



UNIVERSITY GRANTS COMMISSION

Finance Circular Letter No. 08/2020

14th December 2020

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

Annual Allocation - 2021

HEAD No. 214 – University Grants Commission (UGC)

The Budget Estimates - 2021 have been prepared in consultation with the Universities/HEIs 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 2021 and approved by the Parliament of Sri Lanka on 10th December 2020.

Summary of Annual Allocation – 2021 (Rs. Mn)

Category/Object title	Revised Budget 2020	Actual Expenditure up to 31 st October 2020	Estimates submitted by the UGC -2021	Estimates approved NBD -2021
Recurrent Grants	49,497	42,914	63,752	53,995
Capital Grants	9,545	6,344	40,947	8,300
Total	59,042	49,258	104,699	62,295

The University wise allocation - 2021 is given in Recurrent Grants (Annex -1) and Capital Grants (Annex-II)

1. Preparation of Annual Budget

The National Budget Department allocate funds to achieve the Higher Education policy guidelines of the National Policy Framework Vistas of Prosperity and Splendour. Accordingly universities/HEIs are requested to prepare the Annual Action Plan of the University as per approved allocation for the year 2021.

The specific guidelines for the preparation of budget - 2021 and specimen Formats I – XI are given in this circular.

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. Additional Allocations will not be considered by the National Budget Department for the year 2021.

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 2021 without sufficient allocations are provided by the 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 subject to the annual budgetary ceiling.

c) Postgraduate/Doctoral programs

Postgraduate/Doctoral programs of university Academic Staff are financed by the UGC/NCAS on competitive basis subject to the availability of funds. However, UGC does not have any objection for allocating funds for this purpose if other capital activities of the university could be managed within the allocated CBG.

3. Continuation of Budget Proposals 2016/2017

UGC allocate funds only for the continuation of the projects implemented by budget proposals 2016/2017. Release of funds during the year will be considered by the UGC based on the performance of the following projects.

- a) Establishment of Technology Faculties in Universities – Rs. 2,000Mn
- b) Accommodation facilities to Faculty staff of the universities – Rs. 25Mn
- c) Establishment of Faculty of Medicine – Wayamba University of Sri Lanka – Rs. 150Mn
- d) Support the University of Colombo for new initiatives undertaken by the Department of Statistics – Rs.50 Mn
- e) Strengthening state of the Art library facility and IT Centre at the Vavuniya Campus - Rs.25 Mn
- f) Encourage accreditation with professional bodies of international repute-UGC. - Rs. 50Mn

4. Foreign Funded/MoE Funded Projects

In addition to the CBG allocated under the Head No 214 -UGC, following projects have been financed by the Ministry of Education in the year 2021.

No	Name of the University/HEIs and the Project	Funding Agency	Allocation - 2021 Rs.Mn
1	12 Storied Building –Faculty of Medicine – University of Ruhuna	GOSL-MoE	400
2	Faculty of Medicine – Sabaragamuwa University and University of Moratuwa	GOSL-MoE	345
3	Professorial Unit - Faculty of Medicine –University of Ruhuna	GOSL-MoE	270
4	Centre of Naval Studies and Shipping –University of Ruhuna	GOSL-MoE	350
5	Professorial Unit -Faculties of Medicine-University of Ruhuna and Sabaragamuwa University Faculty of Allied Health Science - University of Ruhuna Faculty of Medicine –University of Sri Jayawardenapura	GOSL-MoE	300
6	17 Storied Building - Faculty of Medicine- University of Colombo	GOSL-MoE	250
7	Faculty of Agriculture -University of Jaffna	GOSL/JICA	300
8	Faculty of Health Care Science- Eastern University	GOSL/Kuwait	1,610
9	Township Project -Wayamba University	GOSL/Saudi	600
10	Swami Vipulananda Aesthetic Institute	GOSL/India	290
11	Medical Faculty - Sabaragamuwa University	GOSL/Saudi	400
12	Medical Faculty - University of Moratuwa	GOSL/Kuwait	200
13	Science Technology HRD Projects-Faculties of Technology -SUSL/KLN/RUSL and Faculty of Engineering -SJP	GOSL/ADB	1,800

5. Recurrent Expenditure Block Grant (RBG)

Recurrent Expenditure Block Grant for the year 2021 has been allocated by the NBD based on the estimates submitted by the Universities/HEIs.

