



UNIVERSITY OF KASHMIR

Subject: Constitution of Local Fund Committees effective from the academic year- 2016.

University Order No: KU/Budget/21 of 2016

Dated: 05.03.2016

Consequent upon the adoption of the “Report of the Committee on Financial Reforms in the University of Kashmir” vide Order No.F(Finan.Reforms-Gen.Admn.)KU/15 dated November 13, 2015 issued by the Deputy Registrar, General Administration, the following shall be the constitution, duties / powers of the **Local Fund Committees** for the teaching departments and shall be applicable **with effect from the academic year 2016:**

Constitution of Local Fund Committee

The Committee shall include the following:

- Head of the Department / Director of Institution /Centre.....Chairman
- All Professors of the Department.....Members
- One Associate Professor and one Assistant Professor,
by rotation in order of seniority.....Members
- Assistant Registrar/ Section Officer.....Member Secretary

(i) In case there is only one Professor, the composition of the committee shall be:

- Head of Department/ Director of Institution /Centre.....Chairman
- All Associate Professors of the Department.....Members
- One Assistant Professor by rotation in order of seniority.....Member
- Assistant Registrar/ Section Officer.....Member Secretary

(ii) In case there is no Professor, the committee shall comprise the following:

- Head of Department/ Director of Institution /Centre.....Chairman
- All Associate Professors of the Department.....Members
- Two Assistant Professor by rotation in order of seniority.....Members
- Assistant Registrar/ Section Officer.....Member Secretary

Duties and Powers of the Committee

- Local Fund Committee, Statutory Committee of the University, shall exclusively be responsible for the utilization of local funds.
- **In April every year**, the Local Fund Committee shall prepare **Annual Budget for the next fiscal** for utilization of Local Funds (unrestricted & designated revenue funds, consolidated fund account and self-finance seat share) based on **Zero Based Budgeting Principles** which shall be placed and presented before the 'University Budget Assessment and Approvals Committee' (BAAC) & the BAA Committee shall subsequently make its recommendation to the Vice-Chancellor. Once the budget is approved by the Vice Chancellor on the recommendations of the BAAC, it shall constitute an annual



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budget of the concerned Department / Centre / Unit to meet specific authorized expenditures without seeking further approvals except for release of claims above ₹ 20000/- (Rs. Twenty thousand only).

- Local funds shall be utilized exclusively for the purpose for which designated. Re-appropriation shall be allowed only in extreme cases by the Budget Assessment and Approvals Committee at revised stage.
- Departmental share of self-finance seat fee shall be utilized towards student centric infrastructure only.
- Each Department shall have to adhere to the Fund Based Accounting Principles under which for each fund a separate Book account shall be maintained.
- Each Department/ Centre shall transfer 10% of the revenues generated annually to university chest as 'user charges' towards electric tariff.
- At the end of the financial year, each department shall prepare annual financial statements namely, Statement of Receipts & Payments, Income & Expenditure & Balance Sheet which shall be placed before the Local Fund Committee of the department. The Committee shall be required to report the financial irregularities, if any, to the higher authorities. If case of deviations which are not material in nature, then in that case, the committee shall make necessary recommendations to the HOD for timely corrective measures by the Head concerned. In case of deviations of serious natures the cases be brought into the notice of Registrar for further processes.
- At the end of the financial year, closing balances of both the designated and unrestricted revenue fund accounts shall be transferred to the Departmental Consolidated Fund Account.
- At the end of the financial year, the departments shall transfer 10% of the closing balance to the "University's Consolidated Fund" Account & additional 5% to 'Other Department Development Fund' which shall be utilized towards infrastructure development of such teaching departments which do not generate sufficient funds internally.

By Order,

Sd/-
Joint Registrar
(Budget & Creation)

No:F (Financial Reforms)Bgt/KU/16
Dated: March 5, 2016