

**REPORT**  
**ON**  
**MONITORING OF THE FINANCIAL**  
**MANAGEMENT AND PROCUREMENT**

**RELATING TO**  
**SARVA SHIKSHA ABHIYAN**  
**(SSA, NPEGEL AND KGBV)**

**IN**  
**TAMIL NADU**

**SPONSORED BY**  
**MINISTRY OF HUMAN RESOURCE DEVELOPMENT**  
**(DEPARTMENT OF ELEMENTARY EDUCATION & LITERACY)**  
**GOVERNMENT OF INDIA**

**INSTITUTE OF PUBLIC AUDITORS OF INDIA**  
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(I)	Shri. R. Venkatesan IAS	State project director SSA 31.7.2008 to date
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(iii)	Shri.B.K. Thulasiraman	Finance consultant.

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## HIGHLIGHTS OF THE STUDY

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## **CHAPTER 1**

### **INTRODUCTION**

1.1 Sarva Shiksha Abhiyan is a comprehensive and integrated flagship programme of the GoI to attain Universal Elementary Education (UEE) in the country in a mission mode. Launched in partnership with the State Governments, SSA aims to provide useful and relevant education in the age groups of 6-14 years by the year 2010. The four SSA goals are as follows:

- (i) All children in school
- (ii) Bridging gender, regional and social gaps
- (iii) All children retained in Elementary Education
- (iv) Education of satisfactory quality

NPEGEL is a focused intervention of GOI, to reach the ‘Hardest to reach’ girls, especially those not in school. Launched in July 2003, as a separate distinct gender component, was integral component of SSA. The programme provides for development of ‘Model Schools’ in every cluster with more intense community mobilization and supervision of girls enrolment in schools. The scheme has been amended in July 2007, to provide for block focused projects for girls with clearly defined outcomes.

The KGBV scheme was launched in July 2004 (merged with SSA from XI Five Year Plan), for setting up residential schools at upper primary level for girls belonging predominantly to the SC/ST/OBC and minority communities. From 1<sup>st</sup> April 2007, this scheme was also merged with SSA as a separate component of the programme with the scope enlarged to cover the blocks

The financial assistance under these components (NPEGEL and KGBV) are to be as per the parameters of SSA i.e., in the ratio of 65:35 for the first two years of the XI Plan i.e., 2007-08 and 2008-09.

### **1.2 ORGANISATIONAL SET UP/ MANAGEMENT STRUCTURE**

As per the framework drawn for implementation of SSA Programme, there would be a State Mission Authority for Universal Elementary Education (UEE). The States have to set up the “State Level Implementation Society (SIS)”. In DPEP States, the existing Society suitably modified would meet the needs of

UEE. The SIS will carry out monitoring and operational support tasks. The District and sub district units will be set up by the State.

The Tamil Nadu Government, established on 19<sup>th</sup> January 1994, a registered Society named “TAMILNADU STATE MISSION OF EDUCATION FOR ALL” as an autonomous and independent body for implementation of the Tamil Nadu Elementary Education Project and to function as a societal mission for bringing about a fundamental change in the basic education system. The implementation of SSA in the Tamil Nadu State was entrusted to this State Mission. The authorities of the Society are the Governing Council and the Executive Committee. The Governing Council is headed by the Chief Minister, with Education Minister as Vice-President. The Executive Committee, which administers the affairs of the society, is chaired by the Secretary to Government, School Education department. The State Project office is the most crucial unit for implementation of the Programme, which has links with District and sub-district level structures, NGOS, State Government, National Bureau and all others concerned. The District Level Implementation Authority is headed by the District Collector, which implements and reviews the progress of the Programme. After the district level, there are Block level structures to provide academic support and supervision, monitor implementation at gross root level and act as a vital link between the field and the District Project Office. At the bottom, the Village Education Committee (VEC) prepares plans for local needs and monitors school level interventions and works towards community ownership of the school.

The organizational chart (visual representation) depicting the flow of authority from the State Mission to School level for successful implementation of the scheme is as under:

## **ORGANISATIONAL CHART**

**STATE IMPLEMENTATION SOCIETY (SIS) TAMILNADU STATE  
MISSION OF EDUCATION FOR ALL**

### **GOVERNING COUNCIL**

HEADED BY  
HON. CHIEF MINISTER (PRESIDENT)  
HON. EDUCATION MINISTER (VICE –PRESIDENT) AND CONSISTS OF  
CHIEF SECRETARY, SECRETARY, EDUCATION DEPARTMENT  
ALONGWITH OTHER OFFICIALS AND COMMUNITY  
REPRESENTATIVES

### **EXECUTIVE COMMITTEE**

HEADED BY  
EDUCATION SECRETARY (CHAIRMAN) AND CONSISTS OF  
REPRESENTATIVES OF DEPARTMENT OF FINANCE, PLANNING, ETC.  
ALONGWITH COMMUNITY REPRESENTATIVES

### **STATE PROJECT OFFICE**

HEADED BY  
STATE PROJECT DIRECTOR (PRINCIPAL EXECUTIVE OFFICER OF THE  
SOCIETY) JT.  
DIRECTORS, ASSISTED BY STAFF EXCLUSIVELY FOR THE PROJECT

### **DISTRICT LEVEL IMPLEMENTATION AUTHORITY**

HEADED BY  
DISTRICT COLLECTOR (CHAIRMAN) AND CONSISTS OF  
CHIEF EDUCATION OFFICER, DISTRICT COORDINATOR AND  
COMMUNITY REPRESENTATIVES

### **BLOCK LEVEL STRUCTURE**

HEADED BY  
PRESIDENT, PANCHAYAT UNION AND HAS BDO AND BRC  
SUPERVISORS AND ALL THE VEC HEADS AND COMMUNITY  
REPRESENTATIVES

### **VILLAGE EDUCATION COMMITTEE**

HEADED BY  
PANCHAYAT/ VILLAGE PRESIDENT AND HAS HEADMASTER, PARENT  
–TEACHER HEAD AND A FEW WARD MEMBERS AND COMMUNITY  
REPRESENTATIVES

### **1.3 Profile of the Institute of Public Auditors of India**

The Institute of Public Auditors of India (IPAI) is a registered society of professionals. Its main aim and objectives are to:-

- ❖ Promote education in the disciplines of auditing, finance, accounting in public bodies.
- ❖ Suggest ways for effective accounting and auditing in the Central and State Governments, Public Enterprises, Public Institutions, Government aided voluntary organizations, local bodies and authorities.
- ❖ Undertake and conduct studies, workshops, consultancy and research in these disciplines.
- ❖ Organize, finance and maintain schemes for studies and for conduct of professional examinations for the grant of diplomas, certificates and awards in these disciplines. Promote, plan and assist actively with the accounting system, auditing and financial accountability of Panchayati Raj Institutions (PRIs), Municipalities, and
- ❖ Promote highest standards of professional competence and practices in disciplines of auditing, accounting and public finance.

The Comptroller and Auditor General of India is the Patron of the Institute.

### **1.4 Scope and mandate of the study**

Government of India, Ministry of Human Resource Development has engaged the Institute of Public Auditors of India (IPAI) to review the financial Management processes, Procurement and linked operational aspects relating to Sarva Shiksha Abhiyan (SSA), National Programme for Education of Girls at Elementary Level (NPEGEL) and Kasturba Gandhi Balika Vidyalaya (KGBV) to see whether the requirements of financial management, account keeping, fund



flow and auditing are being followed or not and also to review the operational, design and planning arrangements, as per details mentioned in Terms of Reference entered into the Institute.

### **1.5 Methodology of Study**

A Team was constituted to undertake the study of Sarva Shiksha Abhiyan in Tamil Nadu (TN) and the team selected, in consultation with the SSA authorities, Erode and Thiruvannamalai Districts for detailed study.

The Team visited the State Project Office (SPO) and District Programme Coordinating Offices (DPCs) and studied the records and in addition had discussions with the District functionaries and State level functionaries viz., Project Director, Financial Officer, Financial Consultant and the team assisting them. In the field, the Team visited 56 schools including surprise visits to six schools located in 14 Blocks which included 6 schools in Tribal area (Jawathu Hills) under SSA, NPEGEL and KGBV Schemes. In addition to scrutiny of basic records at the schools, the team carried out interviews based on a structured questionnaire with the Village Education Committee (VEC) President, Head Masters, Teachers, parents and students. The names of schools visited are indicated in the attached Annexure-I.

The report has been prepared in accordance with the mandate given by the client organization and within the overall policy framework of reporting laid down by the Central Council of the Institute. **Observations/suggestions made in the study by the Institute of Public Auditors of India do not in any manner have any link with the possible audit findings of the Indian Audit and Accounts Department.**

## **CHAPTER - 2**

### **SARVA SHIKSHA ABHIYAN**

2.1 Sarva Shiksha Abhiyan (SSA), as a time-bound Programme in Mission Mode was launched in the year 2001-2002 to consolidate and improve the District Primary Education Programme (launched earlier in 1994 -95 in selected districts) with time bound targets for

- (i) 100percent enrollment by 2003
- (ii) Five years of Primary schooling by 2007
- (iii) Completion of universal retention by 2010 with education of satisfying quality bridging gender and social category gaps
- (iv) and contemplates
  - (a) Habitation based Planning
  - (b) Community based Monitoring
  - (c) Special focus on deprived groups
  - (d) Stress on quality of elementary education.

Annual Work Plan and Budget at District level forms the basic data for scrutiny of State/Central Government and for sanction of funds.

#### **2.2 PLANNING STRATEGY**

1. District based, decentralized, context specific planning and implementation strategies.
2. Linkages with the social sector schemes of various agencies

#### **2.3 IMPLEMENTATION STRATEGY**

##### **At Village Level**

Involvement of Village Educational Committees (VECs)  
PRIs  
Community leaders,  
Teachers and  
Parents.

##### **At District Level**

Involvement of Representatives of various Departments like Education, Health, Public Works, Social Welfare, Tribal Welfare, Women and Child Development.

It is necessary that there should be documentation of the process of the preparation of habitation level plans to evidence the fact that they have been prepared at the habitation level through participatory planning. These aspects have been analysed in the chapter on Planning Process.

## **2.4 ROLE OF VILLAGE EDUCATION COMMITTEES (VECs)**

Village Education Registers to be maintained

Annual Census to be taken

Enrolment of 100percent 6-14 years of age children to be ensured

Periodical Meetings: to be conducted

Resolutions to be kept on record.

Cash Book,

To be maintained by Head Master who is the

Asset Register etc.,

Secretary VEC.

VEC and School.

They are one and the same unit. All records of VEC are maintained by the Head Master in the School.

During visits of the schools, the team checked all the records of the school and VEC, maintained by the Head Master. There is no separate existence of the VEC apart from the school for which the VEC functions as the Administrative Body.

## **2.5 BLOCK RESOURCE CENTRES (BRCs)**

### **CLUSTER RESOURCE CENTRES (CRCs)**

These centres are controlling units for the schools in their jurisdiction and are responsible for

- (i) Planning
- (ii) Programme implementation
- (ii) Supervision
- (iii) Teachers Training.

## **FORMATION OF TANSMEA.**

2.6 The Government of Tamil Nadu ordered the formation of a Society “Tamil Nadu State Mission of Education for All (TANSMEA)” in January 1994 for

implementation of the “District Primary Education Programme” in select districts. It was registered at Sl.No 76 of 1994 with the Registrar of Cooperative Societies.

This Society was entrusted with the task of implementing “Sarva Shiksha Abhiyan” introduced in 2001-02 and both the schemes continued to be implemented till 30<sup>th</sup> June 2003 when DPEP Scheme was closed.

The same Bank Accounts continued to be operated for the new scheme also.

The Memorandum of Association and the Bye-laws continue to be the same and require amendments to carry out in a focused way, the objectives of Sarva Shiksha Abhiyan particularly in respect of the following matters.

## **2.7 MEMORANDUM OF ASSOCIATION AND BYE-LAWS.**

### **Objectives of the Society:**

The objectives of the Society as mentioned in the Memorandum of Association will have to be aligned with those of SSA. For example, they are silent on removal of caste and gender differences, They are also silent on “Minorities” mentioning only SCs and STs.

As provided under Byelaw-No 9, a Governing Council with the Hon’ble Chief Minister as Chairman was constituted in G.O.Ms.No 47, dated 19-01-1994. This council met only once on 22<sup>nd</sup> February 2002 though Clause 16 of the Bye-laws as amended specifies that the meetings be held twice a year. The reconstitution of the council for SSA Scheme has been under consideration of the SIS and the Government. No final orders have been issued on this subject so far. The wide powers and responsibilities given to it under Clause 17(A)(as amended) remains unattended to by it and the Executive Committee deliberations are directly dealt with by the Project Approval Board of the Ministry of Human Resources Development, Government of India and neither the Government of India nor the State Government seems to have considered this aspect.

The Executive Committee is required to meet at least once in a quarter under Byelaw No:24(e), The Committee has been meeting periodically to transact the business requiring their consideration and approval. In the years 2005-06 to 2008-2009 the E.C has met only two times a year except in 2007-08 when it met on three occasions. In the current year one more meeting may be held.

## **2.8 ACCOUNTS**

Bye law 32 prescribes that accounts and other relevant records shall be maintained as may be prescribed by the Registrar of Cooperative Societies under the Tamil Nadu Registration Act 1975 subject to the condition that in respect of grants from the Central Government, the directions of the Central Government shall be adhered to.

The Manual of Financial Management and Procurement issued by the Government of India in 2004 and adopted by the Executive Committee in the 23<sup>rd</sup> meeting held on 23<sup>rd</sup> November 2004 also prescribes the nature of Accounts to be maintained. Since substantial funds from Government of India formed the source of funds to the Society ranging from 75percent to 65percent, the adoption of the Manual of Financial Management and Procurement by the Executive Committee makes it obligatory on the part of the Society to maintain the accounts as prescribed therein.

The auditors of accounts have been pointing out that the accounts were not in accordance with the Manual

2005-2006 and 2006-2007	Fixed Asset Register in the format prescribed by the Government of India Manual of Financial Management and Procurement is yet to be maintained.
2007-08 and accounts under finalization	The State Implementing Agency has not prepared the Balance Sheet, Income and Expenditure Account and Receipts and Payments account in the format prescribed therein.

## **2.9 Dissolution**

As per Byelaw number 36, incase the Society needs to be dissolved it shall be dissolved as per provisions laid down under Sections 41 and 42 of the Tamil Nadu Societies Registration Act, 1975.

## **2.10 Utilization of profit on dissolution**

As per Byelaw number 37- if on the winding up or dissolution of the Society, there shall remain, after the satisfaction of all debts and liabilities, any property whatsoever, the same shall not be paid to, or distributed amongst the members of the Society or any one of them but shall accrue to the State Government which will decide about its utilization or otherwise in consultation with Central Government.

This bye law may have to be reexamined with reference to the General proposition (vide page 126 of the Framework) that assets bought wholly or substantially out of Central Government grants will revert to the Central Government. Further, the proposition that only profits are to be considered and only the left over after all debts are settled will also have to be reconsidered.

## CHAPTER – 3

### PLANNING PROCESS FOR UNIVERSAL ELEMENTARY EDUCATION

#### 3.1 Planning Process for Universal Elementary Education.

The Planning process for this scheme contemplates, constitution of Planning Teams involving all stakeholders in the education of children at the grass-root level, at block level, and at district level.

At the grass root level, Village Education Committee which is the Planning and Implementation agency of the scheme has the Panchayat President as its President, Headmaster/Headmistress as Secretary and functions with a team of twenty members bringing in all stakeholders, parents, teachers etc., Transparency in implementation and continuous community ownership and continuous community monitoring are the base rock on which the system is built up.

An annual survey is undertaken as verified in the schools visited by the teams, of all units in the habitation which brings out all details house-hold-wise of total population SC/ST/OBC/Minorities-wise children in the age group of 0-5, 6-10, 11-14 on rolls and to be enrolled in ECCE, Primary and Upper Primary classes, actual enrolment and follow-up.

The School Report Card prepared annually under District Information System for Education devised by the National Institute of Educational Planning and Administration brings out factual position pertaining to the school in all its aspects and forms the basis for District Report Cards. Cohort data also similarly brings out data on CR/RR/AR etc. The base data for planning is, thus, collected at village level.

SSA programme also envisages constitution of Core Planning Teams at Village level. This has to be one with larger representation and scope and apart from VEC it has to have representatives from PRIs and Community leaders as their scope is to prepare a need based plan for identifying all the needs to be taken care of. The deliberations of such a team will highlight the need to ensure convergence of action by various agencies and departments of Government at the village level to ensure that all infrastructure and supporting services are in place for sound performance of the scheme of Universal Elementary Education.

