

VISVESVARAYA NATIONAL INSTITUTE OF TECHNOLOGY,
NAGPUR – 440 010


CIRCULAR

No. VNIT/Acct/2017-18/404

24 JAN 2018
Date: 23 Jan 2018

SUB: EXPENDITURE PLANNING AND TRANSFER OF INSTITUTIONAL OVERHEADS
FROM SPONSORED PROJECTS

1. Sponsored R&D projects (funded by various Govt. of India and other funding agencies) are being undertaken by faculty of the Institute. The R&D project funds invariably include component of Institutional overheads (ranging from 10% to 20% of the project cost). The overheads are generally meant to cater for usage of infrastructural facilities provided by the Institute for conducting project related activities. The principal investigator of the project (PI) is supposed to transfer the Institutional overheads to the Institute account, from time to time after receipt of project funds, in terms of the sanction orders.
2. However, it has come to notice during internal audit of various academic departments that even after receipt of funds from the funding agencies, the PIs have not transferred the overheads to the Institute account. In some cases, overheads are not at all transferred even after completion of entire project duration. Further, there are cases of expenditure overruns in some of the projects which are leading to negative balance in the project accounts. This is resulting into blockage of Institute funds, which is likely to be objected by audit authorities.
3. In view of the above, it has been decided to transfer Institute overheads from the project account immediately upon receipt of funds from funding agency (as per sanction order or on proportionate basis). Further, expenditure should be planned well in advance to avoid expenditure overruns in the project accounts. Proposals for allowing negative balances would be considered only under extremely emergent circumstances, supported with proper justification by the principal investigator of the project.
4. This issues with the approval of the competent authority.


(Dr R R Yerpude)
Dean (P&D)

Dean P & D
VNIT, Nagpur-10

To:

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|-------------------------------|---|
| 1. All HoDs / Section Heads | - For circulation among staff under their control |
| 2. All Deans/ Associate Deans | - For information and necessary action |
| 3. DR (Accts) | - For information and necessary action |
| 3. Director | - For information please. |