

**MINUTES OF THE 77<sup>th</sup> MEETING OF THE FINANCE COMMITTEE HELD ON 26<sup>th</sup> December, 2011 AT 11.30 A.M. IN THE BOARD ROOM, VICE CHANCELLOR'S BLOCK**

The following were present:

1.	Prof. M. Aslam	Vice-Chancellor	Chairman
2.	Prof. Naval Kishore	Director (SOMS)	Member
3.	Shri Anant Kumar Singh, JS (DL)	Joint Secretary, (CU&L)	Member
4.	Shri. A.N. Jha	Joint Secretary & Financial Adviser (HRD)	Member
5.	Shri M. P. Gupta	Addl. Secy. (Retd.)	Member
6.	Shri L. M. Pandey	Finance Officer	Secretary

Shri U.S. Tolia, Registrar (Admn) attended the meeting as a Special Invitee.

Shri T. K. Kaul, Deputy Registrar; Shri S. K. Sharma, Deputy Registrar; and Shri Kamaldeep Singh Bhatia, Asstt Registrar were present to assist the Committee.

The Finance Officer welcomed Prof. M. Aslam, Vice-Chancellor on behalf of the Finance Committee for chairing the meeting for the first time.

The Chairman placed on record appreciation and thanks to the outgoing Vice-Chancellor, Prof. V. N. Rajasekharan Pillai who demitted office on 20<sup>th</sup> October 2011. The Chairman also placed on record appreciation and thanks to Dr. Latha Pillai, former Pro-Vice-Chancellor and Prof. Manohar Lal for their contributions in the Finance Committee meetings before demitting office or completing the term. The Chairman welcomed Prof. Nawal Kishore, Director, SOMS as a new member to the Finance Committee.

The Chairman informed the members of the Finance Committee that STRIDE in co-ordination with the Finance & Accounts Division conducted a one day workshop for Directors of Schools and Centres about the role of Drawing & Disbursing Officers in IGNOU. A number of measures have also been taken for keeping the wasteful expenditure under check and streamlining the system and procedures.

The Chairman thereafter requested the Secretary to present the agenda items. The following agenda items were presented:

**FC 77.1 To confirm the minutes of the 76<sup>th</sup> meeting of the Finance Committee held on 12<sup>th</sup> July, 2011.**

77.1.1 The Secretary informed that the minutes of 76<sup>th</sup> meeting of the Finance Committee were circulated to all the members. No comments have been received from any of the members.

77.1.2 Registrar (Admn.) pointed out that under item No. 4, Vice-Chancellor had also constituted a committee under the chairmanship of Prof. Manohar Lal for looking into anomalies in UMS/MACP schemes in the computer cadre. Since the scheme of UMS/MACP is a regular scheme approved by the Board of Management, no separate agenda was brought in Finance Committee.

77.1.3 The Secretary proposed that the minutes of the 76<sup>th</sup> meeting held on 12<sup>th</sup> July 2011 may be confirmed.

77.1.4 The minutes of the 76<sup>th</sup> meeting held on 12<sup>th</sup> July 2011 were confirmed.

**77.2 To consider and approve the shifting of activities from Plan to Non-Plan Account established during the fag end of the 10<sup>th</sup> Plan (2002-03 to 2006-07) and in the 11<sup>th</sup> Plan (2007-08 to 2011-12).**

