

Internal Control –process followed

The University and the constituent units periodically conducts the internal audit of the financial transactions. The task is carried out by the respective team which reports to the Finance Officer of the University and the findings of the audit are discussed with the respective Office Superintendent and Principal of the Institutions. Post discussion the required suggestions /changes are implemented and timely action & follow-up are conducted to address the issues, if any.

The following areas are covered in the scope of internal audit:

1. Fee Collection:

The fees for the various courses are collected by the centralized fee collection center set-up in University's Finance Section. All the college fees are collected only via. Demand draft, RTGS or Net Banking. The University strictly does not accept any collection in cash either at University's fee collection center or even direct deposit in the bank accounts. All the fees are collected in the respective college's designated Registrar Account. Also payment gateways like "Pay U" are used for fee collection in collaboration with the bank like Syndicate bank and Axis Bank.

The Students have to provide the details of deposit of fees to the fee collection center and obtain the fee receipts from them. The fee collection center verifies the details in the bank and issue the receipt to the students and also send a copy to the respective constituent college. The College then pass the necessary entries in the accounting system and update the Daily Collection Balance "DCB". The constituent colleges match the bank transactions and mark the receipts against the fees collected. Any discrepancies are immediately investigated and rectified.



2. Payments:

On receipt of invoice at the constituent colleges the invoices need to approved by the respective Departmental Head. The rate and quantity are verified against the Purchase orders and then post confirmation the invoices are sent to the College's accounts department for recording and processing the payment. The Accountant will verify the invoice and on after obtaining all the supporting documents like the inward note, purchase order, authorization etc will classify and record in the accounting system and prepare payment advise. Then payment advise are verified by the Senior Accountant and the office superintend and then approved by the Principal of the respective college. All the payments above Rs. 5,000 are made from the Registrar's bank account the joint signatory being the Registrar and the Finance Officer. All the payments are made via NEFT/RTGS mode and through account payee cheque only.

3. Petty Cash:

The Constituent college maintain petty cash for meeting certain miscellaneous payments. The imprest amount spent by the college towards expenses is reimbursed from the Registrar's account monthly, on submission of bills.

4. Salary Bill:

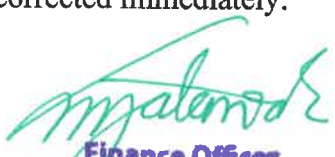
The respective Colleges prepare the monthly Salary Bill working out the net salary payable after deducting the statutory deductions like ESI, PF, TDS etc. The Salary bills are verified by Superintend and sent to the University for Finance Officer's approval. The amount payable towards salary are transferred from Register's account to Principal's account for disbursement to the staff.


5. Review of Financial Statements:

The Accountants and the Finance officer review the monthly financials including the bank reconciliations and any discrepancies noticed are corrected immediately.



-2-


Finance Officer
KLE Academy of Higher Education
& Research, BELAGAVI


Registrar
KLE Academy of Higher Education
& Research, BELAGAVI

Statutory -External Audit

The Statutory audit of the University & constituent units is conducted quarterly, with annual reporting by the below panel of Chartered Accountants. The Consolidated Financials of KAHER and its constituent units consist.

Below is the panel of Chartered Accountants approved by Board of Management of the KAHER:

- M/s Chandargi & Co. , Belagavi
- M/s. Khadabadi & Menshi, Belagavi.
- M/s. Nitin S. Hiremath & Co., Belagavi.
- CA (Mrs.). Pratibha M.Ullagaddi, Belagavi.
- M/s. Mathad & Co., Sankeshwar.
- M/s. S.V. K.H. & Co., Belagavi.
- M/s. C.N.Patil & Associates, Belagavi.
- M/s. Chennai & Co., Hubballi
- M/s. B.V.K. & Associates, Bengaluru
- M/s. S. S. Mutnal & Associates., Belagavi

The consolidated Financials of KAHER and its constituent units consists of the below statements duly signed by the respective auditors:

- Receipts and Payments Account
- Income & Expenditure Statement
- Balance Sheet
- Cash Flow Statement

Due care is taken to comply with the accounting policy and pronouncements issued by the Institute of Chartered Accountants of India (ICAI). The Financials are prepared as per the format prescribed by - Department of Higher Education, Ministry of Human Resource Development, Govt. of India.




Finance Officer
KLE Academy of Higher Education
& Research, BELAGAVI


Registrar
KLE Academy of Higher Education
& Research, BELAGAVI