

Storyline

NCRCL[®] was given the task of framing Common Finance and Accounting Rules (CFAR) for all Universities coming under 'The Karnataka Universities Act, 2000' by the Education Department, Government of Karnataka through Bangalore University. CFAR has brought about uniformity in financial management in all the Universities covered by it.

Once upon a time

The Universities in Karnataka had no Finance & Accounting Rules of their own. All along, the Universities had been following The Karnataka Financial Code (KFC) for financial norms, PWD Code for civil works, Common Delegation of Financial Powers for incurring expenditure and other pronouncements. With the introduction of the Fund Based Accounting System (FBAS) in Bangalore University, a need arose to have common Finance & Accounting Rules to support the financial reforms introduced with the introduction of FBAS.

Moving on

A core team consisting of senior consultants from NCRCL[®], the Controller of State Accounts, Finance Officers and statutory auditors of all the Universities was constituted for this purpose.

The team went about compiling particulars of all statutory provisions affecting the functioning of Universities in the State. A detailed gap analysis was made to identify lacunae, overlapping areas and areas requiring simplification.

The NCRCL[®] team acted as the common ground between different stakeholders and was primarily responsible for giving a basic structure to the deliberations and recommendations.

The team then came up with a set of recommendations. These recommendations were finally laid down in the form of the Common Finance and Accounting Rules, which was placed before the Inter University Board for approval and adoption.

The CFAR takes into consideration the existence of a Fund Based Accounting System in the University. It acts as a one stop resource for all statutory pronouncements relating to Universities in Karnataka. The CFAR was drafted taking cognizance of the fact that all Universities would ultimately move to a computerized system of accounting. The process adopted for drafting the Rules was inclusive, ensuring that all the stakeholders had a say in the final form and content of the Rules.

The drafting of the CFAR was undertaken in parallel with the implementation of FBAS consistent with **3PT** (Policy, Process, People, Technology) framework for reforms of NCRCL[®].

Finally

The CFAR ensured that all efforts at financial reforms in Universities in Karnataka were undertaken under a common umbrella. It also brought about uniformity in the procedures and formats of documents amongst the Universities, thus making consolidation and analysis very easy. Computerization of accounting in other Universities could adopt the Bangalore University model wherein the FBAS is in sync with the principles in the CFAR.

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