

4 Governance and Management

Leadership and Governance deeply influence all aspects of Higher Education Institutions (HEIs). Though good governance and management in themselves are not the outcomes that are to be achieved in higher education, but they are crucial in determining the effectiveness of all the efforts aimed at achieving such outcomes.

According to Twelfth FYP (paragraph 21.310), empirical evidence pointed out towards the fact that better-run institutions are highly autonomous. Further, it states that autonomy in the areas of finance, organisational structure, operations and staffing is important, but should be consistent with internal systems of evaluation and accountability.

In order to assess the status of governance and management in HEIs through various elements and mechanisms of HEI governance and the extent to which they have been effectively implemented in the selected HEIs, the following audit objective was framed.

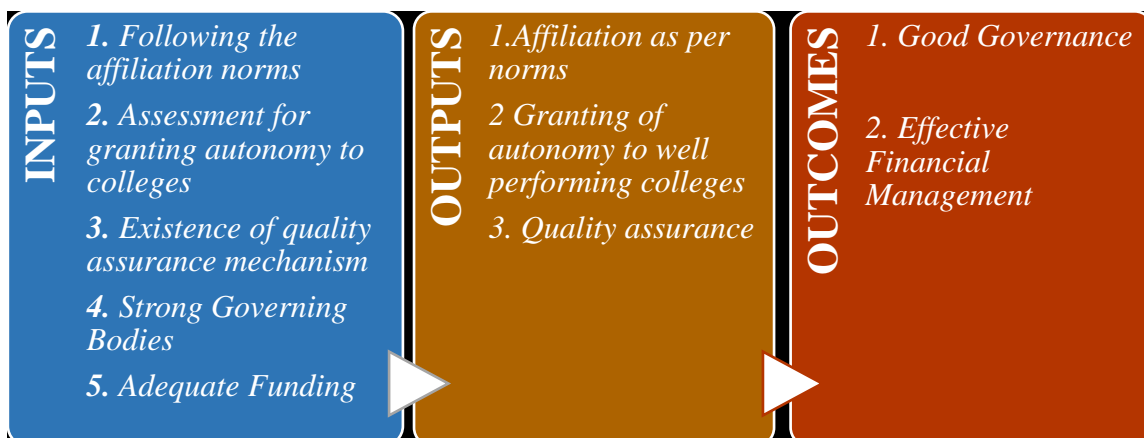
Audit objective 4: Whether Governance and management of higher education system was adequate, efficient and effective?

Brief snapshot of the Chapter:

- Uttar Pradesh State Higher Education Council set up (1995) in the State to co-ordinate and determine the standards in universities and colleges, did not have Chairman, Vice Chairman and Members during March 2017 to January 2020. Ten out of 14 sanctioned posts for its office were vacant. Perspective plans for development in higher education were not prepared by SCHE.
- State Level Quality Assurance Cell was not formed. Due to this, monitoring and maintenance of data regarding constitution of Internal Quality Assurance Cells in government and private colleges were not done, which had impact on accreditation of colleges in the State. Only 183 out of 7,038 HEIs in the State had been accredited with NAAC grading.
- Seat of many important stakeholders were vacant in Governing Bodies such as Executive Council, Court and Academic Council. College Development Council was not set up in MGKV and it was though set up in UoL but not functioning as desired.
- As of March 2020, there were 341 affiliated colleges in MGKV and 171 affiliated colleges in UoL. Thus, both the Universities had more number of affiliated colleges than the desired limit of 100 colleges as per *Rashtriya Uchchatar Shiksha Abhiyan* (RUSA). Audit noticed various deficiencies in granting affiliation to colleges/new courses in existing colleges. Periodical inspection of affiliated colleges by the Universities was not being done.
- State Government released grants-in-aid under RUSA with delays ranging up to 1,636 days. Both the test-checked Universities were not self-sufficient, however, dependency of Universities on the Government's grant was reducing.
- Internal audit unit was not functioning in the test-checked universities as the sanctioned post of Auditors was vacant.

4.1 Introduction

Various factors contribute to ensure that governance and management of a HEI is envisioned and carried out in a manner that effectively oversees the efforts towards achievement of higher education outcomes. Affiliation of colleges, load of affiliation on universities, encouragement given towards autonomy, quality assurance and adequate funding acquire significance and become crucial for HEIs to progress towards its goals. The relationship between the goals of adequate and effective governance and management in HEIs and its factors, mechanisms and systems contributing towards achieving these aims can be understood through the following representation:



Effectiveness of governance and management structures of an HEI is reflected in the results of its evaluation through accreditation, ranking methodologies and in the prudence of financial management.

4.2 Governance

Effective governance structures and processes are essential to ensure accountability and transparency in an HEI. The existence and functioning of governance structures have been discussed in this section.

4.2.1 State Government level governance

At the level of State Government, the role of Department of Higher Education is to govern all institutions of higher education through State policies/directives. It accords sanction for teaching and non-teaching posts and approves operation of self-finance courses by HEIs. Recruitment of teachers in government colleges and non-government aided colleges is done by the State Government through Uttar Pradesh Public Service Commission and Uttar Pradesh Higher Education Service Commission respectively.

4.2.2 State Level Governance

Institutional mechanisms for governance, at the state level include setting up of State Council of Higher Education (SCHE) and State Level Quality Assurance Cell (SLQAC). Audit findings related to their functioning are discussed in the following paragraphs.

4.2.2.1 State Council of Higher Education

Paragraph 21.308 of Twelfth FYP document states that it would be desirable for each State to set up an SCHE to lead the planned and coordinated development of Higher education in the State. *Rashtriya Uchchatar Shiksha Abhiyan* (RUSA) also requires formation of SCHE for planned and coordinated development of higher education in

State, sharing of resources between universities, lead academic and governance reforms at institutional level, establish principles for funding institutions, maintain a data bank on higher education and conduct research and evaluation studies.

Audit scrutiny revealed the following:

(i) Establishment of State Council of Higher Education

The State Government enacted Uttar Pradesh State Council of Higher Education Act 1995, which established SCHE in the State.

