



KRISHNA INSTITUTE OF MEDICAL SCIENCES DEEMED UNIVERSITY, KARAD

(Established U/s 3 of UGC Act, 1956 vide Notification No. F.9-15/2001-U.3 of the Ministry of Human Resource Development, Govt. of India.)
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No. KIMSDU/2130/2014

Date- 30/06/2014

NOTIFICATION

It is notified for the information of all the concerned that as approved by the Hon. Vice Chancellor and the Board of Management Resolution No. BOM/06/14/13-14 of the meeting held on 30th June 2014, the **Policy for Governing Internal and External Financial Auditing Mechanisms** shall be as follows:

- 1. Date of Operation:** This shall come into operation from 01.07.2014.
- 2. Purpose:** The purpose is that the institutional accounts shall be regularly audited by both internal and external statutory auditors so that required accuracy and genuinely of all the financial transactions are ascertained.
- 3. Scope:** The scope of financial jurisprudence, is to evolve activity-based budgeting model along with time-line based deliverables, providing accountability linked administrative and financial autonomy to Krishna Institute of Medical Sciences Deemed University Karad.
- 4. Procedure:** Krishna Institute of Medical Sciences Deemed University, Karad to have in place consistent internal audit in addition to the statutory external audit mechanism.

The institutional mechanisms are to monitor the effective and efficient use of financial resources. The annual budget of revenue expenditure and capital expenditure are to be recommended annually by the Finance Committee and approved by the Board of Management of the University.

- The Internal Audit would be carried by internal auditors from external resources who have been appointed by the Board of Management on stipulated terms and conditions for a period of one year which would be open for such renewal as would be warranted from time to time and a team of staff under the external outsourced Chartered Accountant firm does a thorough check and verification of all the transactions that are carried out in each financial year.
- The internal audit team is required to check all day to day transactions initiated under various departments - Purchase, Stores, Cash, Bank, Billing, Maintenance, Capital Works etc.
- In certain cases a pre-audit may be carried out. Variations if any identified are required to be analyzed and corrective mechanisms are suggested.
- Periodical reports would be submitted by the internal audit to the authorities for corrective steps / measures if needed.
- Annual stock verification would be carried out in stores and the internal audit team would work as an extended arm of the Finance and Accounts Department of the University.
- **External Audit would be done by an audit firm team headed by Chartered Accountants as decided by the Board of Management on stipulated terms and conditions for a period of one year which would be open for such renewal as would be warranted from time to time.**
- External audit would include verification of all statutory commitments and compliance of the same carried out on an elaborate way taking into consideration the reports of the regular internal audit.
- All financial transactions including statutory compliances and filing of such returns in time would be verified and certified.

- By the internal and statutory audit mechanisms, the accuracy of the financials would be achieved and maintained. The report by the audit team would be appropriately considered by the competent authorities of the university and required corrections and precautionary steps as suggested would be undertaken to ensure that errors if any that have taken place are not only corrected but any recurrence thereto is avoided.
5. **Frequency:** The internal and the external audits shall be carried out annually for each financial year.
 6. **Endorsement:** The external audit certification could be in terms of the modalities in vogue from time to time.


REGISTRAR
KIMSDU, KARAD