

REPORT OF THE JNUTA COMMITTEE TO LOOK INTO
PROJECT ADMINISTRATION AND FINANCE

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IMPORTANCE OF RESEARCH GRANTS

JNU is one of the premier institutions of higher learning in the country. It is noted for its interdisciplinary approach to higher education and research. JNU's strong intellectual tradition is rooted in a wide spectrum of research activities in sciences, social sciences and humanities. Cutting edge research requires state-of-the-art research infrastructure, facilities and support. While JNU, as a public funded university, does provide some basic infrastructure, facilities and support for research, the extent of this funding from the university is hardly adequate, especially for faculty members working in experimental and applied fields of research – even more so for science faculty engaged in experimental science research requiring substantial laboratory infrastructure and supplies along with other paraphernalia that become an absolutely essential pre-requisite for high quality research and PhD supervision. Therefore to carry out their research agenda, JNU faculty from across schools and centres have been successfully attracting research funding from various sponsoring agencies – national and international, both governmental and non-governmental. The importance of these research grants can never be overemphasized, especially in a premier university like JNU with its reputation of research and academic excellence. As emphasised by our Visitor, Indian universities must raise their levels of academic excellence even further in order to compete with the best institutions in the world. It is, therefore, most important to put in place an institutional structure to administer and manage these grants and facilitate research in a hassle-free environment. Towards this end, most of the top academic institutions in India and abroad have effectively devised their own administrative structures for smooth and hassle-free management of research grants received by their faculty.

RESEARCH GRANT MANAGEMENT IN JNU – SYSTEMIC DEFICIENCIES

The JNU faculty community feels completely let down by the JNU administration's attitude and approach towards the management of research grants awarded to JNU faculty. On various occasions, individual faculty members have brought to the notice of the JNU's top administrative authorities, the enormous difficulties and obstructions they have been facing in "running" research projects in JNU. They have literally been "running" after staff members dealing with project administration and finance to sort out the voluminous amount of paper work and to overcome the bureaucratic hurdles. In the process, a great amount of faculty time is *wasted* in sorting out bureaucratic hurdles – if one calculates the financial loss to the public exchequer in 'wasting' this faculty time on unnecessary "running around", it would be a source of embarrassment for the university in front of any auditor.

However, much of these complaints have often not been adequately addressed. Top level management has often brushed aside these individual complaints as sporadic and isolated occurrences and refused to accept it as a systemic deficiency. JNUTA has now risen up to the challenge to identify systemic deficiencies in this area, based on concrete anecdotal evidences provided by faculty members regarding problems they faced in executing their research grants. We must remember that these grants have been awarded to faculty on their individual academic merit under stiff competitive environments from national and international agencies. It is a matter of shame if these grant-awardees are prevented from executing their research in a smooth and supportive environment, due to hurdles and rigidities. Indeed, we believe that JNU's administrative machinery is not geared and oriented towards adopting a supportive and facilitating approach to manage research grants. We have identified several concrete impediments in this regard.

1. Administrative Structure

Administratively, the Project Cell, a few years back, has been bifurcated into two units – the Project (Administration) Cell and the Project (Finance) Cell. The former handles all administrative matters like project staff appointments, approvals for purchases, travels etc while the latter deals with all financial matters, including all payments, receipts and accounts. Both sections function independently of each other within their own administrative hierarchy and bureaucratic procedures – the former reporting to the

Coordinator (E) and the latter to the Finance Officer. There is very little coordination and bureaucratic convergence between the two units. The bifurcation of the two units of the Project Cell creates unnecessary layers of bureaucratic processes. This is aggravated by the fact that the two offices are administratively independent and un-connected, given their reporting arrangements to two different segments of the University management. The faculty ends up seeking lengthy clearances from two rounds of office channels – one through the C(E) for administrative approvals and the other through the finance officer for expense approvals. The lack of coordination between the two units often leads to duplication in submitting all papers to the University. Faculty is also made to take rounds between two offices to settle simple matters.