77.2.1 The Secretary informed the Finance Committee that during the 11<sup>th</sup> Plan period, a number of new activities were initiated in the University. Apart from it, there were some activities of the 10<sup>th</sup> Plan period which were carried forward in the 11<sup>th</sup> Plan. In all 39 activities as listed in the annexure to the agenda item were either carried forward from the 10<sup>th</sup> Plan or initiated during the 11<sup>th</sup> Plan period. Out of these, 6 activities have been initiated in the 10<sup>th</sup> Plan and carried forward to the 11<sup>th</sup> Plan. Though, most of the activities initiated have stabilized and need to be shifted to the Non-Plan during the year 2012-13, yet some activities which have been initiated during the last a few years of the 11<sup>th</sup> Plan have not stabilized as yet and are proposed to be retained in the Plan. A total of 26 activities initiated upto 2008-09 are, therefore, proposed to be shifted from Plan to Non-Plan in 2012-13 and the remaining 13 activities initiated since 2009-10 are proposed to be retained in the Plan. The overall impact of shifting of activities from Plan to Non-Plan for the 26 activities would be ₹ 27.16 crore in BE 2012-13 and the financial impact of the activities to be retained in Plan (13 activities) would be ₹ 7.69 crore in BE 2012-13.

77.2.2 The Secretary also informed that the Planning Board in its meeting held on 22<sup>nd</sup> September 2011 have accepted in principle the proposed shifting of activities and recommended to the Board of Management for approval. The Board of Management in 110<sup>th</sup> meeting held on 7<sup>th</sup> October 2011 directed that the agenda of shifting of activities may be placed before the Finance Committee for recommendation.

77.2.3 The matter was discussed in details. The Finance Committee recommended that all the activities of 10<sup>th</sup> Plan which were carried over to the 11<sup>th</sup> Plan and those activities initiated during the 11<sup>th</sup> Plan upto 31<sup>st</sup> March 2009 may be shifted to Non-Plan and for those activities which have been initiated during the years 2009-10, 2010-11 and 2011-12 be retained in Plan. It was also recommended that the shifting of the activities from Plan to Non-Plan would involve salary, administrative expenses and those items which have been completed. Any new activity under these Units would continue to be initiated in Plan. It was also clarified that schemes of Govt. of India which continue to remain in the Plan and in operation in IGNOU need to be kept in the Plan estimates only.

### **77.3 To consider and approve the Revised Estimates 2011-12 and Budget Estimates 2012-13.**

77.3.1 The Secretary made a presentation to the Finance Committee about the proposals in RE 2011-12 and BE 2012-13. It was pointed out that for Development Fund (Plan), BE 2011-12 was proposed for ₹528.92 crore. The MHRD allocated ₹ 100.00 crore under four heads viz. ₹45.00 crore as Development Grant to IGNOU other than NER; ₹ 5.00 crore as Development Grant to IGNOU in NER; ₹ 45.00 crore as Assistance to SOUs other than NER and ₹ 5.00 crore as Assistance to SOUs in NER. To the allocation made by the MHRD under Development Grant to IGNOU other than NER and Development Grant to IGNOU in NER, IGNOU also contribute its share which is in the ratio of 70:30 by MHRD and IGNOU for Development Grant to IGNOU other than NER and in the ratio of 30:70 by MHRD and IGNOU for Development Grant to IGNOU in NER. The RE 2011-12 under Development Fund (Plan) has been proposed at ₹432.97 crore and BE ₹432.68 crore. For the Operational Fund (Non-Plan), the revenue realization in RE 2011-12 is estimated at ₹625.78 crore which includes carry forward of previous years balance of ₹134.75 crore. The expenditure is estimated at ₹508.00 crore. The revenue realization in BE 2012-13 is estimated at ₹ 699.48 crore which includes carry forward of ₹117.00 crore. Against this, the expenditure is estimated at ₹ 545.92 crore. A budget provision of ₹ 32.00 crore each in RE 2011-12 and BE 2012-13

have been made in the Operational Fund (Non-Plan) towards IGNOU's share for the Plan activities.

- 77.3.2 The Finance Committee also observed that a large number of programmes have been launched by the University by such Units (Centres, Regional Centres) without following due procedures which may result in dilution of standards and quality. It was also observed that no Unit be created in the University without following the due procedure as provided under the Act and Statutes. The Finance Committee also observed that the enrolment of students under various programmes be reviewed. The University may develop and offer only those programmes which have social and financial viability. Those programmes which do not have the viability, either social or financial, may be dropped. While launching any new programme, due procedure need to be followed. Sustainability of the Schools need also to be worked out, so that no School thrives on the income generated by other School. Some other observations of the members were :
- a) More Study Centres be opened in backward areas;
  - b) Sharing of Study Material by IGNOU and SOUs.