(ii) Constitution of SCHE

SCHE consists of a Chairman, a Member Secretary and eleven other members. In order to nominate two Vice-Chairman in the UPSCHE for solving issues raised by public representatives, the Act was amended and notified in November 2007.

Audit observed that SCHE was functioning without Chairman from 5 March 2017 to 23 January 2020. Vice chairmen were also not nominated in the SCHE. Additional Secretary posted on deputation basis was the office in-charge of SCHE in which 10¹ out of 14 sanctioned posts were vacant as of 31 March 2020.

(iii) Functions of SCHE

The SCHE was to meet at least once in three months. However, audit found that against prescribed 24 such quarterly meeting, only one meeting² was held during 2014-20.

The main function of SCHE was to co-ordinate and determine standards in universities and colleges in accordance with the guidelines issued from time to time by the University Grants Commission. SCHE was to prepare consolidated programmes in the sphere of higher education, to prepare perspective plan for development of higher education, to encourage innovations in curriculum development, to devise methods to improve standards of examination, to advice the State Government regarding norms for establishment of new Universities and colleges, to release and monitor grants in aid to Universities and colleges, etc.

Audit observed that SCHE did not prepare such perspective plan as of March 2020 nor gave any advice to the State Government on policy decisions for the development of higher education. Further, the envisaged function of planning and co-ordination, functions related to academic activities, and financial functions were also not done.

The State Government stated (July 2022) that presently Chairman of SCHE had been appointed and filling up of the other posts was under process by the Government.

4.2.2.2 State Level Quality Assurance Cell

As per paragraph 11(a) of guidelines issued by UGC for Internal Quality Assurance Cell (IQAC) under Twelfth FYP, the State Level Quality Assurance Cell (SLQAC) shall monitor the functioning of IQACs in the colleges coming under their jurisdiction.

NAAC in its accreditation process also gives importance to existence and functioning of SLQAC. In its Manual on 'Quality Assurance Activities of State Quality Assurance Cells', it suggests constitution of SLQAC whose objective would be to work towards quality improvement of colleges in the State, to draw up state-level action plan in

¹ Computer Operator (1), Senior Assistant (1), Assistant Account Officer (1), Statistical Assistant (1), Junior Accounts Clerk (1), Personal Secretary (1), Stenographer (2) and Peon (2).

² 25 August 2015.

consultation with NAAC and to act as nodal agency between the respective State HEIs and NAAC.

Audit observed that SLQAC was not formed in the State. Due to this, all functions including monitoring and maintenance of data regarding constitution of IQACs in government and private colleges were not done in the State. This can be understood from fewer number of colleges accredited in the State. As of 2019-20, 183 out of 7,038 HEIs were NAAC accredited of which, 29 HEIs were graded with A grades, 127 graded with B grades and 27 with C grades.

As per SCHE, HEIs were facing problem in NAAC evaluation due to insufficient teachers against sanctioned posts and unavailability of funds for NAAC evaluation fee. As a result, education and learning processes could not get necessary quality assurance.

The State Government replied (July 2022) that decision to establish SLQAC was under consideration at the government level.

4.2.3 Institutional level Governance

Governance at the level of university is carried out through an elaborate mechanism consisting of Governing Bodies, quality assurance mechanism, affiliation process, *etc.* Audit findings related to these bodies/mechanisms are discussed in the succeeding paragraphs.

4.2.3.1 Governing Bodies in Universities

Records related to functioning of governing bodies such as file noting, agenda of meeting, minutes of meetings, *etc.*, were scrutinised in the selected Universities.

The test checked universities MGKV and UoL were set up before enactment of the Uttar Pradesh State Universities Act, 1973³ in 1921 and 1867 respectively. As provided in the Act (Clause 50), the MGKV prepared its first statute in 1977 and UoL prepared its statute in 1975. The Act and the Statutes inter-alia provided for constitution of different governing bodies, *viz.*, Court, Councils, Committees, Boards, *etc.*

Audit observed that the Executive Council, Court, Academic Council and Finance Committee and other committees as provided in first Statute of the test checked universities were constituted. During 2014-20, their meetings were held time to time for taking decisions in different administrative and academic matters. College Development Council was also constituted. The governing bodies set up in the universities are discussed in succeeding paragraphs.

4.2.3.2 Executive Council

Executive Council (EC) is the principal executive body in the Universities. It consists of Vice-Chancellor (Chairman) and other members from among Professors, Associate Professors and Assistant Professors of the University and Principals of affiliated colleges as per the provisions given in the Uttar Pradesh State Universities Act 1973. It's meeting was to be held at least once every two months.

Details of the meetings of EC held and minimum and maximum members participated in the meetings are given in **Table 4.1**.

³ The Act was re-enacted vide Uttar Pradesh Universities (Re-enactment and Amendment) Act, 1974.

Table 4.1: Meetings of EC held and number of members participated
(Figures in numbers)

Calendar Year	MGKV		UoL	
	Meetings held	Min./Max. Participants	Meetings held	Min./Max. Participants
2014	6	13/17	10	13/22
2015	7	12/20	11	16/18
2016	5	13/17	12	13/23
2017	5	13/18	6	13/19
2018	4	13/16	6	11/14
2019	2	15/19	6	10/20
Total	29		51	

(Source: MGKV and UoL)

Audit findings are discussed below:

MGKV

Audit observed that against minimum 36 meetings which were to be held during the calendar year from 2014 to 2019, only 29 meetings were held. Two to seven meetings were held in each calendar year from 2014 to 2019 and 12 to 20 members participated in these meetings (**Table 4.1**). However, as of June 2021, the seats of five members⁴ are vacant.

Audit analysis revealed that against the provision of selection of four Principals and four other teachers in the Executive Council of the universities notified under Section 37 (1) of the UP State University Act, 1973, MGKV made provision of only three Principals and two teachers. Due to this, there was less representation of one Principal and two teachers in the EC.