The SSA scheme, thus, contemplates a District Elementary Education Plan to reflect all investments required to be made to promote healthy growth of elementary education with a holistic convergent approach. It includes schools run by the Government, the local bodies and also the Government aided schools. Private un-aided institutions could also be covered provided resource supports for additional costs are met by them. This ensures universality of approach in providing elementary education.

The District Elementary Education Plan should show funds/resources available under

PMGY-Prime Ministers' Gramin Yojana.

JGSY-Jawahar Gramin Sadak Yojana.

PMRY- Prime Ministers' Rojgar Yojana.

SRY- Sunichit Rojgar Yojana

Area Fund of MPs and MLAs.

State Plan Schemes

Foreign Funding (if any)

Resources generated in NGO sector.

An Annual Works Plan and Budget is prepared at the Block level and consolidated at the District level for SSA implementation every year. It is further consolidated at the State Level, cleared by the Executive Committee, considered by PAB which approves the Plan with whatever modification/conditions, it consider appropriates. This constitutes the Plan of Action for the year. This process is completed before the beginning of the year so that approved Plan is available from the beginning of the year itself.

The working of the system, as examined by IPAI in Tamil Nadu brings out the following aspects.

Planning of requirements starts at the grass root level, with School Reports. Cohort reports etc., in the prescribed form for computerized consolidation at Blocks and at District levels. While certain major issues and strategies to be adopted get focused the following data are conspicuous by their absence/non enumeration.

- (a) Funds available under other schemes of the Government of Tamil Nadu and the Government of India (interventions) and their deployment in specific schools.
- (b) Funds available from other non-Government sources ( ex: NABARD, VECs) for identified needs in specific schools.



(c) Specific schemes held up for implementation for want of funds from any of the sources for the development of infrastructural facilities.

While, thus, what SSA plans and implements with the approval of PAB is brought out, the convergence of plans and activities of other Department could be taken care of only during implementation.

### **3.2 Date of submission of Annual Work Plan & Budget and approval by the Project Approval Board.**

(Rupees in lakh)

<b>Year</b>	<b>Submission</b>	<b>Approval</b>	<b>GOI Share</b>	<b>GTN Share</b>	<b>Total Outlay</b>
2006-07	04-04-2006	April 2006	54944.873	18314.957	73259.830
2007-08	15-03-2007	21-03-2007	53503.214	28809.423	82312.638
2008-09	13-02-2008	27-02-2008	78222.664	50844.732	129067.396

### **3.3 Perspective Plan**

The State Implementing Agency (TANSMEA) had prepared a Perspective Plan (2001-2010) specifying the targets, activities for Sarv Shiksha Abhiyan based on households survey 2001, DISE 2001 and Census 2001. The results to be achieved indicate 100percent access to Primary schooling by June 2008 and 100percent retention and completion by 2010.

The stress is on decentralized planning with four tier Committee formed by the Government of Tamil Nadu at Village, Block, District and State levels.

In 2001,

1. Number of Districts:	29
2. No.of habitations	64,751
3. No.of habitations with schools	62,883
4. School-less habitations	1,868

Targets and strategies were projected to achieve the SSA goals mentioned above and of the related goals for out of school children, children with special needs etc.,

### **3.4 Community participation.**

A study revealed the need for improvement in the area. The targets set in the Perspective Plan are

- (i) The VEC should meet at least once in a month.
- (ii) Empowerment of Community and capacity building of members of VEC and PTA identified as essential.

- (iii) Role of community participation in extending quality education.

Training programmes were projected and conducted and a book in Tamil language has been issued, to guide the role of the members of VEC in SSA aims and objectives.

A five member team appointed by Government of India appraised the District Plans in November 2001 and their recommendations were taken into account in finalizing the Perspective Plan for the State.

In the AWP&B, SIS, Tamil Nadu reported that in 2007-08, it would saturate the need for Primary schooling in Tamil Nadu by upgrading remaining EGS Centres. This has been achieved and there are no EGS Centres now. AIE Centres takes care of other categories of children like out of school children. The State also has reported saturation level for Upper Primary school by upgrading all eligible Primary Schools in 2007-2008.

### **3.5 Research and Evaluation activities**

The success of the universalization of education programme totally depends on well planned and systematic activities under the component of Research Evaluation and Monitoring. The districts are provided funds at the rate of Rs 1500 per school per year for the above activities. Out of this allocation, all research, supervision, and monitoring activities are to be undertaken to ensure the quality in elementary education.

For this purpose, a total amount to Rs 3469 lakh was projected as requirement up to 2007. However, an amount of Rs 393.70 lakh for 2001-02 and Rs 2182.41 lakh for 2002-2007 were allocated due to budget constraints. The allocation for the years 2007-08 and 2008-09 have been as under.

Year	Amount
2007-08	391.940 lakhs
2008-09	522-588 lakhs

The Perspective Plan contemplated that the budget allocation should be limited to

1. Management cost 6percent
2. Civil Works 33percent
3. Quality development and related activities 61percent

This has been largely adhered to.

## **CHAPTER – 4**

### **ACCOUNTS**

#### **4.1 Cash Book**

At State Project Office, three Cash Books viz., SSA, NPEGEL and KGBV are being maintained.

The following deficiencies in accounts are noticed:

1. Separate Cash Book was not maintained for each financial year as required in para 77.4 of Manual of Financial Management and Procurement.
2. Each voucher has not been assigned a serial number and Ledger Folio number and the rounder number has not been noted against each entry in the Cash Book.
3. Each entry in the Cash Book has not been attested by the Drawing and Disbursing Officer.
4. There are no records to show that all cheques and Demand Drafts received are deposited into the Bank on the same day itself or at least next day as to avoid cash in transit periods.
5. There is no record of Physical verification/Surprise verification of cash balances conducted at any time and the results thereof recorded in the Cash Book.
6. Bank reconciliation between Cash Book and the Bank Pass Book has not been conducted every month with the result details of unencashed cheques issued and unrealized cheques remitted are not available to arrive at the correct closing cash balance.

In the field visits to schools, the IPAI Team came across non-encashment of three cheques amounting to Rs 1,43,852, issued by the DPC, Erode to KGBV Residential School, Getticheiyur on 29<sup>th</sup> September 2008 and 16<sup>th</sup> October 2008 till 13<sup>th</sup> November 2008, the date of visit by the Team.

The above defects/omission are reported for remedial action.

#### **4.2 Register of Assets as of 31 March 2008.**

A Register of Assets acquired wholly or substantially out of the Government Grant shall be maintained in the prescribed form (Annexure- V to the

Manual of Financial Management and Procurement) and a certified copy of the Register in respect of the assets acquired should be sent to Government of India not later than one month from the close of the financial year. The statements should relate not only to the assets acquired during the year to which it relates but to all previous assets too created wholly or substantially out of Government Grant up to the end of the period to which the return relates. The assets (Cumulative Asset Register) so created should also be physically verified once a year. No records of results of such physical verification were made available.

This provision was not being followed by Tamil Nadu SIS. The Asset Register to end of 31<sup>st</sup> March 2008 due for submission to Government of India on 30-04-2008 has also not been sent so far.

In the 6<sup>th</sup> Joint Review Mission (Aide Memoire) from 16<sup>th</sup> to 26<sup>th</sup> July 2007, it was stated that the SSA has proposed the Evaluation of Environmental Management practices through third party evaluation of the physical infrastructure created/constructed under the programme by the Maintenance of Fixed Asset Register, a basic document indicating availability of Physical Assets, number, location and condition etc., Absence of the register inhibits tracing and possible effective use of these instruments.

It was also seen in page 3 of the Audited Annual Accounts for the year 2006-2007 that the break up details for the value of fixed assets Rs 23,46,49,733 was not available in SSA.

It was also stated that the Fixed Asset Register in the format prescribed in the GOI Manual on Financial Management and Procurement was not maintained.

#### **4.3 Non-Maintenance of Advance Register (Erode District)**

As per para 74.1 and 75.1 of Manual on Financial Management of Procurement that all advances should be entered in the Advance Register as per format given in Annexure-VI and action initiated for speedy adjustment of advances.

However, it was noticed that the Advance Register was not maintained prior to 17<sup>th</sup> April 2007 in the District Project Office, Erode.

#### 4.4 Bank Balance

Huge bank balance was held both in SPD and DPC Erode as on 31<sup>st</sup> March, 2008 as a sum of Rs 42.54 crores was the balance on that date.

Name of office	Rupees in crores
SPD	40.70
DPC/Erode	1.84
<b>Total</b>	<b>42.54</b>

It is not clear how such huge balance got accumulated as no heavy receipts were noticed towards the end of the year.

## **CHAPTER –5**

### **CIVIL WORKS**

**5.1** Para 116.1 of the Manual of Financial Management and Procurement makes it mandatory that all Civil works (except BRCs and SIEMAT and multistoried buildings in urban areas) are carried out through Community participation. The village Education Committee at the base level representing the Community shall carry out all civil works through a transparent system of account-keeping. Thus the involvement of the Village Education Committees is considered to be of prime importance and they are required to be actively involved in Planning and Implementation.

It is required that

- (i) the procurement of materials and goods used in works should be by clearly identified persons,
- (ii) the technical supervision and certification during construction should be by designated engineer
- (iii) proper accounts of actual expenditure on all civil works should be kept by the implementation agency and the same booked to work (Para 26.20).
- (iv) Para 116(5) contemplates simple procurement guidelines to these Committees for the purchase of materials may be provided by the State Project Directorate.

As early as 2004, while considering the action taken report on 21<sup>st</sup> meeting of the Executive Committee (item III (d)), the Secretary advised that VEC members should be trained properly on the procedures to be followed in the maintenance of accounts as they receive most of the grants.

The SIS issued in 2007-2008 a Training Manual in Tamil Nadu for the guidance of VECs and others involved in the implementation of the Programme. The Manual only generally prescribes (page 24) that the members of the Village Education Committee should undertake full supervision to ensure that the grants by the Government are fully and properly utilized and that the amount is spent without any lapse or irregularity.

While releasing advances for civil works to VECs certain general instructions are issued on the procedure for making purchases of materials and the stage at which further instalments of advances will be issued.

Though the construction of civil works by VECs visited by the Study Team seems to have been done with technical supervision by BRC Engineers within the grant given and even with some community contribution in cash or in the form of land, no records were built-up for any inspecting agency to satisfy itself about the quality of supervision or regularity of expenditure except that

- (i) Cash receipts were kept for purchases.
- (ii) It was generally resolved in the VEC meetings that the work be taken up for execution.
- (iii) The President decided how and by whom the purchases were to be made and work was to be done.
- (iv) In one case, (Perundurai West in Erode District) even the name of the person who will execute the work was not mentioned in the VEC resolution.
- (v) No record of Engineers' Supervision was available. In Kadambai (Kilpennathur Block, Tiruvannamalai district), the Engineer stated that he kept note of the supervision in his diary. Generally the diaries were kept as a record of the Engineers visit to the VECs where construction works were in progress for their TA claims. It would be better if a recorded/result of inspections was maintained by the designated Engineer and vetted by BRC supervisor giving the results of the quality of works as reviewed during inspection.
- (vi) The Team came across a stray case (Avalpoondurai, Muodakkurichi Block, Erode district) of record of supervision in a prescribed printed form (Copy enclosed to this chapter). It is not clear why this card has not been uniformly followed in the case of all civil works in all Districts/Blocks.
- (vii) On completion of the works, a completion/utilization report is given by the VEC signed by the designated engineer and

countersigned by the Block Supervisor. This forms the basis for adjustments of the advance given to the Village Education Committee.

## 5.2 Over all progress of Civil Works

The following table indicates the progress made on Civil Works as per details furnished by SSA/HQrs both in Physical and financial terms for the years 2006-2007 and 2007-2008 under SSA/NPEGEL/KGBV schemes in the State of Tamil Nadu.

(Rupees in lakhs)								
Sl. No	Types of Construction	PAB approved (Phy)	Completed as on 31-03-08	In Progress (spill-over) as on 31-03-08	Percentage of non-completion	Appd 2006-2008 with Spill over Rs	Expenditure 2006-2008 Rs	Spill-over on 31-03-2008 Rs
1	Block Resource Centre	36	34	2	5.55	19.600	17.600	2.000
2	Cluster Resource Centre	1918	1702	216	11.26	2205.200	2197.200	8.000
3	Primary (new)	497	259	218	43.86	1778.100	583.630	1194.47
4	Upper Primary	1285	759	526	40.93	6875.010	3414.730	3460.28
5	Addl. Class rooms	16925	14167	2758	16.29	28399.210	28112.330	286.880
6	2 class rooms	13	13	--	--	35.900	35.900	--
7	3 class rooms	3	3	--	--	54.710	54.710	--
8	Toilet	3762	3762	--	--	--	--	--
9	Drinking water supply.	1638	1638	--	--	48.710	48.710	--
10	Ramp	4887	4887	--	--	52.350	52.350	--
11	Electrification	3910	3910	--	--	391.000	391.000	--
12	Bala Project	360	360	--	--	90.000	90.000	--
13	Model Cluster schools	688	303	385	56.00	1644.000	759.410	884.590
14	K.G.B.V (50 girls)	52	8	44	84.61	760.000	83.880	676.120
15	K.G.B.V (100 girls)	1	--	1	100percent	20.000	19.000	1.000

It is seen that a high percentage of works shown against Sl.Nos 2, 3, 4 and 5 remained incomplete under SSA scheme i.e., ranging from about 10 percent to 43.86 percent as on 31 March 2008.

Also in respect of NPEGEL scheme, in the construction of Model Cluster schools, the achievement was 54 percent as on 31<sup>st</sup> March 2008 and in the construction of KGBV Residential schools the achievement was 15 percent for 50



girls hostel and NIL for 100 girls hostel as even the one hostel approved by PAB during the year 2006-07 was still under progress as on 31<sup>st</sup> March 2008.

As far as the construction of toilets and drinking water supplies are concerned the construction of 3762 toilets and 1638 Drinking Water Supply Schemes which were completed as on 31<sup>st</sup> March 2008 related to spill over works of the year 2005-2006.

From 2006-07 onwards these constructions were being done by other Departments under the Convergence Programme in coordination with the Ministry of Rural Development, Government of India, Total Sanitation Scheme as per provisions of 7.2.1 of Frame Work for implementation of SSA Scheme.

In this connection it is pointed out that the following is the position in the State of Tamil Nadu regarding supply of drinking water and construction of toilets for the children under convergence scheme during 2008-2009.

1. Number of schools in need of drinking water facilities:	25809
2. Number of schools in need of construction of toilets:	
(a) Common toilets:	12255
(b) Toilets exclusively for girls:	16808.

No data is available as regards the programme for taking up and completion of these works.

### **5.3 Spill Over Items:**

Each District needs to prepare a spill over plan every year along with AWP and Budget for non-recurring activities as per the format prescribed in Annexure IV (Vide para 45 of Manual on Financial Management & Procurement).

However, it was noticed from the expenditure statements produced that the spill over details, both financial and physical, were exhibited only in lump and not separately in the expenditure statements. The position was the same in the selected districts viz., Erode and Thiruvannamalai. On this being pointed out by the Team, the details of financial spill over (without the details of physical aspects) were furnished to the tune of Rs 294.170 lakhs in respect of five districts for the year 2006-2007.

In the circumstances, in the absence of records in the format prescribed in Annexure-IV of the aforesaid Manual, the progress made in respect of non-recurring activities is not susceptible of verification.

#### **5.4 Civil Works Innovation Fund**

As per para 7.1.11 under Chapter VII of Frame Work for implementation of SSA Scheme, each State has to set-up an “Innovation Fund” up to Rs 50 lakhs under Civil Works. The fund is required to be created from the State Funds, or funds provided for Research, Evaluation, Supervision and Monitoring.

However, it was noticed that no such “Innovation Fund” has been created in the State of Tamil Nadu so far.

#### **5.5 Status of school buildings in Tamil Nadu State for providing Elementary Education.**

The following is the position of total number of primary/upper primary schools, schools functioning without own buildings, and also the number of schools functioning in dilapidated buildings requiring major repairs and class rooms in the State of Tamil Nadu in the current year.

<b>Year</b>	<b>Total number of schools</b>	<b>Number of schools functioning without own buildings.</b>	<b>Number of schools functioning in dilapidated conditions</b>
2008-2009	24349	272	7511 (with major repairs)

In this connection it is pointed out that as per intervention 7(b) of Repair of School Building of Frame work for Implementation of SSA Scheme an amount of Rs 150 crore is available per year with effect from 1<sup>st</sup> April 2008 for major works proportionately to be distributed among the States as per the number of schools requiring major repairs.

However, it was noticed that no amount was allotted in the Annual Work Plan and Budget for 2008-2009 to attend to the major repairs/reconstruction of the school buildings now in dilapidated conditions. In reply, it was stated that the provisions made in the AWP&B for 2008-09 was not approved by PAB and that this requirement will be included in the AWP&B for 2009-2010.