6. Funding for Student Bursaries and Mahapola – Treasury Contribution

Payment of student Bursaries and Mahapola Scholarships shall be made as per the instruction given in the Commission Circular No.02/2019 and 03/2019.

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

7. Funds for the Postgraduate Institutes

Postgraduate Institutes are advised to finance their budget by the generated income. Capital Funds are allocated based on Public Investment Programme recommended by the Capital Projects Monitoring Committee and approved by the UGC.

RBG for the Postgraduate Institutes are considered and allocated only to manage their permanent cadre positions as approved by the UGC.

8. The Master Procurement Plan and the Detailed Procurement Plan

Universities/HEIs are required to prepare the Master Procurement Plan and detailed Procurement Plan as per the instructions given in the Public Finance Circular No.02/2020 dated 28.08.2020 and the Guideline 13 of the Public Finance Circular No.02/2020. The Master Procurement Plan should be submitted with the Annual Budget - 2021.

9. Annual Action Plan

Universities/HEIs are required to prepare an Action Plan for the year 2021 as per the Public Finance Circular No. 02/2020 dated 28.08.2020 and required to be submitted with the budget 2021.

10. 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 (budget@ugc.ac.lk) a **soft copy of the Budget prepared as per Format-I to XI, Master Procurement Plan and Action Plan** for the year 2021 on or before **21st December 2020** with a copy to National Budget Department.
- c) Do not change the standard formats by the Universities/HEIs for whatever reason.
- d) This Circular together with all annexes is available for down load at **www.ugc.ac.lk**
- e) If further clarifications are required in this regard please contact Accountant /UGC on 011-2685021 or e-mail - finance@ugc.ac.lk. or Senior Assistant Accountant/Budget & Finance on 011-2123490.



Snr.Prof. Sampath Amaratunge
Chairman

- Cc:
- 1. Secretary/Ministry of Education
 - 2. Director General- National Budget Department
 - 3. Vice-Chairperson/UGC
 - 4. Secretary/UGC
 - 5. Registrars of Universities
 - 6. Accountant/UGC
 - 7. Bursars of Universities/SAB/AB/ of Institutes/Campuses
 - 8. Engineer/IDD/UGC
 - 9. Snr. Asst. Accountant/UGC
 - 10. Internal Auditor/UGC
 - 11. Auditor General

Allocation - 2021
Head No. 214 - University Grants Commission
Summary - Recurrent Grant

