

MINUTES OF THE 74th MEETING OF THE FINANCE COMMITTEE HELD ON 5th April, 2011 AT 3.00 P.M. IN THE BOARD ROOM, IGNOU CAMPUS

The following were present:

1.	Prof. V. N. Rajasekharan Pillai	Vice Chancellor	Chairman
2.	Dr. Latha Pillai	Pro-Vice-Chancellor	Member
3.	Shri Anant Kumar Singh	Joint Secretary, MHRD	Member
4.	Dr. Veena Vinayak Rao Thakre	Member, BOM	Member
5.	Shri M. P. Gupta	Addl. Secy. (Retd.)	Member
6.	Prof. Manohar Lal	Director, SOCIS	Member
7.	Shri L. M. Pandey	Finance Officer	Secretary

Shri U.S. Tolia, Registrar (Admn) and Prof. M.S. Senam Raju, Director, Academic Coordination Division attended the meeting as Special Invitees. Prof. Parvin Sinclair, PVC could not attend the meeting as Special Invitee due to her preoccupation.

Shri T. K. Kaul, Deputy Registrar and Shri S. K. Sharma, Deputy Registrar were present to assist the Committee.

The Chairman welcomed the members attending the meeting of the Finance Committee and thereafter requested the Secretary to present the agenda items. The following agenda items were presented:

FC 74.1 To confirm the minutes of the 73rd meeting of the Finance Committee held on 28th December, 2010.

74.1.1 The Secretary informed the Finance Committee that no comments have been received from any of the members on the minutes of 73rd Meeting of the Finance Committee. He proposed that the minutes of 73rd Meeting of the Finance Committee be confirmed.

74.1.2 The Finance Committee confirmed the minutes of the 73rd Meeting of the Finance Committee.

- 74.1.3 The Finance Committee noted that a number of agenda items have been proposed for creation of academic and non-academic positions in the University at different levels and at different places other than Headquarters and also in different categories. After due deliberations, the Finance Committee decided that henceforth all positions (faculty, academic and administrative) shall be created on initially for a period of five years on temporary basis. The positions so created shall mandatorily be reviewed in the 4th year. In case the programme or the activities for which such positions were created stabilizes in a self-sustaining mode in the system, after making review, such position would be considered by the Finance Committee for recommendation to the BoM for confirmation. Otherwise such positions would be treated as deemed to have been abolished. Apart from this, the expenditure for such positions would be met out of approved allocated budget only. The Finance Committee has also decided that additional positions can only be created for self-sustainable Open University and Distance Education programmes and part-time programmes which are self-sustaining.
- 74.1.3 Such guidelines would be applicable in all cases relating to creation of faculty, academic and non-academic positions.
- 74.1.4 The Finance Committee also decided that in those Units where Assistant Registrar is not available, the powers of Drawing Officers or Disbursement of bills can be delegated to a Section Officer.
- 74.2 Action Taken Report in respect of the recommendations of 72nd and 73rd meetings of the Finance Committee held on 8th November, 2010 and 28th December, 2010.**
- 74.2.1 The Secretary presented the Action Taken Report in respect of the recommendations of 72nd and 73rd meetings of the Finance Committee held on 8th November, 2010 and 28th December, 2010 respectively. The Secretary informed that the Action Taken Report in respect of the item numbers 73.2 and 73.4 will be reported in the next meeting. Action Taken Report in respect of all other items have been recorded against each item.
- 74.2.2 The Finance Committee noted the Action Taken Report in respect of 72nd and 73rd meetings of Finance Committee held on 8th November, 2010 and 28th December, 2010 respectively except for item numbers 73.2 and 73.4.
- 74.3 To consider and approve the proposal for revision of the rate of Financial Assistance and additional expenditure for Research Teaching Assistantship (RTA) Scheme.**