#### **5.6 Earthquake Resistance Construction**

The State Project Director, SSA, has in circular No: 8/AD/Civil Works/A1/SSA/2007 dated 06<sup>th</sup> February 2007 to all the District Programme Coordinators stated that the Tamil Nadu State falls in Seismic Zone III of India, and has enclosed simplified guidelines for all new buildings in the Seismic Zone III of India published by National Disaster Management Division, New Delhi for

adoption in the State. The figures shown in the annexure clearly indicate the method of earthquake resistant construction. The details given in the Annexure-II are extracted from the IS 4326-1993 code of practice as applicable to buildings. The above mentioned I.S.Code of practice was purchased and kept in the S.P.D Office for reference.

In the absence of any report from the District Programme Coordinators so far it appears that the contents of National Building Code have not been followed in all the Districts. It could be considered whether this can be built into the standards for the various buildings required for SSA.

### **5.7 State Institute of Educational Management and training (SIEMAT)**

The SSA programme covers a wide range of activities; educational and administrative and planning should be given top priority in the achievement of SSA goals. Educational administrators of all the cadres need to be trained to improve their managerial as well as administrative skills. The State has planned to set up an institute namely SIEMAT (State Institute of Education, Management and Training) in the Director of Public Instruction's campus. It was decided to begin the construction of a Building for SIEMAT in the Directorate of Teacher Education Research and Training with an allocation of Rs. three crores as it will provide easy access to the planners at the State Level.

The objectives of the SIEMAT are :

- (a) To develop Managerial skills among the Educational Administrators
- (b) To create a strong data base.
- (c) To improve Educational Planning, Administration and Management.
- (d) To impart a clear vision and wide scope to the Planners in implementing Innovative Educational activities.
- (e) To develop Personnel Management, Financial Management, and Materials Management skills to execute all programmes.
- (f) To train the Heads of Institutions.

The AWP&B for 2005-06 provided for Rs.50.00 lakhs and that for 2006-07 Rs.250.00 lakhs. The Government in their G.O.Ms No.207, School Education (C2) Department, dated 21-08-2007 sanctioned the construction of SIEMAT at a cost of Rs 3.00 crores by utilizing the one time grant of Rs 3.00 crore provided by the Government of India available under Sarva Shiksha Abhiyan Scheme towards non-recurring expenditure. The delay in sanction as resulted in reducing the area of construction to keep the expenditure to Rs. 250.00 lakhs assigned for the building, the balance being kept for infrastructure equipments purchases.

The Executive Engineer, PWD, Building Construction Division I, Chennai was paid Rs.2.50 crores in cheque number 212334 dated 10-01-2008 for the construction of SIEMAT.

A sum of Rs.50.00 lakh and interest earned Rs.1,03,000, totaling Rs.51,03,000 was deposited in the name of Director, DTERT, Chennai for procuring infrastructure equipments after the completion of SIEMAT Building by PWD as the training programmes are monitored by the Director of Teachers' Education, Research and Training (DTERT) as indicated by the State Project Director. No budget estimate for infra structure equipments has been prepared for placing the amount with DTERT

The Order also mentions that recurring expenditure of Rs 8.76 lakh per annum should be met out of SSA Funds. This is contrary to the provisions of Para 33.2 of the Manual of Financial Management and Procurement which specifies that the State Government should give clear commitment to sustain the Institution from its own funds. SSA should have brought this provision to the notice of the Government while programming the setting up of SIEMAT with non - recurring expenditure of Rs 3.00 crore out of SSA Funds.

## **CHAPTER -6**

### **PROCUREMENT UNDER SSA**

6.1 Procurement under the National Programme of Sarva Siksha Abhyan entails procurement of textbooks, Teaching learning materials, furniture, computer with accessories etc. The Manual of Financial Management and Procurement, vide para 106.1, provides, that the best method of procurement of items connected with up-gradation, repair and maintenance and teaching and learning materials required at Village/School level will be decided by the village/ school level structures. The Manual is silent about procurement at CRC/BRC/District/ State levels and it is left to the SIS to decide whether the State Government procedure or the earlier existing DPEP procedure is to be followed. The EC has to decide whether this will be on a case to case basis or for the entire gamut of purchases. A resolution by the EC is called for in this regard.

At CRC/BRC level, items being procured out of budget amount allocations by SPD for furniture, library books, office contingencies etc.,. At the District level items required for office contingencies, equipments, furniture etc., are purchased. At the State level, major purchases are made either through open tender or through State Government agencies like the Tamil Nadu Text Book Corporation, TANSI or ELCOT.

There is no procurement plan prepared by SIS and sent along with the AWP&B for approval by PAB as required under Para 106.3 of the Manual of FM&P. The Annual Works Plan gives an indication of the items to be procured by the Society.

The State Implementing Society undertakes some major procurements from State Government Companies, Corporations

- (i) ELCOT for Computers and accessories
- (ii) Tamil Nadu Text Book Corporation for materials required for Activity Based Learning Materials (ABL)
- (iii) TANSI for purchase of certain furniture and special requirements for Maths kits for students (SLM kits)
- (iv) ISRO for satellite Interactive Terminals and accessories.

A review of the orders placed with the above organizations revealed that there was no binding contract between the SSI, and these organizations.

The following aspects were not covered in the absence of the binding contracts

- (i) Possible escalation of price by the Supplier in the middle of the supply
- (ii) Relative responsibility for ensuring specifications and quality of the goods at the time of supply and installation.
- (iii) Extra cost for delivery of goods in case site gets altered in the course of execution of the contract.
- (iv) Any replacement of goods necessitated on part of the supplier to meet warranty commitments made by the supplier.
- (v) The purchaser has to have option to cancel orders, if the supply, installation and commissioning of the items ordered are not effected as per Purchase Order or the goods are not delivered within agreed and specified period or to levy penalty as per terms of contract.
- (vi) LD clause has to be invoked, if the goods are not delivered in the stipulated time and damage claimed and obtained should go to the credit of the purchaser.
- (vii) Interest for the amount refunded by the procuring agency without fulfilling the orders in full or in part, has to be claimed and should be credited to the Purchaser.

It is suggested that an MoU be executed with the purchasing organizations, even if they be Governmental organizations, safeguarding the interests of SIS and delineating the duties and responsibilities of the parties. Such an MoU will cover all the points listed in the preceding paragraph and ensure the smooth implementation of the purchase arrangement. In the absence of such a document many areas like penalty for delayed or defective supplies or supplies not in line with what was ordered, LD etc are left vague and may turn out to be of disadvantage to SIS.

Further, the purchasing organizations follow their own procedures and fine tuning the procedure prescribed in the Manual of FM&P will not be of any use in such a situation. This grey area will have to be covered in the MoU. The difference between the amount paid on the basis of the proforma invoice and the final invoice, which should take into account items like LD, which go to reduce the price, with interest as decided, should be refunded to SIS. This is another matter that the MoU should provide for preferably with specified time limits. There is also the need for recalculating the 5 percent administrative charges which will go down with the reduced amount payable.

While examining the purchase procedure of the purchasing organizations, it should be ensured that, wherever necessary, maintenance and running costs and residual value and weightages, decided upon before the opening of the tenders, are provided for, so as to ensure a level playing field to the tenderers. The tender papers should also provide for a dispute settling mechanism like arbitration and specify the court having jurisdiction over disputes arising from the purchase contract.

## **6.2 Procurement of ABL cards and workbooks for implementation of ABL cards scheme in Chennai corporation schools**

A sum of Rs 1, 42, 45,989 was paid on 2 nd April 2005 by two Demand Drafts dated 31st March 2005 directly to the Corporation of Chennai, DPC of SSA for Chennai, Corporation was not kept in the picture even though all programmes of the Districts were implemented through the District Programme Coordinator. The Chennai Corporation had been implementing the scheme in 2004-05, partly aided by UNICEF and after keeping a sum of Rs 25,66,642 as expenditure already incurred by them, refunded a sum of Rs 1,16,79,347 in October 2005 to DPC-SSA, Chennai. Thus, SSA came into the picture for implementation from October 2005 onwards only.

A review of the operation of the Scheme from October 2005 to January 2008 by SSA-DPC-Chennai revealed

- (i) ABL scheme of cards and notebooks have been implemented in Chennai Corporation schools in Standard I to Standard IV
- (ii) All purchases required for implementation of the schemes was made by the Corporation by following their procedure and bills be sent to SSA for payment.

- (iii) As on date a sum of Rs 9, 34,469 is available as balance cash out of the amount received for ABL scheme in October 2005 in the accounts of DPC, SSA, Chennai Corporation.

The ABL Account with the DPC, Chennai should be closed and balance returned to SPD Headquarters. Chennai Corporation continuing to arrange for the materials required for ABL scheme from I to IV should be stopped. The requirements are to be met by SSA as is being done for all the schools in the State outside Chennai Corporation.

### **6.3 Cost of TV, DVD PLAYER, CTV TABLE etc., met out from maintenance grant Rs 8, 04, 69,900.**

According to Norms for intervention- “Maintenance Grant for schools” under SSA (7(a)) of Framework for implementation, the maintenance works are to be executed only through School Management Committee/Village Education Committee. Schools with up to three classrooms would be eligible for maintenance grant up to a maximum of Rs 5000 per school per year. Schools having more than three classrooms would get a maintenance grant up to a maximum of Rs 10,000 per school per year subject to the condition that over all eligibility for the district would be Rs 7500 per school.

It was however, seen that in ref.no: 588/A4/SSA/2008 dated 16<sup>th</sup> June 2008, the State Project Office had instructed that the cost of 21 T.V, DVD Players, CTV Table etc., was Rs 7226 per set. The equipment had been supplied by ELCOT to the Districts. The cost of the set was met fully from the school Grant of Rs 5000 and the balance amount of Rs 2226 from the Maintenance grant for schools.

The purchase under “Maintenance grants for schools” is contrary to the norms framed by the Ministry. Thus, it requires ratification by the Project Approval Board.

Based on the instruction, a sum of Rs 8, 04, 69,900 had been incurred towards the cost of the said equipments as detailed hereunder:



**Sarva Shiksha Abhiyan  
ELCOT, 21" CTV-DVD Player-Table-Sent Details**

<b>S. No.</b>	<b>Districts</b>	<b>Quantity</b>	<b>Amount (Rs.)</b>
1.	Chennai	346	2500196
2.	Coimbatore	1867	13490942
3.	Cuddalore	1509	10904034
4.	Dharmapuri	1275	9213150
5.	Dindigul	1281	9256506
6.	Erode	1778	12847828
7.	Kancheepuram	1247	9010822
8.	Kanyakumari	568	4104368
9.	Karur	798	5766348
10.	Krishnagiri	1551	11207526
11.	Madurai	1136	8208736
12.	Nagapattinam	863	6236038
13.	Namakkal	972	7023672
14.	Perambalur	879	6351654
15.	Pudukkottai	1494	10795644
16.	Ramanathapuram	989	7146514
17.	Salem	1652	11937352
18.	Sivagangai	1066	7702916
19.	Thanjavur	1288	9307088
20.	The Nilgiris	442	3193892
21.	Theni	616	4451216
22.	Thiruchirappalli	1281	9256506
23.	Tirunelveli	946	6835796
24.	Thiruvallur	1405	10152530
25.	Thiruvannamalai	1844	13324744
26.	Thiruvarur	933	6741858
27.	Thoothukudi	786	5679636
28.	Vellore	2220	16041720
29.	Villupuram	2189	15817714
30.	Virudhunagar	929	6712954
	<b>Total</b>	<b>36150</b>	<b>261219900</b>
<b>36150 x 2226 = 8,04,69,900</b>			

#### **6.4 Purchase of 202 Computers for NPEGEL centres all over Tamil Nadu**

ELCOT after processing the Order by SIS placed Orders on suppliers. (copies of which are available in the SIS) These show considerable difference between the price quoted by ELCOT and the price at which the suppliers are effecting the supply for two items as under.

<b>Item</b>	<b>Quoted by ELCOT Rs</b>	<b>Supplier</b>	<b>Price at which orders are placed on suppliers Rs</b>	<b>Difference Rs</b>
Win XO Home 202 nos	6,76,700	HCL Info system	6,06,000	70,000
Furniture, Computer/printer table Plastic moulded chair	5,75,700	M/s Gemini Communications Alwarpet	2,03,010	3,72,690
<b>TOTAL</b>				<b>4,42,690</b>

The above discrepancy has to be taken up with ELCOT.

As ELCOT charges Service Charges at 5 percent in addition to the Taxes and levies, items of supply arranged by them should be at the cost at which ELCOT has agreed with suppliers.

As materials are supplied at different places all over the State and software has to be installed and commissioned in the system for which payment is already included in the total cost of Rs 63,91,090 , the requirement has to be clearly and contractually laid out for which a Memorandum of Understanding between ELCOT and SSA has been suggested.

#### **6.5 Advertisement of SSA activities in mehdoot Post Cards in Tamil Nadu Region- extra expenditure Rs 56,000.**

Consequent upon the agreement reached between the Postal Department with the State Implementing Society, SSA, Orders were placed with the Postal Department to advertise SSA activities, particularly attracting out- of -school children in rural and poverty stricken areas to acquire minimum education of VII Standard through Meghdoot Post Cards. The slogan in Tamil printed in the Post Card beside the side of the Address portion was “Education for all etc.” Two lakh Mehdoot Cards were printed at the rate of Rs 2 per card and the total expenditure towards printing of cards amounting to Rs 4 lakh was accommodated under “AIE

components” ( vide Rs.No. 722/A3/SSA-2004, dated 23<sup>rd</sup> January 2006 and 10<sup>th</sup> April 2006). Out of 200000 lakh cards, 1,72,000 were distributed in rural areas of Tamil Nadu by the Postal Department in March 06, June 06 and July 06.

The payment of Rs 4,00,000 was made to the Postal Department by the Society through Cheque Nos: 854140 dated 15<sup>th</sup> February 2006 and 857481 dated 31<sup>st</sup> March 2006 of IOB, Chennai-6. The remaining 28000 cards were sold in other cities like Kokatta, Mumbai, Lucknow, Bangalore, Hyderabad, Ahmadabad, Sansad on 13<sup>th</sup> March 2006 and 02<sup>nd</sup> February 2006.

The advertisement campaign would be effective only in Tamil Nadu and the slogan printed in Tamil language would be of no use in places outside Tamil Nadu as Tamil language would not be understood by the people outside the State. Further, SSA is functioning in every State in India with their own activities.

The awareness campaign of Education for all could have been more effective, had the Postal Department distributed the remaining 28000 cards (sold outside Tamil Nadu) in more rural areas of the State thus covering more people in Tamil Nadu.

#### **6.6 Diversion of Funds:**

Under Para 86.1 of the Manual of Financial Management and Procurement issued by the Ministry of Human Resources Development, Government of India, “Funds of the Society shall not be diverted to meet any expenditure, which has not been sanctioned by the Competent Authority”. It is observed that the Director of Elementary Education, Chennai-6 in his letter No: Rc.No.8667/K3/2006 dated 13-03-2006 requested the State Project Director, SSA, Chennai-6 to provide 10 numbers of Computer Systems with Printers under SSA Funds. In letter No: Rs 1189/C1/SSA/2006 dated 26-10-2006, the State Project Director sanctioned 5 numbers of Computer Systems with all accessories at a cost of Rs 1.60 lakh. The expenditure was incurred from out of the funds allocated under head 9.08-Equipments (e-learning/other) under Management Cost of AWP&B for 2006-07. The Computer systems were supplied by “HCL Info Systems Ltd” and installed at the Directorate of Elementary School Education on 15-11-2006.

The release of funds can only be treated as diversion of SSA funds to State. The amount of Rs 1.60 lakh needs to be refunded to the Society by the Director of Elementary Education.

## CHAPTER -7

### NATIONAL PROGRAMME FOR EDUCATION OF GIRLS AT ELEMENTARY LEVEL (NPEGEL)

#### 7.1 INTRODUCTION

This Scheme as a focused component of Sarva Shiksha Abhiyan (SSA) was conceived and implemented from July 2003 as a distinct component for education of girls, as SSA started in 2001-2002 had limited financial provisions for girls' education.

The focus was on underprivileged/disadvantaged girls in the age group of 6-14 as a separate and distinct component of Sarva Shiksha Abhiyan in Educationally Backward Blocks as per the norms prescribed under the Scheme.

The focus of the scheme was further reiterated in July 2007 as "Block focused Projects" for girls at risk/in difficult circumstances with clearly defined outcomes.

