



## UNIVERSITY GRANTS COMMISSION

### Finance Circular Letter No. 03/2019

05<sup>th</sup> April 2019

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

#### Annual Allocation 2019

#### HEAD No. 214 – University Grants Commission (UGC)

The Budget Estimates - 2019 have been prepared in consultation with the Universities/HEIs based on the policy guideline of the Sustainable Development Goals - Quality Education by 2030 and submitted to the Department of National Budget (NBD).

Accordingly, NBD recommended the Capital Block Grant (CBG) and Recurrent Block Grant (RBG) for the year 2019 and tabled in Parliament of Sri Lanka with the National Budget 2019.

The allocation given under the Vote on Account - 2019 have also been included in the annual allocation 2019 and it should not be considered as a separate allocation for the period of January - April 2019.

#### Summary of Annual Allocation – 2019 (Rs. Mn)

Category/Object title	Revised Budget 2018	Actual Expenditure up to 31 <sup>st</sup> December 2018	Estimates submitted by the UGC for 2019	Estimates Approved by NBD for 2019
Recurrent Grants	36,785.5	35,934.7	48,830.3	45,625.0
Capital Grants	19,454.0	14,098.1	31,689.0	16,100.0
<b>Total</b>	<b>56,239.5</b>	<b>50,032.8</b>	<b>80,519.3</b>	<b>61,725.0</b>

The University wise allocation - 2019 is given in Recurrent Grants (Annex -1) and Capital Grants (Annex-II)

## 1. Preparation of Annual Budget

The Budget - 2019 mainly focuses to achieve sustainable development goals (SDGs) by - 2030. The SDG no 04 - Quality Education is directly linked with the universities /HEIs. Accordingly, four major policy areas proposed to be financed by the Budget - 2019

- Access to Higher Education
- Quality and relevance of Higher Education
- Sufficiency in Management Systems
- Research, innovation and knowledge transferring

The Universities/HEIs are requested to prepare their annual budget 2019 to address the above policy areas. The specimen guidelines for the preparation of budget estimates are given in Format I - XII.

## 2. Capital Block Grant (CBG)

CBG has been allocated to the Universities/HEIs considering the progress of utilization of funds and Public Investment Programme on construction projects. The universities/HEIs are requested to allocate funds for capital projects within the annual budget approved by the Council of the universities/Board of Management of the HEIs.

### a) Construction Projects

Universities/HEIs are requested to allocate funds for the on-going construction projects on priority basis before the commencement of new projects. New construction projects should not be commenced during 2019 without sufficient allocations are provided in annual budget.

### b) Other Development Projects

Universities/HEIs are requested to allocate funds for the Rehabilitation and Improvements of Fixed Assets, Acquisition of Fixed Assets, Human Capital Development and Research and Development projects on priority basis and provide sufficient allocations in annual budget.

### c) Empower differently able people

The Cabinet of Ministers has already directed to implement the Sri Lanka National Action Plan on disability which has been prepared based on national policy on disability. Accordingly, universities/HEIs are requested to allocate funds to facilitate differently able students and achieve outcomes of the national action plan on disability. The extract of the action plan on disability related to the higher education is given in Annexure - III.

d) Acquisition of Lands and Vehicles

Funds for the purchase of Lands and Vehicles should not be allocated by the CBG. The Universities/HEIs are required to follow the prevailing circular provisions for the procurement of Lands and vehicles.

e) Postgraduate/Doctoral programs

Postgraduate/Doctoral programs of university staff are financed by the UGC/NCAS and Universities/HEIs may not allocate funds from their CBG for this purpose. Postgraduate programs conducted by the universities/HEIs are proposed to finance through the generated income of postgraduate projects.