Rs. '000

	University/Institute	Personal Emoluments	Other Recurrent	Total Recurrent
1	University Grants Commission	360,000	300,000	660,000
	Mahapola & Bursary	-	2,000,000	2,000,000
2	University of Peradeniya	7,090,000	780,000	7,870,000
3	University of Colombo	4,390,000	400,000	4,790,000
4	University of Sri Jayewardenepura	4,645,000	820,000	5,465,000
5	University of Kelaniya	3,890,000	300,000	4,190,000
6	University of Moratuwa	2,630,000	580,000	3,210,000
7	University of Jaffna / Vavuniya Campus	3,270,000	600,000	3,870,000
8	University of Ruhuna	3,857,000	590,000	4,447,000
9	The Open University of Sri Lanka	2,280,000	-	2,280,000
10	Eastern University, Sri Lanka	1,470,000	335,000	1,805,000
11	South Eastern University of Sri Lanka	1,365,000	300,000	1,665,000
12	Rajarata University of Sri Lanka	1,761,000	300,000	2,061,000
13	Sabaragamuwa University of Sri Lanka	1,662,000	340,000	2,002,000
14	Wayamba University of Sri Lanka	1,455,000	350,000	1,805,000
15	Uva Wellassa University	745,000	350,000	1,095,000
16	University of the Visual & Performing Arts	961,000	300,000	1,261,000
17	Trincomalee Campus	275,000	135,000	410,000
18	Postgraduate Institute of Agriculture	65,000	-	65,000
19	Postgraduate Institute of Archaeology	86,000	17,000	103,000
20	Postgraduate Institute of Science	24,000	-	24,000
21	Postgraduate Institute of Pali & Buddhist Studies	75,000	-	75,000
22	Postgraduate Institute of English	33,000	-	33,000
23	Postgraduate Institute of Humanities & Social Sciences	24,000	-	24,000
24	Postgraduate Institute of Indigenous Medicine	27,000	13,000	40,000
25	Institute of Indigenous Medicine	512,000	85,000	597,000
26	Institute of Human Resource Advancement	95,000	-	95,000
27	University of Colombo School of Computing	370,000	30,000	400,000
28	Gampaha Wickramarachchi Ayurveda Institute	374,000	90,000	464,000
29	Institute of Technology University of Moratuwa	375,000	90,000	465,000
30	National Institute of Library and Information Sciences	29,000	-	29,000
31	Institute of Biochemistry, Molecular Biology and Biotechnology	98,000	12,000	110,000
32	Swami Vipulananda Institute of Aesthetic Studies	260,000	73,000	333,000
33	The National Centre for Advanced Studies in Humanities & Social Sciences	20,000	10,000	30,000
34	Institute for Agro-Technology and Rural Sciences	67,000	10,000	77,000
35	Postgraduate Institute of Medicine	145,000	-	145,000
	TOTAL	44,785,000	9,210,000	53,995,000

Allocation - 2021
Head No. 214 - University Grants Commission
Summary - Capital Grant

Rs. '000

	University/Institute	Capital
1	University Grants Commission	225,000
2	University of Peradeniya	500,000
3	University of Colombo	400,000
4	University of Sri Jayewardenepura	500,000
5	University of Kelaniya	400,000
6	University of Moratuwa	500,000
7	University of Jaffna / Vavuniya Campus	500,000
8	University of Ruhuna	375,000
9	The Open University of Sri Lanka	75,000
10	Eastern University, Sri Lanka	250,000
11	South Eastern University of Sri Lanka	250,000
12	Rajarata University of Sri Lanka	275,000
13	Sabaragamuwa University of Sri Lanka	350,000
14	Wayamba University of Sri Lanka	200,000
15	Uva Wellassa University	200,000
16	University of the Visual & Performing Arts	200,000
17	Trincomalee Campus	200,000
18	Postgraduate Institute of Agriculture	10,000
19	Postgraduate Institute of Archaeology	10,000
20	Postgraduate Institute of Science	10,000
21	Postgraduate Institute of Pali & Buddhist Studies	100,000
22	Postgraduate Institute of English	5,000
23	Postgraduate Institute of Humanities & Social Sciences	5,000
24	Postgraduate Institute of Indigenous Medicine	10,000
25	Institute of Indigenous Medicine	35,000
26	Institute of Human Resource Advancement	15,000
27	University of Colombo School of Computing	50,000
28	Gampaha Wickramarachchi Ayurveda Institute	130,000
29	Institute of Technology University of Moratuwa	10,000
30	National Institute of Library and Information Sciences	5,000
31	Institute of Biochemistry, Molecular Biology and Biotechnology	10,000
32	Swami Vipulananda Institute of Aesthetic Studies	25,000
33	The National Centre for Advanced Studies in Humanities & Social Sciences	95,000
34	Institute for Agro-Technology and Rural Sciences	25,000
35	Postgraduate Institute of Medicine	50,000
36	Establishment of Technology Faculty of the Universities	2,000,000
37	Accommodation facilities to Faculty staff of the Universities	25,000
38	Infrastructure facilities for introduction of new courses for the Faculty of Medicine - WUSL (Phase I)	150,000
39	Encourage accreditation with Professional bodies of International repute	50,000
40	Support the University of Colombo for new initiatives undertaken by the Department of Statistics	50,000
41	Strengthening state of the art library facility and an IT Centre at the Vavuniya Campus	25,000
	TOTAL	8,300,000