TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME (TEQIP) PHASE-II

Guidelines for Performance Auditors

Guidelines for Performance Auditors

- **Background**

    a) The Project TEQIP-II has been implemented in 23 CFIs and 20 States (Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharasthra, Odisha, Punjab, Rajasthan, Tamil Nadu, UT-Chandigarh, UT-Puducherry, Uttar Pradesh, Uttarakhand and West Bengal).

    b) 06 CFIs and 54 State/UT funded and aided institutions, and 25 Private unaided Institutions are currently participating in Sub-component-1.1 [*Strengthening Institutions to Improve Learning Outcomes and Employability of Graduates*] of the project.

    c) 17 CFIs and 42 State/UT funded and aided institutions, and 14 Private unaided institutions are currently participating in Sub-component-1.2 *[Scaling-up Postgraduate Education and Demand-Driven Research & Development and Innovation]* of the Project.

    d) Well performing Institutions that met the eligibility criteria were selected on the basis of (a) their agreement to implement all the concerned elements of the Project and to carry out all the agreed institutional reforms; and (b) their Institutional Development Proposals (IDPs) giving their self determined plans for development. The IDPs give all the planned activities, their schedules, targets to be met, etc.

    e) The IDPs for the State funded and aided Institutions, and the Private unaided institutions are available with the concerned SPFUs. The IDPs of CFIs are available with the NPIU.

    f) Selection of institutions for the Sub-component-1.2.1 [*Establishing Centers of Excellence*] has been initiated and the process for evaluation of the proposals is underway.

    g) For evaluation of the Project performance, conduct of Performance Audits (Evaluations) is a legal binding on the States/SPFUs and the GOI/NPIU.

- **Project Evaluation**

    Institutional Audits are envisaged for Project Evaluation. The audits will be conducted to ascertain the validity and reliability of information and to also provide an assessment of Project's internal control. The Auditors will assess progress made under the Project and processes related to technical and fiduciary[1] aspects of the Project. The performance of the institutions will be assessed by performance and data audits. These audits will verify implementation in accordance with the agreed NPIU/MHRD-World Bank procedure and guidelines and will combine factual assessment with qualitative assessment.

    Performance and Data Audits: Performance and Data audits will be carried out annually to assess progress made by all project institutions to achieve set goals as per their plans given in IDPs like implementation of agreed reforms, accuracy, and validity of data, progress in faculty development, utilization of resources and achievement of targets set by the Institution to achieve academic excellence. The Performance Auditors will be senior academicians, appointed out of a pool of mentors created from persons suggested by the SPFUs and those identified by the NPIU. They will be appointed for all project institutions by the NPIU. The Performance Auditors will be assisted by skilled professionals for conducting the Data Audits. The Data Auditors will be appointed by the SPFUs for their institutions and the NPIU for CFIs. All expenses for Performance and Data audits will be met by the SPFUs and the NPIU as per norms approved by the NPD from time to time.

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[1] *Fiduciary Audits*: The Fiduciary Audits, conducted by the World Bank, will cover Post-Procurement Reviews and Financial Management Reviews. The emphasis will be to verify that the institutions follow the fiduciary guidelines described in this PIP and in the procurement and financial management manuals.

- **Purpose and Utility of the Performance Audit**

  The current and subsequent performance audits will be assessing (i) degree of progress on a large number of activities envisaged under the Project and (ii) improvements in short comings noticed by the Auditors during conduct of one or more earlier performance audits. The evaluation is to be done on the basis of scores perceived by the performance auditors. The performance audits are to be conducted annually, as per the project agreement.

  The various aspects of the six areas under performance audit (listed below) have different degrees of importance. The auditors are to give perceived scores based on their holistic evaluation on each aspect of an area of performance. The perceived scores on each aspect are to be fed into MIS, which will calculate the overall perceived score for Summary Evaluation.

  The auditors are to give frank and constructive suggestions/ comments that would be of help (a) in assessing degree/extent of progress in implementation of institutional proposed activities and reforms; (b) to the institutions in identifying areas for improvement in project implementation; (c) to mentors in identifying areas needing priority mentoring attention; and (d) to SPFUs and NPIU in facilitating removal of bottlenecks / hurdles causing under-achievement in one or more of the activities.