"To provide for block focused projects for girls in difficult circumstances under the NPEGEL programme, with clearly defined outcomes subject to the following conditions:

- (i) Focus of interventions should be on retention of girls and improvement in the quality of learning. Detailed action plans for the target group of girls and the specific strategies to be adopted in the block are spelt out, with defined and measurable outcomes. SSA Annual Work Plans of districts to reflect NPEGEL block specific projects, accordingly.
- (ii) All strategies and interventions must target both 'in' and 'out' of schools girls within the block.
- (iii) Funds per block would be the sum total of the sub-components admissible under the NPEGEL scheme per cluster".

#### 7.2 Strategy:

All blocks would not take up all activities. They should be based on conditions of the block and should specifically target the following.

- Out of school girls
- Drop out girls, hardest to reach girls

- Overage girls who have not completed elementary education
- Working girls, Girls rescued from work
- Girls with low attendance
- Girls with low level of achievement
- Girls from marginalized Social group, Children from migrated families, and Commercial Sex Workers, orphans, Street children etc.,

### **7.3 Methodology under the revised more focused plan from July 2007**

A separate sub-plan for district shall be prepared at the State level by the resource groups and sent to National level cell, and approved by the Project Approval Board(PAB) with the help of two eminent persons, NGOs who have expertise in girls/women's' education. This sub plan will be a part of SSA District Elementary Education Plan.

The SSA society will ensure that there is no duplication of activities proposed. From 2008-09, every State is required to prepare detailed action plans for target group of girls at block level spelling out, specific strategies with defined and measurable outcomes.

**NPEGEL** has three main components under which action plans are budgeted and expenditure booked.

Grant for civil works and Teacher Learning

Grant for cluster level interventions

Grant for Community Mobilization and Management.

As focus is on girls' education, the activities should focus on initiatives of Model Cluster Schools specifically created for the purpose.

### **7.4 Implementation in Tamil Nadu.**

The Scheme was implemented from 2003-2004 in the following eleven districts viz., Cuddalore, Dharmapuri, Erode, Karur, Krishnagiri, Namakkal, Perambalur, Salem, Sivagangai Thiruvannamalai and Villuppuram involving 37 Educationally Backward Blocks, 937 Model Cluster Schools, and 3662 schools in all clusters.

The year-wise Annual Plan and Budget does not bring out distinct identity of targeted girls at State, District, Block, MCS levels.

#### 7.5 The Budget, receipt of funds and the expenditure is given below:

(Rupees in lakhs)

Year	AWP&B	Fresh	Spill over	Receipts from GOI	Receipts from GTN	Total receipt	Expenditure	Shortfall
2003-2004	309.260			58.000	19.333	77.333	209.499	
2004-2005	1220.560			489.540	163.180	652.720	877.911	
2005-2006	987.860			370.450	123.473	493.923	970.028	
2006-2007	2272.320	2261.30	11-02	852.120	284.040	1136.160	1200.326	TN 3.841
2007-2008	1279.985	598.09	681.90	823.640	439.657 439.657	1263.297	590.731	
2008-2009	1185.030	597.94	587.09					
<b>TOTAL</b>	<b>7255.015</b>			<b>2593.750</b>	<b>1029.683</b>	<b>3623.433</b>	<b>3848.495</b>	

The grants for non recurring and recurring expenditure is analysed below

#### 7.6 Non-recurring grant for Infrastructure

Construction of additional class room for the functioning of Model Cluster School with the supply of drinking water, electrification and toilet at a cost of Rs 2.00 lakh as onetime grant. So far Model Cluster Schools have been provided in 303 centres in 37 Educationally Backward Blocks in eleven districts

(b) The MCS to have facilities in terms of teaching learning equipment (TLE), books, equipments, games etc., for use by all the schools in that cluster by rotation with a onetime grant of Rs 30000.

**The expenditure incurred on Civil Works and TLE grants was as follows:**

(Rs. In lakhs)

2006-2007			2007-2008			2008-2009 (as of 12/08)			TOTAL Completed, started	
MCS No	Budget	Exp	MCS No	Budget	Exp	MCS No	Budget	Exp	MCS No	Exp
688	1593.420	621.669	13	681.00	681.938	----	587.890	0.600	701	1304.207

#### 7.6 Recurring grant

One or more of the following interventions to be undertaken with an overall annual ceiling of Rs 60000 per cluster.

(a) Rs 20,000 per year on various activities for promotion of Girls education, maintenance of school, engagement of part time instructors (3 months at Rs 1000 per month)

- (b) Award to schools/Teachers, one award per year of Rs 5000 in kind to a school/teacher at cluster level for achievement in enrollment, retention, and learning outcomes of girl students.
- (c) Student evaluation, remedial teaching, Bridge courses, alternative schools, special models of alternative schooling, catering to hard to reach group of girls including bridge courses, flexible timings, back to school camps, etc., for out of school, irregular girls will be started in such villages where this poses a serious problem, (in addition to the provisions already available under EGS/AIE component of SSA) Rs 20000 per annum to each cluster (two centres per MCS).
- (d) Learning through open schools per MCS for upper primary girls , short term residential training at regular intervals, waiver of fees of girls for courses in open schools, facilitate bringing drop out girls to the educational system with grant of Rs 50000 per annum.
- (e) Teachers- are trained on gender sensitization at Rs 4000 per MCS per year for 20 teachers.
- (f) Child care centers per MCS run by community in areas where there is no child care centre under girls education from SSA with a recurring grant of Rs 5000 and non-recurring grant of Rs 1000 per year.
- (g) General health check up of girls in hospitals
- (h) Community mobilization by women for enrollment, retention and learning of girls brought from villages, with a grant of Rs 25000 for I year and Rs 20000 for the II and III year, Rs 10000 for IV and V year under 6percent of Management component.

**Expenditure on Recurring Grant-Limited to Rs 60000 per MC school per annum**

CLUSTER LEVEL INTERVENTIONS	2006-2007			2007-2008			2008-2009 upto (12/08)			TOTAL	
	Budget	(Rs in lakh)		Budget	(Rs in lakh)		Budget	(Rs in lakh)		MCS	Expenditure
	MCS no		Expenditure	MCS no		Expenditure	MC S no		Expenditure		
MCS Maintenance Vocational training	937	187.400	186.400	319	309.210	309.108	937	309.210	286.943		782.451
Best School award	937	46.850	45.850	15	46.850	46.850	937	46.850	9.350		102.050
Remedial teaching evaluation	937	187.400	185.492	15	187.400	187.362	937	187.400	93.900		466.754
Training to girls	937	121.810	118.253								118.253
Training to teachers	937	18.740	18.100	15	18.740	16.880	937	18.740	3.400		38.383
Supplementary Learning materials	0	0	0								
<b>TOTAL</b>		<b>562.200</b>	<b>554.095</b>	<b>364</b>	<b>562.200</b>	<b>560.200</b>		<b>562.2000</b>	<b>393.593</b>		<b>1507.888</b>

## **7.7 Implementation of NPEGEL.**

The State Project Director, from time to time, has issued directions to the District Project Coordinators for carrying out the following activities

1. Purchase of Teaching and Learning Equipments.
2. Purchase of Library books from New Century Book House, Chennai.
3. Purchase of Sports articles by getting quotations
4. Purchase of Science equipments (Physics, Chemistry, Biology)
5. Purchase of Computers from ELCOT
6. Purchase of materials for remedial coaching
7. Purchase of science Dictionary from Tamil University one set (17 Volumes)
8. Purchase of two-in-one Radio with USB read and write from ELCOT
9. Purchase of Mathematics kit Box from Tamil Nadu Small Industries Corporation (TANSI).
10. Purchase of Yoga book by Vedathri Maharishi publications.
11. Best school awards to schools for achievement (in kind)
12. Yoga training to teachers.
13. Vocational training to students studying in IV to VIII standard like Tailoring, cycle riding, Art, Music, wire bag, embroidery work, woolen work etc., life skill training, candle making, drawing etc.,
14. Computer training to students of VI standard to VIII standard.
15. Incur expenditure on maintenance of schools, purchase of supplementary learning materials.

## **7.8 Major Activities carried out includes the following.**

### **2006-2007.**

1. 1422 Mathematics kit Box at the rate of Rs 7018 per kit Box was purchased for Rs 99.80 lakh from Tamil Nadu Small Industries Corporation(TANSI-Furniture works), Chennai and distributed to 584 Model Cluster Schools in 7 districts.
2. 25 school girls per MCS studying in 6 th, 7 th, and 8 th standard were trained in Vocational and life skills (viz) Tailoring, Hand works, Drawing, Music for 3 months from November 2006 to January 2007 at



an expenditure of Rs 140.55 lakh ( 937 MCS at the rate of Rs 15000 per MCS).

3. Maintenance grant of Rs 5000 per MCS was spent for school improvement, payment of electricity deposit charges etc., in 937 MCS (at the rate of Rs 5000) with an expenditure of Rs 46.85 lakh.

### **2007-2008**

1. 5000 sets of Yoga (Valkai Vala Kalvi) book at the rate of Rs 120 per set was purchased for Rs 6.00 lakh from Vedathri Maharishi Publications, Erode and distributed to 937 Model Cluster Schools in 11 districts. The books were to be used by I Standard to VI Standard students. This item of expenditure is not covered under the aims of NPEGEL as books are for general use by all teachers/students. The amount has been spent out of “Teachers Training” grant which is intended for “Gender sensitization” of teachers and hence is not in line with the purpose for which the amount was approved by PAB.

### **7.9 Major points noticed in the implementation of the Scheme for the targeted group of girls.**

#### **Purchase of Science Dictionary.**

Tamil University, Thanjavur has published “Arivial Kalanjiam” a science Dictionary in Seventeen volumes per each set costing Rs 13,600. This encyclopedia in Tamil is of high standard meant to be used as reference book and is more suited for teachers and for students studying Science in Tamil Medium in High Schools and Higher Secondary Schools.

The State Project Director, Chennai ordered 400 sets at a cost of Rs 27,20,000 to be supplied to all Model Cluster Schools run under NPEGEL Scheme in the year 2007-08 under “Remedial Teaching” getting a discount of 50 per cent per set (each set costing Rs 6800).

The Model Cluster Schools are for girls in difficult circumstances and these books may not fit in their standard and improvements attempted.

In Thiruvannamalai district, where 20 Model Cluster Schools exist in Tribal area, 60 sets were ordered and each MCS was supplied three sets(17

volumes per set), where even one set would not be relevant in the attempt of retaining girls in the school system.

In Erode district 365 sets have been purchased for 124 Model Cluster Schools. Information in respect of other districts could not be obtained.

It appears that the investment of this nature has not been assessed to achieve clearly defined outcomes specifically contemplated in the Scheme.

#### **7.10 Purchase of supplementary Learning Material.**

State Project Director on 16 th November 2006 directed the District Project Coordinators of all Districts (eleven) to purchase CD's 15 sets (for the subjects Tamil, English, Mathematics, Science and Social Science) for use by 3 rd Standard, 4 th Standard and 5 th Standard students. The amount sanctioned was Rs 20000 per Model Cluster School and the expenditure on this account was Rs 187.40 lakh (Rs 20000 x 937 MCS)

How this huge investment was useful for the under privileged girls, under the Scheme was not clear.

#### **7.11 Purchase of Mathematics Kits Box.**

During the year 2006-07, 1422 Mathematics kit boxes at the rate of Rs 7018 per kit box was purchased for a value of Rs 99.80 lakh from the Tamil Nadu Small Industries Corporation (Furniture works) Chennai for distribution to 584 Model Cluster Schools situated in 7 districts in March 2007 under the intervention Teaching Learning Equipment. A Model Cluster School (MCS) has 4 or 5 schools under its control. This expenditure is partly met out of Rs 30,000 provided for each MCS for girls as a onetime non-recurring grant for TLE (Teaching Learning Equipment) which is intended for enhancing/promoting girls' education. Such equipments are to be kept at MCS for girls. However, they were issued to schools under MCS obviously for use by all students defeating the purpose for which the amount was approved by PAB as a special requirement for learning skills of girls.

359 Mathematics kit box at the rate of Rs 7018 per kit box was purchased for a value of Rs 25.17 lakh from the Tamil Nadu Small Industries Corporation (Furniture works) Chennai for distribution to 124 Model Cluster Schools in Erode district in March 2008 under the intervention "Teaching Learning Equipment". The supply has not been received so far.

How this huge investment will be useful only to the under privileged girls targeted by the scheme requires examination.

#### **7.12 Purchase of Two in one Radio.**

Two in one Radio (with USB read and write) was purchased at the rate of rs 1975 per each radio from Electronic Corporation of Tamil Nadu (ELCOT) for 483 schools served by 124 Model Cluster Schools in Erode district for a value of Rs 9.54 lakh in March 2008 under the intervention Vocational Training. The supply has not been received so far. Information in respect of other districts was not made available to the study Team. It appears that this will be useful to the girls in general and not only to the under privileged girls targeted under the scheme.

## **CHAPTER -8**

### **KASTURBA GANDHI BALIKA VIDYALAYA (KGBV)**

**8.1** The Kasturba Gandhi Balika Vidyalaya (KGBV) Scheme was launched in July 2004, for setting up residential schools at Upper Primary level for girls belonging predominantly to the SC,ST and OBC and Minority Communities, in difficult areas and merged with Sarva Shiksha Abhiyan (SSA) from 1 April 2007 as a separate and distinct component.

Under the Scheme, Educationally Backward Blocks (EBBs) are identified under prescribed norms; The objective of KGBV is to ensure access and quality education to the girls of disadvantaged groups of society by setting up of Residential Schools at Upper Primary Level. The emphasis will be on slightly older girls (Age 10+) who are out of school and unable to complete primary schooling. However, in difficult areas younger girls can also be targeted. Established NGOs and Non-Profit making bodies will be involved in running the schools, wherever possible.

For Tamil Nadu, Project Approval Board approved (December 2004) 37 KGBVs -later increased to 53 in December 2007. One more was added in the year 2008 (under the revised norms of female literacy below 30 percent with effect from 01<sup>st</sup> April 2008) at Kalrayan Hills Block –Serapatti village in Villuppuram District from 23<sup>rd</sup> December 2008. Recurring grant on relaxed norms has been released to all the schools and relaxed Non-recurring financial norms have been applied to the school set up after 01<sup>st</sup> April 2008.

75 percent seats are reserved for SC/ST/M/OBC and 25percent for children from families below poverty line. The actual position for the year 2006-2007 for the entire State in 10 Districts having KGBV schools show 100percent enrolment of SC/ST/OBC/Minority Community except for a small number for other Community in Salem District. Vide Annexure-III below for details.

The review of the Scheme was undertaken in two districts (Erode and Thiruvannamalai) in Tamil Nadu where the Scheme has been in operation.

The funds received / utilized for KGBV Residential schools since 2004-2005 has been as under:

**Details of funds received/utilized for KGBV Schools.**

(Rupees in lakhs)

Year	Opening Balance as on 01-04	GOI Share	State Share	Other receipts	Total	Expenditure	Balance
<b>2004-05</b> (As per UC certified by Auditors)	0.000	644.390	214.797	0.000	859.187	0.013	859.173
<b>2005-06</b> (As per UC certified by Auditors)	859.173	0.000	0.000	20.082	879.255	399.151	480.104
<b>2006-07</b> (As per UC certified by Auditors)	480.104	511.300	170.433	26.594	1188.431	1158.001	30.430
<b>2007-08</b> (Reported figures)	30.430	534.798	431.660	107.292	1104.180	790.101	314.079
<b>2008-09</b> (as at the end of Dec 2008)	314.079	0.000	0.000	0.000	314.079	344.915	----

**8.2** Based on the field visit, the following observations are made:

1. In the KGBV Schools viz., Getticheiyur and S.P. Goundanur, a total number of 137 students discontinued due to various reasons such as family situation, migration etc., in the years from 2005-06 to 2007-08. By the time they left, an amount of Rs 97,558 had been deposited in their individual names in the respective post offices at Rs 50 per month paid to each student under the Scheme as per details given below:

**DETAILS OF DROP-OUT CASES.**

Sl.No	Name of the School	Year	Number of cases	Total amount in rupees.
1	<b>ERODE DISTRICT</b>			
	Getticheiyur	2005-2006	11	2800
		2006-2007	11	4500
		2007-2008	07	6250
2	S.P.Goundanur	2007-2008	09	2250
		<b>TOTAL</b>	<b>38</b>	<b>15800</b>
1	<b>THIRUVANNAMALAI DISTRICT</b>			
	Mutnattur	2005-2006	03	500
		2006-2007	06	1050
		2007-2008	26	17175
2	Gundalathur	2005-2006	06	1050
		2006-2007	10	3100
		2007-2008	20	15783
3	Ammattan Kollai	2005-2006	02	2200
		2006-2007	02	1650
		2007-2008	24	39250
		<b>TOTAL</b>	<b>99</b>	<b>81758</b>

As the students discontinued their studies and efforts to bring them back seem to have failed, it may be appropriate to forfeit this incentive payment to them. As such the Pass Books retained with the schools may be forfeited and amounts taken to account in case the students do not come back to the schools.

