

MINUTES OF THE 85th MEETING OF THE FINANCE COMMITTEE HELD ON 14th NOVEMBER, 2014 AT 4:00 P.M. IN THE BOARD ROOM, NEW VCO BLOCK, IGNOU CAMPUS, MAIDAN GARHI, NEW DELHI.

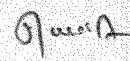
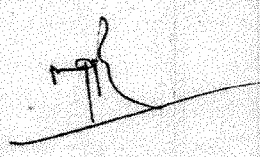
The following were present:

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|----|-------------------------|------------------------------|-----------|
| 1. | Prof. M. Aslam | Vice-Chancellor | Chairman |
| 2. | Prof. Nageshwar Rao | Pro-Vice-Chancellor | Member |
| 3. | Prof. P. Srinivas Kumar | Director, SOET | Member |
| 4. | Shri M.P. Gupta | Additional Secretary (Retd.) | Member |
| 5. | Shri L.M. Pandey | Finance Officer | Secretary |

Shri Yogendra Tripathi, {JS&FA, MHRD} could not attend the meeting due to his pre-occupation.

Shri Aseem Kumar, Assistant Registrar was present to assist the Committee. Shri D.K. Issrani, Deputy Registrar, Shri K. S. Bhatia, Assistant Registrar and Shri U.C. Bisht, Assistant Registrar were also present to assist for the presentation.

The Secretary welcomed the Chairman and other members to the 85th Meeting of the Finance Committee. The Chairman also welcomed the new member Prof. P. Srinivas Kumar and other members of the Finance Committee to its 85th meeting and with the permission of the Chair the Secretary then presented the agenda items. The following agenda items were presented and deliberated upon:



डॉ. जे. डी. गंगवार
नियंत्रण अधिकारी, इग्नू
Dr. J. D. Gangwar
Finance Officer, IGNOU

FC 85.1 To confirm the Minutes of 84th Meeting of the Finance Committee held on 4th June, 2014.

85.1.1 The Secretary informed the Committee that no comments were received on the minutes of the 84th Meeting of the Finance Committee except in respect of Item No. 84.1 for which a letter F.No.5-69/2104-DL dated 14.11.2014 has been received from MHRD. The Committee was informed about the contents of the letter.

85.1.2 The Committee observed that the revival of the post of Joint Registrar was mainly on the ground of essentiality and administrative exigency. The Committee also felt that the case of IGNOU cannot be compared with that of other central universities which have their limited sphere of activities around the place they are situated. While as Indira Gandhi National Open University has 67 Regional Centres and 2667 Study Centres spread across the country. As such, the University needs to put in place specific administrative arrangements to accomplish its objectives which at times are distinguishable from the other universities. Therefore, proposed revival was purely on the basis of operational requirements and for smooth functioning of the University's operations.

Further the revival of these four posts of Joint Registrar out of nine posts had insignificant financial implications, as they are being operationalised at Deputy Registrar level. It is keeping this in view, the Establishment Committee and the Finance Committee recommended the revival of four posts of Joint Registrars and Board of Management approved the same.

The Committee recommended that the letter dated 14.11.2014 received from MHRD be placed before the ensuing meeting of Board of Management for its consideration.

85.1.3 With the above observations, the minutes of the 84th Meeting of the Finance Committee held on 4th June, 2014 were confirmed.

FC 85.2 Action Taken Report in respect of 84th Meeting of the Finance Committee.

85.2.1 The Secretary presented the Action Taken Report as given against each item in the agenda note.

85.2.2 The members of the Finance Committee noted the Action Taken Report and appreciated for completing the internal audit of 61 Projects, whose balances have already been transferred to IGNOU Non-Plan Account and for timely completion of audit of Annual Accounts for the Financial Year 2013-14 by the DGACE.

FC 85.3 To consider the Audited Annual Accounts of the University for the Financial Year 2013-14.

