

Budget Policy

of

LakiReddy Bali Reddy College of Engineering
(Autonomous)

Mylavaram - 521 230



Policy Statement

LBRCE budget policy aims to prepare Annual Financial Statements containing estimates of all revenue raised during a particular financial year as well as the estimates of all expenditure incurred during a financial year.

I-Administration

- **Purchase committee-**

This committee shall comprise Principal, Vice Principal and Finance manager

- **Finance committee**

This committee shall comprise Principal, Vice Principal, Finance manager and a senior faculty

II- Budget Estimate

Ensure that a budget estimate is prepared by taking into consideration the operational, maintenance and development plans submitted by various departments that include;

i. Non- Recurring expenditure (Development) :

- Civil/Construction costs
- Equipment (laboratory/others)
- Capital items
- Furniture
- Computers
- Software
- Books

ii. Recurring expenditure (Operational and Maintenance):

- Maintenance & Upgradation
- Consumable Material
- Salaries & Honorarium
- Expense on Seminar/Workshops/Conferences/Symposiums/ Training Programs/Faculty Development Programs
- Travel (Workshop/FDP/ Guest lecturers/ Teacher Training/ Industrial visits/ TA, DA for Staff & Students)
- Annual Events expenses
- Advertisement & Printing expenses
- Water expenses
- Power expenses
- Internet & Telephone
- Security expenses
- Misc. Exp. for academic activities

- Research & Development Project Expenditure
- Training & Placement Expenses

III- Budget Preparation and recommendations:

The budget shall be approved and finalized by the finance committee headed by the Principal in the month of January/ February every year in the following stages:

- Chairman of CAB will inform Heads of the department to submit the budget proposals before starting of every financial year.
- Finance manager receives the budget proposals from head of the departments.
- Budget proposals are reviewed by Principal in the presence of the concerned Head of the department before framing recommendations for consideration of Governing Body.
- Formulation of the budget estimates of the institute by the Finance Committee.
- Submission of budget proposals and revised estimates to Governing Body for sanction.
- Sanctioned Budget is received from Governing Body and communicated to all HODs and Section Heads.

IV- Estimates for Receipts & Payments

- The finance manager shall ensure that all the Receipts & Payments are accounted for in every financial year.

V- Inevitable payments

- Provide for expenditure outside or in excess of the sanctioned budget allocation for the year without the prior sanction of the competent authority.
- Similarly, absence of budget provision or inadequacy of funds should not be given a justification for postponement of payment for the services already rendered. The adequacy of the budget provision should be taken into consideration before incurring any liability.

VI- Financial Audit

i. Internal Audit

Internal audit shall be conducted every quarter. The finance committee shall meet at least once every quarter in a year along the respective Dept. coordinators.

ii. External Audit

The external audit shall be conducted twice in a financial year. The external agency shall verify whether "financial statements" (the information being verified) are stated in accordance with specified

criteria or not and submit a report to Governing Body for approval.

The institute seeks to continuously review and improve the Budget Policy as adopted above and will commit to its implementation.

VII. Delegations of Financial Powers

The financial powers given to the administrators of our college are as follows:

- Principal has the power to sanction Rs. 1,00,000/- for any immediate purchase.
- Deans have the power to sanction Rs. 20,000/-.
- Heads of the Departments are given Rs. 10,000/- at the beginning of any financial year as imprest money. HOD can spend that on the department requirements with the permission of Principal. The imprest money is issued again after the bills are submitted periodically throughout the year. → Regular purchase procedures are monitored by the Finance Committee as per the budget allocations.

The institute seeks to continuously review and improve the Budget Policy as adopted above and will commit to its implementation.

PRINCIPAL