  The individual institutional performance audit reports on the perceived scores will be summated at the state level and national level to show status of progress in project implementation at the respective levels. The NPIU/SPFUs will furnish a printed copy of institution-wise performance audit reports, generated through the MIS, to the concerned mentors.

  > **Notes:**
  >
  > While visiting an institution for performance audit, the Performance Auditors are advised to:
  >
  > - Carry with them a copy of the Institutional Development Proposals (IDPs for the respective institutions and the Project Implementation Plan, which contains concepts on various aspects of the Project and also the guidelines on implementation of reforms, when visiting the institution for conducting the audits.
  >
  > - Obtain the latest performance audit report, mentoring report, academic grid, Head of Institution's filled-in response sheet and a progress report showing improvements/changes made in view of observations/suggestions made by performance auditors and mentors.

- **Areas to be covered for Performance Audit**

  The auditors are expected to evaluate performance of Project Institutions in respect of the following 6 areas:

  i)   Implementation of institutional projects as per their Institutional Development Proposals (IDPs;
  ii)   Implementation of Institutional Reforms;
  iii) Administrative, Financial and Managerial efficiency improvements;
  iv)   Qualitative improvements related to education and research;
  v)   Performance in institutional governance
  vi)   Support to weak students

  > *Note*: *Performance Auditors should not look into procurement and financial management issues.*

- **Procedure**

I. The performance audits will be conducted over 3 days for each institution.

    a) Day-1 may preferably be devoted to: (a) study of reports from the last audit and mentoring, the academic grid, a filled-in response sheet from the Head of Institution, and the institutional progress report on changes/rectifications and improvements made since the last audit, and (b) holding 3 Focused Group Discussions (FGD) [the first two with the UG and PG students and the third with the faculty], each lasting for about 90 minutes.

    b) Day-2 may be devoted to: (a) visits to institutional facilities, (b) holding discussion with Deans and heads of departments, and (c) discussion with the Head of Institution along with Project Coordinator and project nodal officers.

    c) Day-3 may be devoted to: (a) discussion with BOG's non-institutional members, and (b) writing of the Audit Report.

II. A Response Sheet (Table-7) will be made available to the Head of Institution well before the Auditor's visit by the SPFU for State Project Institutions, and by NPIU for CFIs. The Response Sheet is to be filled by the Head of the Institution before the date of start of the audit and handed over to the Performance Auditor.

III. Focused Group Discussions (FGDs) will be arranged by the host institution in consultation with the auditor. FGDs are to be conducted by the Auditors alone. During an FGD, others cannot be present even as observers.

IV. The suggested sample sizes for the 3 FGDs are:

    a) <u>Faculty</u>: Desirable group size is 30-40% of faculty from each department with balanced distribution across all disciplines and all levels, and both genders.

    b) <u>Students</u>:

- <u>UG Engineering Students</u>: 10% of engineering student population in the institution or 75 students, whichever is more. Equal percentage of students should be drawn from each year of study, with balanced distribution across all disciplines, genders, and general & reserved category students.

- <u>Master's and Doctoral Students in Engineering</u>: 20% of postgraduate engineering student population in the institution or 20 students, whichever is more (in case the number of registered students (if the both external and internal postgraduate student population is less than 20, then at least 75% of the registered students). Equal percentage of students should preferably be drawn from each year of study/research, with balanced distribution across all disciplines and genders.

- **The performance auditors are required to be involved in the sampling process.**

V. The auditors will record their holistically evaluated observations and perceived score on each aspect of an area of performance in the formats (Table-1 to 7) along with brief justification for the score assigned, and observations/suggestions for improvement/rectification. The auditors are to also feed the perceived scores on each aspect into the MIS. From the data inputted by the auditor, the SPFU/NPIU will generate the results from the MIS on the perceived scores for each area of performance and the overall perceived score.

VI. The auditor at the end of each audit are to provide two hard copies of their report in the formats (Table-1 to 7) to the institution before leaving the institution (for use of the Head of the institution, and the Chairman of the BOG for appropriate corrective actions at their level).

VII. The auditors are to also electronically mail his/ her report to the concerned SPFU and the NPIU within 7 days of completion of the audit (for use of SPFU, the concerned mentor and the NPIU).

- **Process of Assessment/Evaluation and Reporting**

  a) As stated earlier, the auditor's report will comprise 6 areas of performance audits viz.