85.3.1 The Secretary informed the Committee that after the recommendations and confirming the minutes under 84.4.3 in the 84th Meeting of the Finance Committee, the Annual Accounts of the University for the Financial Year 2013-14 were approved by the Board of Management in its 121st Meeting held on 21st June, 2014.

The Committee was further informed that the Annual Accounts have been audited by the Director General of Audit (Central Expenditure) vide its communication dated 21.10.2014.

85.3.2 The Committee was also informed that as per Section 29 of IGNOU Act, a copy of the audited accounts and the audit report has to be submitted to the Visitor alongwith the observations, if any, of the Board of Management. Requisite number of copies of the same are also to be submitted to MHRD for laying it before both the Houses of Parliament, once approved by the Board of Management.

85.3.3 The Committee had gone through the responses to the Paras mentioned in the Separate Audit Report and suggested few remedial/corrective measures to overcome the deficiencies being pointed out by the audit from time to time.

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85.3.4 Keeping in view of the time schedule prescribed by MHRD for submission of audited annual accounts, the Finance Committee confirmed the part minutes of this item and recommended Audited Annual Accounts for the Financial Year 2013-14 for kind approval of the Board of Management.

FC 85.4 To consider the Appropriation Accounts of the University for the Financial Year 2013-14.

85.4.1 The Secretary informed the Committee that as per Rule 10(1) of Chapter IV of the Financial Code, a statement called Appropriation Account of the actual expenditure of the University, during the preceding financial year as compared with the budget provisions for that year shall have to be prepared by the Finance Officer in the prescribed form and submitted to the Finance Committee. A similar statement shall have to be submitted in case of actual Receipts of the University during the preceding financial year as compared with the Budget Estimates for that year.

The Committee was informed that Appropriation Account for the financial year 2013-14 under Plan and Non-Plan Accounts accordingly prepared showing the Revised Estimates 2013-14, Actual of 2013-14, Variance and Variance percentage for each sub head for all Schools of studies, Centres, Divisions and Units. Variance and the variance percentage reflect the non-utilized part of the budget. The Secretary further informed that a similar statement for actual Receipts with the Budget Estimates was also prepared for consideration of the Committee.

85.4.2 The matter was discussed at length. During the discussions it was noted that there is underutilization of the approved allocated budget in respect of certain Schools/Divisions/Units etc. and it was felt that such underutilization of the budget could adversely reflect on the performance of the concerned Schools/Centres/Divisions/Units etc.

The Committee was informed that as per the existing guidelines issued by Ministry of Finance, Govt. of India, the expenditure in the last quarter of the financial year should not exceed 33% of the entire allocation for that year.




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85.4.3 The Committee, therefore, suggested that a periodic review of budget utilization preferably at the end of each quarter be made and a report thereof be submitted to the Vice Chancellor. The Committee further suggested to have a periodic review of the existing programmes and courses at an appropriate forum and necessary instructions as deemed fit may be issued to match programme performance with the budget utilization from time to time.

The Finance Committee also suggested that the services of an expert could be availed to orient concerned officers/ Directors/functionaries about the performance audit.

85.4.4 With the above suggestions, the Committee recommended the appropriations made by the University during the Financial Year 2013-14 for approval by the Board of Management.

FC 85.5 To consider the Revised Estimate of 2014-15 and Budget Estimate of 2015-16.

85.5.1. The Secretary informed the Committee that in accordance with the Statute 11(6) of the Statutes of the University, the Financial Estimates are placed before the Finance Committee for consideration and thereafter are to be submitted to the Board of Management for approval every year.

Accordingly, the University had prepared the Revised Estimate 2014-15 and Budget Estimate 2015-16 as per details given below:

Non Plan

	Estimated Revenue Realization	Estimated Budget provision
Revised Estimate 2014-15	771.80 Crore*	660.83 Crore
Budget Estimate 2015-16	733.12 Crore*	649.56 Crore

* Includes the carry forward balances of the previous year and the token grant of Rs.1 Crore from MHRD.

