Memorandum of Understanding for the Financial Year 2017-18

Memorandum of Understanding (MoU) between Ministry of Culture (MoC), Shastri Bhawan, New Delhi & the Lalit Kala Akademi (LKA) for the financial year 2017-18.

1. The agreement made this _____ day of _____2017 between the MoC, as the first party and Lalit Kala Akademi, New Delhi an organization under the Ministry of Culture, hereinafter called the second party.

2. Whereas the mandate of the Ministry of Culture is to preserve and promote all forms of art and culture and is responsible for formulation of policies of the Government in relation to Indian Art, Culture and Heritage and also for the execution, monitoring and review of those policies and whereas the Lalit Kala Akademi has the mandate/objects as indicated under Clause-3 of its Memorandum of Association.

Purpose of the MOU

To achieve the organisational goals by optimum use of the funds available and proper functioning of the organization so as to complete the output targets.

To achieve this, the following deliverables are required:

1. **Budget Accounts**

   i) Budgetary outlay for the year 2017-18 amounting to Rs. 2898.00 lakhs is being proposed for LKA for carrying out organizational work. While incurring the expenditure, requisite approval of concerned GC/EB/FC or MoC as the case may be, will have to be obtained before executing the work.

   ii) LKA shall submit the Annual Report and Audited Account for the year 2016-17 to the Ministry of Culture by 30th June 2017.

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iii) The CAG audit, if required to be done for the year 2016-17 shall be completed by September 2017.

iv) Provisional utilization certificate shall be submitted to the Ministry by July 2017 and final utilization certificate by November 2017 for the financial year 2016-17. Further, for the financial year 2017-18 monthly provisional certificate has to be submitted before seeking the next month grants.

v) All pending CAG audit paras and internal audit paras shall be disposed of by December 2017.

vi) Inputs for preparation of EFC/SFC in accordance with the extant guidelines/instructions of Ministry of Finance shall be submitted as per directives of MoC.

vii) Monthly report in respect of financial and physical achievement in prescribed format as Annexure – I shall be submitted to Ministry of Culture by 1st week of the month in which it becomes due. Any other periodic report asked by the Ministry shall also be submitted within the stipulated time.

viii) Governing Body of LKA shall review user charges/source of internal revenue generation at least once in a year; and this exercise should preferably be completed by the month of September every year.

ix) LKA shall maintain data-base relating to grants, income, expenditure, investment, assets and employee strength etc. in the format prescribed by the Government.

x) LKA shall designate an appropriate level officer to render financial advice whose concurrence should be obtained for sanction and incurring of expenditure.

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xi) Administrative Division in the Ministry may put up in place a system of external or internal peer review of the LKA every three year or five year depending on the size of LKA, in terms of GFR 229(ix), and further release of grant to LKA shall depend on the outcome of such review.

xii) Performance parameters, output targets in term of details of program of work and qualitative improvement in output, along with commensurate input requirements should clearly be spelled out in the MoU. Further, the output targets, given in measurable units of performance should form the basis of budgetary support extended to the LKA. The roadmap for improved performance with clear milestones should form part of the MoU.

xiii) LKA shall account for revenue and capital expenditure separately. LKA shall maintain and present their annual accounts/final accounts in the standard prescribed format by the Government.

xiv) While seeking grants from the Ministry, LKA shall provide the information in the prescribed format by the IFD and the Administrative Division shall process the proposal on quarterly basis indicating the month-wise proposed release amount during the quarter. However, the Administrative Division will release the concurred amount on monthly basis.

xv) All interests or other earnings against the GIA or advances (released to LKA) shall be mandatorily remitted to CFI, immediately after finalization of the accounts. Such advances shall not be allowed to be adjusted against future release.

xvi) LKA should take advantage of the pension or gratuity schemes or group insurance schemes or house building loan schemes or vehicle loan schemes etc. available in the marker for employees instead of undertaking liability own their own or Govt. account.

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xvii) LKA shall adhere to the time schedule prescribed under Rule 237 of GFR 2017 for submission of annual accounts and annual report.

xviii) LKA shall submit UC in the prescribed format along with the reports regarding performace/targets achieved, outcome, etc. in accordance with new UC format (GFR 12-A). The UC shall disclose separately the annual expenditure incurred and the funds given to suppliers of stores and assets, to construction agencies, to staff for (HBA and purchase of conveyance) which do not constitute expenditure at that stage but have been met out of Grants and are pending adjustments. These shall be treated as unutilized grant allowed to be carried forward.

xix) The Administrative Division shall encourage LKA to maximize internal resources and eventually attain self-sufficiency. To achieve this, administrative division may assign the target of internal revenue generation at least 30% of the total budget of the LKA, and accordingly the physical and financial targets may be given to the LKA.

xx) The actual expenditure by LKA on the activities shall be subject to the availability of fund. While incurring the expenditure, LKA shall adhere to the GFRs provisions besides other instructions of the Govt. issued from time to time.

2. Human Resource

i) LKA shall review/frame its Human Resources Policy and modify the same, if required with the approval of Competent Authority by December, 2017.

ii) The LKA will initiate necessary time bound action well in advance to fill up the vacant posts following the prescribed rules.

iii) All DPC's will be conducted by the LKA within the stipulated time frame following the prescribed rules.

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iv) All pending vigilance cases shall be disposed off within the stipulated time following the prescribed rules by LKA.

v) Training policy for the staff will be worked out and submitted to the Ministry of Culture by LKA. Training of the staff of the organization will be ensured as per the Staff Training Policy. For this purpose, a training calendar be designed in the beginning of the year. The Akademi will assess needs for skill development and create tailored training modules.

vi) Verification of appointments made during the last 5-10 years has to be carried out by the LKA. This process has to be completed by LKA by November 2017.

