

GOVERNMENT COLLEGE OF ENGINEERING, KARAD

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Minutes of Fourth Finance Committee Meeting

The fourth meeting of Finance Committee was held on 01st August 2015 at 12 noon in meeting hall of Government Engineering College, Karad. The following committee members were present for the meeting.

1. Chairman : Prof. (Dr.) P. M. Khodke
2. Member : Shri Shahajirao Jagdale, BOM Nominee
3. Member : Prof. (Dr) Y. M. Ghugal, Head Applied Mechanics Department
4. Member : Prof. (Dr) S. S. Mohite, Head Mechanical Engineering Department
5. Member : Mr. Shrikant Mate, CACS, CFO, Writer, Mumbai
6. Member : Shri. Shirish Godbole, CA, Karad
7. Member secretary : Mr. S. N. Patil, Administrative Officer

Mr. S. N. Patil Member Secretary welcomed all Hon. Members and requested Hon. Chairman, Prof. (Dr.) P. M. Khodke to give his opening remarks. Chairman welcomed all members and instructed Member Secretary to start with the agenda. The minutes of meeting are as under:

Item No. 4.1

To confirm the minutes of third Finance Committee meeting held on 23.04. 2015

While discussing the corrections suggested by Hon. Shri. Mate, the committee discussed the mechanism for settling down the advances. The committee resolved that the advances should be settled within fifteen days after the activity is completed. It was suggested to introduce additional information in the advance form as follows so as to settle down advances individually after the activity for which the advance is taken is completed.

Date of activity:

Date of settlement of advance:

It was further resolved that there should be monthly review process for the advances pending. The accounts section shall present monthly pending advances to Principal in the following format.

Sl. No.	Name of Staff	Advance amount in Rs.	Date of issue	Date of activity	Date for settlement
1					
2					
3					

With above discussion, house confirmed the minutes of meeting held on 23.04.2015.

Item No. 4.2

To report actions taken on the minutes of third Finance Committee meeting held on 23.04.2015

The action taken report of third Finance Committee meeting held on 23.04.2015 was presented by Member Secretary. The house resolved as follows:

1. The committee has permitted to write off the amount of Rs. 2483/- as the difference in amount in DSR and book of account.
2. Here onwards every year all DSR must be reconciled with book of account.
3. The internal auditor should check previous records and ensure the TDS report is obtained from every bank.
4. In order to avoid confusion, COEP must be contacted to know whether we are trust or society.

With above suggestions the committee approved action taken report.

Item No. 4.3

To discuss and accept audit report for financial 2013-14

M/s Joshi & Visapurkar presented audit report for 2013-14 in the form of balance sheet and income & expenditure statement individually for MODROB, ECA, EMD, other fees etc. He further mentioned that balance sheet for NGM could not be compiled due to shortage of time. Hon. Mate informed the auditor that finance committee is responsible for financial status of the institute and is answerable to BoM. Hence, it is expected to know comprehensive financial picture of the institute. The auditor agreed to the expectation and requested to give some time to make balance sheet comprising of individual accounts and cash books available. It was finally decided to submit audit report on or before 14th August, 2015. The finance committee shall then discuss the audit report through conference call and accept accordingly. In order to monitor the progress, Hon. Shri. Godbole, Hon. Chairman and auditor shall

discuss the issues and take review on 10th August, 2015. The audit report shall finally be during the conference call. It was also resolved to issue appointment order to M/s Joshi & Visapurkar as a statutory auditor for 2013-14 for the fees Rs. 1,25,000/- plus taxes extra at prevailing rate and also out of pocket expenses at actual but not exceeding 10% of fees. The fees shall be paid after audit report is accepted by BoM.

Item No. 4.4

To discuss and recommend annual report on Account & Finance for financial year 2014-15

The annual report on account and finance for receipts and expenditure for financial year 2014-15 was presented by Member Secretary. The Finance Committee appreciated the efforts taken by institute to present it in a comprehensive manner helping the committee to understand expenditure under various heads vis-a-vis receipts. Hon. Shri. Jagdale suggested to mention title of the funds instead of F1, F2 etc. Member Secretary agreed to do the same.

