

CHAPTER IV

CHIEF CONTROLLING OFFICER BASED AUDIT

GENERAL EDUCATION DEPARTMENT

4.1 Chief Controlling Officer based Audit of the Directorate of Public Instruction

Highlights

Imparting quality education to children at the primary and secondary level plays an important role in refining and redefining their personality and transforms them to ideal citizens of our country. Directorate of Public Instruction (DPI) along with primary/upper primary/secondary schools and various other institutions under its control are responsible for providing quality education upto secondary level. The objective of imparting quality education was to be achieved through the effective implementation of the various programmes like infrastructure development, quality improvement training programmes for teachers, curriculum modification, printing and distribution of text books, Mid-Day Meal programme, etc. A Chief Controlling Officer based audit of the Directorate of Public Instruction revealed the following:

Persistent variation in the allocation and expenditure in all the years indicate that no corrective measures were taken by the DPI to avoid the estimated figures being either inflated or under-pitched.

(Paragraph 4.1.7.1)

Basic facilities like drinking water, teaching equipments, library, furniture, etc., were deficient in many schools.

(Paragraph 4.1.8.1)

DPI did not take any action for utilizing excess claim of GOI assistance of ₹ 36.63 crore on account of purchase of rice for Mid-Day Meal scheme for providing micronutrients, de-worming medicines, etc., or get the excess claim adjusted from subsequent year's allotment from GOI.

(Paragraph 4.1.8.4)

Shortfall in inspections of schools by DEOs/AEOs was noticed in the test checked districts which resulted in the non-assessment and rectification of deficiencies in implementation of various educational programmes in schools.

(Paragraph 4.1.11.1)

The departmental officers did not initiate any action against 114 unrecognized schools functioning in the test checked districts.

(Paragraph 4.1.12.1)

4.1.1 Introduction

The Directorate of Public Instruction (DPI) plays an important role in the intellectual and physical development of all pupils studying in the schools. The main function of the DPI is management of Primary, Upper Primary and High Schools in the State. He is responsible for finalizing the curriculum, printing of text books, printing of teachers handbook, arranging on job training to teachers as a part of quality improvement programme, etc.

Literacy rate of Kerala increased to 93.91 *per cent* in 2011 as compared to 47.18 *per cent* in 1951. The male, female literacy gap also narrowed down to 4.04 *per cent* from 21.92 *per cent* in 1951.

There were 12,634 schools (4,493 Government schools, 7,278 aided schools and 863 unaided schools) in the State as of July 2011 (2011-12) catering to 42.30 lakh students. The strength of students in the different categories of schools is shown in **Table 4.1**:

Table 4.1: Distribution of students in different category of schools in the State

Nature of school	Student strength (in lakh)	Student strength (in percentage)
Government	12.61	29.82
Government aided	25.93	61.30
Unaided	3.76	8.88
Total	42.30	100.00

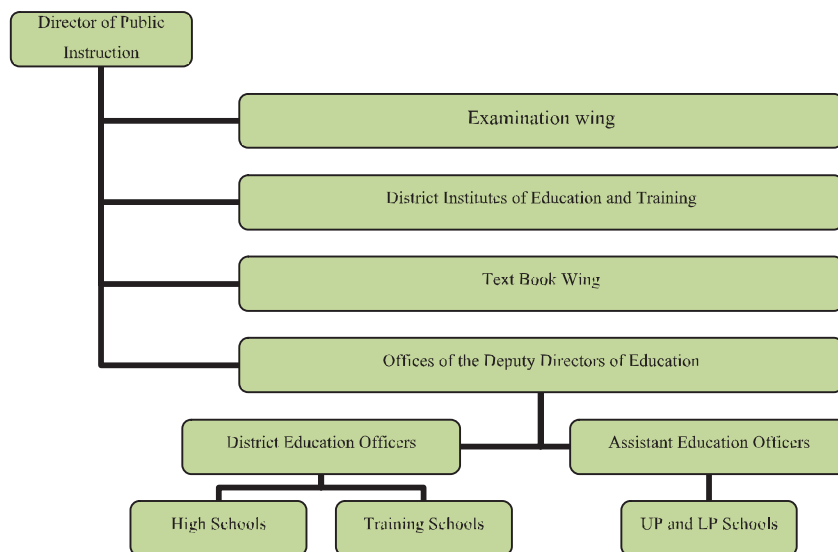
Source: Data furnished by DPI

Average annual budget outlay of the DPI during 2007-12 was ₹ 3,090.75 crore.

4.1.2 Organisational Set-up

The DPI is the Chief Controlling Officer of the Education Department for Primary and Secondary Education and is assisted by 14 Deputy Directors of Education (DDE). There are 38 Educational Districts in the State. District Education Officers (DEOs) are in charge of the Districts and Assistant Education Officers (AEOs) are in charge of Sub-Districts. The administration of High Schools, Training Schools and other special types of schools are under the control of DEOs and the administration of all Primary/Upper Primary Schools is being controlled by the respective AEOs.