2. In the ref.No:2655/C1/SSA/2006/2 dated 29<sup>th</sup> March 2007, the State Project Director, Chennai has directed that the balance funds meant for recurring expenditure available under the KGBV Scheme at the District level should be released to the concerned NGO for credit to their KGBV school account (without a claim from them) and that the amount meant for the KGBV schools need not be held up in the hands of District Project Office. While complying with the advice, the District Programme Office, Erode released the balance amount of Rs 11, 30,813 as under:

<b>Sl.No</b>	<b>Name of the BRC</b>	<b>Allotment for the year 2006-07</b>	<b>Already released in rupees</b>	<b>Balance amount to be released in rupees</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>
1	Anthiyur	13,13,000	9,95,751	3,17,249
2	Nambiyur	13,13,000	10,11,114	3,01,886
3	T.N.Palayam	13,13,000	8,01,322	5,11,678
<b>TOTAL</b>		<b>39,39,000</b>	<b>20,08,187</b>	<b>11,30,813</b>

While releasing the amount, however, the NGO Societies were instructed that they should not spend the amount without prior permission of the D.P.O Erode- vide DPO's/Erode Ref.No: 468/A/KGBV/SSA/2006 dated 6<sup>th</sup> June 2007. This has resulted in blocking up of SSA funds with NGOs running the KGBVs for more than a year and was shown as cash balance with them in the latest audited accounts and utilization certificates as on 31 March 2008 given by those societies. Data on the amounts held up with NGOs running the KGBV Residential schools in other Districts are not available at SIS Headquarters at Chennai. It was, however, seen from the audited/certified utilization for KGBV Scheme for the State as a whole, that there was an unspent cash balance of Rs 30, 43,003 (not including the amount of Rs 11.30 lakh mentioned in the previous para) to be adjusted against the grants-in-aid payable during the financial year 2007-2008.

## CHAPTER –9

### CHILDREN WITH SPECIAL NEEDS (CWSN)

**9.1** SSA is directed to ensure that every child with special needs irrespective of the kind, category and degree of disability is provided education in an appropriate environment. SSA is also directed to adopt a “Zero rejection Policy”, so that no child is left out of the educational system.

Identification of children with special needs is an integral part of micro-planning and house-hold survey. CWSN covers children who are challenged with problems in vision, hearing, movement, learning or problems such as cerebral palsy or mental retardation.

As far as possible, every child with special needs should be placed in regular schools with needed support services. However, those CWSN who cannot be integrated into regular schools on account of their disability may be referred to a special school. These Special Schools are run by Registered Societies with whom Memoranda of Understanding are signed setting out the terms under which funds will be released to them for specific purposes budgeted by SSA and the relative responsibilities of the Societies and SSA are spelt out.

During field visits, the team noticed that the identification of CWSN in schools is done and their needs are taken care of by the concerned Coordinator of the District during his field visits. However, a large number of cases of CWSN is taken care of by the Special societies formed for the purpose, the details of which are analyzed below:

Para 5.9.5 of the Framework for Implementation of the Programme for Universal Elementary Education provides for an expenditure of Rs 1200 (Rs 1100 from 2008-09) in a financial year per disabled child and specific allotment of funds for Medical camps, Assistive Devices/workshops etc., to meet the special training needs of such children. The budgeted amount is for providing special services to children with special needs. All activities pertaining to CWSN should be covered within the ceiling of Rs 1200 (Rs1100 with effect from 01-04-2008) per child per annum and other specific allotments but no cash is to be paid to such children with special needs.

The ceiling on expenditure per disabled child will apply at the District level.

The Study Team examined in depth the operational aspects of work relating to budgeted expenditure in CWSN in Erode and Thiruvannamalai Districts visited by them.

An abstract of the number of beneficiaries and the expenditure targeted/actually spent is given below for both the districts.

Details of intervention of expenditure are also abstracted below:

<b>ERODE DISTRICT</b>				
<b>YEAR</b>	<b>Number of beneficiaries</b>		<b>AWP&amp;B allotment of funds</b>	<b>Expenditure incurred</b>
	<b>identified</b>	<b>enrolled</b>	<b>(rupees in lakh)</b>	
2006-2007	3693	3693	33.636	30.640
2007-2008	3384	3384	32.808	29.794
2008-2009	3384	3384	50.523	7.537 (up to Sept 2008)

<b>THIRUVANNAMALAI DISTRICT</b>				
<b>YEAR</b>	<b>Number of beneficiaries</b>		<b>AWP&amp;B allotment of funds</b>	<b>Expenditure incurred</b>
	<b>identified</b>	<b>enrolled</b>	<b>(rupees in lakh)</b>	
2006-2007	6815	6508	61.788	61.788
2007-2008	5709	5278	56.412	56.412
2008-2009	4626	4466	55.523	35.242 (up to Sept 2008)



**Details of intervention-wise expenditure  
for the years 2006-07, 2007-08 and 2008-09 is given below:**

**ERODE DISTRICT**

(Rs. in lakh)

Sl. No	Particulars	2006-07			2007-08			2008-09		
		Number	Unit/cost price	Expenses	Number	Unit price	Expenses	Number	Unit cost/price	Expenses
1	Fees for Special Teachers with T.A	40	0.5400	18.704	40	0.6000	20.986	40	0.636	4.270
2	Fees for Physio-therapist	3	0.5400	1.620	2	0.5400	1.080	2	0.600	0.492
3	Medical camp	20	0.0600	1.200	20	0.0600	1.200	20	0.100	1.600
4	Assistive devices	20	0.2000	4.000	2	0.3000	0.600	1000	0.015	
5	Day care Centres	8	0.3600	2.880	10	0.5400	5.400	8	0.564	1.095
6	Surgery			0.121						
7	Documentation	20	0.0100	0.100						
8	Contingencies	20	0.0100		8	0.0200	0.160	8		
9	Training to teachers and special teachers	400	0.0060	0.240	50	0.0010	0.050	85		
10	Inclusive play park	20	0.0050	0.250						
11	Life skill training for CWSN	150	0.0025	0.375	75	0.0025	0.188	166		
12	Summer camp for CWSN	150	0.0010	0.150						
13	Cross disability training to special teachers	40	0.0050	0.200						
14	Vocational Training	400	0.005	0.200	52	0.005	0.026			
15	Supply of materials	400	0.0010	0.400	52	0.0010	0.052			
16	Exposure visit for CWSN	--	---	-----	52	0.0010	0.0052			
<b>TOTAL</b>				<b>30.640</b>			<b>29.794</b>			
17	Ramps in existing schools							19	0.060	
18	Workshops and meetings							1	0.500	
19	Brail kits and Books							16	0.005	0.080
<b>TOTAL</b>				<b>30.640</b>			<b>29.794</b>			<b>7.537</b>

**Details of intervention-wise expenditure  
for the years 2006-07, 2007-08 and 2008-09 is given below:**

**THIRUVANNAMALAI DISTRICT**

(Rs. in lakh)

Sl. No	Particulars	2006-07			2007-08			2008-09		
		Number	Unit cost/price	Expenses	Number	Unit price	Expenses	Number	Unit Cost/price	Expenses
1	Fees for Special Teachers with T.A	36	0.0540	19.440	36	0.6000	21.600	36	0.636	15.264
2	Fees for Physio-therapist	5	0.540	2.700	5	0.5400	2.700	5	0.600	2.000
3	Medical camp	18	0.060	1.080	18	0.0600	1.080	18	0.100	1.500
4	Assistive devices	18	0.200	3.600	18	0.3000	5.400	900	0.015	8.500
5	Day care Centres	18	0.360	6.480	18	0.5400	9.720	18	0.564	6.768
6	Surgery	--	--	9.241	0	00000	5.124	--	---	---
7	Documentation	18	0.010	0.180	---	---	----	--	---	---
8	Contingencies	18	0.010	0.180	36	0.0200	0.720	14	0.050	0.000
9	Training to teachers and special teachers	10000	0.0006	6.000	1564	0.0010	1.564	1564	0.001	0.000
10	Inclusive play park	18	0.050	0.900	---	----	----	---	---	----
11	Life skill training for CWSN	1802		4.505	1812	0.0025	4.530	186	0.001	0.000
12	Summer camp for CWSN-Ramps in existing schools	2554	0.001	2.554	1911	0.0010	1.911	19	0.060	1.140
13	Cross disability training to special teachers	36	0.005	1.180	---	---	----	---	---	----
14	Vocational Training Workshop and meetings	3165	---	1.583	1375	0.0010	1.375	1	0.500	0.000
15	Supply of materials- brail kits and books.	3165	0.001	3.165	1375	0.0010	1.375	17	0.005	0.070
<b>TOTAL</b>				<b>61.788</b>	<b>8168</b>	<b>2.0660</b>	<b>56.442</b>	<b>2778</b>	<b>2.532</b>	<b>35.242</b>

**9.2 CWSN Schemes in Thiruvannamalai district**

In Tiruvannamalai District, the operational activities of the schemes are entrusted to a Society “Tiruvannamalai District Society for Rehabilitation of the Disabled “(TSRD) of which the District Collector is the Chairman and the DDR (District Disabled Rehabilitation Officer) is the Secretary. The Society functions in the premises of the District Collectorate.

The TSRD Society gives periodical requisition for funds under various activities to the District Programme Coordinator (DPC) of SSA and gets funds released by SSA to it.

The implementation of the schemes is not by TSRD directly. At the field implementation level, thirteen societies have been formed specifically to look after children with special needs. TSRD releases funds to these societies and is responsible for their operational activities. At the Block Level, CWSN coordinators of SSA, supervise the actual implementation and keep a tab on the number of CWSN children under various categories and the facilities extended to them.

The AWP&B is prepared on the basis of Rs 1200 per child per annum with specific allotment for items like medical camps (revised to Rs.1100 per child per annum from 1<sup>st</sup> April 2008 with increased allotment for specific items) and is got approved by PAB every year and funds made available to TSRD at District level.

A review of the accounts of TSRD certified by the Chartered Accountant for the years 2005-06, 2006-07 and 2007-08 brought out the following:

1. SSA funds forms over 90 percent of TSRD
2. SSA releases the entire budget for CWSN activities to TSRD ( except for certain specific items for which funds under this category is directly dealt with by SSA itself) based on the requisition from TSRD indicating their requirement under specific activities, though the MOU between DPC and TSRD contemplates release of funds under different items in a specific programmed manner.

**The Actual Release of Funds has been as under from the year 2005-06**

Year	Number of beneficiaries		Funds released by DPO/SSA	Capital Fund with TSRD	Capital Fund addition during the year
	Identified	Enrolled			
<b>2005-2006</b>	4761	3178		(OB) 13,27,754	
<b>2006-2007</b>	6815	6508	52,78,993	23,43,101	10,15,347
<b>2007-2008</b>	5709	5278	61,78,800	58,62,228	35,19,127
<b>2008-2009</b>	4626	4466	50,84,450	55,88,347	(-) 2,73,881

It may be seen that with 90 percent of funds from SSA, TSRD has been able to augment its Capital Fund to Rs 23 lakh and Rs 58 lakh during these two

years 2006-07 and 2007-08. It was only in 2008-09 that the current expenditure for the year has been a little more than SSA funds. With funds intended only for recurring expenditure on CWSN, the Society has been accumulating substantial Capital Fund and the benefit of SSA Funds as approved by PAB has not been substantially achieved except in the year 2008-2009. This aspect has not been considered while budgeting for funds for CWSN and seeking PAB's approval for earlier years.

### 9.3 CWSN Scheme in Erode District.

In Erode District, the operational activities of the Scheme are entrusted to a Society "Cheran Region Christian Society for Disabled Children (CRCS)" in Coimbatore. The Society is a NGO with Tamil Nadu Registration number 69/1998. A MOU with DPC is signed up to the year 2008-09 (June to March-10 months).

A review of the Chartered Accountants Audit Report of the Society revealed the following:

- (i) The percentage of Expenditure of SSA funds for the years 2006-07, 2007-08 and 2008-09 is 91percent, 88 percent and 15percent (up to December 2008)
- (ii) SSA releases the entire budget for CWSN activities to CRCS (except for certain specific items for which funds under this category is directly dealt with by SSA itself)

There is unspent balance of SSA funds with CRCS

2006-2007	Rs 2.996 lakh
2007-2008	Rs 4.014 lakh
<b>TOTAL</b>	Rs 7.010 lakh

The details of refund of this amount to DPC SSA at the end of the financial year 31<sup>st</sup> March 2007 and 31<sup>st</sup> March 2008 and taking it to State SIS closing balance has to be ensured.

## CHAPTER –10

### ACTIVITY BASED LEARNING METHODOLOGY FOR PRIMARY SECTIONS I TO IV

10.1 The concept of Activity Based Learning consisting of ABL Module, Self Learning Materials (School kit) , Printing of Work Books, story books using competency based cards by Elementary Class students was experimented in 19 Chennai Corporation schools in the year 2004-2005 for Standards I and II for which an expenditure of Rs 1.42 crores was approved by the Executive Committee SIS after studying and discussing with the Commissioner, Chennai Corporation who was present by invitation in the 24<sup>th</sup> Executive Committee Meeting held on 16<sup>th</sup> March 2005. A sum of Rs 1,42,45,989 was remitted to Chennai Corporation on 2<sup>nd</sup> April 2005 by DDs dated 31<sup>st</sup> March 2005.

In the same meeting, the Executive Committee also decided to print ABL cards through Tamil Nadu Text Book Corporation and implement the Programme in 10 selected schools in each block in Standards I and II and AIE centres at a cost of Rs 1.80 crores at Rs 3,000 per set for 6000 sets, In the next, meeting held on 28<sup>th</sup> November 2005, it was reported that an additional 2000 sets would be required and the final cost was estimated at Rs 2.41 crore . The actual final cost was, however, Rs 2.37 crores.

It was also reported in the meeting held on 28<sup>th</sup> November 2005 that the scheme implemented in the Chennai Corporation schools had a savings out of the amount given to them in March/April 2005 which could be used for printing cards for III standard but it was actually used for ABL cards up to IV Standard. The transactions for Chennai Corporation schools are dealt with separately under “Procurement”. The expenditure to date leaves a balance of Rs 9, 34,469 with DPC/SIS/Chennai, the net expenditure amounting to Rs.1,33,15,520.

The matter was again placed before the Executive Committee meeting held on 28<sup>th</sup> March 2006. It was decided that the Activity Based Technique coupled with Self Learning Activity and work books for Standards I and II be introduced in all non-ABL schools and all AIE Centres.

Apart from the expenditure of Rs 1.33 crore for the experiment in Chennai Corporation from 2004-05 and 2.37 crores for experiment in select schools and

AIE Centres the final orders placed for various items for supply of ABL cards, during 2006-07., amounted to Rs 10.01 crore.

**10.2** Self Learning Material cards developed based on the experience and feedback from the teachers were also ordered to be distributed at one set per school / per AIE centre and work-sheets for all students of Standard I and II and all AIE centres. This was estimated to cost Rs 7.61 crore and was approved in that E.C meeting. This involved three jobs and was taken up with the State Government Department of Stationery and Printing and Tamil Nadu Text Book Press. Orders were placed on Tamil Nadu Text Book Press in March 2006 with full amount of Rs 7.61 crore as advance. One of the jobs could not be done by them and a sum of Rs 1.80 crore was refunded by them in March 2007 after nearly one years' delay and final settlement of jobs done with a sum of Rs 49, 74,373 refunded by them in August 2007. The final expenditure on this experiment was Rs 5.76 crores.

**10.3** Based on the experimental results, the State Project Director of SSA forwarded in the letter No: 273/A4/2007 on 12<sup>th</sup> July 2007, recommendation of the Director Elementary Education of the State in his letter no: 17295/J2/2007 dated 12<sup>th</sup> July 2007 for introduction of ABL system of teaching in class I to IV in all schools from 2007-2008 onwards.

**10.4** The Government of Tamil Nadu, on the basis of the recommendation of the Director of Elementary Education and State Project Director, SSA, Tamil Nadu issued orders on 23<sup>rd</sup> August 2007 that from 2007-2008, all Government schools and all Government-aided schools should follow the ABL system of teaching for classes I to IV.

While issuing these orders, the Government of Tamil Nadu has reiterated that the expenditure on this account should be borne by the Sarva Shiksha Abhiyan Funds which has undertaken this innovative scheme. There is no reference to free text books issued by the Government at huge cost to all students from Standard I to IV and its linkage with the ABL system has not been considered.

