

Khyber Medical University Financial Rules 2017

In exercise of powers under **Section - 36 of Khyber Pakhtunkhwa Universities (amended) Act 2016**, the Khyber Medical University Syndicate make the following rules to regulate financial affairs, financial transactions, decisions, payments, income, expenditure, record, purchase, sale and disposal of stock and non-stock items of the University;

CHAPTER-I

GENERAL PROVISIONS

1. **Short Title, Commencement and Application:** (1) These Rules may be called “The Khyber Medical University Financial Rules (revised 2017)”.
(2) These Rules shall come into force at once and shall be applicable to provisions in the Recurring and Developmental Budgets.
(3) These rules shall be followed by the authorities of the University in the discharge of the financial powers and functions entrusted upon them **Khyber Pakhtunkhwa Universities Act 2012, amended 2016**,
(4) These rules shall apply to all financial transactions, decisions, payments, income, expenditure, record, purchase, sale and disposal of stock and non-stock items of the University.
(5) These rules, withstanding anything done or any action taken or any proceedings commenced under any of the provisions of the previous rules, shall supersede previous financial rules.
(6) For procurement of goods, works, and services, “**The Khyber Pakhtunkhwa Procurement of Goods, Works and Services Rules, 2014**” shall mutatis mutandii be applicable.
(7) The Vice-Chancellor may, in case of real hardship, relax these rules for reasons to be recorded in writing for the information of the Finance and Planning Committee / Syndicate.
2. **DEFINITIONS:** --- In these rules, unless the context otherwise requires, the following expression, shall have the meanings hereby respectively assigned to them, that is to say,-:
 - (a) “**Authority**” means the authority of the University as specified in the **Khyber Pakhtunkhwa Universities Act 2012, amended 2016** and statutes made there under;
 - (b) “**Budget**” means the financial estimates of the University for the financial year duly recommended by the Finance & Planning Committee and the Syndicate and passed by the Senate;
 - (c) “**Chancellor**” means the Chancellor of the University;
 - (d) “**Commission**” means the Higher Education Commission;
 - (e) “**Convener**” means a senior member of the University Purchase Committee appointed by the Vice-Chancellor on the recommendation of the Treasurer for a fixed period or for a specific purchase under these rules;
 - (f) “**Dean**” means the Dean of a Faculty of the University;

- (g) “**Department**” means Department established by the University to teach a branch of learning;
- (h) “**Deputy Treasurer**” means the Deputy Treasurer of the University;
- (i) “**Fund**” means the fund of the University;
- (j) “**Head**” means the Head of Teaching Department, Institute,, Principal of a constituent college and Head of Administrative Section in the University, as the case may be;
- (k) “**Inspection Committee**” means a Committee appointed by the Vice Chancellor for the purpose of Inspection, under these rules;
- (l) “**Non-Stock Items**” means items of specific nature not stocked in the main store and procured as and when required by department / section. These would normally includes all fixed assets items, library books, laboratory chemicals glassware, equipment and workshop tools and materials, computers and their accessories;
- (m) “**Purchase Committee**” means the Purchase Committee appointed for any purchase by competent authority of the University;
- (n) “**Project Committee**” means the Project Committee appointed for a project by competent authority of the University;
- (o) “**Registrar**” means the Registrar of the University;
- (p) “**Secretary Purchase Committee**” means the Secretary of the University Purchase Committee and in charge of the Store Purchase Section of the University;
- (q) “**Senate**” means the Senate of the University;
- (r) “**Stock Items**” means, items, which are purchased in bulk and usually consist of general stationery, office stationery, office supplies, items of sanitary, hardware, timber, electrical goods and appliances and other miscellaneous material required for the maintenance and up-keep of structures, moveable and immovable assets. It includes all consumable items also;
- (s) “**Syndicate**” means the Syndicate of the University;
- (t) “**Treasury Wing**” means the Treasury wing of the University under the administrative control of the Treasurer, consisting of Accounts Section, Budget Section, Store Section, Pension and Funds Section, Internal Audit Section and other appropriate section(s) which may be added to it by the competent authority;
- (u) “**Treasurer**” means the Treasurer of the University;
- (v) “**University**” means the Khyber Medical University;
- (w) “**Vice Chancellor**” means the Vice Chancellor of the University.
- (x) “**Works Committee**” mean appointed by Vice Chancellor of the university.

DESCRIPTION OF UNIVERSITY FUND

3. UNIVERSITY FUND: - (1) There shall be a University fund to which its income from fees, donations, trusts, bequests, endowments, contributions, grant and all other sources shall be credited.

(2) Bank account(s) for the University fund may be opened and operated by the Treasurer with any scheduled bank / banks.

4. SOURCES OF FUND:

I. GRANT IN AID:

- a. Grants of the Federal Govt. direct or released through the Higher Education Commission or Provincial Govt;
- b. Development Grants release through the Higher Education Commission by the Federal Govt. for the developmental schemes of the University or Funds released by the Provincial Government for the development projects;
- c. Special grants released by the Federal or Provincial Government for a specific purpose or covering a range of specific / special items;
- d. Other grants of the Federal or Provincial Government and other Organizations / bodies released for purposes such as scholarships, awards, prizes, study tour and travel, students welfare, provision of amenities, holding tournaments seminars debates, sports festivals and other activities of students and staff;

II. UNIVERSITY'S OWN RESOURCES

- a. Admission fee, Registration fees, Tuition and Examination fee, Self Finance fee, Late fee, Fines, Equivalence fee, Provisional Certificate fee, Detail Marks Certificates fee, Degree fee, Migration fee, Correction in name fee, Proficiency fee, Sports fee, Affiliation fee and other fee prescribed by the University.
- b. Hostel Income: Hostel admission fee, hostel rent, service charges, electricity charges from students and all other user charges.
- c. Profit and interests
- d. Income from staff and students for hiring university vehicles, rents, telephone and electricity charges and any other user charges.
- e. Donations, gifts, bequests, honours, awards, prizes, and medals to the University
- f. Miscellaneous income means all income not covered under the aforementioned sources, which may be accounted for under the miscellaneous head.

CHAPTER-III

FINANCIAL ORGANIZATION, FINANCIAL JURISDICTION AND JOB DESCRIPTION

5. FINANCIAL ORGANIZATION

- a. The Financial Organization in these Rules has been structured around the existing administrative set-up of the University. The Treasurer, under the supervision of the Vice Chancellor, administers and manages the Treasury Wing of the University and is also responsible for the procurement and issue of stationery, office supplies and all kinds of stores including sanitary, hardware, electrical, gas material, wood / timber, laboratory and office equipment, furniture for hostel and all administrative sections and teaching departments of the University.
- b. The Treasury Wing will consist of five functional sections, viz; (i) Accounts, (ii) Budget, (iii) Pension & Fund, (iv) Stores and (v) Internal Audit. Each section is supervised by a Section Incharge who reports to the concerned Assistant Treasurer.
- c. The Deputy Treasurer will coordinate activities of the Accounts, Budget and Internal Audit Sections while the Assistant treasurers coordinate activities of their respective sections.
- d. The financial transactions will be coordinated and routed to the Treasurer by their respective heads for authorization or obtaining approval of competent authority. Each of these sections has further been divided into sub-sections to ensure a smooth and efficient working and to exercise sound control at the lower level of the functionaries.

6. JURISDICTION AND JOB DESCRIPTION OF AUTHORITIES OF UNIVERSITY

I. SYNDICATE. (a) The Syndicate, as provided under Section 23(1) **Khyber Pakhtunkhwa Universities Act 2012, amended 2016** shall be the Executive Body of the University and shall, subject to the provisions of the Act and the Statutes, exercise general supervision over the affairs and management of the University.

- (b) As provided under Sections 23(2) **Khyber Pakhtunkhwa Universities Act 2012, amended 2016** without prejudice to the generality of the foregoing powers and subject to the provisions of this Act, the Statutes, the Syndicate shall have following powers related to financial affairs of the University;
- (i) Consider the annual report, the statements of Accounts, the annual and revised budget estimates and to submit these to the Senate;
 - (ii) Recommend to the Senate the transfer and accept transfer of movable and immovable property on behalf of the University;
 - (iii) Enter into, vary, carry out and cancel contracts on behalf of the University;
 - (iv) Cause proper books of account to be kept for all sums of money received and expended by the University and for the assets and liabilities of the University;
 - (v) invest any money belonging to the University including any unapplied income in any of the securities described in **Section 20 of the Trusts Act, 1882 (Act II of 1882)**, or in the purchase of immovable property or in such other manner, as it may prescribe, with the like power of varying such investment;

- (vi) Receive and manage any properly transferred, and grants, bequests, trust, gifts, donations, endowments, and other contributions made, to the University;
- (vii) Administer any funds placed at the disposal of the University for specified purposes;
- (viii) Provide the buildings, libraries, premises furniture, apparatus, equipment and other means required for carrying out the affairs of the University;
- (ix) Establish and maintain halls of residence and hostels as far as possible;
- (x) Institute Professorships. Associate Professorships, Assistant Professorships. Senior Registrar ships, Lecturer ships, and other teaching posts or to suspend or abolish such posts;
- (xi) Create, suspend or abolish such administrative or other posts as may be necessary;
- (xii) Report to the Senate on matters with respect to which it has been asked to report;
- (xiii) Delegate any of its powers to any Authority or officer or a committee; and
- (xiv) To consider the Audit Report.