The organizational structure of DPI is as under:



4.1.3 Audit coverage and Methodology

A Chief Controlling Officer (CCO) based audit of the DPI conducted during January-May 2012 covered the period 2007-12. During audit, the records of four Deputy Director of Education (DDEs), four District Educational Offices (DEOs) and 16 Assistant Educational Officers (AEOs) were test checked as detailed in **Table 4.2:**

Table 4.2: Details of DEOs/AEOs test checked by Audit

DDE offices	DEO offices	AEO offices	
Thiruvananthapuram	Thiruvananthapuram	Attingal	Neyyattinkara
		Kaniyapuram	Parassala
Kottayam	Kottayam	Changanacherry	Kottayam West
		Ettumanoor	Pala
Palakkad	Palakkad	Palakkad	Shornur
		Parali	Pattambi
Kozhikode	Kozhikode	Balussery	Kozhikode city
		Feroke	Perambra

Records of Text Book office and State Council for Education Research and Training (SCERT) were also test checked during audit. While the selection of DDEs was made based on Probability Proportionate to Size Without Replacement¹⁰² (PPSWOR) sampling method, DEOs and AEOs were selected by Random Sampling method.

¹⁰² PPSWOR is a sampling procedure under which the probability of a unit being selected is proportional to the size of the ultimate unit. This gives larger clusters a greater probability of selection and smaller clusters a lower probability.

An Entry Conference was conducted on 14 February 2012 with the Secretary of General Education Department wherein the audit objectives, criteria, sampling method for selection of units for audit and scope of audit were explained. An Exit Conference with the Secretary was conducted on 13 August 2012 during which the audit findings were discussed and the response of the Government was included in the report at appropriate places.

4.1.4 Audit Objectives

The CCO based audit of the DPI was undertaken to assess whether:-

- there was adequate planning for implementation of schemes;
- the guidelines relating to budgeting were complied with;
- the schemes like Mid-Day Meal, Quality Improvement Programme, Printing of textbooks, Quality Education in Madrassas were implemented as per guidelines;
- the expenditure was in conformity with broad principles governing Compliance Audit;
- the infrastructure provided in schools was adequate; and
- the inspections of schools was carried out as prescribed.

4.1.5 Audit criteria

Appropriate audit criteria derived from the following were adopted:

- Acts and Rules namely Kerala Education Act 1958, Kerala Education Rule (KER), 1959, Kerala Services Rules
- Kerala Budget Manual
- Kerala Treasury Code
- Guidelines and instructions on the administration of schools issued by Government and DPI from time to time.
- Guidelines and instructions in respect of the implementation of Mid-Day Meal Scheme

Audit Findings

4.1.6 Planning

The major programmes being implemented for the achievement of the objectives of Primary and Secondary Educations are the centrally sponsored schemes such as Sarva Siksha Abhiyan (SSA) and Rashtriya Madhyamik Siksha Abhiyan (RMSA). These programmes are being implemented through independent agencies. A long term Perspective Plan essential for implementation of various schemes and activities by fixing targets to assess the achievements was not prepared by the Directorate. However, the Kerala State Planning Board had prepared the schemes for the DPI and included them in the XI Five Year Plan 2007-12.

4.1.7 Financial Management

Funds for the DPI are provided in the State budget by the Education Department under Grant No. XVII and the DPI operate the following Major

Heads viz. 2202 (General Education), 2204 (Sports and Youth Service), 2205 (Art and Culture) and 2235 (Social Security and Welfare). The total outlay on major centrally sponsored schemes for Sarva Siksha Abhiyan (SSA) was ₹ 1,086.62 crore for 2007-12 and Rashtriya Madhyamik Siksha Abhiyan (RMSA) was ₹ 57.54 crore for the period 2009-12 and the total works out to ₹ 1,144.16 crore. The above schemes are being implemented through independent agencies (State Project Officer, Sarva Siksha Abhiyan and Project Officer Rashtriya Madhyamik Siksha Abhiyan) and DPI has no budgetary control over those agencies.