2. Rules and Procedures:

○ **Procurement:**

Procurement procedures have been most stifling for executing research grants, especially for science faculty. The procedures are cumbersome, illogical and obstructive and cause inordinate delays that hamper research timelines and outcomes. This is in complete violation of GFR rule 161. Flexibilities and the spirit of the Government of India's directives and rules (including the GFR) are not reflected in JNU's procurement norms that may facilitate specialised purchases for research activities.

○ **Lack of Transparency:**

There is a lack of clarity and transparency in rules and procedures, especially in financial matters pertaining to travel, field visits, conferences etc. Although there is a *project manual*, the finance-bureaucracy often insists upon extra layers of requirements going beyond the manual. The Project Finance Cell often tends to obstruct payment procedures by invoking rules and frivolous objections (some of which are not insisted upon even by the other branches of the Finance office). The PFC refuses to provide evidence of the rules under which they raise objections on payments.

○ **Interpretation of rules:**

Often the rules are wrongly interpreted to obstruct payments and other procedures in project execution. There is clear a systemic deficiency that allows for wrong interpretations of rules and procedures.

- **Absence of Flexibility**

There is inflexibility of rules, especially with regard to the following three aspects. First, there is little room for accommodating some of the norms of the sponsoring agencies that sometimes makes it very difficult to handle research grants from trusts, foundations and foreign governments. Secondly, there is inflexibility with regard to the stipulation of qualification and pay for the appointment of project personnel. Each project may require different set of skills and qualifications and accordingly some flexibility in the specification of skills, qualification, pay and allowances is absolutely essential. Finally, there has to be some degree of flexibility in the rules pertaining to field visits – often this could lead to cost saving from the project budget.

- **Lack of Guidelines**

In some cases there is complete lack of guidelines as to how to handle some of the grants especially from foreign government agencies – even at the stage of signing the agreement there is lack of clarity and understanding causing inordinate delays.

3. Inefficiency

Over and above the problems of structure and rules, there are inherent inefficiencies in the functioning of the offices in terms of delays, lack of proper record-keeping and filing. Especially in the project finance cell, there are several complaints pertaining to (a) wrong entry in ledgers, (b) wrong calculations of taxes, (c) wrong calculations of bill amounts – all of which resulting in harassment of faculty. As a result, faculty has to keep track of all administrative and financial matters and keep a record of the same to provide copies to university administration from time to time as and when demanded. The whole purpose of maintaining this elaborate administrative mechanism at the University level with a view to providing administrative and financial support for running sponsored projects gets completely defeated.

4. Attitude

The intrinsic problem is the basic approach towards handling research funding. While one expects the university office to facilitate and support faculty in managing externally funded research projects, but the JNU administration has always adopted a cautious and squeamish approach when it comes to research spending. It functions with the mindset of

an auditor (cynical about irregularities in financial expenses) rather than as a finance manager facilitating research expenditure. We must remind ourselves that the concept of audit is also undergoing a sea-change with newer and greater emphasis being placed on performance audit rather than financial audit. After all, research grants are meant to generate research output and knowledge. GFR itself states that administration must ensure funds are used for their “intended purpose” – research and knowledge output in our case. Getting bogged down with bureaucratic and financial nitty-gritty could hamper the progress of research and defeat the whole purpose of the grant.

JNUTA RECOMMENDATIONS

Based on the detailed evidence based identification of the structural and operational deficiencies of JNU’s administrative mechanism for research grant management, we come up with the following recommendations on behalf of JNUTA:

1. Revamping the administrative structure

PAC and PFC should be merged and brought under one umbrella of a Research Office (or Project Cell as it existed before). This cell should be headed by a senior professor with a designation like Director, JNU Research Office. This is a standard practice followed by most of the premier academic institutions in India (all IITs, IISc). The Director would be assisted by one or two officers in the rank of DR/DFO to execute all financial and administrative matters. To expedite paperwork, the Research Office should setup separate research office cells (covering both administrative and finance functions) in each school headed by an SO/AR/AFO. The size of the school level cell may depend on the volume of project work being carried out in each school.