II. **FINANCE AND PLANNING COMMITTEE**:- The Finance & Planning Committee under the Section 10 of Khyber Medical University Constitution, Functions and Powers of Authorities of the University Statutes, 2016 of **Khyber Pakhtunkhwa Universities Act 2012, amended 2016** shall have the following functions:

- (i) to recommend the annual statement of accounts and the annual and revised budget estimates and advise the Syndicate thereon;
- (ii) to review periodically the financial position of the University and identify alternate sources of income; -
- (iii) to advise the Syndicate on all matters relating to planning, development, Finance, investments and accounts of the University;
- (iv) to prepare short-term and long term academic development plans:
- (v) to prepare plan of staff and resource development: and
- (vi) to perform such other functions as may be prescribed by Statutes.

III. **VICE-CHANCELLOR**: - The Vice-Chancellor, as provided under Section 11 **Khyber Pakhtunkhwa Universities Act 2012, amended 2016**, is the Chief Executive Officer responsible for all administrative and academic functions of the University will have the powers related to financial affairs of the university;

- (i) Direct teachers, officers and other employees of the University to take up such assignments in connection with examinations, administration and such other activities in the University as he may consider necessary for the purposes of the University;
- (ii) sanction by re-appropriation an amount not exceeding an amount prescribed by the Senate for an unforeseen item not provided for in the budget and report it to the Senate at the next meeting;
- (iii) Sanction all expenditures provided for in the approved budget and re-appropriate funds from one head of expenditure to another within the approved budget and report such re-appropriation to the syndicate at the time of its consideration of revised budget estimates: provided that such power to sanction expenditure out of

budget allocated to unit designated as independent cost centre shall rest with the head of such cost centre.

- (iv) Create and fill temporary posts for a period not exceeding one year after which the posts shall stand abolished.
- (v) Appoint employees on contract basis against the properly created budgeted posts for a period not exceeding three years on the recommendations of a Selection Committee constituted by the Syndicate: Provided that no extension shall be admissible beyond the period of three years.
- (vi) Delegate, subject to such conditions as may be prescribed, any of his powers under this Act to an officer or officers of the University; and
- (vii) To exercise and perform such other powers and functions as may be prescribed.

IV. TREASURER: The Treasurer, as provided under Section 14 of the **Khyber Pakhtunkhwa Universities Act 2012, amended 2016** shall be the chief financial officer of the university. The Treasurer in addition to and not in derogation of its functions provided under Section 14 (3) shall have the following duties;

- (i) Power to make payment within the sanction accorded by the competent authorities lies with the Treasurer, who is answerable to the Vice Chancellor and Syndicate in respect of all payments made out of the University's fund.
- (ii) He shall be responsible for providing regularly to the Vice-Chancellor, the Syndicate and the Finance & Planning Committee with information on all financial matters and shall bring to the notice of the Vice Chancellor any violation of the financial Rules or decision(s) of the Syndicate.
- (iii) The Treasurer, with the approval of the Vice-Chancellor, shall have the power to open bank accounts with any commercial bank or banks for the management of University funds. He shall have the powers to invest the funds of the University in investment schemes and term deposits in any bank with the approval of the Vice-Chancellor. Such investments shall be reported to the Finance and Planning Committee.
- (iv) He shall sign all cheques drawn on behalf of the University and shall have the authority to sanction the incurrence of the expenditure and allow payment within the authority delegated to him under these Rules as per chapter-V "Delegation of financial power".
- (v) The Treasurer shall arrange the procurement, storage and issue of office stationery, chemicals and glassware, items of hardware and sanitary goods, electrical and gas materials and appliances, wood / timber and furniture, machinery and equipment, computers and all other supplies of stock and non stock articles as per requirement.
- (vi) He shall have the powers to sanction "General Provident Fund Advance" to all categories of the employees in accordance with the G.P. Fund Rules of the University
- (vii) He shall sign all contracts, except contracts pertaining to academic and service matters, made on behalf of the University.

- (viii) Subject to the control of the Vice Chancellor, he shall be responsible for framing the Rules / statutes on all financial matters, which by the Act are to be prescribed or regulated, by statutes or regulations.
- (ix) He shall conduct official correspondence of the University on all financial matters.
- (x) He shall sanction the refund of Examination fees, tuition fees, security deposits and other dues of the students.
- (xi) He shall have the power to sanction and allow payment of dues and utility bills payable to Government departments and attached organizations such as telephone bills, taxes, electricity and gas charges.
- (xii) He shall perform such other duties and exercise such financial powers as may be assigned and delegated to him from time to time by the Syndicate or the Vice Chancellor in addition to those delegated under these Rules.
- (xiii) He shall act as Member / Secretary of the Finance & Planning Committee.

V. **REGISTRAR:** - The Registrar being administrative head of the administration branch of Khyber Medical University, as provided under Section 13 of **Khyber Pakhtunkhwa Universities Act 2012, amended 2016** shall have the following powers / duties;

- (i) The Registrar shall have the powers to approve and sanction benevolent grants out of the benevolent fund in accordance with the Benevolent Fund Rules to person(s) who are eligible for it and serving in the University in a pay scale up to BPS 16.
- (ii) The Registrar shall sanction and sign the Travelling Allowance and Daily Allowance (T.A / D.A) bills of administrative officers required to travel on University duty including member invitees to the meetings of the Syndicate, Senate and the Academic Council.
- (iii) The Registrar shall sanction and sign the monthly pay bills of staff working in the administrative sections and teachers working in the departments. He shall sign the arrear bills on account of salaries and other remuneration payable to staff on account of teaching assignments in any department.
- (iv) The Registrar shall, unless otherwise required sign Agreement Bonds and Contracts made on behalf of the University regarding establishment / service matters only.
- (v) Can delegate his powers to any other administrative officer with prior approval of the Vice Chancellor.

VI. **DEAN:** The Dean according to Section 12(b) of **Khyber Pakhtunkhwa Universities Act 2012, amended 2016** shall plan, organize and supervise academic activities of his faculty and therefore shall have;

- (i) Full powers to sanction expenditure out of contingency fund allocated and placed at his disposal in the approved University Budget.
- (ii) Powers to countersign the TA/DA claims of the heads of teaching departments in his faculty deputed on academic matters of the University.
- (iii) Authority, with intimation to the Treasurer, to open official bank accounts for his Faculty and operate them in his official capacity as Dean. He shall be responsible for maintaining up

to-date record and proper book keeping for all receipts and payments from the Faculty's accounts.

- (iv) To coordinate and forward to Treasurer the programmes of study tours, field trips and excursions of students of the teaching departments of his faculty for seeking approval of the Vice Chancellor.

VII. HEAD:-

- (i) The Head shall have full powers to sanction expenditure out of contingency fund allocated to his / her department / unit in the approved University Budget and placed at his / her disposal.
- (ii) The Head may, under intimation to the Treasurer, open official bank accounts for his department/unit and operate them in his official capacity as Head of the unit. . He shall be responsible for maintaining up to-date record and proper book keeping for all receipts and payments from the department / college / institute / units' accounts.
- (iii) The Head shall arrange for the physical verification of the furniture and equipment of his / her department / unit and laboratories every year and submit a report to the Treasurer.
- (iv) The Head may write off any loss of property, if the amount involved on a single item does not exceed Rs. 1000/- subject to a maximum of Rs. 12000/- in a financial year on the condition of proper inquiry into the loss of property. The maximum limit of write off may be increased by the Syndicate from time to time.

CHAPTER-IV

UNIVERSITY BUDGET (COMPILATION, CONTROL AND FORMAT)

7. UNIVERSITY BUDGET: - The University's annual budget is a detailed planning of activities involving financial aspects, which enables the University to exercise an effective control over the actual expenditure, which is measured against the budgeted targets and thus provides a useful guidance in planning future financial activities of the University.

8. BUDGET COMPILATION AND CONTROL: (1) The Budget section of the Treasury Wing shall carry out the compilation of the budget in March every year. The budget section will approach all departments to submit the estimates of their recurring and capital expenditure for the ensuing year by 31st December every year. The budget section shall provide the specified forms in which the information shall be required from each department and shall assist the departments in the compilation of figures.

(2) On the basis of information furnished by the departments / offices, the budget section shall compile a first draft of the budget. The Treasurer shall scrutinize the draft and after discussing various aspects of the budget with the Vice Chancellor and the Departmental heads, shall incorporate necessary changes. After incorporating the changes, if any, draft of the budget shall be presented to the Finance & Planning Committee for scrutiny and its recommendation to the Syndicate. The recommended budget with the revised estimates shall be placed before the Syndicate and then Senate on or before 30th June for approval.

(3) The Revised Budget shall be based on the actual expenditure of 9 months from 1st July to 31st March of the year and probable figures from 1st April to 30th June. The revised estimates shall form part of the budget format and shall be placed before the Finance & Planning Committee, Syndicate and then Senate along with the proposed budget for the ensuing year.

