

## **CHAPTER XX**

### **PROPERTY FOR THE USE OF THE COMMISSION AND HIGHER EDUCATIONAL INSTITUTIONS/ INSTITUTES**

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## CHAPTER XX

PROPERTY FOR THE USE OF THE COMMISSION AND  
HIGHER EDUCATIONAL INSTITUTIONS/ INSTITUTES

## 1. General

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| 1.1   | The Commission shall have full power and authority to acquire by way of purchase or otherwise, both movable and immovable property and to hold, take or give on lease or hire, mortgage, pledge and sell or otherwise dispose of property both movable and immovable in terms of Section 2(2) (c) of the Act.   | Purchase, etc. of property by the Commission    |
| 1.2   | A University and a University College shall have full power and authority;  | Purchase etc. of                                |
| 1.2.1 | to acquire by way of purchase or otherwise, property both movable and immovable, and to take, accept and hold any such property which may become vested in it by virtue of any such purchase, or by any grant or donation, lease, testamentary disposition or otherwise in terms of Section 28(1)(c) and 54(1) of the Act.  | Property of a University/<br>University College |
| 1.2.2 | to sell, hypothecate, lease, exchange or otherwise dispose of any such property:<br>Provided, however, that any sale, hypothecation, lease, exchange or other disposition of any such property shall be invalid if the same is made in contravention of any restriction, condition or prohibition imposed by law or by any Appropriate Instrument or Order by which any such property was vested in the University/ University College in terms of Section 28(1)(d) and Section 54(1) of the Act. | Sale,<br>hypothecation<br>etc.                  |
| 1.2.3 | With regard to the Open University of Sri Lanka (OUSL) such powers are vested in the OUSL Ordinance No. 01 of 1990.   | OUSL  |

1.3 With regard to a Centre for Higher Learning not attached to a University shall have the powers specified in sub-paragraphs 1.2.1 and 1.2.2 above as provided in the Ordinance under which such Centre for Higher Learning is established.

Centre for Higher Learning

1.4 Any acquisition or firm commitment for the acquisition of immovable property for a Higher Educational Institution should not be made without the approval of the Governing Authority of the Higher Educational Institution concerned. Similarly, any acquisition or firm commitment for the acquisition of immovable property for the Commission will be approved at a meeting of the Commission.

Specific permission of the Commission/  
Governing Authority

Provided, however, the Commission or the Governing Authority may delegate such authority in specific terms to the Chairman of the Commission or the Principal Executive Officer of the Higher Educational Institution or any other officer as the case may be.

1.5 Funds other than those specifically provided for the purpose should not be used for acquisition of any immovable property for the Commission or the Higher Educational Institution.

Funds specifically provided

## 2. Procedure for acquisition of land

2.1 When it is proposed to acquire a land for the Commission or for a Higher Educational Institution, a detailed memorandum should be submitted to the Commission/ Governing Authority of the Higher Educational Institution concerned, as the case may be, so that the proposal may be studied by the Commission or the Governing Authority concerned.

Detailed report in advance

2.2 The memorandum should include;

- (a) the purpose for which the land is required;
- (b) the extent of land required;
- (c) list of lands available for purchase for the purpose;

Particulars to be furnished

- (d) a description of the land suggested for purchase, including extent, terrain, any buildings standing on it, approach facilities etc.;
- (e) a sketch of the land suggested for purchase showing its position in relation to existing roads and other means of transportation;
- (f) availability of electricity, sources of water supply, and postal and telecommunication facilities;
- (g) availability of land in the vicinity for future development;
- (h) If there are any buildings on the land, whether they could be used for the purpose immediately or with modifications;
- (i) name and address of the owner. A letter from him offering to sell the land, the price he expects and any other terms and conditions of the sale;
- (j) the legal opinion on title;
- (k) valuation of the Chief Valuer of Sri Lanka Valuation Department;
- (l) any other information of interest which is available in respect of the land;
- (m) availability of funds for the purchase or proposals to secure funds.

2.3 When the approval of the Commission/ Governing Authority of the Higher Educational Institution is received for the purchase of the land, the procedure adopted for acquisition of the land under the Land Acquisition Act, would be as determined by the Land Commissioner. The prescribed forms used and particulars or information to be furnished in this regard should be obtained from the Ministry of Lands.

Acquisition  
procedure under  
the Land  
Acquisition  
Act

### 3. Maintenance of Buildings, Infrastructure, etc.

The Commission/ Higher Educational Institution/ Institute should have a maintenance plan, which should cover all assets including lands, buildings, installations, equipment, motor vehicles, fixtures, etc.

Maintenance plan to cover all assets

### 4. Depreciation

4.1 Provisions should be made for depreciation of all movable and immovable assets. This provision should be made in proportion to the number of completed months/years the asset has been in use based on the historical cost as per existing Sri Lankan Accounting Standards.