Audit analysis of budget allotments and expenditure revealed the following:

4.1.7.1 Budget allocation and expenditure

The total budget allocation and expenditure from 2007-08 to 2011-12 under the Plan and Non-Plan heads are as given in **Table 4.3**:

Table 4.3: Allocation and expenditure under heads of accounts operated by DPI

(₹ in crore)

	2007-2008		2008-2009		2009-2010		2010-2011		2011-12	
	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan
Total allocation	83.88	2536.90	169.06	2590.89	253.50	2539.05	285.29	2764.46	344.14	3886.59
Total Expenditure	71.40	2188.33	170.71	2624.21	228.34	2575.99	276.22	2896.74	308.68	4079.92
Excess (+)/ Underutilisation (-)	(-) 12.48	(-)348.57	(+)1.65	(+)33.32	(-)25.16	(+)36.94	(-)9.07	(+)132.28	(-) 35.46	(+)193.33

Source: Detailed appropriation accounts of the respective years

Estimates prepared were based on the departmental estimates submitted by the Heads of Departments. Paragraph 14 of the Kerala Budget Manual (KBM) stipulates that the departmental officers who prepare the estimates should always give careful personal attention and ensure that the estimates are neither inflated nor under-pitched. The budget estimates of the DPI were prepared by compiling the data furnished by the district level officers and heads of other institutions under the control of DPI. The internal audit wing of the DPI did not scrutinize the entire estimates submitted by district level offices because of shortage of manpower and adopted the data without any analysis. Audit noticed excess/savings in the budgeted estimates during 2007-12 as discussed below.

Shortfall in utilization of Plan funds to the tune of ₹ 80.52 crore and excess expenditure to the tune of ₹ 47.30 crore under Non-Plan noticed during 2007-12, not only indicate the faulty estimation but also revealed that high priority funds (Plan funds) were being diverted for meeting non-plan expenditure.

Director stated (August 2012) that the excess expenditure in non-plan heads was due to non-anticipation of the extra expenditure on account of increase in strength of teaching and non-teaching staff by opening of new schools, sanctioning of additional divisions in the existing schools and up-gradation of

schools. It was also stated that due to delay in getting administrative sanction from the Government and treasury restrictions imposed by the Government, the DPI was unable to incur Plan expenditure which resulted in under utilization of Plan funds.

The reply indicates that the budget estimates were being prepared without planning and assessment of the actual expenditure.

4.1.7.2 Expenditure in excess of original budget provision

A review of the budget provision and expenditure in respect of the heads of account, where the original budget provision was more than ₹ one crore revealed that in 32 cases, the expenditure exceeded the original budget provision by 7.02 per cent to 96.28 per cent as shown in **Appendix 4.1**.

The Government stated (August 2012) that incorrect budget estimation was mainly due to lack of accuracy in details provided by the District level and sub level offices of Education Department and unforeseen policy changes of the Government.

4.1.7.3 Rush of Expenditure

Rush of expenditure in the month of March inspite of uniform/steady release of funds during the respective fiscal year

Paragraph 91(2) of the KBM states that flow of expenditure should be regulated in such a manner that there is no rush of expenditure at the end of the year. It was noticed that in 54 heads of account, though there was allotment of ₹ 117.78 crore during the commencement of the year, the entire expenditure (₹ 72.33 crore) was incurred only in the month of March as detailed in **Appendix 4.2**. It was also seen that under 92 heads of account, expenditure incurred in the month of March was more than 50 per cent of the total expenditure as shown in **Appendix 4.3**.

The Government stated (August 2012) that though funds were made available to sub offices on time, DDEs failed to utilize in a uniform manner because of delay in receiving administrative sanction.

4.1.8 Operations/Project Management

4.1.8.1 Infrastructure in Schools

Infrastructure facilities in schools were inadequate

Chapter IV of KER describes the facilities to be provided in a school like school building with proper fencing, playground, garden, library, toilets, drinking water, educational equipments, etc. The infrastructure facilities are now being provided by the local bodies. Analysis of data collected from 371 schools (out of 1,214 schools in the selected DEOs/AEOs) revealed the following deficiencies in infrastructure:

- Adequate furniture was not available in 103 schools (28 per cent).
- 129 schools (35 per cent) did not have proper educational appliances like globes, maps, etc.
- 99 schools (27 per cent) did not have play grounds.

- 82 schools (22 per cent) did not have a boundary wall or proper fencing.
- Library facility was not available in 60 schools (16 per cent).
- Adequate drinking water facility was not available in 52 schools (14 per cent).

As it was the responsibility of the DPI to ensure the infrastructure facilities in schools, non-availability of the basic facilities in schools is a failure on his part.

4.1.8.2 Optimal utilization of resources

Rule 22-A of KER prescribes that a school shall have minimum student strength of not less than 25 per standard. It was seen that the number of schools in the State without minimum student strength increased from 3,414 in 2007-08 to 4,614 in 2011-12 as shown in **Table 4.4**:

Table 4.4: Table showing number of schools without minimum strength

Year	Schools without minimum strength		
	Government	Aided	Total
2007-08	1720	1694	3414
2008-09	1839	1822	3661
2009-10	1974	1988	3962
2010-11	2147	2133	4280
2011-12	2271	2343	4614

Source: Data furnished by DPI

Further, test check of selected AEOs/DEOs revealed that in 376 schools (out of 1,520), 88 schools had another Government or Aided school within one Km radius and 178 schools had another Government or Aided school within two kilometre radius.