UoL

As against requirement of at least six meeting in a year, UoL held six to 12 meetings each year during 2014-19. However, as of February 2021, the seats of eight members⁵ were vacant.

The State Government replied (July 2022) that regular meetings of EC in MGKV were not held due to COVID-19 however, the same would be regularly organised in future.

4.2.3.3 Court

As per section 22 of the Uttar Pradesh State University Act 1973, a Court was to be constituted which had to work as an advisory body and have power to:

- review broad policies and programs of the university;
- suggest measures for improvement and development of the University;
- consider and pass resolutions on annual report, annual accounts and audit report of the University;
- advise the Chancellor in respect of matters referred to it for advice, *etc.*

The Court shall consist of ex-officio Members (Vice Chancellor, the members of the Executive Council and the Finance Officer), life members (all members of Court and Senate before commencement of the Act), representative of teachers, members from registered graduates, representatives of students, nominee of Chancellor, two Members

⁴ Four elected members from registered graduate and one member from among *Udyogpatis*.

⁵ One post of Pro Vice Chancellor, One professor of OBC category, one professor of senior most category, all the four elected members and one member from among *Udyogpatis*.

of Legislative Council and five members of Legislative Assembly. Its meetings were to be held once in a year.

MGKV

The Court was set up in the University, however, its activities were not noticed in audit except attending convocation of the university. There was lack of representation of important stakeholders like 10 members from registered graduates, five members from Legislative Assembly and student representatives. Thus, as envisaged in the Act, the due advice was not obtained and monitoring of various activities in the university was not exercised by the Court during 2014-20.

UoL

Audit noticed that meetings of the Court were held in June 2015 and April 2016 and resolution were passed on Annual Report of 2014-15, annual accounts of 2011-12, 2012-13, 2013-14 and Income and Expenditure Account of 2015-16 and 2016-17. However, no meetings were held in 2017 onwards (August 2021).

Audit observed that as of February, 2021, the posts of many members of EC, viz., seven out of 24 members of EC, six out of 15 members from among teachers, two out of 15 registered graduates, all the eight students' representatives, and four nominees of the Chancellor were vacant. Thus, the Court lacked the representation of stakeholders.

The State Government stated (July 2022) that in MGKV, constitution of Court followed by its meetings would be held shortly and UoL was currently in process to hold the meeting of Court.

4.2.3.4 Academic Council

The role of Academic Council is to advise EC in all academic matters including matters relating to examinations conducted by the University.

Details of the meetings of Academic Council held and minimum and maximum members participated in the meetings are given in **Table 4.2**.

Table 4.2: Meetings of Academic Council held and number of members participated
(Figures in numbers)

Calendar year	MGKV		UoL	
	Meetings held	Min./Max. Participants	Meetings held	Min./Max. Participants
2014	2	60/65	3	33/75
2015	3	49/58	3	40/68
2016	1	64	1	70
2017	3	41/58	2	87/126
2018	2	51/58	2	52/69
2019	1	59	2	44/66

(Source: Concerned University)

Audit noticed that as of December 2019, the seats of all the seven members (teachers) from affiliated colleges and all the five members from persons of academic eminence were vacant in the Academic Council of UoL.

The State Government stated (July 2022) that in UoL, the members from affiliated colleges and persons of academic eminence have been included in Academic Council since last two years.

The fact remains that the seats of all the seven members (teachers) from affiliated colleges and all the five members from persons of academic eminence were vacant till December 2019.

4.2.3.5 Finance Committee

Finance Committee (FC) was to advise Executive Council on matters relating to the administration of property and funds of the University. The annual accounts and financial estimates of the University are laid before FC for consideration and thereafter submitted to EC for approval. As prescribed, meetings of the Finance Committee were to be held at least twice in a year.

Details of the meetings of FC held and minimum and maximum members participated in the meetings are given in **Table 4.3**.

Table 4.3: Meetings of Finance Committees held and number of members participated
(Figures in numbers)

Calendar Year	MGKV		UoL	
	Meetings held	Min./Max. Participants	Meetings held	Min./Max. Participants
2014	3	5/5	6	5/7
2015	3	4/6	4	6/8
2016	3	5/6	3	6/7
2017	2	6/6	3	7/8
2018	3	5/5	1	8
2019	2	6/6	2	7/7

(Source: Concerned University)

Audit observed that during the period 2014 to 2019, two to three meetings were held each year in MGKV and four to six members participated in these meetings. In UoL one to six meetings were held and five to eight members participated in the meetings held.

4.2.3.6 College Development Council

With a view to provide consultancy and guidance services and to channelise the UGC schemes to affiliated colleges and for proper monitoring of programs, every affiliating University was to establish an office of Dean of College Development with backup of a College Development Council (CDC). CDC was to take steps for promotion, coordination and raising standard of education in Colleges. Dean of CDC was to visit affiliated colleges to apprise them the ways in which CDC can function effectively for development of colleges.

As per the norms prescribed by UGC, Vice-Chancellor and members from University teaching departments, affiliated colleges, one representatives from UGC, State Council of Higher Education, State Government and Executive Council constitute the CDC. Registrar, Finance Officer and Controller of Examination were also to be the member of CDC. The CDC was to meet at least twice in an academic year to review implementation of programs and activities related to colleges.

Audit observed that UoL constituted CDC in 2013-14. CDC was responsible to function as the policy making body for integrated development of colleges, monitor academic programmes/academic calendar, ensure that UGC grants released to University for disbursement to colleges are properly and expeditiously disbursed to colleges for specified purpose, etc.

Audit noticed that UGC grants are received directly by affiliated colleges of UoL and CDC was not made aware about the grants received.

In MGKV, CDC was not formed due to which the university could not benefit on account of its envisaged outcomes.

4.2.4 Internal Quality Assurance Cell

As per National Assessment and Accreditation Council (NAAC) Guidelines for the Creation of the Internal Quality Assurance Cell (IQAC) and Submission of Annual Quality Assurance Report (AQAR) in Accredited Institutions, every accredited institution should establish IQAC for performance evaluation, assessment, accreditation and quality up-gradation. IQAC shall submit an AQAR of the HEI in the prescribed format to NAAC. On the basis of AQAR, NAAC awards grade (A++, A+, A, B++, B+, B, C and D) to HEI.

