

RULES OF MANAGEMENT AT THE UNIVERSITY OF PARDUBICE

IV. FULL WORDING OF THE RULES OF MANAGEMENT AT THE UNIVERSITY OF PARDUBICE OF NOVEMBER 27TH 2009

Article 1

Introductory provisions

- (1) The Rules of Management at the University of Pardubice (further as "Rules of Management") are issued in compliance with Act no. 111/1998 Coll., On Tertiary Education Institutions and on the amendments of other acts (Act on Tertiary Education Institutions), as amended (further as "Act") and the Statute of the University of Pardubice (further as "Statute") and is binding for all faculties, University institutes and other parts of the University of Pardubice (further as the "University").
- (2) The University is a corporate body founded as a public institute of tertiary education. The tasks of the founder of the University are taken on by the Ministry of Education (further as the "Ministry").

Article 2

Management at the University of Pardubice

- (1) The basic rules of management are set by articles 26 to 27 of the Statute.
- (2) When managing the funds granted by the state budget, the University is obliged to act economically and effectively and use these funds in compliance with the law and other special legal norms¹, according to the decision of the Ministry on granting subsidies and grants, in compliance with substantial performance. Internal control systems of the University are set by the norm issued by the University (further as "University norm").
- (3) The basic sources of University funds are non-investment and investment subsidies and grants from the state budget. The total of funds is stated by the Ministry according to the published rules that are annually corrected and negotiated with the tertiary institution representatives.
- (4) The University is entitled to the subsidy from the state budget for its educational and scientific, research, development and innovative, artistic or other creative activities. The University is entitled to an advance payment of the subsidy.
- (5) The university is entitled to grants for the development of the university. The University can get grants mainly for the accommodation and subsistence of the students. The conditions for such grants, their use and accounts are subject to the general rules for handling the state budget funds¹) and general rules for the support of research and development.²
- (6) Funds from the non-investment and investment subsidies and grants are provided to the University according to the methodology of the Ministry to acting out the laws on budget rules for the given calendar year or provisional budget arrangement.
- (7) The University's economy is budget-based. The budget is devised per calendar year and cannot be devised with a deficit. The rules for the construction and structure of the budget are set by the Rector after the due negotiations with the University's Academic Senate.
- (8) The University can use its budget funds only for the financing and support of activities according to Article 3 of the Statute.
- (9) In connection with its educational and scientific, research, development and innovative, artistic and other creative activities (further as "main activities"), the University provides the students with services and goods extending the educational activities (mainly copying and printing, sale of study literature, accommodation and subsistence).

¹ E.g. Act no. 218/2000 Coll., On Budget Rules and the amendment of some related acts (budget rules), as amended.

² Act no. 130/2002 Coll., On the support of research and development from public funds and the amendment of some related acts (act on the support of research and development).

- (10) Fees connected with the study are not subject to the general rules on fees. The types of fees and the rules for their payment are set in articles 10 to 11 of the Statute and University norm.
- (11) The University has its own current and immovable assets, non-residential premises, rights and other asset values needed for the activity for which the University was founded and for the support of such activity.
- (12) The University can only gain stocks and bonds issued by the state or state guaranteed or stocks and bonds of a trading company in which the University deposited its property.
- (13) The University can deposit monetary and non-monetary resources in other corporate bodies in compliance with the Rules for Installing Monetary and Non-Monetary Deposits in Corporate Bodies by the University of Pardubice.
- (14) The University is obliged to lead an appropriate evidence of its property and ensure its effective and economical use. Handling the University's property is subject to the decisions of the Rector, or Bursar in the scope set by the Rector's decision, or Dean or Head of the University institute in the scope set by articles 21 to 22 of the Statute. In cases given in § 15 section 1, part a) to d) of the Act, the Rector decides after the prior written consent of the University Board of Directors and notification of the Ministry. More detailed conditions of the property evidence and stock-taking are set in the University norm.
- (15) The University keeps its books in the system of double-entry accounting, in which the costs and revenues from the complementary activities must be kept separately from the main activity according to § 20 section 2 of the Act. Other issues are determined by the general norms on accounting.³ More detailed conditions of University book-keeping are set in the University norm.