### 3. Continuation of Budget Proposal 2016-2018

UGC allocate funds only for the continuation of the projects implemented by budget proposals 2016-2018. Release of funds during the year will be considered by the UGC based on the performance of respective projects.

a) Establishment of Technology Faculties in Universities – Rs.3100Mn

b) Accommodation facilities to Faculty staff of the universities –Rs.50Mn

c) Establishment of Faculty of Medicine – Wayamba University of Sri Lanka –Rs.600Mn

d) Encourage accreditation with professional bodies of international repute – Rs.10Mn

e) Support the University of Colombo for new initiatives undertaken by the Department of Statistics - Rs.200Mn

f) Strengthening state of the art library facility and an IT Centre at the Vavuniya Campus - Rs.150Mn

### 4. Budget Proposal -2019

Hon Minister of Finance proposed following budget proposals to execute in respect of Higher Education. Circular instructions will be issued by the UGC for the implementation of the budget proposals with the consultation of Ministry of Higher Education.

University	Project	Allocation 2019
University of Sri Jayewardenepura	Establishment of “state of the art” laboratory for the Medical Faculty	600 Mn
University of Ruhuna	Establishment of Faculty of Allied Health Science	
Sabaragamuwa University	Establishment of Professorial Unit at Rathnapura Hospital	
Wayamba University	Establishment of Professorial Unit at Kuliypitiya Hospital	
Non-State Division - MOHE	A loan scheme “My Future” under “Enterprise Sri Lanka” which enables our students to pursue Undergraduate Education at Non-State Universities	200 Mn

## 5. Asian Development Bank Funded Projects

The Technology Faculties of Rajarata University of Sri Lanka, Sabaragamuwa University of Sri Lanka, University of Kelaniya and Engineering Faculty of University of Sri Jayewardenepura are financed by the Asian Development Bank. The respective universities are advised to communicate with MoHE through UGC in respect of the implementation of projects.

## 6. Recurrent Expenditure Block Grant (RBG)

Recurrent Expenditure Block Grant for the year 2019 has been allocated by the NBD based on the estimates submitted by the Universities/HEIs. The recurrent budget estimates submitted by the UGC is based on the funding formula as given below.

$$\text{RECURRENT GRANTS} = \text{Modified Cost per Student (MCPS)} \times \text{Student Enrolment (SE)}$$

Modified Cost per Student (MCPS) is computed considering following policy factors;

- Annual salary increments on actual cadre
- Inflation on other recurrent cost
- Capacity expansion on other recurrent cost
- Funding Ratio

## 7. Funding for Student Bursaries and Mahapola – Treasury Contribution

Universities are requested to follow the instructions given in Commission Circular No.02/2019 dated 29<sup>th</sup> January 2019 on “Payment of Mahapola Scholarships and Commission Circular 03/2019 dated 29<sup>th</sup> January 2019 on “Bursary scheme and payment of bursaries.

*If further clarifications are required in this regard, please contact Senior Assistant Accountant-UGC on 011-2123485*

## 8. Funds for Postgraduate Institutes

Postgraduate institutes are advised to finance their budget by the generated income. Capital Funds are allocated based on the Public Investment Programme approved by the UGC. RBG for the Postgraduate Institute are allocated only to finance their part of the recurrent expenditure as approved by the UGC.

## 9. The Master Procurement Plan and The Detailed Procurement Plan

Universities/HEIs are required to prepare the Master Procurement Plan and the detailed Procurement Plan as per the specimen formats given in the Procurement Manual - 2006. The Master Procurement Plan should be submitted with the annual budget 2019.

## 10. Annual Action Plan

Universities/HEIs are required to prepare an Action Plan for the year 2019 as per the Public Finance Circular No. 01/2014 dated 17<sup>th</sup> February 2014 and should be submitted with the budget 2019.