(4) Before any payment is made, it shall be ensured that provision exists in budget under the particular head of expenditure. Prescribed income and expenditure ledger shall be maintained showing budget targets under various heads of income and expenditure against which the actual receipts and disbursements shall be recorded. Deviation from the budgeted figures shall be highlighted so that the correct action could be taken in time.

9. BUDGET FORMAT: - The following budget format shall be adopted for the recurring budget of the University for the Relevant Heads of the income and expenditure;

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Code	Item	Actual for previous year	Estimate of the current year	Revised estimates for the current year	Budget Estimates for the financial year
4.2.0	Income				
1	Govt. Grant-in-Aid a. Federal Govt: b. HEC c. Provincial Govt: d. Any other				
2	University's Own Resources				
(a)	Admission fee				
(b)	Tuition fee				
(c)	Registration fee				
(d)	Examination fee				
(e)	Sale of Prospectus & Syllabus				
(f)	Security of House Rent & Requisitioning for Staff				
(g)	Lab. Testing fee				
(h)	Canteen & Shops Rent				
(i)	Profit and interest				
(j)	Equivalence & Professional Fee				
(k)	Telephone Income				
(l)	Sports Affiliation				
(m)	Transport Income				
(n)	Hostel Admn fee				
(o)	Hostel Rent				
(p)	Fee for				
i)	Verification documents				
ii)	Rechecking fee				
iii)	Fee of Degree, Certificate etc.				
p)	Hostel Service Charges				
q)	Hostel Electric Charges				
r)	Misc .Income				
4.3.0	Head of				

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	Expenditure				
000	Establishment Charges				
010	Basic Salary				
011	Basic pay of Officers				
011	Personal pay of officers				
011	Technical pay of officers				
012	Basic pay of staff				
012	Personal pay of other staff				
020	Regular allowances				
021	Senior post allowance				
022	House Rent allowance				
023	Conveyance allowance				
024	Sumptuary / Entertainment Allowance				
025	Dearness Allowance				
026	Local compensatory allowance				
027	Washing & Dress allowance				
029	Other regular allowance				
	1. Entertainment allowance				
	2. Medical allowance				
	3. Extra Duty allowance				
	4. Group insurance				
	5. Charges all, to Chairmen				
	6. Design allowance				
	7. Technical allowance				
	8. Adhoc Relief				
	9. Any other allowance				
030	Other Allowances				
031	Over time				

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	allowance				
032	Night duty allowance				
033	Honoraria				
034	Medical charges				
035	Rest & Recreation allowance				
036	Out fit Allowance				
037	Contingent paid staff				
038	Leave salary & Pension contribution				
039	Group Insurance				
040	Other allowance to be specified				
	Details of other charges				
100	Purchase of durable goods				
110	Transport				
120	Machinery and equipment				
130	Furniture and Fixture				
140	Livestock				
190	Other purchase of sport materials				
220	Pre-investment project analysis				
210	Feasibility Studies				
220	Survey camp of students				
230	Exploratory Operations (Project)				
300	Construction works				
310	Others				
311	NA				
312	NA				
313	NA				
314	NA				
320	NA				
321	NA				
322	NA				
323	NA				

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329	NA				
330	NA				
331	NA				
332	NA				
33	NA				
340	NA				
341	Office Buildings				
342	Residential Buildings				
343	Other Buildings				
344	Structures				
349	Others				
400	Repair & Maintenance of Durable Goods & Works				
410	Transport				
420	Machinery & Equipment				
430	Furniture & Fixture				
440	Building & Structure				
441	Office Building				
443	Other Buildings(hostels)				
444	Structures				
449	Others				
450	Irrigation				
451	Main Canal				
452	Feeder Canal				
453	Tertiary & Other Subsidiary links				
454	NA				
459	NA				
461	NA				
462	NA				
463	NA				
469	NA				
470	NA				
471	NA				
472	NA				
473	NA				
479	NA				
500	Commodities & Services				

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510	Transportation				
511	Travelling Allowance to Govt. Servant / Univ. Staff				
512	Transportation of Goods (Freight, Octori & Cooly charges)				
513	P.O.L charges(Aero plane Helicopters, Staff Cars,				
	Buses Trucks & Motor Cycles etc.)				
514	Conveyance Charges				
519	Other(Study Tours)				
520	Communications				
521	Postage& Telegraphs				
522	Telephone & Trunk Calls				
523	Telex, Tele-printer & Fax services				
524	Courier & Pilot services				
529					
530	Utilities				
531	Gas				
532	Water				
533	Electricity				
534	Hot & Col Weather charges				
539					
540	Office Stationery				
550	Printing				
551	Conduct of Examinations				
560	Newspapers, Periodicals &				
	Books				
670	Uniforms & Liveries				
580	Rent, Royalties Rates & Taxes				
581	Rent for office Buildings				
582	Rent for Residential				

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	Buildings				
583	Rent for other Buildings				
584	NA				
585	NA				
586	NA				
590	Other Expenditure				
591	Payment to Govt. Deptt for services rendered (Audit fee)				
592	Essay writing & Copy writing				
593	Law charges				
594	Fairs, Exhibitions & other National Celebrations				
595	Publicity & Advertisement charges				
596	NA				
597	NA				
597	NA				
597	NA				
597	NA				
598	Cost of others Stores (Chemical & Glassware)				
600	Transfer payment				
610	Interest				
611	NA				
612	NA				
613	NA				
614	NA				
615	Other obligations e.g. depreciation & other reserve funds				
	deposit of income tax under section 18-A etc.				
616					
620					
630					
640	Grants				
641					

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642					
643					
644					
.649	Other (Insurance of Labs & Vehicles)				
650	Scholarships & Other Awards				
651	Merit Scholarships				
652	Scholarships & Stipends on consideration other than merit				
653	Remuneration to Part-time teachers & Research workers				
654	Cash Awards for Meritorious service				
655	Other Awards				
659	Other (Amenities)				
660	Superannuation Allowance				
661	Superannuation Retiring & Compensatory Pensions				
662	Commuted Values of Pensions				
663	Gratuity Values of Pensions				
664	Other Pension (e.g. Pension granted to the family of National Heroes)				
665	Gratuities (e.g. gratuities where pension is not mature)				
669	Other payment of Pensions (other claims)				
670	Entertainment & Gifts				
680	Teachers Assistants to other countries.				
681	Expenditures on foreign trainees in				

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	Pakistan and Vice-versa				
682	Contribution to Various International Agencies (Commonwealth Universities)				
690	Other transfer payments				
691	Contribution & Transfer of fund				
699	Others				
700	Investments				
710	Financial Institutions				
720	Non-Financial Institutions				
730	NA				
790	NA				
800	NA				
810	NA				
820	NA				
840	NA				
850	Loan to University Employees				
860	NA				
870	NA				
890	NA				
900	Misc: Expenditures				
910	Contribution & Subscriptions				
920	Delegations Abroad				
930	Loss on Exchanges				
940	Secret Service Expenditures				
950	Security Force				
960	Research & Development				

CHAPTER-V

DELEGATION OF FINANCIAL POWERS

10. DELEGATION OF POWERS

The officers of the University mentioned below shall exercise the following financial powers:

S. No	<u>Head of Expenditure</u>	<u>Name of Authority</u>	<u>Existing Extent of Delegation 2008</u>	<u>Proposed Extent of Delegation 2017</u>
(1)	Pay & Allowances	Vice-Chancellor Registrar	Full Powers Delegated Powers	Full Powers Delegated Powers
(2)	Scholarships & Other Awards to Students	Vice-Chancellor Treasurer	Full Powers Full Power for other than merit	Full Powers Full Powers
(3)	Remuneration / Honorarium to part-time teachers / employees	Vice-Chancellor	Full Powers	Full Powers
(4)	Cash Awards for meritorious service	Syndicate Vice-Chancellor	Full Powers Delegated Powers	Full Powers Delegated Powers
(5)	Other awards scholarships for MS/PhD studies abroad	Syndicate Vice-Chancellor	Full Powers Delegated Powers	Full Powers Delegated Powers
(6)	Pension & Gratuity	Vice-chancellor Treasurer	Full Powers Delegated powers	Full Powers Delegated powers
(7)	Expenditure on foreign trainees in Pakistan and Vice-Versa (Short courses abroad)	Vice-Chancellor	Full Powers	Full Powers
(8)	Loan to employees (out of Revolving Funds)	Vice-Chancellor Instead of Loan Committee replaced Treasurer	Full Powers Full Powers	Full Powers Full Powers(Treasurer)
(9)	Laboratories Expenses & contingencies	Vice-Chancellor Dean / Head of the Institute/Department/College	Full Powers Full Powers Within budgetary allocation for their Offices / Deptt	Full Powers Full Powers Within budgetary allocation for their Offices / Deptt
(10)	Payment of Audit Fee	Vice-Chancellor	Full Powers	Full Powers
(11)	Rent for Residential building (requisition etc)	Vice-chancellor Registrar	Full Powers Delegated powers	Full Powers Delegated powers
(12)	Conduct of Examinations			
(i)	Remuneration/Secrecy Payments	Vice-Chancellor Controller of Examinations	Full Powers Delegated powers	Full Powers Delegated powers
(ii)	Printing of Question Papers	Vice-Chancellor Controller of Examinations	Full Powers Delegated powers	Full Powers Delegated powers
(iii)	Miscellaneous Advances for examinations	Vice-Chancellor Treasurer	Full Powers Rs.50,000/-	Full Powers Rs.100,000/-
(13)	Purchase of Durable Goods			
(i)	Machinery & Equipment	Vice-Chancellor Treasurer	Full Powers Rs. 100,000/-	Full Powers Rs. 1,000,000/-
(ii)	Transport	Vice-Chancellor	Full Powers	Full Powers
(iii)	Furniture & Fixture	Vice-Chancellor Treasurer	Full Powers Rs. 100,000/-	Full Powers Rs. 1,000,000/-
(14)	Sports Materials	Vice-Chancellor Treasurer	Full Powers Rs. 50,000/-	Full Powers Rs. 500,000/-
(15)	Feasibility Studies	Vice-Chancellor	Full Powers	Full Powers
(16)	Holding Survey Camps	Vice-Chancellor	Full Powers	Full Powers