2. Simplification of Purchase Procedures

The GFR rule 161 stipulates that each department should take steps to ensure that there are no delays in procurement and the purchase is made in a stipulated time. This is especially relevant in project purchases, since the projects are time bound and delays in procurement seriously hinder the project implementation.

Further we would like to draw the attention of JNU administration to the document prepared by Department of expenditure, Ministry of finance (available on their web site) and

incorporate their specific recommendations to facilitate our purchase procedures. Indeed the preface signed by the Finance Secretary, GoI states:

Manual issued by this Ministry are to be taken as generic guidelines, which have to be necessarily broad in nature. Ministries/ Deaprtments are advised to supplement these manuals by issuing detailed operating instructions to serve as practical instructions and customise the formats to suit local/specialised needs.

GFR rule no 135 states that GFR guidelines are broad in nature and should be suitably adapted according to the specific needs of each department.

- JNU should therefore adapt GFR rules according to the requirement of project PIs of different schools.
- EMD should be required only if the purchase amount is more than Rs. 25 Lakhs. This may be approved by EC.
- Specialized services, for example custom sequencing, data analysis should be treated as proprietary item at the discretion of the PI.
- The existing EC resolution of 10-05-1995 should be honoured for procurement of chemicals approved by the university level technical committee.
- The recommendations of the school level purchase committee should be final. The committee should have competent finance or audit representative and no further objections should be raised later.
- When the bill is already signed by the competent authority, the project finance should not raise *frivolous* objections. All efforts should be made not to cause delays in the spirit of GFR 161.
- **Further there are specific recommendations that may be adopted by JNU from Finance ministry website. The relevant points are highlighted here.**
 - Limited tender enquiry is upto Rs. 25 lakhs. Website publicity of JNU should be enough and no need for uploading on central Govt. ministry website. (see section 6.13)
 - Single tender enquiry should be allowed in case of emergency as stated in section 6.25.
 - Scrutiny of the responsive tenders should be done as recommended in section 11.4. According to this clause, tenders should be evaluated and ranked starting from L1. If L1 does not meet the required criteria, then similar determination should be made for L2 and so on, till reaching the tender that meets the required

qualification criteria. Faculty strongly urges that the JNU should adopt this procedure, so that purchase qualification is not completely dependent on cost.

- In spite of following the required procedure for tender enquiry, if sufficient number of tenders are not received, then the order may be placed, even if a single tender is received. (clause 11.7.4).

3. Simple and transparent rules and procedural format

The project manual should be updated and made fully comprehensive. All procedures, norms and rules should be clearly laid out in the project manual that must be uploaded on the website – approval procedures, advance norms, bills submission, appointments, travel, conferences etc. The operational procedures in terms of approvals and sanctions must be simplified (avoiding all duplicative paper work) and must be specified in a time bound manner. The administration must be accountable to maintain these time lines. After all, faculty is generating resources for the university and hence they have the right to claim administrative processing in a time bound manner. No new requirements/rules/norms can be invoked without incorporating it into the project manual and all changes made in the manual must be widely circulated to all PIs and all faculty.

4. Flexibility

There has to be some provision of built-in flexibility of rules and procedures, especially with regard to issues identified earlier (norms of sponsoring agencies, skills-qualifications-pay/allowances of project personnel, and research expenses during field visits), depending on the nature and requirements of the project. Procedurally, the PI should approach the Director, Research Office with such requests, who in turn would be empowered to provide these flexibilities on a case by case basis.

5. Periodic Updating of Project Information on JNU website

In this day, it is rather embarrassing that the JNU website does not provide a current list of ongoing and recently concluded projects. This must be done to accurately reflect the volume of research grants that JNU faculty have been attracting.