## 11. General Guidelines

- a) In terms of section 8 (2) (b) of the Finance Act. No. 38 of 1971 the approval of the Hon Minister in charge of the subject of finance and the concurrence of the Line Minister should be obtained before incurring capital expenditure in excess of Rs.500,000/-. Therefore Universities/HEIS are requested to submit their capital expenditure program to the UGC in order to obtain approval of the Hon. Minister of Finance in this regard.
- b) Please e-mail ([finance@ugc.ac.lk](mailto:finance@ugc.ac.lk)) a **soft copy of the Budget prepared as per Format-I -XII with Master Procurement Plan** for each development project for the year 2019 on or before 10<sup>th</sup> April 2019.
- c) You are requested to submit hard copy of the budget on or before 12<sup>th</sup> April 2019 with a copy to the Director General, Department of National Budget, General Treasury.
- d) Do not change the standard formats by the Universities/HEIs for whatever reason.
- e) This Circular together with all annexes is available for download at [www.ugc.ac.lk](http://www.ugc.ac.lk)
- f) If further clarifications are required in this regard please contact *Accountant /UGC on 011-2685021 or Senior Assistant Accountant/Budget & Finance on 011-2123490.*



**Prof. P.S.M. Gunaratne**  
**Vice Chairman**

- Cc:
1. Secretary/Ministry of City Planning, Water supply and Higher Education
  2. Director General/National Budget Department
  3. Secretary/UGC
  4. Registrars of Universities/SAR/AR/ of Institutes/Campuses
  5. Accountant/UGC
  6. Bursars of Universities/SAB/AB/ of Institutes/Campuses
  7. Engineer/IDD/UGC
  8. Snr. Asst. Accountant/UGC
  9. Internal Auditor/UGC
  10. Auditor General

**ALLOCATION - 2019**  
**HEAD - 214 UNIVERSITY GRANTS COMMISSION**  
**SUMMARY - RECURRENT GRANT**

	University/Institute	Rs. '000
1	University of Peradeniya	7,000,000
2	University of Colombo	4,170,000
3	University of Sri Jayewardenepura	4,425,000
4	University of Kelaniya	4,000,000
5	University of Moratuwa	2,800,000
6	University of Jaffna / Vavuniya Campus	3,200,000
7	University of Ruhuna	4,000,000
8	The Open University of Sri Lanka	1,600,000
9	Eastern University, Sri Lanka	1,480,000
10	South Eastern University of Sri Lanka	1,130,000
11	Rajarata University of Sri Lanka	1,750,000
12	Sabaragamuwa University of Sri Lanka	1,580,000
13	Wayamba University of Sri Lanka	1,440,000
14	Uva Wellassa University	860,000
15	University of the Visual & Performing Arts	1,030,000
16	Trincomalee Campus	330,000
17	Postgraduate Institute of Medicine	140,000
18	Postgraduate Institute of Agriculture	60,000
19	Postgraduate Institute of Archaeology	70,000
20	Postgraduate Institute of Science	15,000
21	Postgraduate Institute of Pali & Buddhist Studies	45,000
22	Postgraduate Institute of Management	-
23	Postgraduate Institute of English	15,000
24	Postgraduate Institute of Humanities & Social Sciences	25,000
25	Postgraduate Institute of Indigenous Medicine	10,000
26	Institute of Indigenous Medicine	520,000
27	Institute of Human Resource Advancement	80,000
28	University of Colombo School of Computing	340,000
29	Gampaha Wickramarachchi Ayurveda Institute	315,000
30	Institute of Technology University of Moratuwa	390,000
31	National Institute of Library and Information Science	20,000
32	Institute of Bio-Chemistry, Molecular Biology and Bio Technology	75,000
33	Swamy Vipulananda Institute of Aesthetic Studies	240,000
34	The National Centre for Advanced Studies in Humanities & Social Sciences	20,000
35	Institute of Agro-Technology and Rural Sciences	50,000
36	University Grants Commission	600,000
	Payment of Mahapola & Bursary	1,800,000
	<b>TOTAL</b>	<b>45,625,000</b>