At the policy level, role of IQAC in enhancing the quality of HEIs has been given a lot of importance. Report on 'Inclusive & Qualitative Expansion in Higher Education' (Paragraph 2.2.3-g) issued under Twelfth FYP states that in order to internalise quality inputs all universities, government colleges and government-aided colleges are to be strengthened with full-fledged IQAC as part of UGC-supported scheme.

MGKV and its affiliated colleges

IQAC was established in April 2010 with the objective of making sincere efforts to determine the new parameters of quality education. MGKV submitted the AQAR to NAAC during 2014–20. MGKV was accredited (November 2018) for C grade which was valid up to November 2023.

Out of 341 affiliated colleges in MGKV, only 16 (4.7 per cent) had been accredited (A:2, B+:3, B:6, C:5) during 2014-20. Remaining 325 colleges did not approach NAAC for getting accredited. In test checked colleges, the accreditation (grade B) of Jagatpur PG College Varanasi expired in 2017. Audit further observed that two (Pt. Kamalapati Tripathi Govt. P.G. College, Chandauli and Govt. Degree College, Naugarh, Chandauli) out of six test checked Government Colleges and non-government Aided Colleges did not constitute IQAC.

UoL and its affiliated colleges

IQAC was to meet at least once in three months. Functioning of the IQACs in UoL and the test checked colleges are discussed in succeeding paragraphs:

IQAC in UoL was formed (December 2016) under the chairmanship of Vice-Chancellor. One to two meetings of IQAC were held each year participated by seven to eight members⁶. The NAAC B grade accreditation of UoL expired in May 2019. Director IQAC stated that the university was in the process of accreditation and Institutional Information for Quality Assessment (IIQA) would be submitted very soon. As of March 2020, only 27 (A:7, B:18, C:2) out of 171 affiliated colleges were NAAC accredited. The IQAC in Maharaja Bijli Pasi Govt. PG College, Ashiyana, Lucknow was formed in 2017-18. Since formation, its meetings were held twice each year but it did not prepare AQARs. In Mahamaya Government Degree College, Mahona, Lucknow IQAC was formed in 2015-16. Since its formation, its meetings were held regularly once in each year except in 2019-20 but it did not prepare AQARs.

In Karamat Hussain Muslim Girls' PG College, Lucknow (a non-government aided college), IQAC was formed in 2015-16. Its meetings were held thrice a year during

⁶ Except in February 2017 when 11 members participated in IQAC meeting.

2017-20 and AQAR was submitted in 2017-18. In Navyug Kanya Mahavidyalaya, Lucknow (a non-government aided college), IQAC was formed in 2012. Its meetings were held quarterly during 2014-18 but the same was discontinued in 2018-19 where only one meeting was held, however, during 2019-20, eight meetings were held. It did not prepare AQARs. Thus, IQACs in three out of four test checked colleges in UoL did not prepare AQARs.

State Government stated (July 2022) that instruction to the Colleges has been issued for establishing IQAC and to get evaluation from NAAC.

4.3 Governance through affiliation

UGC (Affiliation of Colleges by University) Regulation, 2009 defines affiliation of a college as its recognition by, association with, and admission to, the privileges of the affiliating university. In view of UGC (Affiliation of Colleges by University) Regulations, 2009 and *Pariniyamavali* of MGKV and various orders issued by the Government, MGKV and UoL prepared a checklist of criteria/norms for the inspection of the college's facilities who applied for affiliation.

In November 2014, State Government circulated an order that proposals of affiliation had to be disposed of at the University level. When a college applied for affiliation, an inspection team comprising of three members including Regional Higher Education Officer was to be formed by the university. At the time of inspection, the concerned colleges seeking affiliation, either run by the State Government or by the private management, shall satisfy pre-defined requirements for affiliation, viz., availability of land, fund, library, books, furniture, stationary items, laboratory and recreation centers. Deficiencies pointed out by the committee were to be rectified by the college. After rectification of deficiencies a proposal from the college is received for inspection of the college by the committee constituted by the University. After receipt of the inspection report from the committee, application of the college is processed for submission to EC. If EC is in agreement that the affiliation is admissible under rules and orders, an approval is given. Finally, a letter indicating terms and conditions of the affiliation granted is released to the colleges.

As of March 2020, MGKV and UoL had 341 and 171 affiliated colleges scattered across five districts of eastern Uttar Pradesh and Lucknow district respectively. During 2014-20, MGKV affiliated one Government College and 205 Self Finance Colleges (SFCs) and UoL affiliated 58 SFCs. Year wise number of colleges at the beginning of 2014-15, number of colleges affiliated and number of colleges closed during 2014-20 and total number of affiliated colleges at the end of 2019-20 are given in **Table 4.4**.

Table 4.4: No. of colleges affiliated during 2014-20

(Figures in numbers)

University	No. of Colleges affiliated at the beginning of 2014-15			No. of Colleges affiliated during 2014-20			No. of College closed during 2014-20 ⁷			Total no. of Colleges at the end of 2019-20			
	Govt. Colleges	Govt. Aided Colleges	SFCs	Govt. Colleges	Govt. Aided Colleges	SFCs	Govt. Colleges	Govt. Aided Colleges	SFCs	Govt. Colleges	Govt. Aided Colleges	SFCs	Total
MGKV	19	23	229	1	0	205	1	10	125	19	13	309	341
UoL	04	20	102	0	0	58	0	0	13	04	20	147	171

(Source: MGKV and UoL)

⁷ One Govt. College, 10 Non-Government Aided College and 107 Self-Financed Private Colleges were transferred to Jananayak Chandrshekhar Azad University Ballia.

The number of application received for granting affiliation of subjects in new and existing colleges and number of application on which affiliation granted during 2014-20 are given in **Table 4.5**.