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(17)	Research & Development Projects	Vice-Chancellor Director (ORIC) Treasurer	Full Powers Delegated Powers -----	Full Powers Delegated Powers Delegated Powers
(18)	Students Project Works	Vice-Chancellor Treasurer	Full Powers Rs. 50,000/- each Deptt:	Full Powers Rs. 10,000/- each Deptt:
(19)	Repair & Maintenance of Durable Goods			
(i)	Transport	Vice-Chancellor Treasurer Director Admn.	Full Powers Rs. 20,000/- Rs. 20,000/-	Full Powers Rs. 100,000/- Rs. 20,000/-
(ii)	Machinery & Equipment	Vice-Chancellor Treasurer	Full Powers Rs. 50,000/-	Full Powers Rs. 100,000/-
(iii)	Furniture & Fixture	Vice-Chancellor Treasurer	Full Powers Rs. 30,000/-	Full Powers Rs. 100,000/-
(iv)	Building	Vice-Chancellor Treasurer Director Works	Full Powers Rs. 50,000/- Rs. 50,000/-	Full Powers Rs. 100,000/- Rs. 50,000/-
(v)	Tech: sanction of Estimates of works	Vice-Chancellor Treasurer	Full Powers Rs. 50,000/-	Full Powers Rs. 50,000/-
(20)	Commodities & Services			
	T. A/D.A to Staff	Vice-Chancellor Treasurer	Full Powers Full Powers	Full Powers Full Powers
	TA for Exam duties	Controller Exams	Full powers	Full powers
	Transportation of Goods	Treasurer	Full Powers	Full Powers
	P.O.L. charges	Vice-Chancellor Treasurer	Full Powers Delegated powers	Full Powers Delegated powers
	Students study Tour	Vice-Chancellor Treasurer	Full Powers Rs. 25,000/- in each case	Full Powers Rs. 100,000/- in each case
	Conveyance Charges	Treasurer	Full Powers	Full Powers
	Postage & Telegrams (Telephones & Trunks)	Vice-Chancellor Treasurer	Full Powers Full Powers	Full Powers Full Powers
(21)	Utilities			
.(i)	Gas, Electricity, Water & others	Vice-Chancellor Treasurer	Full Powers Full Powers	Full Powers Full Powers
.(ii)	Office Stationery	Vice-Chancellor Treasurer Dy. Treasurer	Full Powers Rs. 50,000/- Rs. 5,000/-	Full Powers Rs. 100,000/- Rs. 5,000/-
.(iii)	Printing	Vice-Chancellor Treasurer Dy. Treasurer	Full Powers Rs. 50,000/- Rs. 15,000/-	Full Powers Rs. 100,000/- Rs. 15,000/-
.(iv)	Newspapers and Book etc	Vice-Chancellor Treasurer Dy. Treasurer	Full Powers Rs. 40,000/- Rs. 3,000/-	Full Powers Rs. 100,000/- Rs. 3,000/-
.(i)	Litigation Charges	Vice-Chancellor	Full Powers	Full Powers
.(ii)	Fairs Exhibitions etc	Vice-Chancellor	Full Powers	Full Powers
.(iii)	Publicity and Advertisement	Vice-Chancellor Treasurer	Full Powers Rs. 50,000/-	Full Powers Rs. 300,000/-
.(iv)	Chemicals & Glassware	Vice-Chancellor Head	Full Powers Full Powers within the limit of contingency / Budget provision placed at his disposal	Full Powers
.(v)	Subsidies	Vice-Chancellor	Full Powers	Full Powers
.(vi)	Unforeseen	Vice-Chancellor Treasurer	Full Powers Rs. 25,000/-	Full Powers Rs. 100,000/-
.(vii)	Insurance of Labs / Vehicles	Vice-Chancellor	Full Powers	Full Powers

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		Treasurer	Delegated Powers	Delegated Powers
.(viii)	Amenities (Students)	Vice-Chancellor Treasurer	Full Powers Rs. 50,000/-	Full Powers Rs. 50,000/-
.(ix)	Entertainment & Gifts	Vice-Chancellor Treasurer	Full Powers Rs. 10,000/-	Full Powers Rs. 100,000/-
.(x)	Contribution to other institutions	Syndicate Vice-Chancellor	Full Powers Rs. 50,000/-	Full Powers Rs. 50,000/-
.(xi)	Re-appropriation	Syndicate Vice-Chancellor	Full Powers Rs. 20,00,000/-	Full Powers Rs. 10,000,000/-
.(xii)	Advance for specific items	Vice-Chancellor Treasurer	Full Powers Rs. 30,000/-	Full Powers Rs. 300,000/-
.(xiii)	Approval of Recoupment /Adjustment of advances	Vice-Chancellor Treasurer	Full Powers Rs. 30,000/-	Full Powers Rs. 100,000/-
.(xiv)	Refund of fees & students security etc	Vice Chancellor Treasurer	----- Full Powers	Full Powers Full Powers
.(xv)	Refund of Exam Fee	Controller exam	Delegated powers	Delegated powers
.(xvi)	Other Refunds	Treasurer	Full Powers	Full Powers
.(xvii)	Labour Charges (Daily Wages / Work Charge Estt)	Vice-Chancellor Treasurer	Full Powers Delegated powers	Full Powers Delegated powers
.(xviii)	G.P. Fund advance	Treasurer Dy. Treasurer	BPS-17 & above Full Powers. BPS 1- 16 Full Powers	BPS-17 & above Full Powers. BPS 1- 16 Full Powers
.(xix)	Final Payment of G.P. Fund	Treasurer Dy. Treasurer	Full Powers for BPS-17 and above. BPS 1 to 16 Full Powers	Full Powers for BPS-17 and above. BPS 1 to 16 Full Powers
.(xx)	Medical (Reimbursement) Charge	Vice-Chancellor Treasurer Dy. Treasurer	Full Powers Rs. 20,000/- Rs. 5,000/- in each case	Full Powers Rs. 100,000/- Rs. 5,000/- in each case
.(xxi)	Write-off / waive-off unserviceable articles / Losses	Syndicate Vice-Chancellor Treasurer Head	Full Powers Rs. 100,000/- Rs. 25,000/- Rs. 10,000/- subject to a maximum of Rs. 60,000/- in a financial year.	Full Powers Rs. 1,000,000/- Rs. 100,000/- Rs. 10,000/- subject to a maximum of Rs. 60,000/- in a financial year.
.(xxii)	Approval for auction / sale / disposal of assets	Syndicate Vice-Chancellor	Full Powers Rs. 10,00,000/-	Full Powers Rs. 10,000,000/-
.(xxiii)	Acceptance of tenders of works and supplies	Vice-Chancellor Treasurer Director Works	Full Powers Rs. 100,000/- Rs. 50,000/-	Full Powers Rs. 300,000/- Rs. 50,000/-
.(xxiv)	Appointment of work charge staff	Vice-Chancellor	Full Powers	Full Powers
.(xxv)	Release of contractors security	Vice-Chancellor		Full Powers

Delegated power means Financial Powers delegated by one step senior appointment.

CHAPTER-VI

RECORDING OF TRANSACTIONS, RECEIPTS, PAYMENTS AND BALANCING & RECONCILIATION

10. RECEIPTS: (1) Posting to the income ledger will be made from the Main Cash book. Monthly totals of receipts after it has been analyzed head-wise shall be posted to the Income ledger.

(2) The Accounts section shall maintain its own Bank Ledger for all the transactions of daily deposits in and withdrawal of cheques from the bank. Posting to the Bank ledger will be made from the main cashbook and totalled on monthly basis.

(3) Deposits of cheques, bank drafts and payorder will be made through KMU printed bank receipt slips. A brief description regarding the nature of receipt will also be noted on each copy of receipt slip.

(4) The Assistant Treasurer will ensure that the Bank statements along with the copies of the receipts slips are received daily.

(5) Accounts of interest/profit credited by the bank will be properly checked and differences in rates or amounts shall be pursued with the bank till their settlement.

12. PAYMENTS / EXPENDITURES: - (1) All cheques issued shall be entered on the credit side of the Cash book giving full particulars of the payment in serial order.

(2) Postings from Cash Book to the Expenditure Ledger will be made in the light of audited payment orders and vouchers which will be totalled on monthly basis.

(3) No over-writing and erasures will be allowed in the Cash Book. In case of any corrections, the incorrect entry will be corrected with proper initials of the Superintendent Accounts or the Assistant Treasurer as the case may be.