Hon. Shri. Mate enquired about less or excess expenditure in different heads like F2, F3, T & P and Central Assistance. Member Secretary informed the house that because funds are available under TEQIP for faculty and staff development, there is hardly any expenditure in F2 i.e. faculty development fund. So is the case with training and placement fund (T & P) because similar provisions are available in TEQIP. Secondly when budget was prepared for 2014-15, the institute level funds were not categorized and only receipts under tuition fee, development fee and laboratory fee were considered. Majority of the expenditure budget for 2014-15 was focusing on development of laboratories i.e. procurement of equipment. When funds were established, only 25% of development fee was considered for equipment replacement fund and hence the balance excess of expenditure is negative in that fund. Member Secretary requested committee to divert some funds from faculty development or institute development so as to meet out the deficit in equipment replacement fund. The committee resolved to transfer appropriate amount from institute development fund (F5) or maintenance fund (F4) if deficit is found in any other funds.

Hon. Shri. Godbole suggested to rename F5 as institute development & contingency fund.

Hon. Shri. Mate further suggested to classify the expenditure as capital expenditure and recurring expenditure so as to find percentage spent on building assets.

With above discussions and suggestions, Finance Committee recommend to BoM to approve annual report on Account & Finance for financial year 2014-15. The summary of approved annual report is enclosed as Annexure-I.

Item No. 4.5

To discuss and approve the expenditure incurred on purchases above Rs. 2 lacs during 2014-15

Member Secretary presented the consolidated list of equipments purchased through various funds during 2014-15. He further informed the committee that items in Sr. No. 88 to 96 are costing more than 2 lacs and these purchases require approval of Finance Committee. The purchases include procurement of 300 desktop computers, 17 water coolers and 3 RO plants for supply of drinking water, computer table for establishing new computer centre, procurement of generator and UPS for power back up.

1. Hon. Shri. Jagdale enquired about testing of water and what parameters are tested. Member Secretary informed that water was tested in February 2015 from outside agency and produced the test report. He further enquired whether this testing can be done in the institute. Hon. Chairman invited Dr. Hedao who assured the house that necessary testing facility shall be established within next three months and testing shall be done regularly.
2. Hon. Shri. Jagdale also suggested to do market survey for prices before placing repeat order as the cost of some items are likely to decrease.

With above suggestions, Finance Committee approved the purchase of equipments during 2014-15.

Item No. 4.6

To discuss and approve appointment of internal Auditor for financial year 2014-15 and 2015-16

Member Secretary informed the house that M/S Joshi & Visapurkar has submitted the proposal for carrying out internal audit of the institute for 2014-15 and also 2015-16. The auditor has proposed to pay fees as 75% of statutory audit fees and service tax and out of pocket expenses extra. Hon. Shri. Godbole brought to the notice of house that accounting procedures are now well established after statutory audit for 2013-14 is made available. Hence, the efforts to be taken here onwards by internal auditor shall automatically reduce.

Therefore, the fees may reduce. After having elaborate deliberations, the committee proposed fees for internal auditor as 50% of statutory audit fees for corresponding year and services taxes extra and out of pocket expenses at actual but not exceeding 10% of internal audit fees. House further resolved to mention following activities to be done by internal auditor in the appointment order itself.

1. Preparation of financial statement based on 100% vouching
2. Preferably quarterly report
3. 100% assessment of assets yearly
4. Establishment of internal process and controls
5. Addressing statutory auditor issues and preparing compliance to his suggestions
6. To suggest improvement in the financial functioning
7. To suggest overall governance mechanism including strategic risk management and assessment of risk
8. Identifying areas for system improvement
9. Ensuring optimization utilization of resources
10. Reviewing and ensuring adequacy of information security and control

With above suggestions finance committee approved appointment of M/s Joshi & Visapurkar as internal Auditor for financial year 2014-15 and 2015-16.

Item No. 4.7

To discuss and approve appointment of statutory Auditor for financial year 2014-15, 2015-16

Member Secretary informed the house that Mr. Anil Kulkarni who could not complete statutory audit for 2013-14 has submitted bills Rs. 25000/- for preparation of receipt of payment & expenditure and DSR preparation. House after realizing the efforts taken by Mr. Anil Kulkarni approved the payment of Rs. 25000/- as professional fees.