Plan

	Grant assured by MHRD	Estimated Budget Provision
Revised Estimate 2014-15	100.00 Crore	249.62 Crore
Budget Estimate 2015-16	100.00 Crore	289.36 Crore

85.5.2

The Finance Committee appreciated the University's initiatives on the student support services, the new academic initiatives, the special measures taken for disadvantaged groups, introduction of programmes for women, the focus on the North-Eastern Region, the international role and on the technology enabled interventions.

After having the discussions over the budget details and the comments received from MHRD, the Committee recommended the Revised Estimates 2014-15 and Budget Estimates 2015-16 under the Development Fund (Plan) and Operational Fund (Non Plan) respectively for approval by the Board of Management with the overall ceiling as under:

Operational Fund (Non-Plan)

- Revised Estimates 2014-15 of ₹ 660.83 Crore against the estimated revenue realization of ₹ 771.80 Crore, (including carry forwarded balance of ₹ 200.80 Crore from previous year and ₹ 1.00 Crore token grant from MHRD).
- Budget Estimates 2015-16 of ₹ 649.56 Crore against the estimated revenue realization of ₹ 733.12 Crore, (including estimated carry forwarded balance of ₹ 110.97 Crore from 2014-15 and ₹ 1.00 Crore token grant from MHRD).

Development Fund (Plan)

- Revised Estimates 2014-15 ₹ 249.62 Crore against the assured budget allocation by MHRD for ₹100.00 Crore. The difference of ₹ 149.62 Crore (₹ 249.62 Crore - ₹ 100.00 Crore) will be met out of internal resources of IGNOU.




- Budget Estimates 2015-16 ₹ 289.36 Crore against the assured approved budget allocation by MHRD for ₹ 100.00 Crore. The difference of ₹ 189.36 Crore (₹ 289.36 Crore - ₹ 100.00 Crore) will be met out of internal resources of IGNOU.

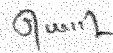
Apart from the above recommendations, a letter dated 14th November, 2014 (F.No. 5-69/2104-DL) has been received from MHRD relating to 85th meeting of Finance Committee and also enclosing therewith the guidelines issued by Ministry of Finance (OM No.7(I)/E.Coord./2014 dated 29.10.2014) on Expenditure Management. The Committee carefully examined the comments/guidelines and recommended that the guidelines of MHRD may be implemented to the extent applicable to the University and the operations of Gyan Vani and Gyan Darshan channels may be executed with the advice from MHRD.

To operationalise the Revised Estimate 2014-15 and Budget Estimate 2015-16, the Finance Committee confirmed the part minutes of this item.

FC 85.6 To decentralize the financial operations for the confidential activities of Student Evaluation Division.

85.6.1 The Secretary informed the Committee that in order to maintain strict confidentiality, Student Evaluation Division (SED) has felt a strong need for decentralization of disbursement powers in respect of confidential printing of papers and remuneration to paper setters.

85.6.2 The Finance Committee endorsed the concerns of the University and recommended for approval of the Board of Management the decentralization of disbursement of financial powers for the above activities to Student Evaluation Division w.e.f. 01.04.2015.

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85.7 Any other item

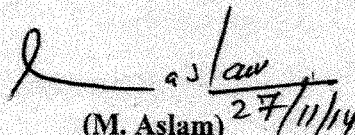
85.7.1 Revision of rates for examination activities

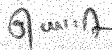
With the permission of the Chair, Registrar (SED) mentioned that increase in cost and implementation of 6th Pay Commission has necessitated the revision of rates for examination activities and that there are operational problems being faced by the Student Evaluation Division for this reason.

The Committee noted the concern shown by Registrar (SED) and suggested to prepare a comprehensive review over the of rates alongwith the Cost Analysis vs. proposed increase in examination fee.

The Committee further suggested that the agenda be placed before the Finance Committee after examining the issue at length.

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


(M. Aslam) 27/11/14
Chairman, Finance Committee



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