3. Legal Matters

i) Memorandum of Association shall be amended on the line of the High Powered Committee's (HPC's) recommendations agreed to by the Ministry, with the approval of the Competent Authority. This process will be completed by October 2017.

ii) Bye-laws of the organization shall be framed/reviewed and made requisite amendments as per the prescribed guidelines will be made by November 2017 with the approval of the Competent Authority.

iii) Recruitment Rules in respect of all the posts will be framed/reviewed as per the laid down guidelines and prescribed procedures. LKA will complete this process by May 2017.

iv) LKA shall ensure timely monitoring of the court cases. All the court cases with their status will also be updated on the website of Legal Information Management & Briefing System (LIMBS) by June 2017. The information will be kept up to date.

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v) The Organization will utilize the online Court case monitoring software developed by NIC for regularly monitoring its ongoing Court cases during the year.

vi) The LKA will take action for implementing the recommendations of the High Powered Committee which has been accepted by the Ministry of Culture.

4. Parliament Matters

i) Audited Accounts and Annual Report will be placed before the Parliament on time. The report shall be sent by the LKA to MoC before end of December 2017.

ii) Fulfilment of all pending Parliamentary Assurances will be ensured within the stipulated time frame.

iii) Legislative matters, if any, will be taken up for approval of Parliament within the stipulated time frame.

iv) Recommendations/suggestions of the Parliamentary Standing Committee (PSC) and such other Parliamentary Committees, if any, will be implemented from time to time with the approval of the appropriate authorities of the Akademi.

5. General

i) Mandatory meetings of all the Committees/Sub-Committees will be convened and conducted on time as per rules.

ii) The Performance Audit/Peer Review shall be carried out as per GFR provisions contained in chapter 9 rule 208 (v). Every two years a Performance Audit should be done by reputed institutions

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of the activities of the Akademi. For maintaining quality in academic work, an appropriate peer review system may be put in place. The Akademi will need to display its capacity for self-introspection, if it is to remain truly independent.

iii) LKA will take action for implementation of the actionable points as indicated at Annexure-II (copy enclosed based on the recommendations of the Committee constituted for the performance audit for the year 2016-17.

iv) LKA shall furnish/file mandatory returns/report by August 2017. Akademi shall also provide the report/returns as and when asked by the Ministry.

v) LKA shall ensure timely disposal of RTI application and appeal. Akademi shall also furnish/upload certificate/report on RTI portal as per the extant guidelines.

vi) For disposal of Public Grievances/complaints, LKA shall ensure that an effective grievance redressal mechanism is in place to ensure timely disposal of public grievances/complaints received through PG Portal or any other sources.

vii) The LKA website shall be updated, reviewed and revamped from time to time as per the Government guidelines. MoA, Rules and Regulations, Service bye-laws and Recruitment Rules and amendments thereof of the Organization will be uploaded on the website of the Organization.

viii) Akademi shall ensure the inputs for Cabinet Memos within the prescribed time frame.

ix) Akademi shall ensure compliance with the Rajbhasha Policy as per directives received from Ministry of Home Affairs.

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x) Akademi shall implement New Pension Scheme (NPS) as per the norms of the NPS.

xi) Swachh Bharat Campaign/Programmes as well as cleanliness drive shall be taken up by the Akademi and instruction/directions given by the Ministry in this regard shall be followed.

xii) Akademi will implement the following e-services:

a) Akademi will create online system for application and utilization certificates.

b) The Akademi shall create online system of Accounting by December 2017.

c) The organization will be active on the MyGov platform for inviting suggestions, ideas regarding its activities during the year.

xiii) Impact Assessment to be enhanced by including schools and college for its activities, with at least 2 schools visits to the Akademi's galleries. Increase in the library readership through film shows and talks.

xiv) Governing Body of the organisation shall review user charges/sources of internal revenue generation at least once a year and inform the administrative Ministry. This excercise should preferably be completed before the formulation of Union Annual Budget.

xv) Organisation should designate an officer of appropriate level to render financial advice whose concurrence should be obained for sanction and incurring of expenditure. The Financial limits up to which such concurrence is mandatory may be drawn up by the organisation. The Chief Executive officer of the organisation will

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be responsible for overall financial managment of the organisation.

xvi) Public Financial Management System (PFMS) has to be put in use by the organisation.

6. **Specific Issues related to Organization**

i) Timely conduct of the monthly activities to achieve monthly targets as indicated in the Annexure-I (enclosed) for the year 2017-18 shall be ensure. The cost/expenditure shown in the Annexure-I of the MoU has been estimated on the basis of average expenditure incurred in the past years. Actual expenditure on each activity shall however be subject to the availability of funds in the allocated budget to the organization and compliance to the GFR provisions besides adherence to the economy measures as issued by Ministry of Finance from time to time. If physical targets are achieved in time, allocation of additional funds could be considered to conduct more activities. Any shortfall in target may attract withdrawal/reduction in the budgetary support.

ii) Each activity with its physical and financial targets indicated in the Annexure I of the draft MoU may be linked to the concerned object heads of the budgetary outlay for the year 2017-18 so that the physical and financial progress could be monitored with reference to the budgetary allocations under each object head.

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Signature
(on behalf of Ministry of Culture)
(NTPAITG)
Dy. Secy. (Akad.)

Signature
(on behalf of LKA)
05.05.2017
Siddhartha Ghosh.
Secretary in Charge
Lalit Kala Akademi