Article 3

Financial management of the University

The University gains are mainly represented by:

- a) subsidy from the state budget for the educational and scientific, research, development and innovative, artistic or other creative activity (further as "subsidy"),
- b) grant from the state budget (further as "grant"),
- c) other income from the state budget, state funds, National Fund and the budgets of municipalities and regions, budgets of the EU,
- d) fees for entrance exams, study and issuing documents,
- e) fees for life-long learning,
- f) yield on property,
- g) yield on complementary activities,
- h) income from donations and legacies,
- i) other income from provided services within the main activity (mainly for accommodation and subsistence of students and employees, sale of study literature, renting property),
- j) loans from banks,
- k) associated funds,
- l) public funds from the support of research, experimental development and innovation set by special legal norm⁴.

³ E.g. Act no. 563/1991 Coll., On Accounting, as amended, Ministry of Finance Bill no. 504/2002 Coll., for exercising some stipulations of the Act no. 563/1991 Coll., On Accounting, as amended, for accounting units, whose main activity is not entrepreneurship, if their book-keeping is in double-entry accounting system, as amended, Czech accounting standards for accounting units keeping their books in compliance with Bill no. 504/2002 Coll., as amended.

⁴Act no. 130/2002 Coll., On the support of research, experimental development and innovation from public funds and the amendment of some related acts (act on the support of research, experimental development and innovation), as amended.

Article 4 Funds

(1) The University can divide its profits after tax (further as “profits”) into funds only in case the relevant loss from previous periods has been settled. The residue of funds on December 31st of a common year is transferred to the following budget year. Finance from the funds gained from profits from elementary research, applied research or experimental development and dissemination of their results in the teaching process, publications or transferring technologies, which were supported by public finance, can be re-used only for the same activities or the dissemination of their results in the teaching process.

(2) The University is the founder of the following funds:

a) Reserve fund, aimed mainly at covering losses in the following accounting periods, consists of:

- share of the profit,
- transfer of finance from the fund for reproducing the investment property, bonus fund and operating facilities fund.

Reserve fund is aimed at:

- settling losses for previous accounting periods,
- transferring finance into the fund for reproducing investment property, bonus fund and operating facilities fund.

b) Fund for reproducing investment property consists of:

- share of the profit,
- residue of contributions on December 31st of a common year,
- book depreciation of tangible and intangible property,
- transfer of finance from the reserve fund, bonus fund, operating facilities fund,
- yields from the sale and liquidation of fiscal assets up to its residual value,
- associated investment funds according to concluded deeds on associations,
- other income of the University.

Finance from the fund for reproducing investment property created through transfer from the operating facilities fund, which was yielded by transferring the residue of the state budget subsidy for educational and scientific, research, development and innovative, artistic or other creative activity on December 31st of a common year, can be used solely for financing the activities of the University, by which it does not participate in the economic competition in the common market and by which it cannot influence this competition.

Fund for reproducing investment property is aimed at:

- securing investment activities of the University,
- providing investment funds for other subjects on the basis of concluded deeds on common investment activities,
- settling payments of investment loans and credits of the University,
- providing complementary source for the financing of repairs and maintenance of long-life property to secure investment needs of the University
- transferring finance into the reserve fund, bonus fund, operating facilities fund.

c) Scholarship fund consists of:

- fees for study in compliance with § 58, section 7 of the Act with the exception of fees for students studying a programme in a foreign language,
- transfers of tax acceptable outgoings (costs) in compliance with a special regulation (§ 24, section 2 part. zr), of the Act no. 586/1992 Coll., on Income Tax, as amended),
- from donations meant specifically for scholarships.