**10.5** The text books continue to be issued to all students by the State Government in classes I to IV from year to year irrespective of the stage they have reached in the ABL ladder system. The anomaly arises when children in the III or IV standard are still in the ladder of ABL cards of I, II or III standards and are not

able to use the text books issued to them on the basis of their years in the school as there is no detention of students in the Standards I to IV irrespective of their performance. The issue of free text books to the students without reference to the level they have reached under ABL system has not been considered at all. Parents have, during our school visit, expressed their concern in this regard as they are not able to assess the progress made by the students in the absence of report cards which were earlier issued for their signature on the performance of their wards. We also found that expected competencies were not gained on year to year basis in the case of a large number of students. At present, it is not quite clear as to how many children complete the competencies meant for each year and how many carry the back-log for the next years.

**10.6** The ladder diagram indicates a stage where text books are to be made use of after reaching a level of learning under ABL system. Even to children who have backlog in learning- (slow-learners), the text books are issued on year to year basis and for those who are in Standard III or IV but are at II or III level as regards achievement in the ABL card system, the text books issued in previous years/year only may be relevant to them. Since they are issued text books of higher class on the basis of their years in the school, parents do feel unhappy with the fact that they are not up to the mark in the text books as issued to the children.

**10.7** The State Government has been issuing free text books to all the students in the classes I to IV and continue to issue them. There has been no consideration whether these text books continue to be relevant under the new system. The Director, Elementary Education has in his proposal, stated that these text books are broken into small portions and printed in colorful cards and are placed in the class room in identifiable trays at low level, providing easy access to children to take and learn from them happily taking the appropriate cards according to their level of learning. Even if they happen to be on leave, they can start from where they left off earlier.

**10.8** In addition to cards, work books are also printed and issued to the children(for the present standards I and II) for them to practise writing. Low-level black boards are also provided in the class rooms where they can practise writing what they have learnt.

As regards Homework, the direction of the SPD in letter no: 594/A1/Training/2008 dated 23<sup>rd</sup> August 2008 contemplates making a weekly assignment of home work based on the level the children have reached.

**10.9** In the AWP&B discussion of 2007-2008(item (iv) of the Appraisal team) it was noted that no major steps have been taken to revise the curriculum and text books in a holistic manner in Tamil Nadu for a considerable time and needs to be addressed in the light of NCT-2005.

**10.10** The ABL cards and work books (presently issued to standards I and II) along with a lot of reading materials in the form of “Poongothu” books, as well as cards seem to have totally replaced the need for text books continued to be given free of cost under the State Government Programme.

**10.11** The recommendation of the State Director of Elementary Education invite the following comments.

The performance results of students under ABL system and non-ABL conventional system of common tests based on Text books have been compared to establish that the students fared much better under ABL system in the 4th Standard.

They are not comparable for the following reasons:

The Conventional system of Text Book oriented teaching and examination with common question paper for the entire class is mainly assessed on the basis of performance in the Common question papers where students of different abilities perform in a widely varying manner with less pass percentage.

Under ABL system, the assessment is made on the basis of the ladder level/stage at which the students stand (a IV standard student may be in a ladder/stage of III or even II Standard level at which only he will be assessed), though on year to year basis the students are placed in I, II, III or IV class. This is confirmed by SPD’s circular 3032/AOL/SSA/2008 dated 10<sup>th</sup> April 2008 and another circular dated 21<sup>st</sup> April 2008.

Thus, it can only be said that the slow-learners are progressively brought up to the level they can confidently handle V class text books when they reach that stage and by special efforts even after reaching V class stage before taking up V class text books.

**10.12** The orders of the State Government of Tamil Nadu that the expenditure of the ABL system should be borne by the SSA funds requires reconsideration. It is



the policy decision of the State Government to issue free text books to all students. SSA is a time-bound Centrally Sponsored Programme, presently coming to close by 2010. The development of ABL cards and work books, seem to replace the text books and what is more, are made available to students at the stage at which they will make use of them in full as against the routine issue of text books free, irrespective of their stage of learning. Having accepted the Scheme which also found a mention in the Finance Ministers' Budget Speech of 2007,(State Government) the conclusion seems to be inevitable that these cards and work books would replace the text books and the State Government should consider organizing them at their cost by providing for them in their Budget.

**10.13** A sum of Rs 78.39 crores was incurred in arranging for the supplies of ABL cards and Work Books up to 2008-09 (so far). The procurement is done in accordance with the State Procedure for Open Tender System.

**10.14** The Project Appraisal Board of the Ministry of Human Resource Development, Government of India, has been reviewing the ABL scheme. While considering AWP&B for 2006-2007 it approved ex-post-facto diversion of funds from different heads in previous years as valid investment for quality improvement in learning. (Vide item (ii) other approvals of PAB).

In year 2006-2007, there was no proposal for further outlay of funds in ABL Scheme. However, a sum of Rs 10.01 crores was diverted for purchase of ABL cards from funds approved for "Out of schools children schemes" amounting to Rs 22.43 crores in spite of specific commitment in that year that "All out of school children will be identified and enrolled in 2006-2007 and a separate strategy worked out for migrating children" Even in the Action Taken Report in the next years AWP&B (2007-2008) there was no mention of the diversion of nearly 50 percent of the funds for ABL cards. There is no approval of PAB to cover this.

In 2007-2008, PAB approved funds under "Teachers grant" to be utilized for ABL cards. PAB also approved for convergence of funds for total outlay on quality of Rs 405.05 crore to implement ABL Programme.

**10.15** The PAB while considering AWP&B 2008-2009 reviewed the action taken report of 2007-2008 and directed an assessment to be undertaken of parental satisfaction with learning levels of children and sharing of class work/homework with parents. PAB also directed that "detailed study be undertaken on the

involvement and perception of the community on ABL especially on response to learning levels of students”. They have been stressing on the aspect every year in 2006-2007 and 2007-08 also. It is also suggested that a group of eminent educationists be commissioned to evaluate the scheme in comparison with the traditional text book, examination régime. In the interests of children now committed to the ABL, this may be done on an urgent basis.

**CHAPTER –11**  
**FLOW OF FUNDS**

**11.1 Funds for preparatory activities**

Rs 1.09 crores balance out of the fund for Preparatory activities received for micro planning etc., was refunded to the GOI after a delay of 3 years.

Government of India had released pre-project funds amounting to Rs 3,62,02,200/- separately at the beginning of the SSA Programme to carry out the preparatory activities for micro-planning, household survey, studies, community mobilization, school based activities, office equipments, training and orientation etc., The details of usage are as follow:

Grants received from Government of India	Rs	3,62,02,000
Interest earned	Rs	6,13,101
Total amount	Rs	3,68,15,101
Utilised in the year 2000-2001	Rs	1,08,05,443
2001-2002	Rs	79,00,533
2002-2003	Rs	68,87,080
2003-2004	Rs	3,06,500
Total Expenditure	Rs	2,58,99,556

The balance available sum of Rs 1, 09, 15,545 from 2004-2005 was remitted to Government of India on 15<sup>th</sup> June 2007 after a delay of 3 years. The interest on the balances left at the end of the relevant years will have to be computed at an agreed rate and refunded.

**11.2 DPEP Funds**

DPEP (Phase I and II) was closed on 30<sup>th</sup> June 2003. In the utilization certificate for the year 2006-2007 issued in No:F28-1/2006-EE16 Dated 11<sup>th</sup> June 2008 by the Ministry of Human Resource Development, Government of India, the Ministry stated that “the TNSMEA, Chennai refunded an amount of Rs 1,06,45,765/ on 31<sup>st</sup> May 2007 (for DPEP) @ 85 percent as Central share of unspent balance. The refund is in order and no further amount is due with the State under DPEP”.

In another D.O No:17/4/2007-DP(Dis) dated 22<sup>nd</sup> September 2008 issued by the Ministry of HRD, Government of India, addressed to the State Project Director, Chennai, the Ministry stated that “as per calculations contained in the Ministry’s letter dated 26<sup>th</sup> August 2008, an amount of Rs 225.62 lakhs was due from DPEP, Tamil Nadu. DPEP, Tamil Nadu had refunded an amount of Rs 106.46 lakh and the balance amount of Rs 119.16 lakhs was still due.”

But the State Project Director, Chennai in R.C.No 3726/B1/SSA/2005 dated 22<sup>nd</sup> October 2008 addressed to the Ministry, said that “no further amount was due from SPD, Chennai “ and a detailed letter RC No.4126/B1/2006 dated 22<sup>nd</sup> September 2008 had already been sent in this regard. No further communication was received by SPD from the Ministry.

As the issue is pending settlement for a long time, it is suggested that the difference in the unspent balance furnished both by the HRD Ministry and SPD, Chennai is reconciled at the earliest.

## **FLOW OF FUNDS UNDER SSA SCHEME**

### **11.3 REVIEW OF QUALITY OF PERFORMANCE**

One of the conditions for further release of funds by Government of India is that the quality of implementation justifies the release. Para 2.9.3 of the SSA Framework for Implementation envisages visits of supervision teams by the National/State Missions once in six months for overall assessment before processing the second installment. The teams would be constituted by the National Mission in partnerships with States. As per norms six visits were to be conducted in 2005-06 to 2007-08. The SPO informed us that no supervision teams of National/State Mission visited the Tamil Nadu State during 2005-06 to 2007-08. The input regarding quality of implementation by the review team was thus denied before release of further funds.

### **11.4 Release of Funds:**

The flow of funds in respect of SSA, NPEGEL and KGBV Schemes for the years 2005-06 to 2007-08 to SIS Tamil Nadu is tabulated in sub-para 11.7 below. The table revealed that

(1) the delay in release of both Central and State shares to the implementing Society for the years 2005-2006 to 2007-2008 ranged between 13 days to 99 days.

(2) in 2005-2006, the State share of Rs 246.953 lakhs, out of Rs 11948.518 lakhs sanctioned was received by the Society at the fag end of the year ie., on 31<sup>st</sup> March 2006.

(3) in 2006-2007, the Central share of Rs 1000 lakhs, out of Rs 52534.103 lakhs sanctioned was received only on 04<sup>th</sup> April 2007 by the society, ie., after the closure of the financial year.

(4) in 2007-2008, the Central share of Rs 7827 lakhs out of Rs 51972.913 lakhs sanctioned and State share of Rs 4214.538 lakhs out of Rs 27985.415 lakhs sanctioned were received only on 04<sup>th</sup> April 2008 and 11<sup>th</sup> April 2008 respectively by the society ie, after the closure of the financial year.

The delay in release of funds resulted in delays in the Districts, Blocks, VECs getting funds which in turn remained unutilized by VECs by the end of the year.

A scrutiny of the accounts of the selected District as at the end of March 2008 revealed the unutilised amounts with Village Education Committees as under

Name of the District	Amounts advanced to VECs Date of release	Amount Rs. In lakhs
Erode	December '07 to February '08	19.35
	March '08	121.27
Thiruvannamalai	10 <sup>th</sup> March 2008	133.265

### **11.5 NPEGEL**

The delay in release of both Central and State share to the society ranged between 13 days to 83 days for the year 2005-2006 to 2007-2008.

In 2005-2006, the State share of Rs 123.480 lakhs out of Rs 246.967 lakhs sanctioned was received on 31<sup>st</sup> March 2006 by the Society.

### **11.6 KGBV**

The delay in release of both Central and State share to the Society ranged between 13 days to 83 days for the years 2005-2006 to 2007-2008.

In 2006-2007, the Central share of Rs 511.300 lakhs and Rs 195 lakhs, out of Rs 706.300 lakhs sanctioned were received on 29<sup>th</sup> March 2007 and 04<sup>th</sup> April

2007 respectively. The State share of Rs 165 lakhs out of Rs 235.433 lakhs sanctioned was received on 17<sup>th</sup> August 2007 i.e., five months after the closure of the financial year.

The Manual of Financial Management and Procurement stipulated that the Ministry would release the funds directly to the State implementing Society in two installments i.e., in April and September every year (Para 88.1 of FMP). The financial norms of the Programme further envisaged that the participating State would contribute the agreed ratio of the Programme cost within 30 days of the receipt of the contribution of the Union Government as per the approved sharing arrangement. (Para 89.2 of FMP).

Both the Centre and the State did not release their shares as per the prescribed norms. Instead, funds were released in several installments for the years 2005-2006 to 2007-2008. Further, funds received at the fag end of the year did not allow expenditure to be incurred in the same financial year and did not serve the intended purpose of execution of budget outlay. This area requires to be looked into.

#### **11.7 Delay in Flow of Funds.**

### **FUNDS FOR SARVA SHIKSHA ABHIYAN**

**The Table below depicts the extent of delay in release of Funds by the Centre/State of their respective shares.**

<b><u>Central Share</u></b>			<b><u>State Share</u></b>			<b><u>Delay</u></b>	
<b>Date of sanction (A)</b>	<b>Amount (rupees in lakh) (B)</b>	<b>Date of receipt by SIS (B)</b>	<b>Date of sanction (C)</b>	<b>Amount (rupees in lakh) (D)</b>	<b>Date of receipt by SIS (D)</b>	<b>A to B Sanction to release</b>	<b>C to D Sanction to release</b>
<b><u>2005-2006</u></b>							
05-05-05	5400.00	30-05-05	21-06-05	5000.00	25-07-05	25 days	34 days
10-06-05	4627.46	20-07-05	03-11-05	2000.00	21-12-05	40 days	49 days
25-10-05	7008.85	13-11-05	20-01-06	2930.60	17-03-06	19 days	56 days
09-11-05	10000.00	17-11-05	30-03-06	246.953	31-03-06	8 days	---
06-01-06	7972.77	23-01-06	---	---	---	17 days	---
<b><u>2006-2007</u></b>							
14-06-06	25477.53	03-07-06	19-04-06	5000.00	25-04-06	19 days	6 days
03-11-07	10000.00	23-01-07	10-08-06	3492.52	17-11-06	20 days	99 days
26-03-07	1000.00	04-04-07	06-01-07	8585.247	23-01-07	10 days	17 days
<b><u>2007-2008</u></b>							
18-05-07	15000.00	01-06-07	03-07-07	10081.41	17-07-07	14 days	14 days
20-08-07	1967.93	29-09-07	11-12-07	8759.613	24-12-07	40 days	13 days
17-10-07	5093.77	21-11-07	31-03-08	4214.538	11-04-08	35 days	11 days
10-12-07	22072.95	01-01-08	---	---	---	22 days	----
19-03-08	7827.00	04-04-08	---	----	---	16 days	----

## FUNDS FOR NPEGEL AND KGBV SCHEMES

The Table below depicts the extent of delay in release of Funds by the Centre/State of their respective shares

(Rupees in lakhs)

Date of Sanction (A)	Central share		State share			Delay	
	Amount	Date of receipt (B)	Date of sanction (C)	Amount	Date of receipt (D)	A to B	C to D
<b><u>NPEGEL</u></b>							
<b><u>2005-06</u></b>							
<b>18-11-05</b>	370.450	02-12-05	30-03-06	123.480	31-03-06	14 days	-----
<b><u>2006-07</u></b>							
<b>14-06-06</b>	852.120	19-07-06	15-09-06	284.040	01-12-06	35 days	46 days
<b><u>2007-08</u></b>							
<b>18-05-07</b>	250.000	01-06-07	03-07-07	250.000	17-07-07	13 days	14 days
<b>20-08-07</b>	61.650	29-09-07	14-12-07	189.657	28-12-07	40 days	14 days
<b>17-10-07</b>	96.000	21-11-07	---	---	---	35 days	---
<b>10-12-07</b>	415.990	01-01-08	---	---	----	21 days	----
<b><u>KGBV</u></b>							
<b><u>2005-06</u></b>	NIL	NIL	NIL	NIL	NIL	----	---
<b><u>2006-07</u></b>							
<b>04-01-07</b>	511.300	29.307	05-01-07	170.433	23-01-07	83 days	18 days
<b>21-03-07</b>	195.000	04-04-07	19-07-07	65.000	17-08-07	13 days	28 days
<b><u>2007-08</u></b>							
<b>20-08-07</b>	259.220	29-09-07	03-01-08	366.660	07-03-08	39 days	63 days
<b>17-10-07</b>	80.578	21-11-07	---	---	----	34 days	---

### 11.8 Funding Profile.

The funding profile of State Implementing Society Tamil Nadu is summarized below:

(Rs in lakh)

Year	Schemes	Approved Annual Outlay including spillover	Funds released by			Expenditure	Balance	Amount not released by	
			Centre	State	Total			Centre	State
2005-06	SSA	47794.072	34959.080	10177.553	45136.633	46487.138	(-) 1350.505	886.474	1770.965
	NPEGEL	987.869	370.450	123.480	493.930	970.028	(-) 476.098	370.452	123.487
	KGBV	-----	-----	----	----	402.227	(-) 402.227	---	---
	<b>Total</b>	<b>48781.941</b>	<b>35329.530</b>	<b>10301.033</b>	<b>45630.563</b>	<b>47859.393</b>	(-) <b>2228.830</b>	<b>1256.926</b>	<b>1894.452</b>
2006-07	SSA	70045.470	35477.530	17077.767	52555.297	54144.770	(-) 1589.473	17056.573	433.601
	NPEGEL	2272.320	852.120	284.040	1136.160	1159.073	(-) 22.913	852.120	284.040
	KGBV	-----	706.300	170.433	876.733	1158.005	(-) 281.272	-706.300	(-) 170.433
	<b>Total</b>	<b>72317.790</b>	<b>37035.950</b>	<b>17532.240</b>	<b>54568.190</b>	<b>56461.848</b>	(-) <b>1893.658</b>	<b>17202.393</b>	<b>547.208</b>
2007-08	SSA	67916.746	52961.650	23055.561	76017.211	59397.461	16619.750	-8815.765	715.300
	NPEGEL	1279.985	823.640	439.657	1293.297	1274.668	(-)11.371	8.350	8.338
	KGBV	1074.325	339.798	431.660	771.458	790.101	(-) 18.643	358.513	-55.646
	<b>Total</b>	<b>70271.056</b>	<b>54125.088</b>	<b>23926.878</b>	<b>78051.966</b>	<b>61462.230</b>	<b>16589.736</b>	<b>-8448.902</b>	<b>667.992</b>

The Centre and State have not released the funds as per approved outlay for the years 2005-2006 and 2006-2007. This has resulted in expenditure incurred in excess of the Funds received by SIS. In 2007-08, there was huge unspent balance, after adjusting the short releases of funds for the years 2005-06 and 2006-07. This indicates that the outlay for 2007-2008 was over-pitched.