- 74.3.1 The Committee noted that the University Grants Commission (UGC) has revised the fellowships of JRFs and SRFs to NET/UGC-CSIR fellows from ` 12,000/- to ` 14,000/- for JRF and from ` 14,000/- to ` 18,000/- for SRF in Science, Humanities and Social Sciences.
- 74.3.2 The Committee also noted that the University is having Research & Training Assistants (RTAs) who are being paid fellowship as applicable to SRF of UGC in Science, Humanities and Social Science.
- 74.3.3 The Committee, after consideration, recommended for approval of increase of the fellowship to RTAs of the University from present ` 14,000/- + HRA to ` 18,000/- + HRA per month. Revised rates would be applicable from 1st April, 2010 as has been done in the case of UGC's fellowship holders. The Finance Committee noted that sufficient budget allocation is available under the relevant head in the BE 2011-12 and as such no additional allocation is required for enhancement of the fellowship and payment of arrears to RTAs. However, if required, the allocation may be reviewed at the time of preparation of RE 2011-12.
- 74.4 To consider and approve the creation of budget head for fellowship to Ph.D/M.Phil Scholars and contingent grant for JRF/SRF reimbursable by agencies like UGC.**
- 74.4.1 The Finance Committee noted that some JRFs in Science, Humanities and Social Science streams who have qualified UGC-NET examination are joining the University for M.Phil/Ph.D. Normally, payments towards fellowships/ assistance from UGC or other organizations like CSIR/ICAR etc., are received for disbursement to Research fellows in lump-sum on yearly basis. In order to mitigate the hardships of Research Scholars, the University need to have a separate budget head for such temporary payment towards fellowships and contingent grant to the Research Scholars till it is received/reimbursed by the concerned agencies viz. UGC/CSIR/ICAR.
- 74.4.2 The Committee after deliberations, recommended creation of a separate budget head "Other Fellowships" and "Other Contingent Grant" with fund allocation of ` 44.00 lakhs and ` 2.00 lakhs respectively in BE 2011-12. The Committee also recommended creation of corresponding receipt head "Re-imburement of Fellowships to M.Phil/Ph.D Scholars". Research Unit shall act as a Nodal Unit and seek re-imburement of fellowship from agencies like UGC/ICAR/ICSSR/CSIR etc. in respect of the Research Scholars admitted in IGNOU and shall maintain the records for

disbursement of fellowships to such scholars and corresponding reimbursement from the concerned agency.

74.5 To consider and approve decentralization of disbursement and delegation of powers to Community College Unit.

74.5.1 The Committee noted that decentralization of disbursement to the Community College Unit is an administrative matter and as such, administrative decision be taken at the appropriate level for such decentralization.

74.6 To consider the case of Prof. Savita Singh, SOGDS and Dr. P. V. K. Sasidhar, Reader, SOEDS for admission into GPF Scheme.

74.6.1 The Finance Committee was of the view that the rules of the Govt. of India, as adopted by the University, for counting of past services for pension and terminal benefits purposes are quite clear. Accordingly the cases of counting of service in respect of Prof. Savita Singh of SOGDS and Dr. P. V. K. Sasidhar, Reader, SOEDS be examined administratively and the decision be taken accordingly at the appropriate level.

74.7 To consider and approve the creation of faculty positions for the discipline of Sustainability Science under School of Agriculture.

74.7.1 Prof. M. K. Salooja, Director, School of Agriculture (SOA) was called to present the item. Prof. Salooja informed that under Chair for Sustainable Development, a number of appreciation programmes, one PG Certificate and one PG Diploma are under development which is in addition to the two action Research Projects initiated by the Chair. The Committee noted that the Academic Council in its 52nd meeting held on 20th April, 2010, as confirmed by 106th meeting of the Board of Management held on 19th November, 2010, have approved the creation of the discipline of Sustainability Science in School of Agriculture for which the School has proposed creation of one position of Professor, two positions of Associate Professor and four positions of Assistant Professor.

74.7.2 The Committee, after deliberations, noted that the matter was not considered in the meeting of the School Board, therefore, decided that School of Agriculture should look into it afresh and follow the due procedure before the matter is submitted for creation of additional positions of faculty. The Committee also decided that such procedure should be applicable to all such cases.

74.8 To consider and approve creation of faculty positions for Mother Teresa Chair and Centre for Tibetan Studies both in the School of Social Work.

74.8.1 Prof. Gracious Thomas, Director, School of Social Work (SOSW) presented the item to the Finance Committee. Prof. Thomas informed that Prime Minister's office has communicated through MHRD, Department of Higher Education that all Central Universities establish Mother Teresa Chair as a part of centenary celebration. The Chair would focus on socially relevant programmes in the areas of philanthropy and inter-religious studies including projects targeted on leprosy persons, HIV infected, orphans, beggars etc. He also informed that His Holiness Dalai Lama has given contribution of ` 5.00 lakhs in January, 2011 to initiate academic activities in the Centre for Tibetan Studies. The School of Social Work has submitted a proposal for the creation of one position each of Professor, Associate Professor and Assistant Professor for Mother Teresa Chair and Centre for Tibetan Studies.