Table 4.5: No. of application received and no. of applications approved

(Figures in numbers)

Name of University	No. of application received for granting affiliation			No. of application Approved
	For subjects in new colleges	For subjects in existing colleges	Total applications received	
MGKV	189	941	1130	1091
UoL	59	143	202	202

(Source: MGKV and UoL)

Deficiencies noticed in Audit are discussed in succeeding paragraphs:

(i) Non adherence to affiliation norms

The inspection teams constituted by MGKV to recommend affiliation of courses applied by the Government Colleges and SFCs recommended affiliation of courses in 18 out of 28 SFCs test checked in audit even though they did not fulfill four to 29 *per cent* criteria (28 points checklist) fixed for affiliation (**Appendix 4.1**). Further, many criteria in six government colleges were ignored (**Appendix 4.2**) considering them colleges of the State Government. The relaxation of norms for sanctioning affiliation may affect quality of education offered by these colleges.

(ii) Extension of temporary affiliation without additional infrastructure

Additional infrastructure should be ensured before sanctioning affiliation of new courses.

MGKV

A team for inspection was constituted (June 2017) by MGKV for inspection of infrastructure Sakaldeepa PG College, Chandauli for temporary affiliation of self-financed courses of Sociology and English at PG level. Audit observed that the college was already having shortage of one room. However, the inspection team recommended (June 2017) temporary affiliation of both courses applied for despite shortages of class rooms⁸ and the affiliation was sanctioned also (June 2017) by the EC. Thus, without ensuring additional infrastructure the inspection teams recommended affiliation of two new courses.

UoL

Temporary affiliation to Dr. Asha Smriti Mahavidyalaya, Deva Road, Lucknow for self-financed course of BA was given from 2015-16. An inspection report (May 2019) of the committee set up for granting permanent affiliation pointed out various deficiencies, *viz.*, the college was having only three lecture rooms as against required six rooms for BA Courses, past three years examination results were not available at the time of granting affiliation to the College, non-availability of building maps, no proper office for HOD, no firefighting measure, library facilities were not up to date, no wash area/basin in practical labs, no cooking area for home science, psychology lab not furnished and Boy's and Girl's common rooms were cluttered. Hence, as recommended permanent affiliation was not given but extension of temporary affiliation for 2019-20 was given (June 2019) by the Vice Chancellor at the request (June 2019) of college management in anticipation of approval of EC, without satisfying the conditions for

⁸ 15 class rooms were available against 18.

affiliation. Thus, the college was running with temporary affiliation since 2015-16 despite lack of infrastructure. Further, this college was asked to obtain permanent affiliation by 31 December 2019 after rectifying all deficiencies. However, as of audit (January 2020) permanent affiliation was not obtained. As such, the rectification of deficiency by the college could not be ascertained in Audit.

(iii) Extension of temporary affiliation without ensuring teachers

The State Government clarified (October 2012) that selection and approval of teachers should be completed within one month from the date of sanction of affiliation.

The State Government granted (October 2012) temporary affiliation of Self-Finance Courses of Commerce and Home Science at PG level in Jagatpur PG College, Jagatpur, Varanasi with the condition that the process of appointment and approval of the teachers of said subjects would be completed by the college within one month. The affiliation for two years was made effective from July 2012.

Audit observed that MGKV forwarded application for further extension of affiliation of the college to the State Government in April 2014, without ensuring requisite number of teachers. However, it pointed out that the college has not appointed the teachers required for the subject. Despite this, the Government extended (June 2014) temporary affiliation of the said courses for the academic year 2014-15 with the condition that the shortcomings should be rectified by the college before starting of classes and University would receive all records of such rectification within one month. The college, however, submitted (September 2014) an affidavit to the University for getting the teachers selected within six months but it was done by September 2015. Meanwhile 323 students of M Com and 207 students of Home Science passed out from the college during 2013-15. Thus, 530 students were passed out from the college without having University approved teachers. In this context, the college stated that teachers for undergraduate courses were taking class for both PG courses, however, MGKV informed (August 2021) that only University appointed teacher could take classes at PG level courses. As such, neither the college nor the University ensured availability of qualified teachers in the college.

(iv) Conditions of permanent affiliation not adhered to

- As per the condition of affiliation (August 2001) for BA course to Maharaja Bijli Pasi Government Post Graduate Degree College, Lucknow, college had to appoint at least one additional lecturer in each subject for second year and also one additional lecturer in each subject for third year course. However, the college was granted permanent affiliation for BA courses in 2015 without fulfillment of these conditions. Audit further observed that against the requirement of 30 lecturers, the post of only 20 lecturers were sanctioned and the two sanctioned posts were vacant since 2019-20.
- Permanent affiliation was given to Mahamaya Government Degree College Mahona in 2015 for seven BA courses. Audit observed that against the requirement of 14 lecturers, only six lecturers were posted in 2016 which was reduced to five lecturers during 2018-20.

(v) Periodical inspection of colleges**MGKV**

Section 37 (6) of Uttar Pradesh State Universities Act, 1973 provides that EC shall cause every affiliated college to be inspected from time to time at intervals not exceeding five years, by one or more persons authorised by it in this behalf, and a report of the inspection shall be made to the EC. Further, as per paragraph 12 (Ka)-22 of *Pariniyamawali* each affiliated college was to forward a certificate to the university each year by 15th August showing fulfillment of the conditions of the affiliations.

Audit noticed that the inspection team was not constituted by MGKV, due to which EC was not being made aware about available infrastructure and facilities in its affiliated colleges. Further, the certificate to confirm requirements of affiliation being ensured in each year of validity period of affiliation by the colleges was also not submitted by affiliated colleges during 2014-20.

UoL

EC of UoL decided to set up a committee for surprise inspection of the colleges and submit its report to it. However, the Committee for inspection was not constituted due to which, during 2014-20, periodical inspection of colleges was not carried out and EC was not made aware about regular maintenance, availability of infrastructure and basic amenities by the affiliated colleges.