#### 11.9 Release of Maintenance grants.

The maintenance and repairs grant of Rs 2026.670 lakhs and Rs 1060.450 lakhs were released in the years 2006-2007 and 2007-2008 respectively by SPO to various schools.

One of the conditions for release of maintenance grant to Primary/Upper Primary schools is that it must involve elements of Community contribution vide para 7(a) e of the Frame Work for Implementation of SSA Scheme.

It was noticed that there was no system to ensure this condition while releasing this grant to the Village Committees of concerned schools.



### 11.10 Government of India's Comments on the Audited Accounts and Audit Report for 2006-07

The State Project Director in his letter No.1026/B1/SSA 2007 dated 23<sup>rd</sup> April 2008 forwarded the Annual audited accounts and Audit Report for 2006-07 to the Government of India. In reply, in letter No. D.O. 17/2/2007 /SSA (DIS) dated 08<sup>th</sup> May2008 the Government of India had nigh lighted the following observations of the Auditors.

#### Receipts which are not income

a)	Amount advanced but shown as expenditure in earlier years which are returned by DTERT DSE, Indus Funds, DEEO Trichy (Note on Accounts item IIA (1))	Rs.26,50,220
b)	Amount provided under current liability of Krisyhnagiri D.P.C in 2004-05 reversed during 2006-07 (Note on Accounts item IIA (3))	Rs.20,88,346
c)	Unspent grant pertaining to previous years returned back to concerned D.P.C's during 2006-07 included in other receipts (Note on Accounts item II C)	Amount not indicated

These unspent grants would go to reduce the releases of approved grants of 2007-08. This has not been done and has to be adjusted against the grants approved for subsequent years. The utilization certificates for 2006-07 for the net amount released needs to be revised deducting the unspent balances of that year.

### 11.11 Funds released from SPD to Districts and from Districts to Blocks:

SPD to Districts	Distribution
SSA	
2005-2006	27-04-05 to 21-03-06 (11 installments)
2006-2007	26-04-06 to 29-03-07 (10 installments)
2007-2008	17-04-07 to 3-03-08 (10 installments)
NPEGEL	
2005-2006	13-12-05 to 12-02-06 (2 installments)
2006-2007	08-09-06 to 30-03-06 (3 installments)
2007-2008	24-09-07 to 07-02-08 (4 installments)
KGBV	
2006-2007	13-03-07 to 30-03-07 (2 installments)
2007-2008	17-10-07 to 20-03-08 (3 installments)
District to Blocks (Erode)	
2006-2007	01-08-06 to 30-03-07 (38 installments)
2007-2008	28-5-07 to 29-2-08 (42 installments)

Under para 89.3 of Chapter V dealing with funds flow arrangements, the State Society would release the funds to Districts within 15 days of its receipt from Government of India and State Government. The DPO should release the funds to Blocks, VEC etc., within 15 days of its receipt from the State Society. But it was observed that the funds were released for SSA programmes to Districts in 10 to 11 installments for the years 2005-2006 to 2007-2008.

For NPEGEL funds were released in 2 to 4 installments for 2005-2006 to 2006-2007 in 2 months after the release of the funds from SPO, Chennai.

For KGBV, funds were released in 2 to 3 installments for 2006-2007 and 2007-2008 ie., at the fag end of the year.

It was observed in Erode District that funds were released to Blocks, VECs etc., in 38 to 42 installments for 2006-2007 and 2007-2008.

As delay in release of funds would affect implementation of SSA Project adversely both the SPO&DPO should ensure the release of funds is done within the time framework as contemplated in the Manual for Financial Management and Procurement.

## CHAPTER -12

### REVIEW OF EXPENDITURE ON ELEMENTARY EDUCATION

#### 12.1 Expenditure by the state Government on Elementary Education

##### Shortfall in the level compared to 1999-2000

As per paragraph 23 of Development Credit Agreement, Credit No 3882/IN, Elementary Education Project between the Government of India and the International Development Association, dated 03<sup>RD</sup> June 2004, the project State has to maintain their Elementary Education Expenditure **in real terms** to the level of Fiscal Year 1999-2000 in the years following on the implementation of SSA Project. The contribution to the SSA programme shall be over and above this commitment

The following is the Elementary Education Expenditure of the Government of Tamil Nadu in financial terms.

**(Rs in crore)**

Year	Net Elementary Education Expenditure	Shortfall	Excess
1999-2000	1959.06		
2000-2001	1883.07	75.99	
2001-2002	1831.12	127.94	
2002-2003	Plan 59-07 Non-Plan 1686.83 1745.90	213.16	
2003-2004	1772.79	186.27	
2004-2005	1893.76	65.30	
2005-2006	1920.84	38.22	
2006-2007	2471.66		512.60
2007-2008	3248.28		1289.22
TOTAL			

The State Project Director in his letter in October 2008 to GOI, MHRD has stated that the 1999-2000 expenditure is inflated because of payment of arrears on revision of pay scales and only normal expenditure excluding arrears needs comparison. Even on financial terms there was shortfall in the level of expenditure in subsequent years up to 2005-2006. In reply, the State Project Director has stated that the detailed proposals to GOI, MHRD was already sent for the period up to 2003-04 in October 2008.

Only financial expenditure has been reported and no attempt seems to have been made by indexing to convert the commitment of expenditure in absolute terms over the years following 1999-2000.

## 12.2 Status of expenditure against the interventions

The table below indicates activity-wise outlay approved and the expenditure incurred against each for the years 2006-2007 and 2007-2008 in the State of Tamil Nadu:

Sl. No	Activities	<b>(Rs in lakh)</b>					
		<b>2006-2007</b>			<b>2007-2008</b>		
		<b>(As per the Administrative Report)</b>			<b>(As per statement sent to MHRD/GOI)</b>		
	Approved AWP	Actual	Amount unutilized	Approved AWP	Actual	Amount unutilized	
1.	Teachers salary	12537.240	9949.919	2581.321	22825.800	11674.388	6151.412
2.	Block Resource Centre	6908.875	6652.161	256.714	3082.955	3031.848	51.107
3.	Cluster Resource Centre	587.392	568.736	18.656	6660.112	6254.424	405.688
4.	Civil Works	33342.695	21920.654	11422.041	18569.447	17306.211	1263.236
5	Intervention for out of school children.	2242.508	2195.275	47.233	2809.915	2058.403	751.512
6.	Remedial Teaching	---	---	---	602.000	570.745	31.555
7.	Innovation	1450.000	1412.800	37.200	1500.000	1497.103	2.897
8.	Intervention for disabled children	1150.946	971.949	178.997	1396.716	1300.816	95.900
9.	Management	3906.350	3137.052	769.298	2584.615	2381.549	203.066
10.	Maintenance grant	2042.850	2026.670	16.180	2068.700	2060.450	8.250
11.	Research, Evaluation, Monitoring and Supervision.	603.603	463.722	139.881	609.686	591.385	18.301
12.	School grant	1020.280	1008.549	11.61	1030.380	1022.180	8.200
13.	Teachers grant	1053.120	981.457	71.633	1108.020	1068.476	39.544
14.	T.L.E	130.900	127.800	3.100	190.000	189.874	0.126
15	Teachers' Training	2725.491	2638.793	86.698	3114.188	3030.317	83.871
16.	Community Training	93.380	89.181	4.199	116.015	109.292	6.723
17.	State Component	852.793	302.045	550.748	---	---	---
18.	NPEGEL	2272.320	823.732	1448.588	1279.985	1274.668	5.317
19.	KGBV	941.780	1158.001	---	1074.365	790.101	284.264
20.	SIEMAT	250.00	---	250.00	250.00	250.00	---
	<b>TOTAL</b>	<b>73509.73</b>	<b>56126.5</b>	<b>17383.23</b>	<b>7082.899</b>	<b>61462.230</b>	<b>9410.669</b>

From the above statement it was noticed that during 2006-2007, the activities shown against Sl. Nos 1,4,8,9,11,17 and 18 the percentage of unutilized amount against approved Annual Work Plan (AWP) were more than 15 percent i.e., 23.17, 34.25, 15.55, 19.69, 23.17 64.58 and 63.74 percent.

The entire amount approved for SIEMAT (Rs 250 lakhs) was kept unspent (Vide Sl.No:20) during 2006-2007.

For the years 2007-2008, in respect of activities shown against Sl. Nos 1,5 and 19, the percentage of unutilized amount were 26.95, 6.95 percent, 26.74 percent and 26.45 percent.

The reasons for the above huge amount of balance unutilized against the amount sanctioned were not on record. For the Schemes SSA, NPEGEL and KGBV, the amounts sanctioned by PAB were released only either at the fag end of the financial year or at the beginning of the next financial year. Hence the intended purpose could not be achieved.

The Government of India in the letter No.17/2/2007/SSA (DIS) Dt: 8<sup>th</sup> May 2008 to the SPD Tamil Nadu pointed out excess expenditure as under.

There was excess expenditure under certain components over the amount approved in the Annual Works Plan and Budget by the Project Approval Board for the year 2006-2007.

**(Rupees in lakhs)**

<b>Name of the Component.</b>	<b>Amount approved in AWP&amp;B</b>	<b>Expenditure</b>	<b>Excess Expenditure</b>
Teaching and Learning Equipment	130.900	136.55	<b>5.650</b>
K.G.B.V	941.730	964.513	<b>22.783</b>
<b>TOTAL</b>	1072.630	1101.063	<b>28.433</b>

However, the component –wise expenditure shown in the administrative report for 2006-07 indicates the expenditure as under:-

TLE : Rs.127.800 lakhs

KGBV : Rs.1158.001 lakhs

The approval of the Project Approval Board was not obtained for the excess expenditure.

### **12.3 Reappropriation of funds:**

There was reappropriation of funds under 17. Management within the sub-items of Management component cost for the year 2006-2007 to an extent of Rs 3605.35 lakh and for the year 2007-08 to an extent of Rs 302.00 lakh. The cost of the component activity was rearranged without seeking the approval of the Project Approval Board, MHRD, New Delhi as per the instructions in Manual of Financial Management and procurement paragraph 86-3(v).

#### **12.4 Excess Payment of Salary towards BRC and CRC Staff.**

As per approved Annual Work Plan and Budget for the years 2005-06 to 2007-08, the unit cost of the BRC and CRC staff was Rs 1.2 lakh per annum for 2005-06 and 2006-07 and Rs 1.56 lakh per annum for 2007-08. In BRC, senior teachers are posted against the posts sanctioned and their pay and allowances are higher than the unit cost as presented in the Project estimates. At present the pay and allowances of both BRC and CRC staff are borne by the SSA in full leading to excess expenditure over PAB approved budget as per Statement enclosed.

The procedure followed by SSA is that they would first exhaust the funds available as per norms under “Activities of BRC and CRC salary” and the remaining portion of the salaries is accommodated under “the Management Cost”. The procedure gives a picture that the salaries of BRC and CRC staff are paid according to norms within the budget approved by the PAB. A test check of District Project Offices of Chennai, Erode and Thiruvannamalai (during the field visits of Erode and Thiruvannamalai) revealed that payment to the tune of Rs 8.43 crores has been made in excess of the norms under Salaries to BRC and CRC staff over the approval of PAB, for the years 2005-06 to 2007-08.

The matter has to be considered by the Project Approval Board while considering the AWP&B for 2009-10.

#### **EXPENDITURE STATEMENT OF BRC AND CRC STAFF.**

<b>Name</b>	<b>Year</b>	<b>Number of staff (BRC+CRC)</b>	<b>Pay and allowances as per acquittance.</b>	<b>As per norms approved by PAB</b>	<b>Excess payment</b>
DPO, Chennai	2006-07	94	Rs 1,55,08,275	Rs 1,12,80,000	Rs 42,28,275
---do--	2007-08	109	Rs 1,79,76,592	Rs 1,70,04,000	Rs 9,72,592
DPO, Erode	2005-06	137	Rs 3,15,26,844	Rs 1,64,40,000	Rs 1,50,86,844
---do-----	2006-07	137	Rs 3,12,19,685	Rs 1,64,40,000	Rs 1,47,79,685
---do-----	2007-08	137	Rs 3,59,64,303	Rs 2,13,72,000	Rs 1,45,92,303
DPO, Tvmalai	2005-06	131	Rs 2,87,59,100	Rs 1,57,20,000	Rs 1,30,39,100
---do---	2006-07	98	Rs 3,21,89,000	Rs 1,17,60,000	Rs 2,04,29,000
---do---	2007-08	100	Rs 1,68,47,900	Rs 1,56,00,000	Rs 12,47,900
<b>TOTAL</b>			<b>Rs 20,99,91,699</b>	<b>Rs 12,56,16,000</b>	<b>Rs 8,43,75,699</b>

#### **12.5 Expenditure of Rs.54.70 lakh without the approval of the project approval board**

The Director of Teacher Education Research and Training in the State was sanctioned two posts of Joint Director in September and December 1994 and paid

under the earlier District primary Education Programme for conducting training teachers of standard I to VIII. The D.P.E.P was closed on 30<sup>th</sup> June 2003.

There was no provision for these two posts under S.S.A. Programme in operation from 2001-2002. The continuance of these posts from government funds from 1<sup>st</sup> July 2003 after D.P.E.P was closed on 30<sup>th</sup> June 2003 was taken up with the Government of Tamil Nadu by the State Implementation Society of S.S.A. Programme. The Tamil Nadu Government directed the State Project Director S.S.A Programme to meet the salary of these two Joint Directors from S.S.A funds pending approval of the Government of India.

No approval has been obtained from the Government of India and the salary paid to these two Joint Directors from 01-07-2003 to April 2008 amounting to Rs.54.70 lakh (approximate) is with out the approval of the P.A.B. and is brought to notice. Their salary has not been paid from 1<sup>st</sup> May 2008 from S.S.A funds.

## CHAPTER -13

### AUDITING ARRANGEMENTS

#### 13.1 Internal Audit

As per paragraph 100 of the SSA Frame work and the Manual of Financial Management and Procurement, the State Implementing Society has to introduce a proper internal audit system. The Internal Audit Reports are required to be placed before the Executive Committee to check their compliance.

The Internal Audit was entrusted to the Chief Internal Auditor and chief Auditor of Statutory Boards of the Government of Tamil Nadu. They cover internal audit of all the DPCs, BRCs, CRCs and select VECs

The details of the number of objections pending in certain Districts are given below:

Year	Total number of districts	Districts for which data is available	Number of objections pending	Value not available
2003-2004	30	25	1486	Other districts- details not furnished
2004-2005	30	16	508	
2005-2006	30	21	641	
2006-2007	30	Only number of units covered is available and further details not furnished		

Internal Audit covered for the 2006-07 was as under

1. SPO 1
2. DPCs 30
3. CRCs 412
4. VECs 43339 (VECs selected at random is covered)

The Executive Committee in its 26<sup>th</sup> meeting held on 21<sup>st</sup> March 2006 in its additional Agenda 20 considered the performance of internal audit and felt that the internal audit is virtually a post audit at the end of the year and found it to be of little use for initiating corrective measures.

Internal Audit for 2007-2008 has not been taken up so far.

The SIS has therefore, moved the Government of Tamil Nadu for an in-house Audit wing and orders of Government are awaited.

There is no indication of the placing of the Internal audit reports before the Executive Committee for their compliance.



### 13.2 Statutory audit arrangement

As per paragraph 104-1 of Financial Management and Procurement, the following time table is prescribed for the statutory audit arrangement. The actual date of completion of external audit is given against each item.

