

INTERNAL AUDIT POLICY

Institution conducts internal and external financial audits regularly

Response:

The Institution has established a mechanism for conducting internal and external audits on the financial transactions every year to ensure financial compliance. Internal audit is conducted monthly by the internal financial committee of the institution. The committee thoroughly verifies the income and expenditure details and the compliance report of internal audit is submitted to the management of the institution through principal. External audit is conducted once in every year by an external agency.

The mechanisms used to monitor effective and efficient use of financial resources are as below:

- Before the commencement of every financial year, principal submits a proposal on budget allocation, by considering the recommendations made by the heads of all the departments, to the management.
- College budget includes recurring expenses such as salary, electricity, internet charges, maintenance cost, stationery, other consumable charges etc., and non-recurring expenses like lab equipment purchases, furniture and other development expenses.
- The expenses will be monitored by the accounts department as per the budget allocated by the management.
- The depreciation costs of various things purchased in the preceding years are also worked out.

Process of the internal audit:

All vouchers are audited by an internal financial committee on monthly basis. The expenses incurred under different heads are thoroughly checked by verifying the bills and vouchers. If any discrepancy is found, the same is brought to the notice of the principal. The same process is being followed for the last five years.

Process of the external audit:

The accounts of the college are audited by chartered accountant, DCR & Associates, Thycaud, Trivandrum, regularly as per the government rules. The auditor ensures that all payments are duly authorized after the audit, the report is sent to the management for review. Any queries, in the process of audit would be attended immediately along with the supporting documents within the prescribed time limits. The institution did not come across with any major audit objection during the preceding years.

All these mechanisms exhibit the transparency being maintained in financial matters and adherence to financial discipline to avoid defalcation of funds or properties of the institution at all levels. The audited statement is duly signed by the authorities of the management and chartered accountant.

FUND MOBILIZATION POLICY

PMS College of Dental Science & Research constituted under the NRI Service and Educational Trust a registered one in Trivandrum. The College does not get any aid or grant from any Government sources or from any statutory bodies both in India and from abroad. The College has to meet all expenses from their own income such as Tuition fee, Room Rent and Mess Fee etc., and when the expenditure exceeds the income will be borrowing from bank loan on temporary basis and will be subsequently repaid when fees collected. One such loan source is from Federal Bank. Management trustee will support as and when needed.

All the entire college building is free from any type of encumbrances and machines, vehicles and other infrastructural equipments are purchased by taking

loans from Dhanlaxmi Bank. This is the resource utilization process followed in the college.

Apart from this we also allow fee waiver to eligible students.

ACCOUNTING PROCEDURES

1. General Accounting Policies:

- Accounts are maintained in Tally ERP9 software and are regularly audited by competent Chartered Accountants.
- Since the institution is formed under a Trust, the registration is done U/s 12A with Income tax authorities.
- Sufficient security procedures are applied on the software and file maintenance regarding confidential matters.
- Institution retains legal consultants to deal with the legal issues.
- Accounts are maintained from for the financial year and year end closing of accounts done on every 31st March.

2. Inventory & Assets Management:

- All materials are placed in the Central Store, and the required materials as per intent are transferred to department store and pharmacy.
- Stock verification is done regularly and the differences are rectified.
- Separate software to monitor the inventory movement is maintained.
- Fixed Assets Register is maintained and all the assets are serial numbered.
- Depreciation of Fixed Asset is done as per income tax rules.

3. Revenue Receipt Procedures:

- Fee collections from students are the main source of revenue and the collections are done at the time of admission for the new entrances and at the time of starting elevated classes for old students.
- Fee structures are as per Government norms.

- For financing the construction activities and for procurement of costly equipments, the term loans are arranged from Federal Bank, Palayam Branch, Trivandrum.

4. Supplier Payment Procedures:

- Supplier Bills are settled within a maximum credit period of 60 days.
- Bills are passed for payment after verified by the purchaser and store in charge.
- Advance payments to suppliers are made where ever necessary.

FINANCE POLICY

Cash & Credit Policies

- Institution maintains current account with Dhanlaxmi Bank, Vattappara Branch for the regular Bank transactions, and at State Bank of India, Vattappara Branch for statutory payments.
- Administrator jointly with Director-Operations is authorized to operate the account.
- Bank Accounts are reconciled regularly and the errors and omissions are rectified now and then.
- Cash payments are authorized either by the Administrator or Director-operations.
- Cheques/DD collected from students towards fee is deposited with bank immediately.
- As a policy of the institutions, the cash receipts from the students are not entertained and in certain required situation, cash are accepted.
- Payment to distant suppliers and interbank transfers are done through electronic media like NEFT/RTGS.

FINANCE POLICY ON PATIENT MANAGEMENT ENTRY, BILLING AND RECORDS

To maintain an efficient patient management system in the college

1. A good number of patients are coming in the college for consultation and treatment.
2. Free treatment for BPL card holders should be given and 50% concession is given for camp patients.
3. Free transportation from Seemamula junction to the college is given for all patients.
4. Walk-in patients are directed to the OP by the security guard in front door of the college and the Assistant in the OP should issue the OP card and will direct him/her for consultation.
5. After first consultation in the OP, the Patient should be directed to the concerned department specialty for the specialty treatments.
6. The concerned Doctor will check the patient and treatment advice will be given.
7. The amount of treatment should be intimated to the patient by the chair side assistant and the amount should be paid in the cash counter and pharmacy counter respectively.
8. Patient records only for orthodontic treatment and academic purpose should be kept in the college; all patient records are handed over to the patient after consultation and treatment every time.

FREE SHIP/FEE WAIVER POLICY

Upon the recommendation of the trustees, the trust grants free ship/fee waiver (Tuition Fees only) to the following students.

1. Students should be academically brilliant.
2. Students not eligible to any other scholarships, grants etc.
3. Economically and financially backward students.
4. Students who are affected by disaster like loss of parents, illness of parents etc.
5. Students who cannot afford to pay the fees and are on the verge of discontinuing studies.
6. Students who become victims of natural calamities like loss of houses etc.

Principal