    - Implementation of institutional projects as per their Institutional Development Proposals (IDPs)
    - Implementation of Institutional Reforms
    - Administrative and managerial efficiency improvements
    - Qualitative improvements related to education and research
    - Institutional Governance
    - Support to weak students

  b) Auditor's assessment/evaluation will be based on:

    - Focused Group Discussions (FGDs) with faculty and students, and discussions with Deans & Heads of Departments, Head of Institution, and non-institutional members of the BoG.
    - Selective visits to labs, workshops, hostels, and campus in general.
    - Review of records/documents to look deeper into utility and relevance of reported actions/ processes.

  c) The auditors are to record a perceived score for each aspect stated in the individual reports (see formats given in Tables-1 to 7) giving a score of zero for highly unsatisfactory / negligible performance and 10 for excellent / highly satisfactory performance. He/she will also report his/her observations justifying the given score for each evaluated aspect along with suggestions for improvements/rectification.

  d) The Auditors are to thereafter enter only the perceived scores into the MIS.

  e) The scores are not to be disclosed to any person associated in any capacity with the institution till such time that the scores are fed into the MIS.

  f) The auditor will give his/her assessment on visible improvements and the existing shortcomings in the format given at Table-1 to 7..

1. Guidelines for Head of Institution

a) The Head of Institution will provide all the previous reports of the Performance Audit and mentoring to the auditor to be used to assess improvements on shortcomings.

b) He/she will provide the completed Response Sheet.

c) He/ she will depute a System analyst to help the auditor feed scores recorded in Tables-1 to xxx into the MIS.

d) He/she will ensure that the auditor at the end of the each audit provides two hard copies of his/her report (in the tabular formats given at Tables-1 to 7) to the institution before leaving the institution for use of Head of Institution, and use of the Chairman of the BOG for appropriate corrective actions at their level.

2. Guidelines for SPFUs/NPIU

a) The SPFUs for the State Institutions and NPIU for the CFIs will contact the auditors and the institutions to work out 3 day visit schedule of the Auditors each year well in advance. NPIU will inform the month during which the audits are to be completed.

b) Ensure that the Response Sheet is made available to the Head of Institution well before the Auditor's visit and advise the Director/ Principal to fill the Response sheet before the auditor's visit.

c) Ensure that the auditors provide two hard copies of the Report to the institution and electronic copies to SPFU and NPIU.

d) From the data inputted by the auditor, the SPFU/NPIU will generate the Summary Evaluation in Table-A

e) From the performance audit formats, the NPIU and the World Bank will generate performance audit reports.

Format for Performance Audit Reports

Name of the Institution and location   : _____

Dates of this visit   : (From_____   To_____)

Name of the Performance Auditor   : _____

Table A: Summary Performance Audit Evaluation Number-1/2/3/4

Name of Performance Auditor   : _____

Dates of Performance Audit   : _____

Name of Institution with location   : _____

Sl. No.	Area of Performance Audit	Perceived score out of 10
1.	Project Implementation	
2.	Implementation of Institutional Reforms	
3.	Administrative and Managerial Efficiency Improvement	
4.	Qualitative Improvements related to Education and Research	
5.	Institutional Governance	
6.	Support to Weak UG Students	

Overall Perceived Score (Out of 10):

Name of Performance Auditor : _____

Dates of Performance Audit : _____

Name of Institution with location : _____

Table-1: Project Implementation

Sl. No.	Aspect	Perceived score, out of 10	Performance Auditors Observations/Suggestions
1.	Progress in securing Autonomous Institution status from the affiliating University & the UGC within 2 years of joining the Project **OR** Effectiveness of utilization of academic autonomy possessed/ obtained (*see Table-26 in PIP*)		
2.	Sufficiency and quality of academic buildings		
3.	Progress/achievement in <u>starting new PG</u> programs as evidenced by: • Securing AICTE approval • Establishment of laboratories • Adequacy of student enrolments • Cumulative number of assistantships granted		
4.	Progress/achievement in <u>strengthening existing PG programs</u> as evidenced by: • Establishment of proposed laboratories • Adequacy of student enrolments • Cumulative number of assistantships granted		
5.	Progress/achievement in <u>strengthening existing UG programs in Govt funded and aided institutions only</u> as evidenced by: • Establishment of proposed laboratories • Adequacy of student enrolments		
6.	Improvements in Faculty Development as evidenced by: • Percentage/ increase in percentage of faculty benefiting from the Core Module of pedagogical training • Percentage of / increase in percentage of faculty benefiting		