The increasing trend in schools without minimum student strength in standards as required in KER resulted in underutilization of available resources.

DPI stated (August 2012) that while implementing the Right to Education Act, such schools would be kept in cluster group so as to utilize the resources of all the schools uniformly.

4.1.8.3 Scheme for providing Quality Education in Madrassas

To provide Muslim students studying in Madrassas with access to education in modern subjects like Science, Mathematics, Social Studies, Hindi and English, a ‘Scheme for Providing Quality Education in Madrassas’ (SPQEM) was introduced by GOI with effect from 2010-11. The objective of the scheme was to encourage traditional institutions like Madrassas and Maktabas by providing financial assistance for introducing the above subjects in their curriculum so that academic proficiency for classes I-XII was attainable for children studying in these institutions. Under the scheme, GOI was required to provide assistance to these institutions for appointment of teachers, subject to

availability of a minimum of ten students in each subject. Each full time Graduate teacher was to be paid salary for 12 months at the rate of ₹ 6,000 and post Graduate/B.Ed. teacher ₹ 12,000 per month. The scheme also provided for assistance to purchase teaching equipments, computers, library books, establishment of science laboratories and assistance for on job training to teachers.

During 2010-11, assistance amounting to ₹ 14.68 crore was paid to 547 Madrassas in the State and an amount of ₹ 3.90 crore was paid to 152 Madrassas in the selected districts.

Audit analysis of 108 out of 152 Madrassas in the selected districts revealed the following:

- According to the guidelines, financial assistance under the scheme was available to children of educationally backward muslim minorities who attend Maktabs/Madrassas/Darul-Ulooms engaged largely in providing religious teaching and with very little participation in the national mainstream education system. However, records of 108 Madrassas in the test checked DDE offices indicated that all the children in these Madrassas were attending national mainstream education system in general schools. To that extent, the scheme guidelines were not adhered to.
- As per the information available with the DDEs, the above 108 Madrassas were functioning only part-time.
- DPI, while disbursing the assistance to Madrassas, had not assessed the working hours of Madrassas, number of children who were learning only religious teaching and curriculum to be followed in the Madrassas. There was no mechanism in place with the DPI to ascertain whether the mainstream subjects like Mathematics, Science, English and Computers were taught and how the time was allotted for teaching the same in Madrassas.
- The scheme also envisaged financial assistance for conducting in-service teacher training programmes for the teachers appointed under the scheme to upgrade their pedagogical skills. Training was to be arranged in groups by State Council for Education Research and Training (SCERT)/District Institutes of Education and Training (DIETs)/Block Resource Centers (BRCs), etc., and the funds for this purpose was to be provided to these training institutions through the State Government at ₹ 100 per day per teacher trainee for a maximum period of 15 days training to cover training expenses and TA/DA of the trainee. DDEs were required to collect the list of teachers from the Madrassas and forward it to SCERT/DIETs for arranging training and the payment to these training institutions made through the State Government. It was seen that training was given to all the 21 teachers employed under the scheme in eight Madrassas under the jurisdiction of DDE, Thiruvananthapuram. But no training was given to 365 teachers engaged

in 142 Madrassas under the DDEs of the other three test checked districts viz., Kottayam, Palakkad and Kozhikode.

- Government stated (August 2012) that in Kerala almost all Madrassas are functioning part time. But teaching grants were provided to the Madrassas with a direction to handle modern subjects strictly in accordance with norms and guidelines issued by GOI. Government further stated that on the basis of audit observation, an enquiry would be conducted against the institutions to ascertain whether these institutions under SPQEM had misappropriated Government money and next installment would be paid only after carefully examining the implementation of guidelines of the scheme.

However, the fact remains that during 2010-11, DPI had not obtained necessary clarifications and approval from GOI before making payments of teaching grant of ₹ 1.54 crore to 149 part time Madrassa teachers at the rate of full time teachers.

4.1.8.4 *Implementation of National Programme to Nutritional Support to Primary Education (Mid-Day Meal Scheme)*

The DPI is the nodal agency for implementation of Centrally Sponsored Mid-Day Meal scheme. The scheme was launched in 1995 with an aim to improve the nutritional levels among children. The guidelines of Mid-Day Meal scheme envisage that the scheme should be complemented with appropriate interventions through administration of six monthly dose of de-worming and vitamin 'A', weekly iron, zinc and folic acid and other appropriate supplements either by utilizing the savings amount in the scheme or be funded from appropriate schemes of the Health Department or the School Health Programme of the State Government. It also require the State Level Steering-Cum-Monitoring Committee (S-SMC) to guide the implementation agency in co-ordination and convergence with departments/agencies/schemes concerned and monitor the status of implementation to take suitable midcourse correction, if any, in time. GOI had directed that the committee shall meet once in six months.