Depreciation

Depreciation should be provided on the straight line method annually at the following rates;

Buildings (including structures)	05%
Furniture and fittings	10%
Electricity distribution	10%
Water supply scheme	10%
Plant and machinery	10%
Office equipment	10%
Library books and periodicals	20%
Motor vehicles	20%
Laboratory and teaching equipment	20%
Cloaks	20%

### 5. Stores

5.1 "Stores" means any article required in carrying out the services and activities of the Commission/ Higher Educational Institution/ institute. The term includes plant and machinery, equipment, furniture and fittings, animals, rawmaterials, unserviceable articles and salvaged materials, but does not include lands and buildings.

Definition of "Stores"

5.2 Methods of procuring stores, the receipt and issue of stores and the records to be maintained in connection therewith shall be as laid down by the Commission as specified in the existing procurement guidelines.

Procurement of stores, etc.

## 6. Fixed Assets Registers and Inventory Registers

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| 6.1 | Fixed Assets Registers and Inventory Registers are important accounting records. Therefore, each Higher Educational Institution/ Institute and the Commission should ensure that those registers are prepared and maintained properly.  | To be prepared and maintained properly                        |
| 6.2 | The inventory articles are those articles which do not fall within the category of fixed assets and consumable articles. They include laboratory and teaching equipment, furniture and fittings, office equipment , books, tools, and other similar articles which will remain use for a period of time and are not of a consumable nature. Inventory Register should provide the information necessary for location, identification and ascertaining the value of each article and disposal of articles where necessary. | Definition of inventory articles                              |
| 6.3 | The Dean of each Faculty shall be responsible for the preparation and maintenance of the Inventory Registers in respect of all Departments of Study/Office in his Faculty. The preparation and the maintenance of Inventory Registers of the Libraries and Offices / Divisions/ Cetres/ Units shall be the responsibility of the Librarian and the Head of each Division/ Centre/ Unit concerned.   | Responsibility of preparation and maintainance                |
| 6.4 | The list of all inventory articles compiled according to the Inventory Register along with the respective values of such articles should be forwarded to the Accountant of the Commission/ Bursar of the University/ Treasurer of the University College as the case may be, or to the most Senior Financial Officer of the Campus/ Institute/Centre for Higher Learning.   | Forwarding list of inventory articles                         |
| 6.5 | All documents including deeds, vesting orders and connected files relevant to fixed assets shall remain in the custody of the Secretary of the Commission/ Registrar of the University/ Secretary of the University College as the case may be, or of the most senior officer in the administrative staff of the Campus/Institute/Centre for Higher Learning.   | Deeds, Vesting Orders to be kept with custodian of properties |

- 6.6 All completed Fixed Assets Registers should be maintained by the Accountant of the Commission/ Bursar of the University/ Treasurer of the University College as the case may be, or the most senior financial officer of the Campus/Institute/ Centre for Higher Learning. Fixed Assets Register
- 6.7 The Commission or the Higher Educational Institution/ Institute shall engage the services of experts in such fields including Government Valuation Department, Private Consultants and consortia to get the lands, buildings, vehicles, etc. surveyed, assessed and valued wherever necessary for the purpose of compiling the Fixed Assets Registers. Engaging services of experts where necessary
- 6.8 Fixed assets shall among other things (subject to existing accounting standards), include lands and buildings, plant and machinery and motor vehicles. The lands will include roads, parks, farms, play grounds and cultivated lands as well as bare lands while the buildings include permanent constructions, parapet walls, retaining walls and other permanent structures, etc. Definition of fixed assets
- 7. Maintenance of Office Machines, Air-Conditioners, Electrical and Electronic Appliances etc.**
- Periodical maintenance of office machines, air-conditioners, electrical and electronic appliances, etc. is carried out mostly by private companies based on Maintenance Agreements wherein the number of times each equipment should be serviced during the year are stipulated. In order to ascertain whether these companies carry out their obligations in the agreed manner, the following procedure shall be implemented. Procedure for periodical maintenance
- 7.1 A copy of the agreement or the renewal document should be obtained by the relevant operator responsible for the machine/equipment indicating the nature and number of services provided by the company. Nature and number of services provided

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| 7.2 Each operator should maintain a register for this purpose and every visit for maintenance should be recorded in the register indicating the name of person, date, time, etc., and initialed by the Head of the Department of Study/ Administrative Officer of the/ Division/Office/Centre/ Unit. | Operator to maintain a Register |
| 7.3 The employee concerned should ensure that the frequency of service agreed by the company are provided by them and in case of irregularity, it should be reported to the officer concerned.   | Frequency of service            |
| 7.4 Renewal of service agreements should be done after ascertaining that they have provided the services as agreed. The Head of the Department of Study/Office/ Division/Centre/Unit should certify to this effect.  | Renewal of service agreements   |