(4) Under no circumstances blank cheque shall be signed by any of the signatories.

(5) On receipt of a fresh cheque book from the bank, the numbers of cheques contained therein will be counted before its acknowledgement is signed and sent to the Bank.

(6) The counterfoils of the used cheque books will be preserved and kept in safe custody.

(7) Copies of letters containing standing instructions will be filed properly and kept under the custody of the Treasurer or any other authorized officer.

(8) The Bank's advices of direct debit/credit will be obtained and adjusted in the Cash Book and relevant ledgers.

13. BALANCING AND RECONCILIATION: - (1) The Bank Balances at the end of each month will be reconciled with the Bank Ledger and a reconciliation statement will be prepared by the Accounts Section. Un-cashed cheques, if any, which remain outstanding for long will be brought to the notice of the Treasurer.

(2) A certificate will be obtained from the Bank certifying the balances in each account at the close of the financial year.

14. MAIN BOOKS OF ACCOUNTS: - The following books shall be maintained in the Treasury Wing for record and proper accounting treatment of transactions.

(1) RECURRING

1. Cash Book
2. Subsidiary Cash Book
3. Income Ledger
4. Expenditure ledger
5. Bank Ledger
6. Private Ledger
7. Grant in Aid Register
8. Contractors Ledger
9. Student Bill Books
10. Students Admission Register
11. Scholarships Register
12. Advances Register
13. Sanctioned Post Register
14. Imprest Money Register
15. Loan Register
16. Medical Claim Register
17. Telephone Payments Register
18. T.A / D.A. Register
19. Electricity Bill Register
20. Gas Bill Register
21. Fax and Teleprinter Register
22. Pension Fund Accounts Register
23. G.P. Fund Register
24. Benevolent Fund Register

(2) **DEVELOPMENT**

1. Cash Book
2. Grant in Aid Register
3. Expenditure Ledger
4. Contractors Ledgers
5. Bank Ledger

CHAPTER-VII

PREPARATION AND PROCESSING OF PAY BILLS OF ESTABLISHMENT

- 15. PREPARATION AND PROCESSING OF PAY BILLS OF ESTABLISHMENT.;** (1) The Registrars office will intimate to the Treasurer all appointments, promotions resignations and terminations of the staff For every employee a file will be maintained to depict any change in his status and pay scale.
- (2) The Establishment Section will prepare the pay bills from the Establishment Check Register (ECR) of all employees working in different administrative sections and all teachers working in teaching departments of the University. These bills will be sent to the Treasury Wing on or before the 20th of each month for processing and payment on pay day.
- (3) The Accounts Section of the Treasury Wing shall scrutinize these bills and will ensure that:
- i. All changes made in pay bills have been duly supported by the order of the competent authority: and
 - ii. A general voucher has been prepared adjusting various deductions from the salaries.
- (4) Appropriate deductions for leave without pay and absence, leave on full pay, level on half pay if any shall be made on the advice of the Establishment Section, which receives such information direct from the concerned department and will be responsible for maintaining employee's personal files.
- (5) The pay bills summary and the general vouchers shall be pre-audited by the University auditors before sending them to the Treasury Wing for preparation of cheques. The Accounts Section will prepare cheques / bank transfer vouchers for all officers/officials and teaching staff for disbursement of salary.

CHAPTER-VIII

CONTINGENCES OF TEACHING DEPARTMENTS, INSTITUTES, COLLEGES, ADMINISTRATIVE SECTIONS AND ADVANCES FOR SPECIFIC PURPOSES

16. CONTINGENCIES FOR TEACHING DEPARTMENTS ETC.:- The Provision for the contingent requirements of the Teaching Department and administrative Section shall be reflected in the Recurring Budget. The requirement of Department / Offices shall be worked out by their respective head and communicated to the Treasurer. The Treasurer, after scrutiny and consultation with the Vice chancellor, will include them in the proposed budget. The approved contingency fund (imprest money) will be released to the Directors / Officers as authorized by the Vice Chancellor. The imprest money will be recoup when proper account of the previous released funds has been rendered to the Treasurer and the competent authority has accorded approval to the expenditure incurred against the relevant head of expenditure. The expenditure in the ledger will be booked only when the accounts submitted are approved by the competent authority. The Directors of the institute shall ensure the proper modes of expenditure within the frame work of the financial powers delegated to him for the contingencies fund released by the Treasurer.

17. ADVANCES FOR SPECIFIC PURPOSES:- When a requisition for a general advance is made for certain specific expenses, the Treasurer with the approval of the competent authority may allow the advance to the requisitioner. It is important that the advance holder should render the statement of expenses within one month of incurring the expenditure duly supported by cash memos and evidence that all codal formalities wherever applicable have been duly observed. An advance may not be drawn unless it is immediately required.

CHAPTER-IX
RESEARCH FUND

- 18. RESEARCH FUNDS:** - The Research funds will be allocated and regulated as prescribed.

CHAPTER-X

EXAMINATIONS SECRECY FUND

19. EXAMINATION SECRECY FUND: - (1) The Treasurer with the approval of the Vice Chancellor shall release and advance funds to the Controller of Examinations for payment to examiners. In order to maintain complete secrecy of the examiners, no one of the Treasury Wing shall be involved in the process of payments to examiners and all personnel involved in Secrecy.

(2) The Controller of Examinations shall have full powers to sanction and pay the claims of the paper setters and script checkers. The Controller of Examinations shall have the power to open and operate a Bank Account for the Secrecy Fund released by the Treasury Wing and shall be required to maintain a proper cash book and other relevant items of book keeping. After, at least one year of the payment the record of the Secrecy fund shall be audited by a person(s) to be appointed by the Vice-Chancellor. After audit, they will give a certificate to the effect that the record has been maintained in proper order and the payment made was correct and a fit charge on the Secrecy fund. The certificate of the audit shall be forwarded to Treasurer who shall submit it to the Vice Chancellor for seeking his approval to book the expenditure and adjust the account against the advance released by the Treasurer in favour of the Controller of Examinations. In case the Audit finds some discrepancy/shortcoming in the Secrecy Fund, a report to this effect shall be submitted directly to the Vice Chancellor who may take necessary corrective action thereon.

CHAPTER-XI

PURCHASE AND ACQUISITION OF STORES AND TENDERS / QUOTATIONS

20. PROCUREMENT OF STORES, TENDERS AND QUOTATIONS:- (1) Subject to any special rule or order of the Syndicate/Vice Chancellor applying to any particular department, an authority of the University, which is competent to incur expenditure may sanction the purchase of stores required for use in the University/Department /Section/Hostels in accordance with the provision contained in these Rules. Such purchases are also subject to the usual restriction regarding the necessary appropriation and to any monetary limits and other conditions prescribed generally or in regard to specific articles or classes of articles. Powers delegated to the University's Purchase Committee, heads of teaching departments/workshops, Dean, Register, Treasurer, Controller of Examinations, Director Works, and other responsible officials are clearly laid down and all purchases in the University should be regulated in strict conformity with these Rules.

- (2) Purchase must be made in the most economical manner in accordance with the requirements of the University. Stores should not be purchased in small quantities, but at the same time care should be taken not to purchase supplies much in advance of actual requirements, if such purchase is likely to prove unprofitable to the University.
- (3) Purchase order should not be split up to avoid the necessity for obtaining the sanction of higher authority required with reference to the total amount of the orders. For this purpose the Treasurer, being the In-charge of the store purchase section shall coordinate the requirements of various departments and sections and accordingly put up the case as recommended by the Purchase Committee to the Vice Chancellor for approval and to the Purchase Committee for further action.
- (4) The Treasurer being the ex-officio In-charge of the store purchase section and member of the Purchase Committee will primarily be responsible for the procurement of all items as per provision in the budget including consumable stores, office equipment, furniture, fixed assets, chemicals and glass wares, computers, items of sanitary, hardware, electrical goods, appliances, timber and other stock and non stock supplies for the University.
- (5) In case of stock items the Store Section will raise the **"PURCHASE REQUISITION'** whereas, for non-stock items to be purchased for the University a request for sanction of expenditure will be prepared by the requisitioning department. The Treasurer after its checking and scrutiny by the Budget and Accounts Section will prepare a complete case showing the Budgetary code, head of expenditure, provision and balance under the code and will submit the case to the competent authority for obtaining proper approval.
- (6) After approval of the competent authority is obtained, the Treasurer will advise the concerned section to commence the formalities required for the purchase in question.
- (7) The Treasurer shall prepare and maintain lists of approved firms, contractors and other suppliers, and keep the Vice-Chancellor informed whenever a new agency is enlisted. The firms enlisted must be of good standing and actually doing business and physically existing in the market with definite business premises and not by label only.

