March 2020 all classes were done virtually and all staff worked from home. In June 2020, following the ease-up of restrictions by the GoA, UA has partially opened its premises for staff. Majority of exams took place virtually, while some exams were done face-to face.

At this stage the implications for our operations and our results are limited. UA is committed to follow the policy and advice of the national institutions and we will do our utmost to continue providing our students with an unchanged level of quality of education and exams. Academic year 2020/2021 is expected to still continue partially online. UA expects significant increase in students in 2020/2021 due to many locals opting to stay in Aruba.

Current impact:

- Income: The University of Aruba is dependent on government funding. The GoA contribution to UA has been decreased by 12,6% as from May 2020. A significant decrease in other income streams has been noted including income from CLL, room rental, sale of books and other.

- Expenses: UA took a stance of solidarity and reduced personnel expenses of all its staff. Furthermore UA made cuts to its operational expenses, renegotiated, cancelled some of the contracts or decreased contractual services. UA issued travel restrictions guidelines for staff and student mobility. UA created a new 2020 budget based on these changed circumstances.

The scale and duration of this pandemic remains uncertain. At this stage however, we do not foresee issues with continuity or going concern issues. UA performed a thorough risk analysis. The main risks arising from the current uncertain situation Covid-19 for the UA are:

- Income & Liquidity: The University of Aruba is highly dependent on government funding. At this moment, we believe the continuity of the funding will be secured by the GoA.

- IT dependency: with current way of work, UA is highly dependant on IT working smoothly. Currently we do not foresee major issues and UA has taken steps to strengthen the IT environment, security and made investments in the tools to provide for a smooth performance.

INDEPENDENT AUDITOR'S REPORT

To: The Board of Trustees of University of Aruba
Oranjestad, Aruba

Report no. 2019 / R09 - 960

A. REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS 2019

OUR OPINION

We have audited the financial statements 2019 of University of Aruba, statutory established in Aruba.

In our opinion the accompanying financial statements give a true and fair view of the financial position of University of Aruba as at December 31, 2019, and of its result and cash flows for the fiscal year 2019 in accordance with the International Public Sector Accounting Standards (IPSAS).

The financial statements comprise:

- 1 the balance sheet as at 31 December 2019;
- 2 the statement of operations for the year 2019;
- 3 the cash flow statement for the year 2019; and
- 4 the notes comprising a summary of the accounting policies and other explanatory information.

BASIS FOR OUR OPINION

We conducted our audit in accordance with Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report. We are independent of University of Aruba in accordance with the Code of Ethics for Professional Accountants and we have complied with the Dutch Code of Ethics.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

B. REPORT ON THE OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of the Academic Report.

Based on the following procedures performed, we conclude that the other information is consistent with the financial statements and does not contain material misstatements.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

C. DESCRIPTION OF RESPONSIBILITIES REGARDING THE FINANCIAL STATEMENTS

RESPONSIBILITIES OF BOARD OF TRUSTEES FOR THE FINANCIAL STATEMENTS

The Board of Trustees is responsible for the preparation and fair presentation of the financial statements in accordance with the International Public Sector Accounting Standards (IPSAS). Furthermore, the Board of Trustees is responsible for such internal control as they determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements the Board of Trustees is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned the Board of Trustees should prepare the financial statements using the going concern basis of accounting unless they either intends to liquidate the company or to cease operations or has no realistic alternative but to do so.

The Board of Trustees should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

OUR RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements.

Our audit included e.g.:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures;
- Concluding on the appropriateness of Board of Trustees use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Eagle, Aruba

September 28, 2020

Rapport nr. 2019/R09-960



Original is signed by Anthony G. Croes RA