- In order to achieve the objectives of Mid-Day Meal scheme, GOI bears the cost of rice (₹ 5,650 per MT), transportation cost (₹ 750 per MT) and seventy five *per cent* of cooking cost, honorarium to cooks, etc. According to the norms, savings in any component was to be used for providing micronutrients and de-worming medicines, for conducting periodic health check-up, provide meals having better quality, improving infrastructure facilities, better supervision, monitoring, etc. Audit observed that DPI had inflated the number of feeding days which resulted in excess claim of ₹ 36.63 crore on account of purchase of rice from GOI for three years as shown in **Table 4.5:**

Excess claim of ₹ 36.63 crore on Mid-Day Meal Scheme was utilized for the distribution of rice kits to children on festival days

Table 4.5: Details of savings on account of excess claim of rice and transportation cost
(₹ in crore)

Year	Quantity of rice lifted for free supply during festival seasons (MT) ¹⁰³	Value of rice lifted for free supply during festival seasons @ ₹ 5,650 per MT (+) 1 per cent VAT	Transportation cost (₹ 750 per MT)	Excess claim
2009-10	28999	16.55	2.17	18.72
2010-11	14167	8.08	1.06	9.14
2011-12	13576	7.75	1.02	8.77
Total	56742	32.38	4.25	36.63

The DPI, instead of reducing the amount from the subsequent year's GOI assistance or providing micronutrients, de-worming medicines, etc., as envisaged in the norms of the scheme, utilized the amount for distribution of five kilograms of raw rice kit per child on festival days, which was a State sponsored programme.

DPI stated (August 2012) that annual work and budget plan for the current year was being prepared on the basis of the number of students enrolled for Mid-Day Meal scheme during the month of December of the previous year, and it was usually more than the actual feeding strength of the current year and the procurement of rice was made by reckoning the number of working days for lower and upper primary schools as 200 and 220 respectively. It was also stated that steps were being taken to provide appropriate health supplements with the assistance of Social Welfare and Health Departments.

This reply indicates that the DPI did not utilize the excess claim for providing micronutrients, de-worming medicines, etc., or get the excess claim adjusted from subsequent year's allotment, but it was utilized for the implementation of another State sponsored programme. In test checked schools (371 out of 1,214 schools), it was seen that the average number of working days during 2007-12 ranged between 170 and 179 and it showed a minimum variation of working days of 21 in respect of upper primary schools and 41 in respect of primary schools against the 200 and 220 days reckoned by DPI for the calculation of Mid- Day Meals. DPI did not take any action to prepare a realistic assessment of the actual feeding strength and the number of feeding days by analyzing the past data and in the light of constant reduction in enrolment of students in the State.

- It was also noticed that the minimum requirement in number of S-SMC meetings was achieved only during 2009-10 and no meetings were held during 2008-09 and 2011-12. This shows deficiency in monitoring of Mid-Day Meal Scheme at State level.

At the district level, there is a noon feeding supervisor who is responsible to examine the food quality in schools and to verify the stock and other related records. According to information contained in the Annual Work Plan for Mid-Day Meal Scheme, the percentage of supervision by the supervisor ranged between 40 and 50. But audit

¹⁰³Quantity of rice lifted for free supply during festival seasons was in addition to the rice lifted for Mid-day meal scheme of 27,853, 48,666 and 49,251 metric tonnes for the years 2009-10, 2010-11 and 2011-12 respectively.

scrutiny revealed that the extent of supervision in the four selected districts was only 2.54 to 25.58 per cent as detailed in **Table 4.6:**

Table 4.6: Table showing details of monitoring by noon feeding supervisor

Year	Thiruvananthapuram		Kottayam		Palakkad		Kozhikode	
	Number of MDM schools	Number of schools verified with percentage	Number of MDM schools	Number of schools verified with percentage	Number of MDM schools	Number of schools verified with percentage	Number of MDM schools	Number of schools verified with percentage
2008-09	945	24 (2.54)	NA	NA	NA	NA	NA	NA
2009-10	950	27 (2.84)	878	75 (8.54)	NA	NA	NA	NA
2010-11	940	28 (2.97)	878	115 (13.10)	907	209 (23.04)	1242	145 (11.67)
2011-12	940	56 (5.96)	885	128 (14.46)	907	232 (25.58)	1242	181 (14.57)

Source: Data furnished by the Deputy Directors of Education

NA – Data not available

Analysis of information regarding facilities in schools for Mid-Day Meal scheme collected from 371 out of 1,214 schools in the selected DEOs/AEOs revealed the following deficiencies in implementation and monitoring of the scheme:

- there were interruptions in noon meal feeding in 28 schools;
- headmasters of 23 schools were not satisfied with the quality of rice provided;
- facility for storage of food grains in hygienic conditions was not available in 51 schools;
- thirty schools were having thatched kitchen roof; and
- eighty four schools did not have waste disposal facility.

