STANDARD OPERATING PROCEDURE (SOP)
Utilization of Self-Financing Course (SFC) Funds
Utkal University, Bhubaneswar

1. Purpose

This Standard Operating Procedure (SOP) lays down the procedure for budgeting, utilization, approval, monitoring, accounting, and reporting of funds generated through Self-Financing Courses (SFCs) in Utkal University. The SOP aims to ensure transparency, financial discipline, accountability, uniformity, and compliance with the University's financial rules and regulations.

2. Scope

This SOP shall apply to all Self-Financing Courses offered by the various Departments, Centres, Schools, and Constituent Units of Utkal University.

3. Objectives

The objectives of this SOP are to:

- Ensure judicious utilization of Self-Financing Course funds.
- Maintain transparency and accountability in financial management.
- Define the powers and responsibilities of various authorities.
- Establish a uniform budgeting and approval mechanism.
- Ensure proper documentation, audit, and financial reporting.

4. Source of Funds

The primary source of funds shall be the fees collected from students admitted to the Self-Financing Courses, including tuition fees and such other fees as approved by the University.

5. Distribution of Funds

The total annual receipts of each Self-Financing Course shall be distributed as follows:

A. Two-Third (2/3) Share

- Two-thirds (2/3) of the total annual receipts shall remain with the concerned Self-Financing Course.
- This amount shall be utilized exclusively for the operation, maintenance, development, and academic enhancement of the concerned course.

B. One-Third (1/3) Share

- One-third (1/3) of the total annual receipts shall be transferred to the University.

37

- The University shall utilize this amount for the overall development of the University as per the applicable financial rules, statutory provisions, and decisions of the competent authorities.

6. Preparation of Annual Budget

6.1 At the beginning of every financial year (or immediately after admission and fee collection), the Course Coordinator shall prepare an Annual Budget for the utilization of the 2/3 share.

6.2 The budget shall clearly indicate:

- Estimated annual receipts
- Opening balance (if any)
- Proposed expenditure under various heads
- Closing balance

6.3 The budget shall include expenditure under permissible heads such as:

- Guest faculty remuneration
- Visiting faculty honorarium
- Salary/remuneration of contractual staff
- Laboratory expenses
- Library books and journals
- Computers and software
- Furniture and fixtures
- Teaching aids
- Laboratory equipment
- Field visits and educational tours
- Seminars, workshops and conferences
- Examination-related expenses
- Student welfare and academic activities
- Office expenses and consumables
- Printing and stationery

- Repair and maintenance
- Internet and ICT facilities
- Minor infrastructure development
- Any other expenditure approved by the competent authority.

7. Budget Approval

The Annual Budget prepared by the Course Coordinator shall be submitted for approval in the following order:

1. Director, Self-Financing Courses (SFC)
2. Chairperson, P.G. Council
3. Approval as prescribed under the University rules, wherever applicable.

No expenditure shall ordinarily be incurred unless the budget has been approved.

8. Financial Powers of the Course Coordinator

8.1 The Course Coordinator shall be the Drawing and Spending Authority for the approved budget within the delegated financial powers.

8.2 The Course Coordinator is empowered to sanction expenditure up to **Rs. 50,000 (Rupees Fifty Thousand only) at a time** from the approved budget.

8.3 Such expenditure shall be incurred only after ensuring:

- Availability of budget provision;
- Necessity of expenditure;
- Reasonableness of rates;
- Compliance with purchase procedures;
- Availability of funds.

9. Expenditure Beyond Rs. 50,000

9.1 Whenever any single expenditure exceeds **Rs. 50,000**, prior concurrence and approval of the Competent Authority shall be obtained before incurring the expenditure.

9.2 The proposal shall contain:

- Justification of expenditure;
- Estimated cost;

- Availability of budget;
- Quotations/tender documents, wherever applicable;
- Recommendation of the Course Coordinator.

9.3 Expenditure shall be incurred only after receipt of written approval from the Competent Authority.

10. Procurement Procedure

All procurement shall be made in accordance with the University's financial rules and purchase procedures.

The following principles shall be observed:

- Economy
- Transparency
- Fair competition
- Value for money
- Proper documentation

Wherever applicable, quotations, comparative statements, purchase committee recommendations, and work orders shall be maintained.

11. Payment Procedure

All payments shall be supported by:

- Approved budget provision;
- Proper sanction;
- Original bills/invoices;
- Goods received certificate or work completion certificate;
- Stock entry wherever applicable;
- Payee receipt;
- Necessary tax deductions as per Government rules.

Payments shall preferably be made through banking channels.

12. Maintenance of Records

The Course Coordinator shall maintain the following records:

- Cash Book
- Bank Book
- Ledger
- Budget Register
- Stock Register
- Asset Register
- Advance Register
- Bill Register
- File of sanctions and approvals
- Utilization Register
- Bank Reconciliation Statement
- Any other records prescribed by the University.

13. Monitoring of Expenditure

The Course Coordinator shall regularly review:

- Budget utilization;
- Physical progress of activities;
- Balance funds available;
- Compliance with financial rules.

Any significant variation from the approved budget shall require prior approval of the competent authority.

14. Utilization of University's One-Third (1/3) Share

The one-third share transferred to the University shall be credited to the appropriate University account.

The said funds shall be utilized strictly in accordance with:

- University Statutes;
- University Financial Rules;
- Decisions of the competent authorities;
- Budget approved by the University.

The amount may be utilized for:

- Infrastructure development;
- Academic development;
- Research promotion;
- Digital initiatives;
- Campus development;
- Student support services;
- Central facilities;
- Other institutional development activities approved by the competent authority.

15. Audit

The accounts of the Self-Financing Courses shall be subject to:

- Internal Audit;
- Statutory Audit;
- Government Audit, wherever applicable;
- Inspection by any authority authorized by the University.

The Course Coordinator shall extend full cooperation during audit.

16. Responsibility and Accountability

The Course Coordinator shall be personally responsible for:

- Proper utilization of funds;
- Maintenance of records;
- Compliance with approved budget;
- Submission of reports;
- Production of records during audit.

Any financial irregularity shall attract action under the applicable University rules.

17. Annual Statement of Accounts

At the end of every financial year, the Course Coordinator shall submit:

- Annual Statement of Receipts and Payments;

- Income and Expenditure Statement;
- Budget Utilization Report;
- Asset Creation Report;
- Unspent Balance Statement;
- Bank Reconciliation Statement.

These reports shall be submitted to:

- Director, Self-Financing Courses;
- Chairperson, P.G. Council;
- Finance Branch;
- Any other authority as prescribed by the University.

18. General Provisions

- Expenditure shall be incurred only for academic and administrative purposes connected with the concerned Self-Financing Course.
- No expenditure shall be incurred beyond the available funds.
- Splitting of bills to avoid the delegated financial limit of Rs. 50,000 shall not be permitted.
- Any expenditure outside the approved budget shall require prior approval of the competent authority.
- All financial transactions shall comply with the applicable provisions of the University Act, Statutes, Financial Rules, Government guidelines, and audit requirements.
- In matters not specifically covered under this SOP, the decision of the Vice-Chancellor shall be final.

19. Effective Date

This SOP shall come into force from the date of its approval by the competent authority and shall remain in force until modified or superseded by subsequent orders.