# Standard Operating Procedure (SOP) for Monitoring and Execution of Funds Received from Funding Agencies

## 1. Purpose

To ensure timely and transparent receipt, monitoring, utilization, and reporting of funds received from funding agencies, with clear responsibilities for the PI, R&D Cell (Funding Proposal Division), Accounts, and Stores.

## 2. Scope

Applicable to all externally funded projects, covering the entire cycle from sanction to closure.

## 3. Procedure

***Step 1: Intimation to Principal Investigator (PI)***

**Responsibility:** Principal Investigator

- The funding agency will formally communicate project sanction to the Principal Investigator (PI) through a sanction letter or email.
- PI will:
    - Acknowledge receipt of the sanction letter.
    - Immediately forward a copy to the R&D Cell and Accounts Department for institutional processing.
- PI may contact the Accounts Section to know the receipt of funds in college accounts.

***Step 2: R&D Cell – Recording and Circulation***

- **Responsibility:** R&D Cell (Funding Proposal Division)
- Log project details: Title, PI Name, Sanctioned Amount, Duration, Funding Agency, Date of Sanction.
- Maintain a master project file.

***Step 3: Fund Receipt Confirmation***

- **Responsibility:** Accounts & R&D jointly
- Accounts monitors the institutional bank account for the remittance as per the expenditure heads mentioned in the sanction letter.
- Upon credit, Accounts:
    - Confirms receipt to both PI and R&D immediately.
    - Shares the credited amount details with PI for verification against the sanction letter.
- PI and Accounts discuss initial withdrawals and priority expenses.

***Step 4: Creation of Project Account***

- **Responsibility:** Accounts
- Create a dedicated project account head for the sanctioned project.
- Maintain separate ledger entries for the project.

***Step 5: Responsibility of PI and Accounts Department***

- Maintain regular communication with Accounts for:
    - Fund availability status.
    - Release of payments to vendors/service providers.
    - Preparation of financial statements for submission to the funding agency.
- Ensure expenditures strictly follow the sanctioned budget.
- Purchases shall follow institutional policy, unless the funding agency specifies otherwise.
- Submit all expenditure requests to Accounts, with a copy to R&D.

***Step 6: Responsibility of Stores***

- Process purchases based on PI's approved requests.
- Maintain proper stock of assets and materials of the project.
- Tag project equipment with project details.

***Step 7 : Manpower and Consultant Engagement***

- PI prepares advertisement draft with eligibility criteria for manpower/consultant positions as per sanctioned project.
- R&D Cell circulates the advertisement through official channels.
- Applications are shortlisted.
- An expert committee meeting (including PI and nominated experts) is conducted to interview candidates.
- Selected manpower/consultant is finalized and formally appointed under the project.
- PI informs Accounts for salary/consultancy payment processing.
- Possibility of existing manpower for the project should also be explored.

***Step 8: Periodic Monitoring***

- **Quarterly / Half-Yearly:**
    - PI and Accounts review expenditure statements together.
    - R&D organizes six-monthly review meetings involving PI, Accounts, and Stores to:
        - Review technical progress.
        - Verify budget utilization.
        - Address any fund execution issues.

***Step 8: Reporting & Closure***

- At project completion:
    - PI and Accounts jointly prepare the final audited Utilization Certificate (UC) and financial statement.
    - PI submits the final audited UC and technical report to the funding agency, R and D Cell and Accounts Department.
    - Accounts closes the project account after reconciliation.

## 4. Documentation

- Sanction Letter File (PI and Funding Proposal Division , R and D Cell)
- Fund Receipt Log (Accounts)
- Project Ledger (Accounts)
- Procurement and Inventory Records (Stores)
- Review Meeting Minutes (Funding Proposal Division , R and D Cell)
- Final UC and Technical Report (PI, Accounts and R and Funding Proposal Division , R and D Cell)

Recommended.

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