74.8.2 The Committee noted that there are eight vacancies, four each in Associate Professor and Assistant Professor level, in School of Social Work.

74.8.3 After detailed deliberations, the Finance Committee recommended for approval of one Professor for Mother Teresa Chair and one Professor for Centre for Tibetan Studies temporarily for a period of five years, to be reviewed in the 4th and 5th year. This would be within the already existing budgetary limits of the Chair and School of Social Work. The Committee also recommends to keep eight vacant positions of four Associate Professors and four Assistant Professors in School of Social Work in abeyance.

The Finance Committee thereafter took item Nos. 22 and 40 together as these items were related to School of Social Work.

74.22 To consider the creation of non-teaching staff positions for School of Social Work, CBCI Chair, Mother Teresa Chair and Centre for Tibetan Studies.

and

74.40 To consider and approve the creation of faculty and administrative staff positions for Social Work programmes at Regional Centre, Cochin.

74.22/40.1 These items were considered together after item No. 8. Prof. Gracious Thomas, Director, SOSW presented these items. He informed the Committee that the School of Social Work is offering twelve programmes, CBCI Chair is currently developing and maintaining BA (Philosophy) and MA (Philosophy) programmes and M.Phil and Ph.D programmes in

Philosophy are being launched from July, 2011. Centre for Tibetan Studies shall be offering B.A. and M.A. (Buddhist Philosophy) and a Diploma in Buddhist Theology. As such, School of Social Work, CBCI Chair, Mother Teresa Chair, Centre for Tibetan Studies and Cochin Regional Centre for MSW (on-campus programme), require additional non-academic staff.

74.22/40.2 Finance Committee was also informed that a Committee constituted by Board of Management consisting of Registrar (Admn.), Finance Officer, Director (ACD) and Director (SOSW) in its meeting held on 22nd March, 2011 recommended for additional staff of one Section Officer and one Senior Asstt. in SOSW and one Asstt. Registrar at Cochin Regional Centre for MSW (On-campus Programme). Other non-academic positions at CBCI Chair, Mother Teresa Chair and Centre for Tibetan Studies and Cochin Regional Centre for MSW (On-campus Programme) have been recommended by engaging staff on contract.

74.22/40.3 The Finance Committee, after deliberations, recommended as under:

- i) Additional positions can be created only for self-sustaining teaching/training programmes subject to budgetary allocation.
- ii) Additional positions for administrative staff should be kept at minimum level. Keeping in view the general principle, administrative staff consisting of one Section Officer, one Assistant and one Computer Operator are recommended for creation in School of Social Work temporarily for a period of five years. These positions need to be reviewed in the 4th & 5th year for continuation or otherwise.

74.9 To consider and approve the enhancement of budget provision under head “Recruitment Staff” of Administration from ` 50.00 lakhs to ` 2.50 Crores.

74.9.1 Registrar (Admn.) presented this agenda item. The Finance Committee was informed that a total number of 131 vacant positions of Multi-Tasking Staff (group ‘C’) sanctioned at Headquarters and at Regional Centres, are to be filled-up. The number of applicants are expected to be very high in view of the eligibility criteria of 10th standard only. For screening, short-listing, conduct of written examination, University may have to hire the services of some outsource agency for which a budget provision need to be enhanced from the present ` 50.00 lakhs to ` 2.50 crores in BE 2011-12 under the head “Recruitment of Staff”. The Finance Committee was also informed that the processing fee @ ` 100/- for General and OBC candidates would generate sufficient revenue.

