



UNIVERSITY GRANTS COMMISSION

Finance Circular Letter No. 08/2015

21st December 2015

Vice-Chancellors of Universities,
Directors of Institutes,
Rectors of Campuses

Annual Allocation 2016

HEAD No. 214 – University Grants Commission (UGC)

The Budget Estimates 2016 have been prepared in consultation with the Universities/HEIs to achieve eight strategic goals of the UGC. The Parliament of Sri Lanka on 19th December 2015 has approved the Annual allocation for the year 2016 as recommended by the National Budget Department under the Head No 214 University Grants Commission.

Summary of the Proposed Allocation – 2016 (Rs. Million)

Category/Object Title	Revised Budget 2015	Draft Budget Estimates 2016	Approved Budget 2016	Increase/ (decrease) as a % of 2015 allocation
Recurrent Grants	25,898	29,444	28,981	12%
Capital Grants	8,860	22,848	15,942	80%
Total Govt. grants	34,758	52,292	44,923	29%

The University wise allocation - 2016 is given in Annex -I (Recurrent Grants) and Annex-II (Capital Grants)

Universities/HEIs are requested to submit their Annual Budget with the Summary Action Plan in line with the following eight strategic goals of the UGC as per the specimen given in Formats **I – IX**

Key performance indicators (KPIs) should be developed by the Universities/HEIs to ensure effective and efficient utilization of funds.

- Widen participation and equitable access to higher education
- Improve quality and relevance of academic programs
- Strengthening research, innovation, entrepreneurship
- Increased role of HEIs as strategic partners in socio economic development and peace & reconciliation
- Increased international cooperation and competitiveness
- Improved physical and aesthetic environment and stakeholder satisfaction
- Improved financial management and sustainability
- Enhanced good governance

1. Capital Block Grant (CBG)

CBG has been allocated to the Universities/HEIs considering the progress of utilization of funds and Three Year Financial plan on construction projects. Accordingly universities/HEIs are requested to allocate funds for capital projects within the approved allocation.

- a) Construction Projects - On-going construction projects and projects approved by the Cabinet of Minister and listed in “Three Year Financial Plan” on construction projects. New projects **should not be** financed during the year without the concurrence of the UGC.
- b) Rehabilitation and Improvement of Fixed Assets and Acquisition Fixed Asset.
- c) Grants for strengthening research and Postgraduate/Doctoral project are financed by the UGC/NCAS and Universities/HEIs should not allocate funds from their CBG for this purpose.
- d) Human Capital Development projects and On-going Township projects (UTP) should be managed by the Universities/HEIs within the approved CBG.

2. Funding for Research – Rs.400Mn

University/HEIs are requested to submit their proposals under the following categories to consider allocation of funds for the year 2016