The State Government stated (July 2022) that necessary instructions had been issued for inspection of colleges by University.

As discussed above, the affiliation process showed different kind of deficiencies in both the test checked universities which needed to be rectified.

4.4 De-burdening the universities from load of affiliated colleges

As per paragraph 7.1.15 (c) of Report on ‘Inclusive and Qualitative Expansion in Higher Education’, effective structural modernisation of the Central and the State Universities Acts need to be carried out to de-burden universities from the load of affiliating colleges. Efficient governance and effective autonomy with accountability should be facilitated among the higher education institutions through the revision of the Acts. No university should have more than 50 affiliated colleges with a total enrolment not exceeding 50,000 students.

As per Governance and Administrative Reforms under Chapter 6 of RUSA guidelines number of affiliated colleges in a University should be limited to 100. Status of affiliated colleges in MGKV and UoL during 2014-20 is given in table below:

Table 4.6: No. of affiliated colleges in MGKV and UoL

Name of University	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
MGKV	310	367	301	318	324	341
UoL	144	151	160	170	167	171

(Source: MGKV and UoL)

It can be seen from the table above that within last five years from 2014-15 to 2019-20, the number of colleges increased by 10 *per cent* and 19 *per cent* in MGKV and UoL respectively.

In the exit conference (15 July 2022), the Government stated that position had now been improved. Earlier the number of affiliated colleges with a University was much higher. The fact remains that the number of colleges in both test checked universities were more than the desirable norms of RUSA for 100 colleges with a University.

4.5 Non-teaching staff

Status of non-teaching posts sanctioned, person in position and vacant posts in MGKV and UoL is given in **Table 4.7**.

Table 4.7: Position of non-teaching staff in MGKV and UoL 2019-20

Name of University	Sanctioned posts of non-teaching staff	Working non-teaching staff	Vacant post of non-teaching staff	Percentage of vacant post
MGKV	460	244	216	47
UoL	1381	1002	379	27

(Source: MGKV and UoL)

Audit observed that 47 per cent (216 against 460 sanctioned posts) posts of the non-teaching staff were vacant in MGKV during 2019-20. In test checked six colleges of MGKV 37 per cent (38 out of 102 posts sanctioned) posts of non-teaching staff were vacant during 2019-20 (**Appendix 4.3**).

The State Government replied (July 2022) that the appointment of personnel are to be made through UP Subordinate Service Selection Commission for which dossier for recruitment of 847 employees has been forwarded to the Commission.

4.6 Financial management

GoUP provides funds from the State budget to MGKV and UoL as grants-in-aid for the salary of teaching and non-teaching staff. Apart from the State budget, MGKV receives assistance from MHRD, UGC, funds under *Rashtriya Uchchatar Shiksha Abhiyan* and other such schemes. Fees from self-finance courses are also received by the Universities.

4.6.1 Funds under State budget

Public spending on higher education in the State during 2014-20 was ₹ 13,847.97 crore. Audit analysis revealed that the expenditure compared to State's total expenditure ranged between 0.56 (2015-16) to 0.76 per cent (2014-15). The expenditure (₹ 2,676.02 crore) for the year 2019-20 was 0.67 per cent of State total expenditure.

The year-wise budget provisions and actual expenditure on Higher Education Department during 2014-20 is given in **Table 4.8**.

Table 4.8: Year wise budget provision and expenditure of Higher Education Department during 2014-20

(₹ in crore)

Year	State Total expenditure	Total Budget provision on Education Department (Higher Education)	Actual expenditure (percentage of State Total expenditure)	GSDP of the State	Expenditure on Higher Education as percentage of GSDP
2014-15	251804.43	2406.95	1914.79 (0.76)	1011790	0.19
2015-16	318412.23	2388.83	1795.19 (0.56)	1137808	0.16
2016-17	349232.60	2947.51	2429.39 (0.70)	1288700	0.19
2017-18	334876.62	2655.81	2120.44 (0.63)	1416006	0.15
2018-19	409784.50	3806.20	2912.14 (0.71)	1584764	0.18

Year	State Total expenditure	Total Budget provision on Education Department (Higher Education)	Actual expenditure (percentage of State Total expenditure)	GSDP of the State	Expenditure on Higher Education as percentage of GSDP
2019-20	399426.75	3093.65	2676.02 (0.67)	1687818	0.16
Total	2063537.13	17298.95	13847.97 (0.67)		

(Source: Appropriation Accounts of respective years)

It can be seen from **Table 4.8** above that 80 per cent of the budget provision on higher education were utilised during 2014-20. Thus, Higher Education Department spent ₹ 13,848 crore during 2014-20, which was between 0.56 per cent (2015-16) and 0.76 per cent (2014-15) of total expenditure of the State. This expenditure was 0.15 per cent to 0.19 per cent of GSDP of the State during 2014-20.

4.6.2 Funds under RUSA

Rashtriya Uchchatar Shiksha Abhiyan (RUSA) launched as a Centrally Sponsored Scheme in September 2013 aims to improve the quality of state universities and colleges and enhance their existing capacities so that they become dynamic, demand-driven, quality conscious, efficient and forward looking and responsive to rapid economic and technological developments occurring at the local, state, national and international levels. The scheme covers only government HEIs in the State excluding open universities and Institutions offering Medical, Agriculture, Veterinary, etc. Centre-State funding for this scheme in case of Uttar Pradesh is in the ratio of 60:40.

4.6.3 Release of funds under RUSA

The position of funds received by State Project Director (SPD), RUSA and thereafter released to the State Universities and Government Colleges under the scheme during 2014-20 is shown in **Table 4.9**.

