

## **Financial Policy and Procedure for the year 2023 - 2024**

### **Financial Policy Objectives**

It is the policy of S A Engineering College to be financially responsible and accountable. S A Engineering College will not undertake any obligations unless it has the necessary resources to fulfill them.. The organization strives to promptly pay its bills and maintain accurate records of all financial transactions. Financial responsibility also entails the college's commitment in collecting any outstanding payments owed to it in a timely manner. The organization makes a concerted effort to provide accurate and up-to-date financial reports to its stakeholders thus maintaining transparency. The Management Committee has the responsibility of managing the college's finances to maximize its advantage and benefit the organization. They play a vital role in overseeing the financial operations and ensuring sound financial management practices are in place.

### **RESPONSIBILITIES**

#### **Management**

The Management has the ultimate responsibility for ensuring the effective implementation of this policy. The Treasurer has the responsibility for both implementing this policy effectively and ensuring the overall effectiveness of S.A. Engineering College's financial management system.

The Management is responsible for approving all expenditures including expenditures over which the Principal and Heads of the departments have been granted authority.

#### **Principal**

The Principal is responsible for ensuring proper preparation of the budget annually for approval by the Management. The Principal has a Resource Management and Budget committee to follow the purchase and requirements in each department. He will nominate an overall co-ordinator. Members are assigned to this committee from each department by the Heads. The overall college budget allocation and utilization will be discussed every year with the Heads of the departments along with the Accountant and presented to the Management by the Principal.

#### **Head's of the Department**

Head's of the department are responsible for preparing the department budget and utilization every year. The Principal committee member from each department will discuss with the HoD and submit the requirement at the beginning of every academic year.

#### **Accountant**

Accountant plays an important role in maintaining all documents, account details, Income and Expenditure details. The overall income and expenditure of college both academic and non academic such as transport, hostel, EB, Sports, canteen, salary, admin, exam cell is maintained properly. He/she is responsible for submitting the accounts to the external auditor.

## **Role of Committees**

### **Principal Committee:**

The Resource Management and Budget committee consists of members from all departments and the Accountant. The committee will meet every month to discuss the requirements, utilization, collection of bills and proof for expenses. Budget requirement is submitted at the beginning of every academic year. Budget utilization is submitted at the end of every academic year.

### **Finance Committee:**

#### **The members of Finance committee are**

- Chairman - Principal.
- Management Representative - Correspondent
- Finance Incharge nominated by Governing Council
- University Nominee - Anna University.
- Senior Faculty Member.

The committee meets twice in a year. The committee audits the COE accounts, Overall college audit statements, Budget proposal, Lab set up for new courses.

### **Delegation of Financial Power**

The Management has delegated responsibility to the Principal and the Heads of the department. Principal is granted authority to spend an amount of Rs.10 Lakhs for the smooth conduction of the college. With proper approval from the Management, the Principal has the right to distribute the required amount to various departments which includes both academic and non- academic. Heads of the departments are granted authority to spend an amount of Rs.50,000 for their department activities. They can utilize the amount with proper approval from the Principal.

### **Overall delegation of authority**

#### **Laboratory Purchase:**

All the heads of the department has the power to purchase the lab equipment, software, service of labs and consumables with the approval of the Principal, Correspondent and Secretary.

#### **Library:**

Senior librarian has the power to purchase the books for the overall institution through the approval of the Principal, Correspondent and Secretary. The library coordinator from each department gives

the requirement for their department both for the main library and department library. The requirement has to be verified by the respective heads for further approval.

**Infrastructure:**

The infrastructure modification, extension, new buildings, new facilities will be discussed among the management team and finalized with the approval of the Correspondent and Secretary. The facilities for the departments have to be discussed with the Principal, Correspondent, Secretary and by the heads for further procedures.

**Sports:**

The Overall Sports coordinator has the power to purchase all the sports items with the approval of the Principal, Correspondent and Secretary.

**Hostel:**

The Hostel in charge of Boys and Girls hostel has the power to purchase all the amenities required for the hostel with the approval of the Correspondent and Secretary.

**Canteen:**

The canteen in-charge has the power to purchase all the provisional items with the approval of the Correspondent and Secretary.

**Transport:**

The Transport in-charge has the power to purchase all the goods required for the smooth transport of buses, cars etc with the approval of the Correspondent and Secretary.

**Procedure**

**Allocation of Budget**

The institution's budget allocation procedure is as follows:

1. College budget is prepared in the month of March / April of every year for the forthcoming academic year, which starts from June.
2. Head of the departments, Lab and Library in charges along with the Resource Management and Budget committee member will prepare the budget for the respective departments.
3. Hod's should collect the budget requirement for Lab and software from their lab incharges and lab assistant for the forthcoming academic year .
4. The respective incharges for R&D, Event organization, Training activities (placement, professional activities, value added course etc), Dept.library from each department have to forecast the budget to their respective Hod's.

5. The budget for recurring, non- recurring/infrastructure, travel and miscellaneous are given by the RM budget committee member after discussing with their Hod's.
6. The budget documents are prepared as per the ISO formats and approved by the HoD, Principal, Correspondent and Secretary.
7. After the approval, Quotation from different suppliers is obtained for major equipment, service, and consumables whichever is applicable. A comparison statement is prepared and has to be approved by the Principal, Correspondent and Secretary. After approval purchase order is prepared and sent to the respective suppliers.
8. After the approval, it is the sole responsible of the department to avail the facilities and process the bill.
9. A revised copy of budget is again prepared if there is any change in the even semester requirement.
10. The overall budget of institution along with department budget and other non academic budget such as hostel, canteen, transport, office, exam cell were collected by the coordinator and presented to the Principal.

#### **Utilization of Institution Budget**

1. The overall budget utilization of institution along with department budget and other non academic budgets such as hostel, canteen, transport, office, exam cell were collected by the coordinator and presented to the Principal.
2. Principal will analyze the utilization of the budget along with all department Hod's and coordinator.
3. The current year utilization and forthcoming year budget allocation will be presented to the Management Trust Members by the Principal for approval.