**ALLOCATION - 2019**  
**HEAD - 214 UNIVERSITY GRANTS COMMISSION**  
**SUMMARY - CAPITAL GRANT**

	University/Institute	Rs. '000
1	University of Peradeniya	1,100,000
2	University of Colombo	1,000,000
3	University of Sri Jaywardenepura	800,000
4	University of Kelaniya	1,000,000
5	University of Moratuwa	800,000
6	University of Jaffna / Vavuniya Campus	950,000
7	University of Ruhuna	750,000
8	Open University of Sri Lanka	100,000
9	Eastern University, Sri Lanka	500,000
10	South Eastern University of Sri Lanka	400,000
11	Rajarata University of Sri Lanka	700,000
12	Sabaragamuwa University of Sri Lanka	540,000
13	Wayamba University of Sri Lanka	500,000
14	Uva Wellassa University	450,000
15	University of the Visual & Performing Arts	400,000
16	Trincomalee Campus	450,000
17	Postgraduate Institute of Medicine	400,000
18	Postgraduate Institute of Agriculture	10,000
19	Postgraduate Institute of Archaeology	15,000
20	Postgraduate Institute of Science	25,000
21	Postgraduate Institute of Pali & Buddhist Studies	130,000
22	Postgraduate Institute of Management	-
23	Postgraduate Institute of English	-
24	Postgraduate Institute of Humanities & Social Sciences	10,000
25	Postgraduate Institute of Indigenous Medicine	10,000
26	Institute of Indigenous Medicine	65,000
27	Institute of Human Resource Advancement	10,000
28	University of Colombo School of Computing	125,000
29	Gampaha Wickramarachchi Ayurveda Institute	165,000
30	Institute of Technology University of Moratuwa	5,000
31	National Institute of Library and Information Science	1,000
32	Institute of Bio-Chemistry, Molecular Biology and Bio Technology	15,000
33	Swamy Vipulananda Institute of Aesthetic Studies	60,000
34	The National Centre for Advanced Studies in Humanities & Social Sciences	73,000
35	Institute of Agro-Technology and Rural Sciences	31,000
36	University Grants Commission	400,000
	Establishment of Technology Faculty of the Universities	3,100,000
	Accommodation facilities to the Faculty staff of the Universities	50,000
	Infrastructure facilities for introducing of new courses for the Faculty of Medicine - WUSL (Phase I)	600,000
	Encourage accreditation with Professional bodies of International repute	10,000
	Support the University of Colombo for new initiatives undertaken by the Department of Statistics	200,000
	Strengthening state of the art library facility and an IT Centre at the Vavuniya Campus	150,000
	<b>TOTAL</b>	<b>16,100,000</b>

## Sri Lanka National Action Plan on disability

### Higher Education Sector

Expected Outcome	Activity	KPI	Time	Responsible Agency
5.1 Increased and equitable opportunities for higher education for students with all types of disabilities	5.1a Provide accessibility, teaching-learning material in accessible formats and other necessary facilities to accommodate students with all types of disabilities in all universities and other centres of higher education	No. of inclusive university faculties/ centers	Start 1 yr +	MOE Provincial Councils MSS Ministry of Higher Education UGC Universities Higher Education Centres
		No. of university faculties/ centers accessible		
No. of inclusive university faculties/ centers with adequate facilities				
No/ type of barriers faced by students and teachers				
Percentage of students registered in each university by faculty/ department				
	5.1b Sensitize staff of departments which include students with disabilities and relevant university administrative and support staff on how to interact with and assist students with disabilities	No. of staff sensitized	Start 6 mths +	
5.2 A pool of well qualified public servants, professionals, practitioners, specialists, academicians and researchers with appropriate knowledge, competencies and attitudes, available to include disability in their own work and to provide quality inputs in the multifaceted aspects of disability work	5.2a Develop and carry out undergraduate and post graduate programmes, and certificate, diploma and other educational courses in the multiple disciplines and areas related to disability	No. of disability – related programmes and courses conducted in each discipline/ area	Start 1 yr +	Ministry of Higher Education , UGC, Post- graduate Institutes, Universities Higher Education Centres
		No. of personnel qualified through each programme/ course		