

PROCEDURE FOR OPTIMAL UTILIZATION OF RESOURCES

The Indira Gandhi National Open University which is the largest University of the country has put the robust mechanism at place to ensure optimal utilization of its financial and human resources. This ensures that scarce resources are utilized in the best possible productive way. Optimal utilization of resources, in IGNOU, is not seen only from financial perspective but also from the perspective of sustainable development. To achieve this objective, the two-tier strategy viz. at planning level and at execution level is being followed.

➡ PLANNING LEVEL

While planning for the financial resources, IGNOU follows the practice where all the functional Divisions/ Schools/ Units are required to project their annual requirement *de novo*. This effectively means that all the functional units of IGNOU are required to prepare their annual plans afresh each year based on functional needs of their units. The budgetary requirements, therefore, are based on actual needs rather than being based on incremental budgeting. This arrangement is similar to zero-base budgeting concept. This ensures that allocation of financial resources is made only on object-oriented activities.

Once the annual budget is prepared, it is placed before the Finance Committee of the University. The Finance Committee, which is a statutory committee, responsible for financial management of the University, after review of the annual financial requirements of the University, recommends the annual budget of the University for approval of the Board of Management. The Board of Management which is the highest executive body of the University approves the annual budget of the University. The University administration thereafter ensures that financial resources are utilized strictly in accordance with the budgetary allocation approved by the Board of Management. The status of utilization of financial resources is subsequently reviewed on half-yearly basis and revised budget is prepared based on the actual expenditure pattern of the first six months. The revised estimates are subsequently placed before the Finance Committee/Board of Management for approval. This ensures that financial resources are allocated on the most critical and productive activities only to ensure maximum utilization of the same.

As far as the optimal utilization of human resource is concerned, periodic reviews of the activities of various divisions is made at the level of the Pro Vice Chancellors/ Vice Chancellor and based on the assessment of the requirements, the human resources are allocated judiciously amongst the various functional Divisions/Units in order to ensure their optimal utilization.

➡ EXECUTION LEVEL

Optimal utilization of the resources is also ensured at execution level. Infrastructure facilities available at Regional Centres are made available to Regional Evaluation Centres as well. The sharing of resources this way contributes to optimal utilization of the resources.

The Finance & Accounts Division of the University is under the mandate to ensure that expenditure is made strictly in accordance with the budgetary allocations in the various account heads. It also ensures that due procedure as laid down in GFR/University's Statutes/ Financial

Code is adhered to while incurring the expenditure/making the payment against the budgetary allocations. To ensure this, there is an Internal Audit Cell which conducts continuous audit of various functional Divisions/Schools/Units and keep track of deviations, if any, from the defined course of procedures regarding incurring expenditure/disbursement of funds to enable the University Administration to take corrective/punitive measures, wherever required. Apart from this mechanism of internal check, statutory audit is also conducted by the team of CAG on periodic basis. In accordance with the IGNOU Act, the audited accounts along with Audit Report of the CAG are placed before the both Houses of the Parliament for perusal. This ensures observance of the financial propriety at the highest level which in turn, helps to achieve the objective of optimal utilization of resources.
