



# Lok Jagruti Kendra University (LJ University)

## University with a Difference

(Lok Jagruti Kendra University Established by Gujarat Act No. 19 of 2019)

### Finance Policy

#### Lok Jagruti Kendra University

#### I. Rationale

This policy manual outlines the guiding principles, rules, and regulations for financial accounting and related activities at Lok Jagruti Kendra University. It serves as a framework for decision-making, cost containment, and the establishment of sound business and accounting practices. The manual is designed to align with the university's mission, goals, and objectives, ensuring efficiency and effectiveness in financial operations. A detailed procedures manual will accompany this policy to clarify implementation steps, roles, and required documentation.

This document is intended for administrators involved in financial and accounting operations and serves as a reference guide. All employees must adhere to these policies when performing activities with financial implications.

#### II. Authorities and Responsibilities

##### A. Policy Statement

The financial planning and management framework at Lok Jagruti Kendra University shall:

- Align with academic and operational plans.
- Facilitate budget development, submission to the Governing Council, and resource allocation across departments.
- Generate management information and financial ratios (e.g., student cost ratios) to assess program impacts.
- Maintain secure policies, procedures, and systems for financial transactions.
- Prepare annual financial statements in compliance with financial standards.
- Establish procurement guidelines, including e-procurement and supply chain practices.



*Handwritten signature*  
**REGISTRAR**  
**LJK UNIVERSITY**  
**AHMEDABAD.**



# Lok Jagruti Kendra University (LJ University)

## University with a Difference

(Lok Jagruti Kendra University Established by Gujarat Act No. 19 of 2019)

- Implement internal controls to safeguard university assets.
- Provide investment guidelines for university funds.
- Support administrators in achieving institutional goals through effective resource utilization.

### III. Financial and Accounting Administration

#### A. Purpose

Ensure accurate recording, reporting, and control of fiscal activities in accordance with established plans and budgets.

#### Key Regulations:

##### 1. Revenue and Expenditure Recording:

- All revenues and expenditures must be recorded on an accrual basis.
- Revenues are recognized when earned; expenses are recorded when goods/services are received.

##### 2. Documentation:

- Transactions must include detailed descriptions and supporting documentation for audit compliance.

##### 3. Timeliness and Accuracy:

- Financial transactions must be recorded promptly and accurately.

##### 4. Finance Director's Responsibilities:

- Maintain the chart of accounts.
- Implement internal controls (e.g., segregation of duties, access restrictions).
- Review account reports for variances ( $\geq 10\%$  deviations require investigation).
- Ensure compliance with donor restrictions for restricted funds.



*Handwritten signature*  
REGISTRAR  
LJK UNIVERSITY  
AHMEDABAD.



# Lok Jagruti Kendra University (LJ University)

## University with a Difference

(Lok Jagruti Kendra University Established by Gujarat Act No. 19 of 2019)

### IV. General Accounting

#### A. Purpose

Provide management with accurate, timely financial information for resource allocation.

#### Key Areas:

- **Basis of Accounting:** Accrual basis.
- **Fund Accounting:**
  - Unrestricted funds for general use.
  - Restricted funds for donor-specified purposes.
  - Endowment, loan, plant, and agency funds as applicable.

#### B. Financial Statements and Reports

- **Fiscal Year:** April 1–March 31.
- **Monthly/Annual Closing:**
  - Monthly statements prepared per IAS/IFRS.
  - Annual audited financial statements submitted to the Governing Council by August 31.

### V. Revenue, Receivable, and Asset Management

#### A. Revenue Recognition

- **Categories:** Student fees, grants, contracts, gifts, investment income, etc.
- **Guidelines:**
  - Unrestricted revenue recorded in the General Fund.
  - Restricted revenue allocated per donor stipulations.



REGISTRAR  
LJK UNIVERSITY  
AHMEDABAD.



# Lok Jagruti Kendra University (LJ University)

## University with a Difference

(Lok Jagruti Kendra University Established by Gujarat Act No. 19 of 2019)

### B. Cash Handling

- **Controls:** Segregation of duties, secure storage, prompt deposits.
- **Petty Cash:**
  - Maximum reimbursement: ₹10,000 per transaction (procurement) or ₹3,000 (student affairs).
  - Prohibited uses: Travel expenses, employee payments, personal loans.

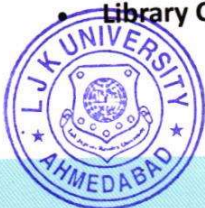
### VI. Delegation of Financial Powers

(As approved by the Finance Committee, February 2022)

Authority	Approval Limit (₹)
Director	25,000 (purchases); 1,00,000 (with quotations)
Registrar	50,000; 2,00,000 (with quotations)
Vice Chancellor	1,00,000; 5,00,000 (with quotations)
Finance Committee	5,00,000–25,00,000
Governing Council	Above 25,00,000 (tendering for >₹1 crore)

### VII. Procurement Procedures

- **Requisitions:** Submitted by departments to the Registrar.
- **Purchase Committee:** Approves expenditures >₹5 lakh.
- **Library Committee:** Oversees acquisitions of books/journals.



*[Signature]*  
**REGISTRAR**  
**LJK UNIVERSITY**  
**AHMEDABAD.**

📍 FP No.74, 100+113, TPS No. 86, (Sarkhej-okaf-Fatewadi, Makrba), Dist: Ahmedabad

📠 LJ Campus, Near Sarkhej-Sanand Circle, Off. S.G. Road, Ahmedabad - 382210

✉ registrar@ljku.edu.in 🌐 www.ljku.edu.in