- 77.3.3 The Finance Committee, after discussion, recommended for approval by the Board of Management the proposed RE 2011-12 and BE 2012-13 under both Development Fund (Plan) and the Operational Fund (Non-Plan) with the overall ceiling as under:

Development Fund (Plan) RE 2011-12 for ₹ 432.97 crore and for BE 2012-13 at ₹432.68 crore. For Operational Fund (Non-Plan) RE 2011-12 at ₹508.00 crore and for BE 2012-13 at ₹ 545.92 crore with estimated receipts of ₹625.78 crore for RE 2011-12 which includes carry forward of previous year balances of ₹134.75 crore and ₹699.48 crore for BE 2011-12 which includes carry forward of ₹117.00 crore. The estimated receipts are the internal generation of funds by the University.

**77.4 To consider and approve enhancement of remuneration/honorarium for conduct of Ph.D/M.Phil Viva-voce.**

- 77.4.1 The Secretary informed that the Research Council in its 18<sup>th</sup> meeting held on 26<sup>th</sup> July 2011 has proposed that the remuneration for Ph.D Viva-Voce be enhanced to ₹2,000/- and for M.Phil Viva-Voce to ₹1,000/-. The Finance Committee was informed that proposal was made keeping in view the fact that when same expert come to attend other meeting, they are paid ₹2,000/- as sitting fee.

77.4.2 The Finance Committee, after discussion, decided that the rates for such items in the nearby Universities like JNU, DU or the rates prescribed by the

UGC be obtained and if they are in consonance with the proposed rates, they may be implemented.

Before item No. 5 was taken-up, Prof. M. Aslam, Chairman withdrew from the meeting. In his place, Shri M. P. Gupta was requested to chair the meeting.

**77.5 To consider the re-imburement of 1/3<sup>rd</sup> honorarium of Prof. M. Aslam, SOCE.**

77.5.1 The Secretary informed that Prof. M. Aslam was designated as Project Leader of IGNOU-MOPR-UNDP Project on “Capacity Building of Panchayati Raj Institutions” vide office order No. 301 dated 15<sup>th</sup> November 2007. Prof. Aslam was sanctioned an honorarium of ₹20,000/- per month by UNDP for this assignment which was allowed to him by the University vide office order No. 816 dated 15<sup>th</sup> July 2008 with the following conditions :

- i) Prof. Aslam will avail of leave due to him, if needed, to carry out the work related to the assignment;
- ii) Prof. Aslam will remit 1/3<sup>rd</sup> of the honorarium received by him;
- iii) The honorarium received by Prof. Aslam will not be subject to 1/3<sup>rd</sup> cut, if a report or paper is produced at the end of the assignment in which he is aided by the knowledge acquired by him during the course of his service;
- iv) The honorarium is payable from the project funds not exceeding the project allocation and not affecting the project activities.

77.5.2 The duration of the project assignment was from October 2007 to December 2009 (27 months). Prof. Aslam was paid ₹13,330/- per month as honorarium after deducting 1/3<sup>rd</sup> from the monthly honorarium of ₹20,000/- . Prof. Aslam represented against 1/3<sup>rd</sup> cut on the honorarium paid to him for the assignment and listed out the following outcome of the project in favour of his claim for re-imburement.

- i) 25,000 sets each of the 11 booklets were finalized, translated, printed and 3,500 sets each were sent to all the 6 participating states for distribution among elected members of Panchayats.
- ii) Six video programmes were produced and duplicated for distribution. 200 sets of 6 programmes were prepared. 25 sets each of these 6 programmes were sent to all the six states in February – March, 2010.
- iii) Three training of trainers (TOT) programmes were conducted under the project for capacity building of the collaborating institutions.