Sl.no	Items of audit	Periodicity fixed	2006-2007	2007-2008	2008-2009
1	Date of E.C. approval for engagement of auditors	Between January and March of every year	22-02-2007 and 05-06-2007	02-06-2008 17-09-2008	
2	Date of engaging C.A.Firm	By April of every year at the outset	20-06-2007	03-06-2008	
3	Progress on audit work	By June of every year	Reviewed in August 2007	Reviewed on 03-10-2008	
4	Submission of audit report by SPO	Desirable by September	23-04-2008		
5	Approval of Annual Report and Audited Accounts	Desirable by November every year	23-04-2008 17-09-2008		
6	Despatch to GOI	1 st December of every year	23-04-2008		
7	Para 105 of FMP State Society Register in format Annex XXII with DDO wise settlement of audit objections	Notes on account of Certified Annual Accounts by Statutory Auditors and reviews in the next year 2006-2007 as recorded in the annual accounts do not cover the items from 7-11 specifically.			
8	Details of S.P.D monthly review on progress settlement.				
9	Compliance of audit objections by auditor in next audit.				
10	Production of Register to Audit for verification and settlement.				
11	Audit compliance reporting to GOI by SIS on a regular basis				

### **13.3 Dates of approval of Annual Accounts of the State Implementing Society by the Executive Committee.**

<b>Year</b>	<b>Approval details</b>
<b>2006-07</b>	Chairman, Executive Committee approved on 22-04-2008 SSA Executive Committee gave ex-post-facto approval on 17-09-2008.
<b>2007-08</b>	Audit of Annual Accounts is in progress.

### **13.4 Certification of Annual Accounts by Chartered Accountant**

The amended para 101-4 of the Manual of Financial Management (as amended in September 2007) prescribes that the C.A. Firm for conducting audit of SSA should be selected from the list of Chartered Accountants selected and approved by the Comptroller and Auditor General of India/Accountant General.

The Executive Committee of SSA approved the continuance of C.A. Firm (except one) who did the audit of SSA for 2005-06 and 2006-07 for the year 2007-08 also as per para 101-7 which provides for continuance of the C.A. Firm with satisfactory performance for the third year also but never beyond that.

For engagement of the C.A. Firm from C&AG's approved panel/A.G's panel, the S.I.S has stated that it will be followed from the Accounts for 2008-09 onwards.

Under the Terms of Reference for appointment of Auditors (101.5 of MFP) the statutory auditors are required to certify that goods, works and services have been procured in accordance with the relevant provisions of the procurement procedure prescribed for the purpose. The certificates as given do not certify the procurement procedure actually followed.

### **13.5 Chartered Accountant's Audit Report for 2007-08**

In terms of Paragraph 101 of the Manual of Financial Management and procurement, the submission of Chartered Accountant Firms audit report and utilization certificates for the year 2007-08 was due on 30<sup>th</sup> September 2008.

The engagement of Chartered Accountant Firm of the Accounts for 2007-2008 was approved by the 32<sup>nd</sup> Executive Committee meeting held on 17<sup>th</sup> September 2008 and their audit is in progress.

### **13.6 Inspection Report on the Accounts of the SSA by Accountant General (Audit)**

The Audit of the Sarva Shiksha Abhiyan for the years 2002-2003 to 2005-2006 was conducted by the Accountant General (Audit) under Section 14 of the C&AG's DPC Act, 1971 during October 2006. A gist of the objections and its present stage is enclosed in Annexure-IV.

### **13.7 Format of final accounts and placing audited accounts before the General Body**

The statutory auditors in their report on the accounts of 2006-07 have stated that SIS has not followed the format prescribed in MFP. No attempt seems to have been made for aligning the provisions regarding the books of accounts and final accounts in the byelaws with those in the MFP.

Byelaw-No 33 prescribes that Annual Report along with audited accounts has to be placed before the General Body of the Society in the Annual General Meeting within six months of the close of the financial year. This is not being done and was brought to the notice of the Executive Committee in their 29 th Meeting held on 5 th June 2007 by the representatives of Registrar of Cooperative Societies.

At the end of the meeting, the representative of the Inspector General of Registration brought to the notice of the Chair the fact of non-holding of General Body Meeting and non-filing of Accounts and returns of SSA for a long period of time as required in Tamil Nadu Societies Registration Act, 1975. The Secretary, School Education Department observed that AGM will be held shortly. The Assistant Inspector General of Registrations further opined that exemptions from filing returns may be obtained from Government as per provisions in 54 of the Tamil Nadu Societies Registrations Act, 1975

The Secretary, School Education Department replied that necessary action will be taken in this regard,

The matter still remains to be finalized.

### **13.8 Previous Study Report on SSA by the IPAI**

The present position on observations of the previous study report by the I.P.A.I. and their pendency in settlement with Government of India is given in attached Annexure-V.

## **CHAPTER - 14**

### **FIELD VISITS**

**14.1** In the selected Districts of Erode, Thiruvannamalai and Chennai, the team visited 56 schools in 14 Blocks (Nambiyur, Anthiyur, Erode, Sathiyamangalam, Perunthurai, Bhavani, Ammapet, Modakkuruchi, Chennimalai, Thellar, Chennai, Thiruvannamalai, Kilpennathur and Jamunamarathur). This included three KGBV residential schools and two model cluster schools under NPEGEL in tribal areas situated in Jawathuhills. The team also visited five BRCs at Nambiyur, Anthiyur, Sathiyamangalam, Thellar and Kilpennathur and two CRCs at Gandhipuram and Thellar. The team had extensive interaction with VEC Presidents, the Headmasters/ Secretaries, Teachers around 157 Students and 112 Pparents. Interviews were conducted with Parents, Students, VEC Presidents, Teachers/ Headmasters based on the structured questionnaires given in the guidelines. In addition, the basic records maintained by the schools viz, stock Register, Village Education Registers, House hold survey. Bank Pass Book, Vouchers, Cash Book, ect., were scrutinized, physical verification of construction activities was also carried out at Kadambai and usampadi in Thiruvannamalai district. The results of field study are summarised below.

#### **14.2 Community Participation**

In none of the schools, no records of the meetings/resolutions of the core planning teams were available and participation by other Departments could not be verified. At the grass root level school Reports cards (designed under District Information System for Education) give the basic data on Habitation level facts and needs. Plans are drawn by BRC in consultation with VEC on their basis.

Parent –Teachers meetings are generally held once in a month.

#### **14.3 Primary Records.**

(i) Bank Accounts/ Cash Book.

There should be one Cash Book and Bank account for each VEC. It was, however, seen that in some VECs separate Cash Book and Bank accounts were maintained for Civil works grants and other grants. It was explained that this was adopted to have control over the expenditure on Civil works. Unless the rules specifically direct each accounts unit should have only one Cash Book and one Bank account. Subsidiary registers may be maintained for controlling expenditure

over each grants. The grants given to the schools are treated as final expenditure by DPC.

**(ii) Asset Register**

A consolidated cumulative Asset Register showing year to year acquisition of major Assets like furniture, Buildings, land if owned by VER, computers, T.Vs, etc. This was generally not maintained by VECs, in 48 schools and while a stock registers are maintained in 50 schools for purchase of materials out of TLE/TLM/schools grants. No annual physical verification has been done and results recorded.

**(iii) Accounting of cheques:**

The cheques received from DPC towards various grants for deposit in bank accounts should be entered in the Cash Book immediately on receipt and deposited with the Bank. Three cheques amounting to Rs.1,43,852/- were held back and not deposited in the Bank for more than 53 days in KGBV- Getticheiyur in Nambiyur Block, Erode District.

**(iv) Transparency**

The school display Board has to show all investments being made in the schools to highlight transparency in programme. Display Boards were not available in 22 out of 50 schools. Details of grants received and also expenditure incurred were not generally exhibited.

**(v) Infrastructure facilities**

The essential facilities of toilets and playground were found to be lacking in many schools.

**Our study revealed that out of 56 schools**

- Toilet facility was not available in 12 schools. Separate toilets were not available for girls in 9 schools.
- Play ground was not available in 17 schools.

It was also noticed during field visit that there were no seating facilities for the students in one upper Primary school, Forest Middle School at Jamunamarathur, Jawathu Hills Block.

## Summary

The SSA, a time bound programme in mission mode, tries to tackle education, which along with health, is a determinant of the quantity and quality of the human resource of the country. In partnership with the State and Local Governments and most importantly, in participation with the local community, it provides funds for a series of interventions, aimed at universal, value based, quality education, covering all children between the ages of 6 to 14. It has a built in gender bias, with focus on underprivileged girls, children of SC, ST and minority communities and children with special needs and attempts to usher in a knowledge society, in which the girls and women will be empowered, equipped with life skills and become self confident and useful members of society. It aims to sensitise the community, in an attempt to remove caste and gender discriminations. While it has due respect for tradition and rules, it seeks to promote innovation and inject flexibility in its implementation.

Tamil Nadu has made great strides in implementing the programme but quite some distance remains to be covered, in the provision of necessary infrastructure like school and classroom buildings, general toilets, exclusive toilets for girls, drinking water facilities, revised curricula, trained teaching staff etc. There are cases where funds have remained unutilized or have been diverted without approval.

As in other States, the organisation has administrative powers vested in one authority and funds with another.

Quality control of Civil Works leaves much to be desired as, in the absence of independent evaluation and absence of documents ensuring engineer's reports and supporting test reports on quality checks in the course of constructions, there are no means to review how the quality control has actually been ensured.

Procurement is a grey area where urgent action is called for. There are no documents, like MoUs, defining the duties and responsibilities of SIS and the Government owned purchasing agencies like ELCOT, TANSI, TNTBC and ISRO. On the basis of proforma invoices, the total amount is paid as advance, as prescribed in a State Government GO/as demanded. During test checks it was noticed that in one case orders were placed on the supplier at prices lower than in

the proforma invoice. There are occasions where Liquidated Damages are levied, which go to reduce the price. The difference between the proforma invoice, on the basis of which full advance has already been made and the final price, including items like LD, are to be refunded to SIS, as administrative charges at 5 percent is paid to the purchasing organisation. The important point is, that the purchasing organisation follows its own purchase procedure. Fine tuning the procedure in the Manual of Financial Management and Procurement will be of no use in such a situation. It is also suggested that the MoU should provide, wherever applicable, for the maintenance and running costs and residual value to be taken into account, in addition to the purchase price, while preparing the comparative statement. Further, there should be provision for weightages, as required, for pre and post delivery inspection and for dispute settlement mechanisms like arbitration. It will be advantageous for the tender papers to mention, the court with jurisdiction, for settling of disputes.

The study has found cases of extravagant use of funds met from the funds of NPEGEL, like, for example, the purchase and supply of three sets of encyclopaedia in Tamil, in seventeen volumes of doubtful utility in a programme for primary education, to each of the twenty MCS in Jawathu Hills Block. The NPEGEL scheme is meant for girls' education and sensitization of teachers in the area of girls education.

A system change, in the field of education, is sought to be introduced with Activity Based Learning, replacing the textbook oriented and examination based traditional system. There is need to keep in check the apparently promising innovation. It is necessary to test and get approval of parents and other stakeholders like the teachers and the community's amen for the change as the future of a group of children is involved. It is also suggested that a group of eminent educationists be engaged to evaluate the success of the system.

While extending the innovation for introduction in all schools including all Government aided schools in 2007, the State Government has ordered that the expenses should be met from SSA funds. As expenditure from SSA funds is governed by a budget approved by the PAB, its clear approval will be essential for such an arrangement. Further, on the statewide introduction of ABL, the first call will be on the State Government as ABL appears to be leading to replacement of free text books issued by the State Government.

The study noticed that the State Government is unaware of or wants a change in, the commitment relating to the running expenses of SIEMAT, which are to be met by the State Government, as prescribed in the Manual of Financial Management and Procurement.

Normally, assets purchased wholly or substantially out of Central Government Grants should revert to Central Government. The byelaw of the Society concerning this requires reconsideration.

The bye laws relating to accounts books, final accounts etc require alignment with the provisions in the SSA Manuals, as also those relating to objectives which are silent regarding elimination of caste and gender discrimination, for example. Necessary exemption from the State Government from the provisions in regard to maintenance of accounts as per the Society's Act has also to be sought.

The Internal Audit wing requires strengthening as it is not only in arrears but is also not fulfilling one of its essential functions of helping management in decision making. Qualified accounts staff, at all levels is an essential urgent requirement.

As per the agreement with the International Development Association the State Government has to maintain its expenditure on elementary education at its 1999-2000 level in REAL TERMS, the contribution to SSA Funds being additional to this amount. The team noticed that no attempt at indexing has been made.

The observations of the study, regarding delays in transmission of funds, lack of infrastructural facilities, unapproved diversion of funds, use of funds on items with no proximal or distal connection with primary education, unspent balances held at various points in the organization without being refunded with interest, non-availability of documentation of inspection of civil works, utilisation certificates, supply of textbooks without reference to the revised needs of ABL etc can be rationalized as the cost of restructuring society, in which educated members of the community, conducting 'social audit', will ensure value for money spent out of the SSA funds. Community monitoring and Social audit will prevent misuse rather than try to set things right after they have gone wrong. Hopefully, that day is not far off.



**ANNEXURE-I**

**(Referred to in Para 1.5)**

**LIST OF SCHOOLS VISITED BY THE TEAM**

Panchayat Primary Schools	Panchayat Middle Schools
<b>ERODE DISTRICT</b>	
(a) Nambiyur Block	Nambiyur block
Malayampalayam	KGBV Getticheiyur
Savakkattupalayam	Gandhipuram
Nambiyur	
(b) Anthiyur Block	Anthiyur Block
Gudumiyatur	Anthiyur (east)
Athani	Pudumettur
(c) Erode Block	Erode Block
Kollampalayam	New upgraded Middle school, Koorapalayam
Veerappanpalayam	
(d) Sathyamangalam Block	Sathyamangalam Block
Vedar Nagar	Sathyamangalam
	Pazaih kalayanur
	Makkiam kombu
(e) Perunthurai Block	Perunthurai Block
	Perunthurai (West)
	Perunthurai (East)
(f) Bhavani Block	Bhavani Block
	Bhavani(East)
(g) Ammapettai Block	Ammapettai Block
	KGBVS S.P, Goundanur
	Chittar
(h) Modakurichi Block	Modakurichi Block
Modakurichi	Kasapettai
Avalpoondurai	Kanagapuram
(i) Chennimalai Block	
Vellode	
<b>THIRUVANNAMALAI DISTRICT</b>	
(j) Thellar Block	
Ponnur	
S.Katteri	
Nallur	
T.Mampattu	
(k) Chennai Block	Chennai Block
CPS, Majakollai	CMS Amanchikkarai, Zone V
Rani meiammai P.S, Gandhipuram	
Avvai Home P.S, Adayar	
(l) T.V.Malai Block	T.V.Malai Block
Nallavan palayam	Government High School, Nallavanpalayam.
Durgai mamhiangal	

Inam kariyandal	
Usampadi	
Thurainjapuram	
(m) Kilpennathur Block	Kilpennathur Block
Somasipadi	Kodambai
Kulathur	
Sokottukulam	
(n) Jamunamarathur Block	Jamunamarathur Block
Kuriyanur	KGBV, Gundalathur
Kanakaneri	KGBV, Mutanathur
	KGBV Ammattan kollai
	Alanjanoor.

**Surprise visit.**

1. PUPS, Getticheriyur.
2. PUPS, Thellar.
3. PUPS, Day Care Centre, T.V.Malai
4. PUPS, Nochimalai
5. GGHS, Mallowadi
6. T.V. Middle School, Paigopuram.









**ANNEXURE -III**

**(Referred to in Para 8.1)**

**Community-wise Enrollment details in KGBV Hostels 2006-2007**

S.No	District	No.of EBBS	No.of KGBV hostels	Number of children					
				SC	ST	MBC/ BC	Muslim Minority	Others	Total
1	Cuddalore	3	3	96	4	49	1	0	150
2	Dharmapuri	2	1	7	7	36	0	0	50
3	Erode	6	3	56	9	89	0	0	154
4	Karur	1	1	9	0	40	0	0	49
5	Krishnagiri	1	1	22	0	21	7	0	50
6	Namakkal	1	3	0	148	2	0	0	150
7	Salem	6	4	33	126	31	0	10*	200
8	Thiruvannamalai	2	5	11	185	45	0	0	241
9	Villupuram	6	13	211	100	324	50	0	685
10	Virudhunagar	1	3	69	0	81	0	0	150
<b>TOTAL</b>		<b>29</b>	<b>37</b>	<b>514</b>	<b>579</b>	<b>718</b>	<b>58</b>	<b>10</b>	<b>1879</b>

\*Belong to below poverty line