Table 4.9: Funds released, funds released to State Universities and Government Colleges

(₹ in crore)

Year	Funds released to SPD RUSA by State Government			Funds released by SPD RUSA			
	GoI share	State share	Total	Funds released to State Universities		Funds released to Government Colleges	
				Funds released	Funds utilized	Funds released	Funds utilized
2014-15	25.86	13.93	39.79	19.29	19.29	20.50	20.50
2015-16	1.54	0.83	2.37	0.37	0.37	2.00	2.00
2016-17	71.97	28.79	100.76	54.91	54.91	45.85	45.85
2017-18	73.36	4.00	77.36	50.04	50.04	27.32	27.32
2018-19	2.14	68.77	70.91	42.09	42.09	28.82	28.82
2019-20	46.33	29.57	75.90	45.68	20.90	30.22	25.50
Total	221.20	145.89	367.09	212.38	187.60	154.71	149.99

(Source: Office of RUSA, Lucknow)

Audit observed that the funds received against GoI share were released by the State Government with much delay to SPD, RUSA. Details of the delay are discussed in the succeeding paragraphs.

4.6.4 Delay in release of funds by State Government

As per RUSA guidelines, States should contribute their share along with central share to dedicated RUSA saving bank account of the State Higher Education Council (here State Project Director, RUSA) within 15 days of the receipts of central share.

Scrutiny of record of State Project Director (SPD) of RUSA revealed that the State Government released its state share including central share to SPD, RUSA with delay ranging up to 1,636 days. Release details are given in **Table 4.10**.

Table 4.10: Delay in release of RUSA funds by the State Government

Year	Central Share		State release including central share		Delay in release of grants (in days)
	Amount (₹ in crore)	Date of release of grants to State Government	Amount (₹ in crore)	Date of release to SPD	
2014-15	26.00	06.01.2015	40.08	09.03.2015 to 16.07.2019	46 to 1636
	3.25	04.02.2015	5.01	10.03.2015 to 05.11.2015	18 to 258
2016-17	115.78	07.09.2016	165.75	10.11.2016 to 4.10.2017	48 to 376
2017-18	6.00	21.12.2017	10.00	12.03.2018	65
	95.43	28.02.2018	188.95	27.03.2018 to 26.08.2019	11 to 528
2019-20	57.13	16.05.2019	91.96	29.07.2019	58
	5.88	30.08.2019	9.89	26.12.2019	102
	4.20	27.09.2019	5.29	11.03.2020 to 30.03.2020	150 to 169

(Source: Office of RUSA)

Thus, the State Government did not adhere to the norms prescribed for release of GoI share including State share.

The State Government stated (July 2022) that the State share was being released after making allocations in the State budget. In the exit conference (15 July 2022), it was stated that time was taken in obtaining utilisation certificates from executing agencies.

4.6.5 University resources

MGKV and UoL are not self sufficient to meet out their expenditure out of revenue earned by them. During 2014-20, total receipts of MGKV and UoL were ₹ 531.56 crore and ₹ 1,358.78 crore respectively. Out of this, during 2014-20, the State Government provided ₹ 118.65 crore (22 per cent) to MGKV and ₹ 357.10 crore (26 per cent) to UoL.

Year wise details of available funds, expenditure incurred and unspent funds at the close of each year during the period of 2014-20 are given in **Table 4.11**.

Table 4.11: Funds received, expenditure and unspent funds 2014-20

Name of University	Opening balance	Funds received from					Total available funds	Expenditure	Unspent funds (per cent)
		State Govt.	Central Govt.	Own revenue	Other sources	Interest earned			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(9)	(10)	(11)
MGKV	96.95	118.65	30.53	344.57	20.39	17.42	628.50	432.57	195.94 (31)
UoL	100.28	357.10	122.13	579.65	263.22	36.68	1459.06	1286.49	172.57 (12)

(Source: MGKV and UoL)

4.6.6 Dependency on Government grants

Total expenditure and expenditure from government grants by MGKV and UoL in 2014-15 and 2019-20 is given in **Table 4.12**.

Table 4.12: Dependency on Government Grants during 2014-15 and 2019-20(**₹ in crore**)

Name of university	2014-15		2019-20	
	Total Expenditure	Total expenditure from Government grants (Per cent)	Total Expenditure	Total expenditure from Government grants (Per cent)
MGKV	56.07	17.26 (31)	80.07	15.91 (20)
UoL	162.84	44.54 (27)	223.70	49.92 (22)

(Source: MGKV and UoL)

As evident from **Table 4.12**, dependency of Universities on the Government grants was reducing.

The State Government stated (July 2022) that the State Universities have their own sources, viz., entrance fee, examination fee, tuition fee and other fee. State Government provides limited funds to the Universities.

4.6.7 Interest earned on RUSA funds

RUSA scheme aims to improve the quality of state universities and colleges and enhance their existing capacities. As per Government Order (March 2015), interest earned on RUSA funds was to be deposited/transferred in bank account of Directorate of RUSA.

Audit observed that the interest earned amounting to ₹ 76.78 lakh and ₹ 75.68 lakh during 2014-20 on RUSA funds by MGKV and UoL respectively were not transferred to the bank account of Directorate of RUSA.

The State Government did not reply (July 2022) on the issue raised in audit.

4.6.8 Maintenance of annual accounts

Paragraph 55 of Uttar Pradesh State Universities Act, 1973 stipulates preparation of annual accounts by the universities and submission of the same to the State Government which shall cause the same to be audited. Since October 2019, audit of the universities has been entrusted to CAG. Audit by DLFA has been dispensed with. DLFA conducted audit up to 2018-19. Both the universities have not made (May 2022) amendment regarding audit in their Acts.

Audit observed that MGKV maintained 54 bank accounts⁹ but annual accounts by MGKV for the period of 2014-19 were not prepared. Subsequent to audit, MGKV though prepared these annual accounts in 2020 but did not submit to EC, Court and the State Government.

UoL maintains three separate annual accounts (balance sheets, receipt and payment accounts and income and expenditure accounts) on accrual basis and a consolidated account for General Funds, College of Art and Craft and Self Finance Courses. The annual accounts were, however, prepared and finalised late in each year during 2014-20 and were not submitted to the State Government as detailed in **Table 4.13**.