- 74.9.2 Finance Committee was also informed that during the last recruitment held in the year 2009, University paid ` 1.25 crores to the outsource agency i.e. EdCIL and generated ` 1.05 crores on account of processing fee of applications.
- 74.9.3 The Finance Committee, after deliberation, recommended for enhancement of budget provision from ` 50.00 lakhs to ` 2.50 crores under the head "Recruitment of Staff" in BE 2011-12. However, it reiterated that the approval of the Finance Committee is only for enhancement of budget allocation . Recruitment need to be carried out by the University after following the due procedure.
- 74.10 To consider and approve the budget estimates for the year 2011-12 in respect of Centre for Bhojpuri Language, Literature and Culture.**
- 74.10.1 Prof. Shatrughna Kumar presented the agenda item. He informed the Finance Committee that the work for different courses in Bhojpuri language has been initiated and work is in progress for certificate course in Bhojpuri language.
- 74.10.2 The Finance Committee noted that no budget allocation has been made for the Centre. The Committee, after deliberations, approved the budget allocation under various heads as proposed aggregating to ` 67.00 lakhs for Centre for Bhojpuri Language, Literature and Culture in BE 2011-12.
- 74.11 To report the Action Taken by F&A Division on the decisions of the Committee constituted under the chairmanship of Prof. P. R. Ramanujam, PVC on 25% curtailment of administrative expenses.**
- 74.11.1 The Secretary apprised the Finance Committee that the Vice-Chancellor constituted a committee under the chairmanship of Prof. P. R. Ramanujam, Pro-Vice-Chancellor for devising measures so that the administrative expenditure of the University can be reduced by 25% for the financial year 2010-11. The Secretary also informed the Committee about the economy measures recommended by the Committee for reducing the administrative expenditure.
- 74.11.2 The Finance Committee noted the measures taken by the University on the recommendations of the Committee constituted by the Vice-Chancellor for reducing the administrative expenditure.

- 74.12 To report the summary of expenditure/utilization of funds under Plan and Non-Plan.**
- 74.12.1 The Secretary presented the agenda item to the Finance Committee. The Finance Committee was informed that the expenditure upto 31st March, 2011 is only tentative expenditure. The Final position would be available as and when final accounts of the University are submitted to the Finance Committee for consideration. However, Finance Committee pointed out that in the Plan expenditure, only “Development Grant to IGNOU other than NER” is showing good utilization of funds, whereas in other heads, expenditure has not been up to the mark. This is especially so in case of “Assistance to SOUs” and “Development Grant to IGNOU in NER”. An analysis of the issue why the expenditure under these heads is not upto the desired level be carried out and devise measures to ensure better utilization of funds under these heads.
- 74.12.2 The Finance Committee also pointed out that under the revenue expenditure in Non-Plan, the expenditure is only 56% of the RE 2010-11. It appears that the budget estimates prepared by the University are not realistic in nature. Henceforth, more realistic budget estimates may be prepared and submitted for approval.
- 74.13 To report the Action Taken on re-appropriation of funds since last meeting of the Finance Committee.**
- 74.13.1 The Finance Committee noted the re-appropriation of funds from one head of account to the other by the University since last meeting of the Finance Committee under Development Funds (Plan) and Operational Funds (Non-Plan).
- 74.14 To consider the Income & Expenditure Account for the quarter ending 30th June, 2010 of the financial year 2010-11.**
- 74.14.1 The Secretary presented the agenda item. Receipt & Payment Account and the Income & Expenditure Statement for the 2nd quarter ending 30th September, 2010 was also laid on the table.
- 74.14.2 The Committee took note of the Income & Expenditure Account of the University for the 1st quarter ending 30th June, 2010 and 2nd quarter ending 30th September, 2010 of the financial year 2010-11.
- 74.14.3 The Committee, however, desired when the final accounts of the University for the financial year 2010-11 would be prepared and submitted to the Finance Committee and the Board of Management. The Secretary informed

that the final accounts of the University expected to be compiled by 25th May, 2011 and would be submitted to the Finance Committee by 30th May, 2011.

74.15 To consider and approve the audited Annual Accounts of the University for the financial year 2009-10 and the comments on the observations made by the Director General of Audit Central Expenditure, New Delhi.

74.15.1 The Finance Committee noted that the final accounts of the University for the Financial Year 2009-10 duly approved by the Finance Committee and Board of Management have been audited by DGACE and audit certificate contained in the SAR alongwith management letter issued.

74.15.2 The Committee also noted the comments of the University against each observations of DGACE as given in the enclosed statement. The Committee pointed out that response to some of the audit observations should have been more specific than what has been furnished by the University. The Committee also took note of the large number of outstanding sponsored projects without any transactions as given in Schedule 3.7 (B) of the Annual Accounts 2009-10. The Secretary informed that action has already been initiated in the Division for identifying the projects that has no transactions for many years and would be recommended for final closure.