- (8) Purchase up to Rs. 50,000/- may be made from the local market without inviting quotations on the usual certificate by the officer authorized by the Treasurer to purchase the item/items that the value paid is at the lowest market rate for the material question.
- (9) Purchase between Rs. 50,000/- to Rs. 100,000/- shall ordinarily be made on the basis of at least 3 quotations by the Treasurer/Secretary Purchase Committee from the approved suppliers or those with a reputation in the market. When the quotations are invited from several firms but there is a poor response and only one or two quotations are received, the purchase may be made from the lowest one. When there is no response, the purchase may be made from any firm by the Purchase Committee with prior permission of the Treasurer. The Convener, Purchase Committee will certify that the purchase made is at the minimum market rate
- (10) If the amount exceeds Rs. 100,000/- the transaction will be advertised and sealed tender/quotation obtained by open tender system.
- (11) If the purchase is to be of a patented article of required specifications available from an authorized dealer or the manufacturer, it can be purchased from him with the prior approval of the Vice Chancellor without calling other quotations. However, if the article is available with more than one dealer at competitive rate quotation shall be invited in the usual manner.
- (12) Quotation should be preferred from sole distributors and direct manufacturers to ensure quality at competitive rates.
- (13) In case of rates of fresh quotation are higher than rate of last purchase, efforts should be made to place repeat orders.

21. TENDER/QUOTATIONS:- The Competent authority shall at least 15 days before entering into contract give public notice of tender. The Competent authority may accept any of the tenders so made which appears to him the most advantageous, provided that;

- a. If he rejects the lowest tender or all the tenders made in pursuance of the public notice, the reasons for his doing so shall be recorded;
- b. The competent authority may, in case of emergency or if otherwise deemed fit and beneficial in the interest of the University, invite gallop (spot) tender or dispense with conditions of inviting tenders and enter into contract with any person/firm for the execution of any work or the provision of any supply with due regard to the quality of work, supplies and speedy execution of the contract.

22. VALID TENDER/QUOTATIONS:- (1) No tender shall be deemed a valid tender unless;

- i. It is sealed.
 - ii. It is accompanied by earnest money / call deposit equal to two percent of the amount of tender.
- (2) All sealed tenders/quotations shall be opened by the competent authority at the place and time specified in the public notice, in the presence of the Convener and members of the Committee and such suppliers/contractors as may be present. The Convener and members

of the Committee shall affix their signatures and date on every tender/quotation so opened. The lowest tender/quotation shall be noted on the record.

- (3) A comparative statement of rates shall be prepared by the Secretary of the Committee, and submitted to the competent authority along with recommendations of the Committee, for seeking proper approval of rates and obtaining sanction of the amount involved. The competent authority shall issue proper sanction giving description of the amount involved, the rates approved and the head of expenditure.
- (4) A formal deed of agreement shall be executed between the University and the contractors where the circumstances so demand.
 - i. Which is to be made after inviting tenders;
 - ii. For the acquisition, purchase, sale or transfer of property.
- (5) All agreement by or on behalf of the University shall be signed by the Treasurer and attested by two witnesses and shall bear the seal of the University and shall be executed in such form as would bind him it were made on his own behalf and may in the like manner and form be varied and discharged.
- (6) All agreements shall be written on a stamped paper of appropriate value and shall, where necessary, be registered under the law in force for the registration of documents.

CHAPTER-XII

**UNIVERSITY PURCHASE COMMITTEE, DEPARTMENTAL PURCHASE COMMITTEE
AND RECEIPT OF STORES AND PAYMENT OF BILLS.**

- 23. UNIVERSITY PURCHASE COMMITTEE:** - (1) The University shall have a "University Purchase Committee" to be formed, by the Vice Chancellor comprising the following:
- a). One Key Officer / Professor who shall be its convener
 - b). Two teachers / Officers working in any department or office to be nominated by the Vice Chancellor
 - c). Head of the department or section for which the items are being purchased shall be the ex-officio member. He may, however nominate any other senior teacher/ Officer of his department.
 - d). Treasurer shall be the Ex-officio Member / Secretary of the Committee. He may nominate any Officer of his Wing to accompany the Committee during any purchase.
- (2) The term of the Committee shall be for each financial year. The Vice Chancellor, however, is competent to dissolve it at any time during its term and constitute a new Committee for the remaining term. The Vice Chancellor may also extend the term of an existing Committee for any period.
- (3) Quorum for spot purchase shall be three members including the Convener. If the purchase is meant for a particular department, one of the two members must be the Chairman of the department concerned or his nominee. A nominee of the Treasurer shall invariably accompany the Committee in all purchases as assistant to the Purchase Committee.
- (4) If due to any reason the convener is not in a position to accompany the Committee, the Vice-Chancellor shall nominate any of the members to act as Convener for any spot purchases in the market.
- (5) The Vice Chancellor may authorize the Purchase Committee of the University to visit the market and purchase any kind of stores for the University to the extent of any amount allowed by the Vice Chancellor. Similarly the Treasurer may authorize the Purchase Committee to purchase items of prescribed stores in the local market only up to Rs. 1,00,000/- provided proper sanction from competent authority exists.
- (6) The Committee may when allowed by the competent authority visit the market and look for required items in the market. Market means markets / shopping centres and stores situated anywhere in Pakistan.
- (7) The Purchase Committee shall make a survey of the products in the market, study the supply position, compare and assess the rates prevailing in the market, determine the quality of products, their brand and manufacturing mark etc. The Committee, after satisfying itself with the rates, quality and genuineness of the product, may place orders with any firm.

- (8) If the Committee has been given an "ADVANCE" for such purchase, it shall have the authority to make full payment on the spot to the suppliers against delivery of goods or service by obtaining proper cash memos of the amount.
- (9) When goods are received in the University, normal procedure of stock taking and issuance shall be adopted as prescribed under these Rules.
- (10) After completing the process of stocktaking, the Convener Purchase Committee shall render proper accounts of expenditure, showing the details of items purchased, their rates, total cost, the unspent balance and the stock entries. The unspent amount shall be immediately refunded and the refund slip shall be attached and submitted with the rest of the vouchers for adjustment.
- (11) The Account will be adjusted only when the Vice Chancellor or any other competent authority approves it.
- (12) When the Account is approved by the competent authority a "Transfer Voucher" for booking the actual expenditure shall be prepared and submitted to Audit. When the voucher is passed by Audit, a transfer entry to this effect shall be recorded in the cashbook and the expenditure will be posted to the expenditure ledger.
- (13) The Rules for calling quotations and adoption of open tender system may not be applied to the spot-purchase made by the Purchase Committee of University in local and national markets on the approval of the competent authority.
- (14) In order to avail themselves of the economies of bulk purchases the heads of the departments, sections and hostels etc. shall submit their requirements at least 3 months in advance to the Treasurer.

24. DEPARTMENTAL PURCHASE COMMITTEE:- (1) Each department of the University shall have a Departmental Purchase Committee to be constituted by the Dean of the Faculty where applicable and in all other cases by the Vice-Chancellor consisting of a Convener and three members, at least two from the staff of the department.

- (2) The Departmental Purchase Committee shall arrange for the purchase of items out of contingency fund of the department.
- (3) Purchase beyond Rs.10,000/- may be made in the market by the Departmental Purchase Committee, following the same course as is prescribed for the University Purchase Committee.

CHAPTER—XIII
RECEIPT OF STORES

25. RECEIPT OF STORES:- (1) On the receipt of stores, the Purchase Committee shall examine, count, measure or weigh, as the case may be, when the delivery is taken. The Committee shall record a certificate to the effect that the quantities and quality is according to the supply order(s). The Store officer receiving the items shall also be required to fill up a “Material Receiving Report” to certify that he has actually received the materials and recorded them in the appropriate Stock Registers.

- (2) In case the goods have been purchased on the request of a specific department, the store officer will immediately inform the requisitioning department and dispatch the goods along with “Departmental Material Receiving Report’ in triplicate. The requisitioning department will return two copies to the Store section acknowledging the receipt of goods. On receipt of “Material Receiving Reports” back from the requisitioning department, the Store Officer shall attach one copy to the supplier’s bill and preserve the second copy for record purposes showing the issue of goods to the department concerned. Necessary entries in the issue register shall also be recorded.
- (3) Each department shall maintain suitable registers to record receipt and issue of consumable items. The receipt shall be recorded from the copy of Material Receiving Report (Departmental) along with the goods taken over from the Main Store. These registers will be made available to audit for inspection as and when required.
- (4) For non-stock items each department shall maintain a departmental stock register in order to exercise an effective control over the assets and to facilitate their physical verification as and when required. Entries into the department Registers shall be made from the copies of Material Receiving Report or Gift-Advice received from the Store Section. A proper inventory of stock shall be maintained in all the departments showing the number of assets received, the number of assets disposed off (by transfer, sale and loss etc) and the balance of each kind of article.
- (5) For contingency items a separate register shall be maintained to record the receipts, issues, and losses pertaining to contingency of the department.
- (6) If an asset is gifted to the University, the receiving department will prepare a “Gift Receiving Advice” in triplicate and send one copy each to store section and Treasury Wing for stock entries of gift in the relevant stock registers. the receiving department will retain one copy of advice for its record and will enter the gift in the departmental stock register.