⁹ Three bank accounts for UGC, 13 bank accounts for General Funds, three bank accounts for NSS and 35 bank accounts for self-financed courses

Table 4.13: Year of annual accounts and date of preparation of accounts

Year of accounts	Due date of preparation of accounts	Date of preparation of accounts	Delay in preparation of accounts (Months)
2014-15	June 2015	09.03.2016	8
2015-16	June 2016	17.03.2017	8
2016-17	June 2017	24.03.2018	8
2017-18	June 2018	29.03.2019	8
2018-19	June 2019	09.05.2020	10
2019-20	June 2020	Not available	Not available

(Source: UoL)

MGKV stated (July 2022) that number of bank accounts had been reduced from 54 to 22 and approval of EC has also been obtained on annual accounts. It was also stated that the universities established in the State are autonomous institutions and they utilise allocated funds at their own level and maintain their annual accounts. However, the State Government time to time reviews the purpose of the utilisation of the funds. Specific reply on the audit observations was not furnished.

4.6.9 Unadjusted advance payments

As per the provisions contained in MGKV Account Code Volume-IV, it was the duty of the Head of Department/Drawing and Disbursing Officer to ensure that account of temporary advances is rendered as early as possible and unspent balances, if any, are refunded immediately after finalisation of the purchases for which the temporary advances were drawn.

Audit observed that the outstanding temporary advances at the end of 2014-15 in MGKV ₹ 26.75 crore was increased to ₹ 54.58 crore in 2019-20.

The outstanding advance in UoL at the end of March 2020 was ₹ 22.59 crore. These advances include advances for construction of buildings, software development and advances for SFCs, etc., and were outstanding since long before 2009.

The State Government replied (July 2022) that detailed instructions in this regard have been issued in November 2018 and January 2022. MGKV stated that quick action has been taken by it for reducing outstanding advances. The advance of ₹ 54.58 crore in 2019-20 has been reduced to ₹ 48.22 crore by March 2022 and efforts are being made to reduce it further during 2022-23.

4.6.10 Governing financial management

Governing financial management refers to the way an organisation collects, manages, monitors and controls financial information and includes tracking of financial transactions, managing performance and control data and compliance, operations. Audit findings in UoL are discussed in succeeding paragraphs.

4.6.10.1 Cash book

Scrutiny of Cash Book of General Funds Account in UoL for the month of March 2019 revealed discrepancies in maintenance of cash book, viz.,

- entries of UoL receipts were not written in its Cash Book due to which sources of credits in the General Fund Bank Accounts and their reconciliation with the balances in bank accounts was not made in audit.

- entries in the Cash Book for payments made were written without corresponding entries of cheque number/cash payments and other details of payments. Due to which cheques issued could not be confirmed through cash books.
- Cash Books maintained in UoL for the test checked period (2014-19) of audit were neither closed daily/monthly nor signed by the cashier or countersigned by the competent officer. Certificate in respect of receipts, expenditure and balances at the end of the month was not written in the Cash Book. Due to which authenticity of entries in the Cash Book and balance of funds could not be confirmed in audit.
- UoL maintained 46 to 74 bank accounts¹⁰ during 2014-20 by adding three to seven Bank Accounts in a year yet bank reconciliations of these bank accounts were not prepared after completion of monthly transactions. University had engaged a Chartered Accountant firm¹¹ who prepared the monthly reconciliation statement with a delay of 11 to 23 months after closure of concerned financial year.

Fourteen cases of fraudulent drawal during 2017-19 (December 2017 to April 2019) of ₹ 1.40 crore (*Appendix 4.4*) from the Examination Funds bank accounts number 00600200000149 in UCO Bank of UoL branch were noticed by the University only after preparing bank reconciliation in March 2019 and an FIR (no. 0481 of October 2019) was lodged. These fraudulent drawals were managed by making clone of cheques issued to the University.

Failure to timely reconcile bank balances along with many deficiencies in writing of cash book discussed above caused failure to timely detect these fraudulent drawals. UoL informed (August 2020) that the amount had been re-credited (June 2020) to the University's bank account by UCO Bank.

The State Government replied (July 2022) that withdrawal, utilisation and payments are done at the university level however, the State Government reviewed them time to time. In the exit conference (15 July 2022), it was stated that the number of bank account has now been reduced and the bank reconciliation was now being done by the University itself.

4.7 Internal control and internal audit

State Government directed (October 2019) universities for conducting regular internal audit. However, internal audit unit was not functioning in the test checked universities as the sanctioned post of Auditors was vacant. This resulted in weak internal control.

In exit conference (July 2022), Special Secretary advised Universities to give training to the employees for maintenance of cash book.

Conclusion and Recommendations

Audit observed that the Governance and Management of Higher Education system was not adequate and marred by delays in fund release, large number of vacancies and affiliation given to undeserving institutions. Uttar Pradesh State Higher Education Council set up in the State to co-ordinate and determine the standards in universities and colleges, did not have Chairman, Vice Chairman and Members during March 2017 to

¹⁰ 2014-15: 46, 2015-16: 49, 2016-17: 63, 2017-18: 67, 2018-19:74 and 2019-20: 67.

¹¹ M/s Habibullah & Co.

January 2020. Ten out of 14 sanctioned posts for its office was vacant. State Level Quality Assurance Cell was not formed in the State. There were vacancies in important seats in Governing Bodies of Universities, which reduced their effectiveness. College Development Council was not set up in MGKV and it was though set up in UoL but not functioning as desired. Colleges were given affiliation without fulfilling norms, which may affect quality of education. The inspections of affiliated colleges were not done. State Government released its share including central share for development of University and Colleges to State Project Director of *Rashtriya Uchchatar Shiksha Abhiyan* with delays ranging up to 1,636 days. Annual accounts of test checked Universities were not submitted to the State Government. Internal audit unit was not functioning in the test checked universities as the sanctioned post of Auditors was vacant.

Recommendation 11: *Vacancies in Governing Bodies in the State and the Universities should be filled up on priority basis.*

Recommendation 12: *The Universities should strengthen the affiliation process to ensure that only those colleges which comply with all regulatory requirements are granted affiliation.*

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