- iv) Six States Specific Panchayat Acts, as a part of State Specific component for the multi-media package were finalized and printed by all the six participating states and distributed.
- v) A hardware mapping of 4 districts in each of the six states was completed and the final consolidated report was prepared, printed and distributed.
- vi) The blue prints of training manuals prepared during TOT programme were finally converted into State Specific Training Manuals and printed by collaborating institutions (CIs).

He has also pointed out that there were 2000 sets in Hindi kept aside for introducing non-credit Certificate Programmes to be offered to Sarpanches. Another programme which has been sponsored under the project is Diploma in Panchayat Level Administration and Development. Both the certificate and diploma programmes were the outcome of the knowledge and experience gained by Prof. Aslam while working on the project.

77.5.3 The Finance Committee had a detailed discussion on the issue. The Finance Committee was of the view that since the condition No. (iii) of the office order No. 816 dated 15<sup>th</sup> July 2008 is fully satisfied, therefore, recommended for re-imbursement of 1/3<sup>rd</sup> cut on the honorarium paid to Prof. M. Aslam.

After the Item No. 5 was deliberated and decided upon by the Finance Committee, Prof. M. Aslam, Vice-Chancellor/rejoined and resumed the chairmanship of the meeting.

**77.6 To consider and approve revision of rates and norms of payment for providing support service to the Learner Support Centres.**

77.6.1 Dr. T. R. Srinivasan, Joint Director, RSD was called to present the agenda item. He informed that the norms for payment for providing support services to the learners at the Study Centres etc., were last revised in 2007. They have been facing difficulties in engaging experienced academic counselors for conduct of theoretical and practical counseling sessions on the current payment norms. Also the Coordinators of the Study Centres find it difficult to get the Asstt. Coordinators and other functionaries at the Study Centres on such norms.

77.6.2 Consequent upon revision of the UGC pay scales, Director, RSD constituted a committee for recommending revision in the rates of payment for providing support services to the learners which recommended for enhancement of various rates of payment. The committee has pointed out that the financial burden on account of the revision of these rates would be ₹ 35.00 crores per annum. The committee also recommended enhancement of fee from July 2012 cycle.

77.6.3 The Finance Committee, after deliberations recommended for the enhancement of rates proposed for payment for support services at Study

Centres/Programme Study Centres and also the revision of rates of honorarium of various activities of B.Ed held at Work Centres and Workshops. However, the recommendations were subject to rationalization in revision in the rates between these two categories and clearance of enhancement of fee by the Academic Council.

**77.7 To consider and approve creation of academic positions for the Centre for Traditional Knowledge Systems (CTKS).**

77.7.1 The Secretary presented the agenda item for creation of academic positions for Centre for Traditional Knowledge Systems (CTKS) and informed that the Academic Council in its 55<sup>th</sup> meeting held on 5<sup>th</sup> April 2011 recommended for creation of two positions of Deputy Directors and four positions of Assistant Directors.

77.7.2 The Finance Committee during discussions desired to know the statutory provisions under which the Centre has been created. The Finance Committee was informed that some rationalization is required to be carried out in the functioning, scope and other activities of some of the Centres for which a committee is being constituted. The University may await recommendations of that committee and its acceptance or otherwise by the appropriate bodies of the University. The substantive positions or staff need not be created till that time. However, till such time the Centre may carry out the work with the help of academic consultants.