Member Secretary informed the house that M/S Joshi & Pol has submitted the proposal for carrying out statutory audit of the institute for 2014-15 and also 2015-16. The auditor is doing statutory audit of COEP for last seven years. The COEP officials and also BoM are satisfied with his performance. The auditor has proposed to pay Rs. 2 lacs plus service tax and out of pocket expenses extra.

Hon. Shri. Jagdale suggested to put cap on out of packet expenses. In view of experience of M/s Joshi & Pol, house resolved to accept the proposal of M/s Joshi & Pol for audit fees but

suggested to pay out of pocket expenses at actual but shall not exceed 10% of statutory audit fee. As the auditor is from Pune, institute may provide accommodation in guest house and also provide food in mess free of charge.

With above suggestions Finance Committee approved appointment of M/s Joshi & Pol as statutory Auditor for financial year 2014-15 and 2015-16.

Item No. 4.8

To discuss and recommend Budget for financial year 2015-16

Member Secretary presented receipt and expenditure budget for 2014-15. The Finance Committee appreciated the efforts taken by institute to present budget in a consolidated manner which helps the committee to understand proposed expenditure under various heads vis-a-vis to proposed receipts. The committee advised to ensure that proposed activities under TEQIP are completed in time. TEQIP coordination committee should take review of activities and expenditure in every alternate week. Similarly, in view of last year expenditure as compared budget, institute purchase committee should take monthly review of purchases so as to ensure that all proposed equipments under direct central assistance (MODROB/RPS) are procured. In case of less response, repeated enquiries/ tenders be floated. While publishing tenders it must be seen that same tender notice include all those items proposed in budget. Chairman, IPC is suggested to conduct meeting immediately after budget approval by BoM and identify such items and should float consolidated tender in September, 2015. The review of the same shall be taken monthly.

With above discussions and suggestions, Finance Committee recommend to BoM to approve annual budget for financial year 2015-16. The summary of approved annual budget for 2015-16 is enclosed as Annexure-II.

Item No. 4.9

To discuss and approve proposal for charging Rs. 2000/- each as table charges and maintenance fee and Rs. 1000/- as CMD from the students staying in hostels from academic year 2015-16

Finance committee approved the proposal for charging Rs. 2000/- each as table charges and maintenance fee and Rs. 1000/- as CMD from the students staying in hostels from academic year 2015-16.

Item No. 4.10

**To discuss and approve revised fees for FE, First year of ME & MCA admission for
2015-16 under Autonomy**

Member Secretary presented the proposal for revision of fees for FE, First year of ME & MCA admission for 2015-16 as the institute is implementing the autonomy. Hon. Shri. Jagdale pointed out some disparities between fees for B.Tech./M.Tech. and MCA. He suggested that the MCA fees for Gymkhana, Training & Placement, Library, Internet and Gathering should be curtailed be equalled to those paid by B.Tech. and M.Tech. Students. Hon. Shri. Mate and Shri. Godbole also suggested to bring parity in fees for common facilities. After elaborate discussion, house resolved modified fee structure as follows.

Sr. No.	Particulars	BE/ B. Tech. (in Rs.)	ME/ M. Tech (in Rs.)	MCA (in Rs.)
1	Tuition Fee	15000	15000	4000
2	Development Fee	26240	26240	5000
3	Other Fee			
	Gymkhana	1100	1100	1100
	Training & Placement	1428	1428	1428
	Library	5500	5500	5500
	Laboratory	6500	6500	1600
	Internet & E Mail	4000	4000	4000
	Gathering	1000	1000	1000
	Sub Total	19528	19528	14628
4	College Fee			
	C.M.D.(Refundable)	1000	1000	1000
	Identity Card	100	100	100
	Sub Total	1100	1100	1100
5	University Fee	263	263	263
6	Alumni Association Fee	125	250	167
7	Student Insurance (GR. Dt. 25/8/2011)	667	222	432
8	ISTE Student Chapter Fee	250	150	200
	Total College Fee	63173	62753	25790

House further approved to collect the difference in tuition fee and the fees received from respective authorities for EBC, STC, PTC, Defence. House also approved the examination fee Rs. 1500/- per year for UG and Rs. 2000/- per year for PG (M.Tech./MCA).

With above corrections and suggestions the Finance committee approved proposal for charging fees (as shown in table above) for the first year of B. Tech., M. Tech. and MCA students from the current academic year 2015-16.