The resources for the scholarship fund do not include finance granted to the University from the subsidy for scholarships of students in doctoral study programmes, social scholarships or accommodation scholarships.

Scholarship fund is aimed at:

- scholarships paid according to the Scholarship Rules of the University of Pardubice.

d) Bonus fund consists of:

- portion of the profit,
- donations meant specifically for the remuneration of the University's employees,
- transfer of finance from the reserve fund, fund for reproducing the investment property and operating facilities fund.

Bonus fund is aimed at:

- payment of parts of salaries according to the internal Salary Rating of the University of Pardubice,
- transfer of finance into the reserve fund, fund for reproducing the investment property and operating facilities fund.

e) Specific facilities fund consists of:

- specific donations with the exception of donations meant for the purchase and technical improvement of long-term property,
- specific financial resources from abroad,
- specific public finance including the funds of specific and institutional support of research, experimental development and innovation from public finance, which the University could not use in the budget year in which it was granted, up to 5 % of the amount of specific public finance granted to the University for individual projects of research and development or research goals in the given calendar year; in case of other support from public finance up to 5% of the total amount of this support in the given calendar year. The University must notify the respective provider of any transfer of specific funds.

Specific facilities fund is to serve solely the purpose for which the financial resource was aimed.

f) Social fund consists of:

- basic portion placed at the debit of the University costs up to 2 % of the total of annual costs of the University paid as salaries, salary remunerations and bonuses for work emergency.

Appropriate portion for social fund is calculated as a monthly advancement according to the set percentage for the relevant year and at the end of the year an annual calculation is carried out according to real relevant period and is compared to the advance payments of the portion into the social fund.

Finance of social fund is placed in a separate University account in a bank. Transfers of financial resources for monthly advancement of the social fund portion are carried out at the latest by the end of a month following the month in which social fund was created.

Social fund is aimed at:

- unrepeated non-repayable social aid for employees to overcome difficult, burdensome and unexpected social situations up to the amount of 15, 000,- CZK per case.

g) Operating facilities fund consists of:

- portion of income,
- subsidy residue on December 31st of a common year,
- transfer of finance from the reserve fund, fund for reproducing the investment property and bonus fund.

Operating facilities fund's financial resources transferred as a residue of a subsidy from the state budget for educational and scientific, research, development and innovative, artistic or other creative activities on December 31st of a common year, can only be used for financing the University's activity by which the University does not participate in the economic competition on the common market or by which it cannot influence it.

Operating facilities fund is aimed at:

- settling non-investment costs in a common calendar year,
- co-financing project where co-financing is stated in a deed,
- transferring finance into reserve fund, fund for reproducing the investment property and bonus fund.

- (3) Allocating finance into the individual funds and transfers of finance among them is subject to the decisions of the Rector with a view to requests of the individual deans, heads of the University Institutes and other parts of the University, unless provided otherwise by the law or special legal norms.
- (4) Using the resources of the reserve fund, scholarship fund and social fund is subject to the decisions of the Rector.
- (5) Using the resources of the fund for reproducing the investment property, bonus fund and operating facilities fund is subject to the decisions of the Rector, within the framework of faculty budgets of the deans, within the framework of University Institutes the heads, unless provided otherwise by the law or special legal norms.
- (6) Granting special social aid from the social fund is subject to the decision of the Rector on the basis of a written application of the employee with the recommendation of the respective dean, head of the University Institute or other part of the University.

Article 5

Financing purpose-built facilities

- (1) The university finances investment and non-investment outgoings of its facilities built for the purposes of providing the main activity and information services listed in article 23 of the Statute and purpose-built facilities providing accommodation, subsistence and operational services at the University listed in article 24 of the Statute (further as "University parts with independent management").
- (2) If the University uses purpose-built facilities together with other subjects, it co-finances the costs or shares income or yields according to ratio indicators of use set in the respective deed. Settling of costs by a lump sum can also be stipulated in a contract.