Admitting the observations, the Government stated (August 2012) that action was being taken to rectify the shortfalls in the implementation of the scheme.

4.1.9 Materials/Stores Management

4.1.9.1 Procurement of paper for printing of text books

The department, in connection with printing of text books for the year 2010-11, placed orders with M/s Andhra Pradesh paper mills for the supply of paper at a cost of ₹ 40,791 per MT (less discount of ₹ 300) and procured 1,710.92 MT of paper at a cost of ₹ 6.93 crore. Audit observed that during the year 2010-11, 68.50 lakh of text books were printed for class I to IV and required only 779.66 MT of Maplitho paper. This resulted in excess procurement of 931.26 MT of paper. It was also noticed that despite availability of sufficient stock, a further quantity of 1,131.62 MT of paper was purchased during 2011-12 from M/s Delta paper mills at a cost of ₹ 4.50 crore (₹ 39,753 per MT). The actual requirement of paper to print 70.30 lakh text books during 2011-12 was only 818.79 MT of paper. The purchase during

Avoidable purchase of paper worth ₹ 4.50 crore for printing text books

2011-12 was avoidable as the existing stock was more than sufficient to meet the requirement for 2011-12.

Government stated (August 2012) that the entire work of purchase of printing paper and issue of printing orders were done well in advance and it was very difficult to ascertain the stock position of printing paper at the time of issuing administrative sanction as the current year's printing would not be completed at the time of issue of administrative sanction.

The reply is not convincing as the quantity of paper to be procured for each year could have been assessed in advance by utilizing the online data in respect of the enrolled students, number of books to be supplied, etc., available with the DPI.

4.1.10 Manpower Management

The Government allotted an amount of ₹ 1.52 crore for modernizing all offices coming under the purview of DPI and incurred an amount of ₹ 1.41 crore during the year 2007-12. As a result of modernization, majority of the functions were carried out using computers. In text books office, indents for text books from schools were received through online and used to get automatically consolidated. Placing of print orders to the Kerala Books and Publication Society (KBPS) was also done through online. The sanctioned strength of gazetted officers was 50 and that of non-gazetted officers was 226. The actual men in position were 50 and 212 respectively indicating a shortage of 14 in the non-gazetted cadre. Work study in respect of the workload among staff members was not conducted by DPI in the light of modernization and hence the redistribution of excess staff, if any, could not be done. It was also seen that the redistribution of manpower was not done in Text book depots as discussed in the following paragraph.

4.1.10.1 Staff in Text Book Depots

Distribution of text books to schools was done through text book depots attached to the 34 DEOs till 2008-09. From 2009-10 onwards, the Government entrusted (December 2009) the distribution of text books to KBPS. But the responsibilities of distribution of text books to unaided schools, maintenance of buffer stock at the district level, supervision of distribution, etc., continued to be vested with the Text Book Officer. A test check of text book depots in the selected DEOs for the period 2010-12 revealed that the officers in charge of distribution of text books were not discharging any of these functions. It was seen that 19 staff members were paid ₹ 71.67 lakh during 2010-12 as detailed in **Table 4.7:**

Nineteen staff members in four text book depots were paid ₹ 71.67 lakh during 2010-12 without discharging any function

Table 4.7: Table showing utilisation of manpower in text book depots

District	Number of staff	Salary and allowances paid (₹ in lakh)	Current utilization of manpower
Thiruvananthapuram	5	22.47	No work was allotted to them. No directions have been received from higher authorities to utilize the manpower.
Kottayam	5	19.68	Redeployment was under consideration with the Head of Department.
Palakkad	5	17.06	Works allotted related to re-arrangement of text books, restacking, settling of accounts and rectification of Audit Reports of previous years.
Kozhikode	4	12.46	Handing over of closing stock of books to KBPS, restacking of books in depot.
Total	19	71.67	

Source: Data furnished by DEO

Government stated (August 2012) that the redeployment of surplus manpower was under consideration.

4.1.10.2 Recruitment of teachers in newly upgraded schools

New teachers were appointed under DDE, Palakkad without considering surplus teachers awaiting redeployment

Government (November 2010) accorded sanction for upgrading 60 primary/upper primary schools to High Schools. According to the Government order, the staff required for the newly upgraded schools was to be met from the surplus staff awaiting redeployment. Test check of DDE Palakkad revealed that 45 regular High School Assistants (HSAs) and 73 HSAs (Daily wages) were newly appointed (June 2011) in the upgraded schools without considering surplus teachers (77) awaiting redeployment in Government/aided schools.

The DDE Palakkad stated (April 2012) that the above appointments were made before finalization of the Protected Teachers' Package¹⁰⁴.

Reply is not acceptable as the Government order (November 2010) directing the DPI and DDEs to fill the newly created vacancies only by redeployment of protected teachers was communicated to them well before the upgradation of the schools and the list of protected teachers were already available with DPI.