**77.8 To consider and approve the delegation of the responsibilities of disbursement to Asstt. Registrars in Schools/Centres.**

77.8.1 The Secretary informed that from 1<sup>st</sup> April 2009, Directors of Schools and Heads of Centres (except EMPC) were given the responsibilities of disbursement officers in addition to the drawing officers which were already vested with them. Since then, all the Directors of Schools and Heads of Centres are functioning as drawing and disbursement officers for the activities of their respective Schools and Centres. Detailed guidelines have been issued to the Directors of Schools and Heads of Centres on 31<sup>st</sup> March 2009 and 1<sup>st</sup> June 2009. In the circular dated 1<sup>st</sup> June 2009, Directors of Schools and Heads of Centres were advised to keep the drawing of the bills and the disbursement of payments separate with one part with the Director and the other part to be delegated to the Asstt. Registrar posted at the School

and Centre. However, this matter was left to the individual judgement of the Director of School/Head of the Centre concerned. A number of Schools and Centres have kept the drawl and disbursement of bills as separate, whereas in

other cases Directors of Schools/Heads of Centres continue to have both drawing and disbursement functions. In order to maintain uniformity amongst all Schools and Centres, it is proposed that the Directors of Schools/Heads of Centres may function as the drawing offices with respect to the operational activities of the concerned School/Centre. The Asstt. Registrar posted in the School/Centre may function as the disbursing officer for the same. In case no Asstt. Registrar is posted in a School/Centre, the drawing and disbursement functions shall vest with the Director of the School/Head of the Centre.

77.8.2 The Finance Committee, after deliberations, recommended for approval by the Board of Management, the proposed delegation of responsibility of disbursement to Asstt. Registrars posted in the Schools and Centres.

**77.9 To consider the Income & Expenditure Account for the first quarter ending 30<sup>th</sup> June, 2011 of the financial year 2011-12.**

**and**

**77.10 To consider the Income & Expenditure Account for the half-year ending 30<sup>th</sup> September 2011 of the financial year 2011-12.**

77.9.1

& 77.10.1 The Secretary informed that the Trial Balance generated through ODL Soft (ERP) for the 1<sup>st</sup> quarter ending 30<sup>th</sup> June 2011 of the financial year 2011-12 containing Receipts & Payments and Income & Expenditure Accounts have been prepared. Also the Receipts & Payments and Income & Expenditure Accounts have also been prepared for the half year ending 30<sup>th</sup> September 2011.

77.9.2

& 77.10.2 The Finance Committee was appreciative of the efforts of Finance Division in preparing the Quarterly Accounts for the 1<sup>st</sup> and 2<sup>nd</sup> quarters. The Finance Committee recommended for approval of the Receipts & Payments and Income & Expenditure Accounts for the 1<sup>st</sup> and 2<sup>nd</sup> quarters ending 30<sup>th</sup> June 2011 and 30<sup>th</sup> September 2011 respectively.

**77.11 To consider and approve the audited Annual Accounts of the University for the financial year 2010-11 and the comments on the observations made by the Director General of Audit Central Expenditure, New Delhi.**



- 77.11.1 The Secretary informed that the Annual Accounts of the University for the financial year 2010-11 were approved by the Finance Committee in its 76<sup>th</sup> meeting held on 12<sup>th</sup> July 2011 and subsequently considered by the Board of Management by circulation and accorded specific approval on 12<sup>th</sup> August 2011. The Annual Accounts have been audited by the audit team from Director General of Audit Central Expenditure (DGACE) and issued the audit certificate & the Separate Audit Report (SAR). A copy of the Audit Certificate was placed alongwith the agenda item.
- 77.11.2 The Finance Committee was informed that as per Section 29 of IGNOU Act, a copy of the accounts together with the Audit Report has to be submitted to the Visitor alongwith the observations, if any, of the Board of Management and a copy of the accounts together with the Audit Report is to be submitted to the Central Govt. also, which shall cause it to be laid before both the Houses of Parliament.
- 77.11.3 The Finance Committee, after deliberations and going through the replies furnished by the University to the Separate Audit Report (SAR) recommended for approval of the audited annual accounts for the financial year 2010-11 of the University by the Board of Management so that it can be submitted to the Visitor and also to MHRD for laying before both the Houses of Parliament.

**The meeting ended with a vote of thanks to the Chair.**

**(M. Aslam)**  
**Vice-Chancellor & Chairman, FC**