Item No. 4.11

To discuss and approve award of contract for NCB of campus wide network under TEQIP-II

After having detailed discussion on matter house recommended to award contract to the lowest bidder. However, in case lowest bidder does not accept the order and in case it becomes necessary to refloat the tender, the pre bid qualification criteria needs to be modified as under.

1. Condition no. 4 (A) in qualification criteria (Section VI-A) should be such that it fullfills the requirement in condition no. 4(b) and 4(c). Hence, minimum turnover shall be Rs. 40 Cr instead of Rs. 100 Cr. The suggested condition therefore shall take care of 5 Cr campuswide networking contract for 1000 nodes, laying of 10000 km OFC, surveying 2000 nodes, installation and configuration of manageable switches and availability of human resources like network administrator etc.

With above suggestions house approved award of contract for NCB of campus wide network under TEQIP-II.

Item 4.12

To discuss and approve award of contract for management information system (MIS) for the institute

House approved the proposal to award contract for management information system (MIS) for Rs. 19 lacs for the institute.

Item 4.13

To discuss and approve guidelines for enrichment of four funds under TEQIP-II

House approved the guidelines for enrichment of four funds under TEQIP-II. However house suggested to mention this in budget.

Item 4.14

To discuss and recommend proposal for raising honorarium of Shri. A. U. Pitake

House recommended the proposal for raising honorarium of Shri. A. U. Pitake to Rs. 20,000/- per month for one year w.e.f August 2015.

Item 4.15

To Note the letter received from Director of Technical Education regarding purchase rules and finance powers

House noted the letter received from Director of Technical Education regarding purchase rules and finance powers.

Item No. 4.16

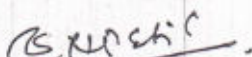
To discuss and recommend appointment of public relation officer (PRO) on contract basis

House recommended appointment of public relation officer (PRO) on contract basis.


Item No. 4.17

To discuss and approve award of contract to Globerena for delivery of general proficiency (I, II, II) courses under autonomy

House approved to appoint M/s Globerena, Hyderabad for delivery of general proficiency -I course under autonomy for Rs. 4,95,000/- spread over two semesters. House also suggested to implement same module non autonomous students under TEQIP for Rs. 1150/- per students on fee sharing basis.


Shri. S. N. Patil

Member Secretary, Finance Committee


Dr. P. M. Khodke
Chairman, Finance Committee

Income and Expenditure Statement for the year ended March 31, 2015														Previous Year
Components of Income/ Expenditure	Unrestricted Funds										Restricted Fund			
	Corpus Fund (F1)	Designated Funds						Tech. Edu. Quality Improvement	State Govt Assistance	Central Assistance				
		Faculty Development (F2)	Equipment Replacement (F3)	Maintenance (F4)	Institute Development (F5)	Salary (F6)	Gymkhana				Library	Training & Placement	Internet	
Income														
Balance on 31/03/2014											77.95		75.32	153.27
Academic Receipts	387.57	181.70	181.70	108.49	145.14	72.57	39.93	93.30	10.38	28.05				1248.83
Grants & Donations											260	875.16		1135.16
Income from investments			2.60											2.60
Other Incomes														0.00
Total (A)	387.57	181.70	184.30	108.49	145.14	72.57	39.93	93.30	10.38	28.05	260.00	875.16	75.32	2539.86
Expenditure														
Staff Payments & Benefits		1.38			26.33	37.03					11.93	767.92		844.59
Academic Expenses			201.57					41.22			94.59	35.04	15.97	388.39
Administrative and General Expenses					33.63				0.10		20.87	72.20		126.80
Repairs & maintenance				78.32						9.22				87.54
Other Expenses							11.44				37.88			49.32
TOTAL (B)	0	1.38	201.57	78.32	59.96	37.03	11.44	41.22	0.10	9.22	165.27	875.16	15.97	1496.64
Balance being excess of expenditure	387.57	180.32	-17.27	30.17	85.18	35.54	28.49	52.08	10.28	18.83	94.73	0.00	59.35	1043.22
														18.91

* Appropriate amount from F4 and F5 be diverted to equipment replacement fund for meeting deficit

Expenditure

844.59