Article 6

Functional budgets of Faculties, University Institutes and other parts of the University

- (1) Financial resources of the University are re-allocated to the faculties, University institutes and University parts with independent management, which handle the allocated funds separately. Financial resources remaining after re-allocation are handled by the University.
- (2) The basic source of income of the Faculties, University institutes and University parts with independent management are subsidies and grants. Rules of re-allocation and specification of

subsidies and grants for the given calendar year are set by the Rector after the consent of the Academic Senate of the University.

- (3) The faculties, University institutes and University parts with independent management compile functional budgets for a calendar year and handle their funds accordingly. Effective utilisation of subsidies and grants, reflection of the state budget and appropriate handling of the entrusted property are the responsibilities of Deans, Heads of University institutes and University parts with independent management. They are responsible to the Rector.
- (4) Apart from subsidies and grants, income from the units of regional administration, state funds, municipality budgets and abroad, the faculties can gain further non-investment resources for non-investment activities:
 - a) from fees for study,
 - b) from yields on property (apart from the sale of buildings and land),
 - c) from yields on complementary activities,
 - d) from donations, legacies,
 - e) from foundations and endowment funds,
 - f) from pooling financial resources.
- (5) Faculties, University institutes and University parts with independent management handle also investment resources aimed mainly at the purchase of machinery and devices excluded from building costs. Other resources aimed at the purchase of fixed and movable long-term assets can be gained by the faculties, University institutes and University parts with independent management from:
 - a) appropriated donations,
 - b) pooled resources on the basis of the agreement about their pooling,
 - c) appropriated subsidies for scientific and research projects.
- (6) Payments for sanctions caused by the faculties, University institutes or University parts with independent management are settled at their costs.

Article 7

Specification of complementary activities

- (1) Complementary activities of the faculties, University institutes, University parts with independent management and other organisational parts of the Rector's Office are provided as paid services extending their main activity or serving for better utilisation of human resources and property. Complementary activities must not affect negatively the quality, scope and availability of activities for the provision of which the University was founded.
- (2) More detailed conditions for complementary services are stated by University norm.

Article 8

Subsistence of students and employees

- (1) The University is entitled to settle operational costs, apart from material, of its own facilities for subsistence of employees according to the conditions agreed on the collective deed or stated in the University norm in compliance with article 5 of the Statute.
- (2) The University is entitled to grant its employees a subsidy up to 55% of the price of one main meal per day, at most up to 70% of subsistence costs provided according to special legal norms during business travel of 5 – 12 hours, if the employee has meals in a different catering establishment by contract on company subsistence or takes subsistence in a different form through luncheon vouchers.
- (3) The University is entitled to settle operational costs, apart from material, of its own facilities for subsistence of students according to conditions stated by the University norm in compliance with article 5 of the Statute.

- (4) The University is only entitled to subsidise students' subsistence in other catering establishments on the basis of a contract concluded by the University and catering provider rationalised cases with the consent of the Ministry.

Article 9

Final provisions

- (1) The Rules of Management of the University of Pardubice registered on March 15th, 1999 with ref. no. 16 759/99-30, as amended, are hereby terminated.
- (2) These Rules of Management were approved in compliance with § 9 section 1 part b) of the act, by the Academic Senate of the University on April 11th, 2006.
- (3) These Rules of Management come into validity in compliance with § 36 section 4 of the act on the date of registration by the Ministry.

Changes of the Rules of Management of the University of Pardubice were approved in compliance with § 9 section 1 part b) of the Act no. 111/1998 Coll., on the Institutions of Tertiary Education and amendments of related acts (Act on Institutions of Tertiary Education), as amended, by the Academic Senate of the University of Pardubice on December 5th 2006, April 15th 2008, October 14th 2008 and November 24th 2009.

Changes of the Rules of Management of the University of Pardubice come into validity in compliance with § 36 section 4 of the Act on the Institutions of Tertiary Education on the date of registration by the Ministry of Education..

prof. Ing. Jiří Málek, DrSc., in his own hand
Rector