4.1.11 Monitoring

4.1.11.1 Supervision of Schools by Educational Officers

Supervision of schools by Educational Officers was inadequate

According to KER, Educational Officers were required to inspect each school at least once in a school year and visit at other times as frequently as circumstances permit and report on schools under his control to his superiors. The main aim of inspection was to ascertain exactly the extent to which the schools comply with provisions of Education Act, rules, circulars, etc., and to

¹⁰⁴ Protected teachers' package is a method of deployment of teachers in aided schools working without salary as envisaged in Government order No. 199/2011/G.Edn. Dated 1 October 2011.

test the efficiency of teaching and discipline and of all arrangements made for this purpose.

Out of 16 AEOs and four DEOs test checked, inspection as stipulated were not conducted by 15 AEOs and two DEOs. Details of supervision of schools were not available in the office of DEO, Kottayam.

Failure to prepare and implement an action plan to inspect all schools in a cyclic manner in an academic year led to inadequate supervision by the Educational Officers. In the absence of adequate supervision of schools by Educational Officers, compliance of the Education Act, efficiency of teaching, discipline in schools and assessment of improvement of education among children could not be ensured. A system of drawing an annual plan, listing out the schools to be visited, etc., was not prepared and monitored by the DPI and hence the adequacy of staff, efficiency in implementation of various programmes in schools and infrastructure facilities could not be assessed.

4.1.11.2 Properties of Aided Schools

According to Chapter 10 of KER, statements containing lists of movable and immovable properties of aided schools was required to be sent by the school managers in Form 10 of KER to DEOs/AEOs as the case may be. The DEO in charge of the area was the officer competent to give permission to create or make a sale, mortgage, lease, pledge, charge or transfer of possession in respect of any property of an aided school. One DEO out of four DEOs and four AEOs out of 16 AEOs test checked had not received Form 10 from the aided school managers under their control. In the absence of receipt of Form 10, the Educational Authorities could not monitor sale, transfer, mortgage, etc. DPI replied (August 2012) that directions will be given to all AEOs/DEOs to obtain property statements from aided schools.

4.1.11.3 Working days in schools

According to KER, there shall ordinarily be a minimum of 220 instructional days excluding the days of examinations in every school year. Every year DPI is required to issue the Education Department Calendar showing the opening day, the closing day, the dates of public holidays, the dates of commencement and termination of Onam and Christmas holidays, the dates of special holidays if any, the number of working days available, and the deficiency to be made up, if any, to raise the number of working days to the prescribed minimum. In this respect audit observed the following;

- DPI had fixed only 200 working days in schools as against the stipulated 220 days in the Education Department Calendars 2007-12.
- A scrutiny of attendance in 371 schools (out of 1,214 schools) in the selected DEOs/AEOs showed that the average number of working days in schools including examination days were only 179, 172, 170 and 173 during the period 2007-12.

Average working days of schools ranged between 170 and 180 days against the stipulated 200 days

- The DPI had not evolved any mechanism/procedure to be followed by the schools to make up the deficiencies by way of organizing extra classes, etc., in case the number of working days falls short of the days mentioned in the Education Department Calendar.

Director of Public Instruction replied (July 2012) that the shortfall was due to natural calamities or other reasons and remedial action would be taken for preventing such shortfalls in future.

However, loss in working days may result in non-completion of the curriculum prescribed for the year.

4.1.12 Regularity issues

4.1.12.1 Regulation of schools in the State

According to Government order issued in May 1988, no school shall be established and run in private sector without prior sanction of the Government. Establishment and running of schools without prior sanction of the Government will constitute violation of law and penal offence amounting to cheating. Government orders (June 1988) directed the departmental officers to see that no school other than a Government or aided or recognized school would be allowed to function in the State and if any other school is found to function, it has to be reported to the police for appropriate action.

Audit, however noticed that there were 114 unrecognized schools functioning under the jurisdiction of the test checked nine AEOs and one DEO. No action was seen taken by the Educational Officers against the school as required under the Government order. This indicates gross failure on the part of the DPI and Educational Officers in preventing illegal operation of unrecognized school in the State.

DPI, while accepting (July 2012) that several unrecognized schools are functioning, stated that most of these schools are awaiting recognition from the Government. Hence, the Educational Officers are not taking action against these schools.

It is worth to note that the Educational Officers failed to prevent such schools to function at the preliminary stage and also did not initiate any penal action against such school authorities.