74.15.3 The Finance Committee recommended to approve the comments of the University to the SAR on accounts of the University by the Board of Management and for onward transmission of accounts and the audit certificate alongwith observations of the Board of Management to the Visitor in terms of provision under Section 29 (ii) of IGNOU Act through MHRD. These documents shall also be placed before both the Houses of Parliament and thereafter sent for publication in the Gazette after receiving communication from MHRD.

74.16 To consider and approve the creation of academic and non-academic positions for Centre for Corporate Education, Training & Consultancy (CCETC).

74.16.1 Prof. P.R.R. Nair, OSD, CCETC presented the agenda item. He explained about the MBA regular programme having been launched at Regional Centre, Cochin from July, 2010. The classes are being run with the help of Consultants, Asstt. Regional Director and Regional Director. In order to run the programme effectively, Centre has proposed for creation of two faculty positions and three non-academic positions.

74.16.2 The proposal was taken up. The Committee noted that the revenue of the CCETC annually (it is established in 2008 only) ₹ 2.31 crores and the expenditure is ₹ 0.19 crores only. It was also noted that the entire revenue from the corporate or industrial sector for very specific teaching, training and capacity building programmes sponsored or tailor-made for the corporate. Each and every programme is not only self-sustaining, much revenue generating and the Centre-Management Committee which consists of equal representatives from the University and corporate oversees the financial viability, corporate relevance and the value creation of such programmes.

The FC considered the proposal and decided not to create any permanent positions of faculty. The two core faculty positions and 3 non-academic positions proposed should be in line with resolution 74.13 in this meeting. The F.C. resolved accordingly.

74.16.3 The FC decided that the following procedure be adopted for creating the positions of any kind, whether it be academic, administrative, part-time/full-time, or consultancy in nature.

- i) The School/Centre/Unit proposing the posts should first get the academic clearance from the School/Centre/Unit and the academic Council for all the teaching positions.
- ii) The posts should have been budgeted. Any new proposal which is not budgeted be considered only after the budgeting process is over.
- iii) The School/Unit/Centre should have already acquired sufficient financial resources to support the newly proposed posts in terms of fee generation, corporate consultancy, sponsorship.
- iv) All posts newly created shall be of a temporary nature, for a period of 5 years, as delineated under 74.1.3 in this meeting.

The proposals before the FC conforming to the above stipulations of financial viability, sustainability, academic and administrative clearance and approved budgetary allocation may be placed before the BoM.

74.17 To consider and approve the budget proposal for conducting the Term-end Examination – June, 2011, by the Special Examination Unit established under NCDS.

74.17.1 Dr. Arun Banik, Director, NCDS presented the agenda item. The Finance Committee was informed that there is an MoU with RCI which is in operation since October, 2010. First semester examination was also conducted from 7th February to 11th February, 2011. The Finance Committee noted that NCDS has not given the details of the budget in the proposal.

74.17.2 The Finance Committee approved, in principle, the budget allocation with the condition that the details would be furnished by NCDS for consideration and examined by the F&A Division in the next meeting of Finance Committee.

74.34 To consider and approve Computer Division request for budget allocation in BE 2011-12 for NKN VPN.

74.34.1 Dr. V. S. P. Srivastava, Head (CD) presented this agenda item and gave the details of the scheme.

74.34.2 The Finance Committee, after deliberations, was of the opinion that IGNOU Campus at Headquarters and Regional Centres directly run by IGNOU should be treated as independent establishments (analogues to affiliated colleges) under the scheme as it is applicable to the University and the Colleges under NME-ICT project of MHRD. The Committee was also of the opinion that the suggested proposal may be slightly costlier, but the services would be much better. The Committee was also of the opinion that this scheme may be restricted upto Regional Centre level only as most of the Study Centres are in recognized Colleges which would otherwise be covered under the said scheme separately.

74.34.3 The Finance Committee recommended that the budget proposal based on the suggestion be worked out and submitted to the Vice-Chancellor for approval.

74.42 To consider and approve the guidelines for the management of projects in IGNOU as recommended by a Committee constituted by the Vice-Chancellor.

74.42.1 The Finance Committee, after deliberations, approved the guidelines as given in the Annexure for management of projects in IGNOU.

It was decided that all the remaining items would be examined first by the University and thereafter only those items which require to be presented to the Finance Committee be placed in the next meeting of the Finance Committee.

The meeting ended with a Vote of Thanks to the Chair.

(V. N. Rajasekharan Pillai)
Vice-Chancellor & Chairman, FC