6.4.1C

RELEVANT INFORMATION FOR RESOURCE MOBILIZATION AND UTILIZATION

Financial Resources:-

Financial resources are the funds required for the smooth operations of a college and are regarded as the life-wire of any system. It is indeed a more critical facet with which other factors of administrations are created, maintained and sustained. In college administration, funds are necessary for the procurement of facilities, equipment, electronics and communication gadget needed for effective performance. Apart from this, funds are needed to pay the salaries of administrative, academic and non-academic staff. A robust financial allocation for college administration would not only enhance goals attainment but its sustainability. Plan and policy implementation are responsive to funds availability. Funds are needed for the acquisition of fixed and current assets and to settle current liabilities and expenditures incurred in the course of administration.

Financial Management in Colleges:-

Financial Management covers such areas as the procurement of funds, their allocation, monitoring their use in the interest of accountabilitynand producing financial reports for the relevant stakeholders. Effective financial
management ensures that:

- All financial regulations and procedures are complied with,
- All financial transactions are recorded accurately,
- Adequate controls are in place to ensure that expenditures do not exceed income, and
- Only authorized expenditures are incurred.

Financial management is, therefore, an integral part of the responsibility as an education manager because, without good financial management practices, colleges would find it difficult to achieve their goals.

Role of College Administrators in Financial Management:

The ultimate accountability for the effective management of college finances lies with the office of the manager.

As an education manager, you should:

• Allocate funds to various activities in accordance with the budget;

• Authorize the disbursement of college funds;

• Administer college funds both lawfully and morally;

• Determine a college budget in consultation with other stakeholders such as heads of department, senior teachers and the Board of Governors; and

• Ensure that the college has the funds it needs and that those funds are used effectively and efficiently.

Financial Management is nothing but :-

1. Planning
2. Organising
3. Direction and
4. Control for resourcing and procurement of funds and optimal utilization of the available resources. Eg:- In our Hospital Industry, the following are the resources basically:-

1. **TRUST FUND:-**

Initially, a Trust is formed with the small fund of money given by the Trustees. Here, by here, the Trust Fund will go up by the Income over Expenditure (If any), which will strengthen the Trust to further render their Trust activities.

2. **SECURED AND UN-SECURED LOANS**:-

It is another source of fund to meet the expenditure related to Trust activities.

3. CURRENT LIABILITIES:-

It is another great source of money in the form of material supplies and services, purchased or utilized from the creditors and duly paid after availing proper credit period.

APPLICATION OF FUNDS:-

Involves procurement of Fixed Assets, Current Assets etc with the basic income like –

- Collection of Tuition Fees from the students.
- Money generated out of treatment given to the patients.

SOURCES OF FUNDS :-

1) Collection of Student's Fees:-

- Tuition Fees
- College Fees
- Hostel Fees
- Transport Fees
- Repeater Fees
- Clinical Fees
- Other Fees

2) Other Income:-

- Interest on Savings Bank
- OPD Collections
- Collection of Rent
- Miscellaneous Income
- Collection of Fines, dues & penalty
- Funds for Research purpose

For all the above activities, proper planning, direction, utilization and control is a must which will ensure the smooth & controlled running of the Trust towards their achievement of Trust's activities and goals.

Principal
RajaRajeswari Dental College & Hospital
14, Ramohalli Cross, Mysore Road,
Kumbalgodu, Bangalore - 560 074