26. PAYMENT OF BILLS:- (1) When the bills are submitted by the suppliers / service providers for the supplies/services made to the University, the Purchase Committee with the assistance of the Stores Section, Section Incharge (Stores) shall forward the bills to the Treasury Wing. The bills must be supported by the following documents:

- (a) Copy of sanction issued by the Treasurer on the approval of the Vice Chancellor or a competent authority
 - (b) Copy of comparative statement indicating that the Vice Chancellor or competent authority has approved the rates and suppliers. Comparative statement up to Rs. 50,000/- shall be approved by the Treasurer being the competent authority.
 - (c) Copy of the purchase order placed by the Secretary of the Purchase Committee/ Treasurer.
 - (d) Material Receiving Report and evidence of stock entries.
 - (e) Inspection Report of the Committee.
 - (f) Copy of the advertisement, if any.
- (2) The Treasurer shall arrange payment from the relevant head with the assistance of Budget and Accounts Section on receipt of bills complete in all respect. If the amount is within the limits of the original sanction already accorded by the Vice-Chancellor, or any other competent authority, the Treasurer shall be competent to sign and pass payment order without seeking a duplicate reference for sanction of the Vice Chancellor / Competent authority.
- (3) When the amount of bill exceeds the original sanction due to certain genuine reasons to be recorded on the bill by the Purchase Committee, a revised sanction will have to be obtained from the Vice Chancellor / Competent Authority.
- (4) Security @ 10%, General Sale Tax (on sale & services) and Income Tax at the rate prescribed by the Government shall be deducted from the bill to ensure the performance of the contract. The Vice Chancellor may however waive off the condition of deduction of security in special and unavoidable cases.
- (5) Penalty as per contract agreement will be applied on late delivery of goods & services.
- (6) when a bill complete in all respects is presented to the Treasury Wing, shall ordinarily be cleared within two weeks.

27. BOOKS OF MAIN STORE.

The following books shall be maintained in the Main Stores of the University.

1. Stock Register Machinery & Equipment (Non Stock)
2. Stock Register Apparatus & Chemicals
3. Stock Register Furniture
4. Stock Register Consumable
5. Stock Register any other stock items
6. Stock Register Property
7. Issue Register Non stock item
8. Issue Register Stock items

9. Scrap Register
10. Disposal Register.

28. ISSUE OF STOCK AND PHYSICAL VERIFICATION:- (1) When materials are issued from stock for departmental use, the Store Officer shall see that an indent on the prescribed form has been made by a properly authorized person and examine it carefully with reference to the supply order(s). When materials are issued, a written acknowledgement shall be obtained from the person or his authorized agent receiving the items.

- (2) The in charge department of stores should ensure that Physical verification of all stock is made at least once every year and certificate of verification of store with its result should be recorded thereon.
- (3) Verification must always be made in the presence of officer responsible for the custody of the stores or of a responsible person dispatched by him.
- (4) All discrepancies, shortages and damages as well as unserviceable stores shall be reported immediately to the Treasurer for taking up the matter with the competent authority for fixing the responsibility or to write off the losses. Full justification and reasons shall be given while declaring a stock item unserviceable.

CHAPTER-XIV

ANNUAL MAINTENANCE AND REPAIRS OF BUILDING AND INFRASTRUCTURE.

29. ANNUAL MAINTENANCE AND REPAIRS OF BUILDING AND INFRASTRUCTURE:

- (1) The University shall incur expenditure on the preservation of its building and structures under the classified head of "University Building Residential Building Hostels and other Structures & Minor Works". The University building includes academic blocks of classrooms, laboratories, workshops, library, cafeteria, offices and sections. Residential building consists of staff residence of all categories of employees and hostels are the buildings meant for lodging and boarding of students and teachers. "Other structures" include all roads and those buildings and infrastructures which cannot be covered in the three aforementioned classifications. They also include minor works for which separate and individual estimates are made by the Directorate of Works and approved by the Vice Chancellor or the Treasurer as the case may be.
- (2) The Director of Works shall work out and prepare a detailed estimate of quantities of items under all the classified heads of expenditure except minor works. The estimates so prepared shall be submitted to the Treasurer who shall check the proposed estimate of expenditure with the budget provision and process it for obtaining, in the first instance, the concurrence and administrative approval of the Vice Chancellor. When the Vice Chancellor accords approval, the Treasurer shall issue proper administrative approval, which will be communicated to the Director of Works.
- (3) Consequent upon the issuance of administrative approval by the Treasurer, the Director of Works shall call tenders for items and quantities approved by the Vice Chancellor.
- (4) Tenders must be invited in the most open and public manner possible or by advertisement in the press after the estimate has been approved and the amount has been sanctioned by the Vice Chancellor.
- (5) Tenders may be opened by the Director of Works in the presence of the University Works Committee.
- (6) In case the lowest tender is not recommended for acceptance, reasons should be recorded in writing. In selecting the tender to be accepted, the financial Status of the individuals and firms tendering should be taken into consideration in addition to all other relevant factors.
- (7) The Vice Chancellor may appoint a "WORKS COMMITTEE" to scrutinize and check the tenders received for works and make necessary recommendations thereon. Total estimate shall be based on the tenders and rates recommended by the Director of Work / Works Committee which will be forwarded to the Treasurer for obtaining specific Sanction of expenditure and approval of rates from the Vice Chancellor. When the rates are approved and the amount involved is sanctioned, the Treasurer shall issue proper "**SANCTION OF EXPENDITURE**". Depending upon the nature of work, the Vice Chancellor may appoint Project Committee for execution of a work departmentally.

- (8) After receiving the sanction of expenditure, the Director of Works shall issue “work order” to the contractors and advise them to execute proper agreement with the University on proper stamp papers.
- (9) The agreement with the approved contractors must be in writing and signed by the Director of Works and the Contractors, after the competent authority approves it. The agreement should state the quantity and quality of the work to be done, the specifications to be complied with, the time within which the work is to be completed, the conditions to be observed, the security to be put in, and the terms upon which the payment is to be made and penalties to be imposed. It should contain provisions necessary for safeguarding the property entrusted to the contractors.
- (10) The terms of a contract once entered into, should not be varied without the prior consent of the Vice-Chancellor or any other competent authority.
- (11) Security for due fulfilment of the contract shall invariably be taken. The security may take the form of a cash deposit or call deposit at the prescribed rate generally adopted in government contracts. The Vice Chancellor is however, empowered to permit or condone deviations from the conditions of call deposit / security deposit in specific cases where such deviations are unavoidable.
- (12) Addition and excess though necessary while a work is in progress which are not fairly contingent on the proper execution of the work is sanctioned, must be covered by a revised estimate accompanied by a full report of the circumstances which rendered it necessary.
- (13) When excess over a sanctioned estimate is foreseen and there is likely to be unavoidable delay in preparation of a Revised Estimate, an immediate report of the circumstances shall be submitted through the Treasurer to the Vice-Chancellor whose sanction will ultimately be required. When a revised estimate is submitted it must be accompanied by a statement comparing it with the original sanction of the Vice-Chancellor and by a report showing the progress made up to date and the total of the sanction required including the revised amount.

30. CONTRACTORS BILLS:- (1) No payment to any contracting firm shall be allowed unless the work carried out is measured and recorded in the Measurement Book (M.B). The Director of Works of the University must record measurements in the Measurer Book on the spot and bills of the contractors shall be prepared on the authority of such measurements.

- (2) The bill and the Measurement Book duly signed by the Director of Works shall be submitted to Treasurer for payment to the contractors. The Director of Works shall record a certificate to the effect that all the measurements, quantities, rates and calculations have been checked in detail, compared and found correct according to the approved rates and that he thus holds himself responsible for all payments made on this basis by the Treasurer.
- (3) On receiving the bill, the Treasurer shall process it for payment by first presenting it for pre-audit to the University Auditor. Security, General Sale Tax on services and income tax at the

prescribed rates and other deductions as the Director of Works may intimate, shall be retained from the bills. All the running bills shall be processed for payment on the certificate of the Director of Works but the final bill must accompany an Inspection Report of the Committee to be appointed by the Vice Chancellor.

- (4) Generally, the bills may be paid by the Treasurer if they are within the limits of the sanctioned amount and estimate approved by the Vice Chancellor and duplicate reference to Vice-Chancellor for seeking individual sanctions for each running bill will not be required. If the running bill exceeds the sanctioned amount and the approved estimate, it will be necessary to seek the approval and Sanction of the Vice-Chancellor before any payment on final bills. Similarly, approval of the Vice-Chancellor is a must for any payment on final bill.
- (5) The Treasury Wing shall maintain a proper contractor's ledger and debits and credits on this account must be recorded and preserved.

CHAPTER-XV

DEVELOPMENT WORKS AND PROJECTS

- 31. DEVELOPMENT WORKS AND PROJECTS:-** (1) Development Works & Projects shall be a Major Head of Account. A separate set of Account books shall be maintained for Development Works and Projects and shall not be mixed with the transactions of the Recurring Budget or any other fund/grant of the University.
- (2) The Vice Chancellor shall have full powers to accord Technical Sanction to ‘Estimates of Works’ prepared for development Projects and schemes of the University.
- (3) The Vice Chancellor may appoint Consultant, Architect and other relevant professionals for consultation and providing technical opinion, advice and guidance on important developmental works of the University and fix their fee and remuneration etc. Depending upon the nature of work, the Vice-Chancellor may also appoint a Project Committee for execution of developmental works, departmentally.
- (4) The procedure for calling tenders and payment of Contractors bill shall be the same as given in Rules 29 and 30 of these rules.