4.1.12.2 Unadjusted advances

According to Government order (July 2000), advance drawn should be adjusted within time, failure of which would entail recovery in lump sum along with penal interest at current bank rates. Government, subsequently prescribed (October 2011) a period of three months for presentation of final bills and the penal interest was fixed at 18 *per cent* per annum on the unutilized portion of advance. In DPI, 89 contingent advances for ₹ 2.58 crore

Educational Officers did not initiate any action against the schools functioning without recognition

Advances amounting to ₹ 2.58 crore were lying unadjusted

were lying unadjusted (April 2012) as the payees of the advances did not submit the final bills. It included 21 advances amounting to ₹ 0.55 crore (21.31 *per cent*) which were more than three years old and 25 advances amounting to ₹ 0.60 crore (23.25 *per cent*) more than two years old. Maintenance of an advance register and its periodic monitoring by the supervising officer was missing.

Government stated (August 2012) that 14 advances out of 89 had been adjusted and 75 advances for ₹ 2.21 crore were lying unadjusted. It was also stated that action is being taken against the defaulters.

Non-adjustment of the advances raises doubts as to whether the advances were utilized for the purpose for which they were granted. To ensure that the advances are adjusted in time, constant monitoring of the advances through advance register would serve as a control mechanism.

4.1.12.3 Operation of bank account outside the treasury

Government of Kerala, Finance (Streamlining) Department directed (January 2010) all Heads of Departments to ensure that the unutilized amount for a financial year has to be surrendered to Government account before the closure of the year. However, Audit noticed that the DPI maintains a savings bank account (57004975131) in State Bank of Travancore, Jagathy Branch, Thiruvananthapuram and a balance of ₹ 1.48 crore (May 2012) was lying in this account. This amount was being utilized by DPI as an imprest and advances were drawn from this fund for purposes like inaugural functions, conferences, etc. Drawal of advances from the bank account did not ensure checks being exercised to ensure compliance with rules and regulations as in the case of treasury transactions. Operation of an account outside the treasury was thus irregular. Since the internal audit wing did not conduct the audit of the DPI, it failed to bring this issue to the notice of the authorities concerned.

Government stated (August 2012) that the savings bank accounts would be closed in due course of time.

4.1.12.4 Printing of Teachers' Handbook

Kerala State Audio Visual Reprographics Centre (C-apt) Thiruvananthapuram, was entrusted by SCERT with the work of printing of Teachers' Hand Book for classes I to VIII for the years 2008 and 2009. Following deficiencies were found in the work getting executed:

- There was failure to get price quotation giving break up of printing cost and material cost in advance.
- On receipt of claim of ₹ 2.26 crore from C-apt, the claim relating to material cost was admitted for ₹ 1.61 crore as against market price of ₹1.06 crore resulting in excess payment of ₹ 0.55 crore.

Director, SCERT stated (May 2012) that the SCERT did not have any facility to assess the market cost of material used and C-apt being a public sector undertaking, the material cost claimed was accepted and amount released.

The reply was not correct as the market rates of stationery materials were available with the Controller of Stationery. An assessment of these rates could have avoided the excess payment of ₹ 0.55 crore to C-apt. Checks stipulated in the rules should not have been dispensed with merely because the work was awarded to a public sector undertaking.

4.1.13 Internal Control Mechanism

Functioning of internal audit wing was ineffective

Internal audit is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

The internal audit wing of the DPI is headed by a Senior Finance Officer and supported by one Accounts Officer, two Junior Superintendents and eight Clerks. Though DPI has control over 214 field units administering 11,781 schools, it has no annual inspection plan containing details of units/areas to be examined by the internal audit wing. It was noticed that internal audit of the DPI was not conducted for the past five years.

DPI stated that the present staff strength was insufficient for conducting regular internal audit and follow up action.

The reply was not acceptable as there was excess staff deployed in text books depots as mentioned in paragraph 4.1.10.1. As internal audit being an important function of the DPI and augmentation of staff could have been considered by re-deploying the staff idling in text book depots.

Further, it was seen that the administrative report of the DPI was published only upto the year 2007-08. A comprehensive report containing the functioning of the DPI, its activities, schemes and performance during the year 2008-09 onwards was not available.

To assess the achievements against the targeted goal, periodical evaluation and preparation of Administrative Report plays a vital role. However, the DPI prepared the Administrative Report only upto 2007-08.

4.1.14 Conclusion

The DPI did not have a Perspective Plan. Preparation of budgetary estimate was not realistic. Many schools lacked basic facilities and infrastructure. Deficiencies were found in implementation of Mid-Day Meal scheme. There were shortfalls in supervision of schools by Educational Officers. DPI was not initiating any action against unrecognized schools functioning in the State. Staff strength of internal audit wing was not sufficient to undertake the

internal audit of the DPI and give adequate assurance that the rules and regulations are complied with.

4.1.15 Recommendations

- The Government should ensure preparation of Perspective Plan/Annual Plan for the DPI.
- The Government should ensure preparation of realistic budget for the DPI.
- The DPI should take steps to improve infrastructural facilities in schools.
- The DPI should take steps to rectify the deficiencies in implementation of Mid-Day Meal scheme.
- Supervision of schools by Educational Officers as prescribed should be ensured.



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