CHAPTER-XVI

SALE, DISPOSAL AND WRITING OFF STORES AND PROPERTIES

- 32. SALE, DISPOSAL AND WRITING OFF STORES:-** (1) Prior sanction of the Vice Chancellor or a competent authority shall be obtained to write off losses and deficiencies in Stores.
- (2) Stores, which are reported to be obsolete, surplus or unserviceable, may be disposed of by sale or otherwise, as directed by the Vice Chancellor or any competent authority.
 - (3) The Head may write off any loss of articles if the amount involved on single items does not exceed Rs. 10,000/- subject to a maximum of Rs. 60,000/- in a financial year, with the condition of proper inquiry into the loss of items.
 - (4) Assets beyond economical repairs in the departments and hostels shall be transferred to the main Store for sale, auction / scrap. A fixed Assets Retirement Advice will be prepared by the transferring department / hostel in triplicate and sent to the store along with the article. The store section will acknowledge the receipt of the article on such advice and will return one copy to the department / hostel concerned and dispatch the second copy to the Treasurer, The transferring department will delete the item from its departmental stock register. The main store shall maintain a register of condemned articles to be called scrap register.
 - (5) When an asset is to be sold /auctioned with prior approval of the Vice Chancellor, the Survey/inspection Committee appointed by the Vice Chancellor shall be responsible for the disposal through sale / auction. The Committee shall decide the mode of sale/auction. The Committee shall prepare a statement of bidders with their rates and make necessary recommendations to the Vice Chancellor.
 - (6) Authority of approval rests with the Vice Chancellor for assets valuing upto one Million Rupees. When the value of assets is more than one million rupees, final approval lies with the Syndicate.
 - (7) The Vice Chancellor, however, if satisfied with the procedure, codal requirements and sale price, may in anticipation of approval of Syndicate allow the disposal of assets beyond one million Rupees. A case of disposal shall, however, be prepared and placed before the Syndicate in its next meeting for obtaining the final approval. When the asset is disposed of it shall be deleted from the stock and recorded in detail in the Disposal Register maintained in the main store. A disposal advice shall also be submitted to Treasury Wing to delete the asset from the record.

CHAPTER-XVII

AUDIT AND INTERNAL CHECK

- 33. AUDIT AND INTERNAL CHECK:-** (1) The Accounts of the University shall be maintained in the manner prescribed in these Rules.
- (2) No expenditure shall be made from the funds of the University (excluding private deposits) unless a bill for its payment has been pre audited by the University Auditors.
 - (3) The Accounts of the University shall be audited once a year in conformity with these statutes / Rules by Government Auditors appointed by the Director General, Audit, Govt. of Khyber Pakhtunkhwa.
 - (4) The observations of Government Auditors, together with such annotations as the Treasurer may make shall be presented to the Syndicate. The Syndicate shall be the final authority to settle the paras raised by the Auditors in the Audit Note, to drop them or order further necessary action thereon. For this purpose the Syndicate may formulate and delegate its powers to a Committee to be called "University Audit and Accounts Committee" to deal with the Audit Report prepared by the Auditors appointed by the Director General Audit, Govt. of Khyber Pakhtunkhwa.
 - (5) The University may have an Internal Audit Cell with a proper section to work under the Treasurer.
 - (6) The Internal Audit Cell be looked after by an officer designated as Incharge Internal Audit Cell (IIAC) working under the Treasurer.
 - (7) The Internal Audit Cell shall check the accounts maintained in the teaching departments, hostels, offices, and other cost centres of the University and will report to the Treasurer who may report onward to the Vice Chancellor. However, before making any observation, the internal audit cell shall, discuss the matter with the concerned Head.
 - (8) The Internal Check shall be carried out continuously on rotation basis and reports shall be submitted periodically to the authorities.
 - (9) The Internal Check shall scrutinize important cases referred to it and shall make necessary recommendations to the Treasurer regarding the course of action to be followed or taking up the matter with the Vice Chancellor or any other competent authority. The Internal Audit Cell shall follow-up the queries raised and shall report unsettled cases to the Treasurer for onward reporting to the competent authority or any other appropriate course of action.
 - (10) The Internal Audit Cell shall be charged with the responsibility of looking into the Audit paras raised by the Inspection Team of the Director General Audit and shall prepare annotation to the Audit Notes.
 - (11) The Internal Audit Cell in consultation with the University Auditors shall scrutinize and verify the Annual Statement of Accounts prepared by the Treasury Wing as per approved specimen in these Rules.

(12) The Internal Audit Cell shall follow the following guidelines for it working;

1. CASH BOOK

- i. Whether certificate about pages of the Cash Book is recorded on the first page & signed by the Assistant/Deputy Treasurer.
- ii. Whether totalling of cashbook on both sides has been checked.
- iii. Whether entry of cashbook bears initials of Assistant Treasurer.
- iv. Whether payment side has been checked with the paid vouchers,
- v. Whether random check has been carried out of cash balance with the cashbook.
- vi. Whether any balance, lying in cash as undisbursed for more than three months have been refunded to the University fund.

2. FINANCIAL / CASH MATTERS

- i. Whether expenditure control is maintained.
- ii. Whether expenditure is incurred within the Budget Provision.
- iii. Whether monthly watch is kept on the expenditure.
- iv. Whether TA is paid according to Rules.
- v. Whether register of Advance maintained regarding House Building Advance, for the purchase of plot Motorcycle Advance, Car Advance, G.P. Fund etc. or for misc., purchase and recovery is watched.
- vi. Whether Income Tax is deducted from bill of suppliers.
- vii. Whether payment of Conveyance/taxi charges are paid within the prescribed scale.
- viii. Whether all bills of stores (stock and non-stock) bear stock entry and other certificates.

3. FINANCIAL POWERS PURCHASE ETC.

- i. Whether purchases are made according to financial powers, budget provision both for consumable and non-consumable stores.
- ii. Whether honorarium if any, is granted within the scale.
- iii. Whether accommodation is rented according to scales.

4. STOCK REGISTER

- i. Whether separate stock register for consumable stores and Dead Stock maintained and Physical verification of dead stock carried out.

- ii. Whether proper record of consumable stores maintained and entries of stores checked.

5. TELEPHONES.

- i. Whether telephone is provided according to entitlement and with the approval of competent authority.
- ii. Whether monthly telephone charges (official and residential telephones) are within the ceiling.
- iii. Whether expenditure over and above the ceiling if any is recovered.
- iv. Whether recovery of private telephone trunk call has been affected.

6. STAFF CARS.

- i. Whether the vehicles were purchased with the approval of competent authority and according to the laid down procedure.
- ii. Whether the staff Cars / Vehicles was used in accordance with the Rules.
- iii. Whether the Staff Cars' Log Books were maintained.
- iv. Whether the mileages average is checked.
- v. Whether the entries were signed and purpose of journey indicated.
- vi. Whether recovery of charge for private use was made and deposited in the University fund.

7. ADMINISTRATION.

- i. Whether appointments approved by the competent authority.
- ii. Whether appointments were according to sanctioned strength.
- iii. Whether any appointment was made beyond superannuation.
- iv. Whether service book- Services were verified annually through pay bills.
- v. Whether list of persons, to be retired in the coming next two years were prepared.

THE PROPOSED POLICY/CRITERIA FOR INVESTMENT OF KMU FUNDS IN BANKS.

1. All investments shall be made in scheduled banks only (Public, private foreign) as approved by University Syndicate from time to time (enlisted panel).
2. Credit rating of the banks shall be the scale/benchmarking of all investment, PACRA, JCRVIS, FITCH and MOODYS etc.
3. Every investment shall be made on the following minimum criteria of rating scale.
 - a) Long term and short term rating of "A" under PACRA Rules.
 - b) Rating outlook must be stable or positive.
 - c) No investment shall be made irrespective of offered rate of investment, if the rating outlook is negative or below.
4. The latest rating issued by State Bank shall be considered as basis of criteria.
5. A minimum of 100 branches of selected banks must be operating in Pakistan to sustain/coup economic risk/slump.
6. Investment shall be made on the basis of the quotations invited/inquired from all banks and approved by investment committee/competent authority.
7. The KMU shall not invest more than Rs. 500.00 million in one bank, however the same can be placed in different branches of one banks in order to diversify the risk associated with keeping deposits.
8. Investment Committee can meet as and when required and as called by the Chairman.
9. All investment should be made in banks operating business in Hayatabad, University Road and Peshawar Cantt only.
10. Bank balance confirmation shall be made/confirmed quarterly.
11. The recommendation of Investment Committee shall be forwarded to Vice Chancellor for approval or otherwise.
12. The selection of banks regarding investment of funds shall be made on following criteria:
 - i. Markup Rate = 30 % (for the specific years mentioned)
 - ii. Credit ratings (JCR, PCRA etc.)= 50 %
 - iii. Credibility and Risk = 20 %
13. The committee shall prepare any agenda for apex forum of the University regarding Investment of Funds.
14. The nominated member(s) will be entitled to receive honoraria of Rs. 3000/- per meeting of the Investment Committee.
15. Agenda is to be prepared and distributed at least two days in advance.
16. Minutes of Meeting to be circulated among members within one week under signature of Chairman & Secretary.
17. Treasurer is to submit approved minutes alongwith his recommendation to the Vice Chancellor for approval.
18. Written agreement is to be made with the bank before Investment.