Sl. No.	Aspect	Perceived score, out of 10	Performance Auditors Observations/Suggestions
	from the Advanced Module of pedagogical training • Percentage of faculty with UG qualification registered/deputed for improving their qualification (*see Section-3, 4(b) on page 20 of PIP*) • Percentage of faculty deputed for subject domain training, seminars, etc. (*faculty benefiting from subject domain training are required to share their gains with peers and also put their report on training on institution's web site*)		
7.	Generation, retention and utilization of the non-tuition fee revenue generated through various activities		
8.	Engineering faculty positions in terms of: • Reduction in vacancies • Increase in faculty appointed on regular basis • Increase in the number of faculty with at least a Masters degree		
9.	Improvements in placement rate of UG pass outs		
10.	Enhanced interaction with industry as evidenced by: • Increase in industry personnel registered for Masters & Doctoral programs • Increase in industry personnel trained by the institution in knowledge and/or skill areas • Increase in the number of consultancy assignments secured by the institution • Increase in the number of students' and faculty visits to and/or training in industry • Increase in involvement of industry experts in curricula & syllabi improvements, laboratory improvements, evaluation of students and delivering expert lectures • Increase in the number of sandwich programs between industries and the institution		

Name of Performance Auditor : _____
Dates of Performance Audit : _____
Name of Institution with location : _____

Table 2. Performance Audit - Implementation of Institutional Reforms

Sl. No.	Aspect	Perceived Score, out of 10	Performance Auditors Observations/Suggestions
1.	Effectiveness of faculty evaluation by students as evidenced by: • Percentage/ increase in percentage of faculty evaluated by students in one or more subjects • Are results of evaluation properly used for teacher improvement? If yes, is the procedure adopted for teacher improvement including counseling appropriate and effective?		
2.	Establishment of four funds and their sizes		
3.	Offer of incentives to faculty for participation in consultancy, R&D and continuing education programs offered by the institution		

Performance Auditors Report

Name of Performance Auditor : _____

Dates of Performance Audit : _____

Name of Institution with location : _____

Table-3 Performance Audit - Improvement in Administrative and Managerial Efficiencies

S. No.	Aspect	Perceived Score, out of 10	Performance Auditors Observations/Suggestions
1.	Modernization and decentralization of administration and financial management		
2.	Responsiveness to students academic and non-academic requirements		
3.	Responsiveness to faculty requirements		
4.	Utilization of institutional resource s		
5.	Maintenance of academic and non-academic infrastructure and facilities		
6.	Extent of delegation of administrative and financial decision making powers to senior functionaries		

Performance Auditors Report

Name of Performance Auditor   : _____
Dates of Performance Audit   : _____
Name of Institution with location : _____

Table 4.   Performance Audit - Quality of Education and Research

S. No.	Aspect	Perceived Score, out of 10	Performance Auditors Observations/Suggestions
1.	Improvements in curricula and /or syllabi		
2.	Relevance of curricula and syllabi		
3.	Improvement in teaching-learning processes as evidenced by: • Use of teaching aids • Continuous evaluation through quizzes, assignments, mid-semester examinations, etc. • Sharing of answer scripts with students and explanation of the evaluation carried out • Introduction of flexibility in program offerings • Increased availability of adequate electives		
4.	Progress in securing accreditation of eligible UG & PG programs (*institutions are to achieve target of 60% of eligible UG & PG programs accredited and/or applied for within 2 years of joining the Project*)		

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5.	Increased collaboration with industry in R&D as evidenced by: • Increase in number of joint and industry sponsored R&D work undertaken • Increase in financial contribution by industry for R&D		
6.	Increase in percentage of revenue from externally funded R&D projects and consultancies in the total revenue of the institution from all sources		
7.	Increase in the number of publications in refereed journals		
8.	Increase in the number of patents filed		

Performance Auditors Report

Name of Performance Auditor : **_____**
Dates of Performance Audit : **_____**
Name of Institution with location : **_____**

Table 5. Performance Audit - Performance in the Governance of Institutions

The objective of institutional Governance with review is to assist institutions, using an evidence –based approach, in their self assessment of current Governance Practice. A thorough review will indicate the level of effectiveness of institutional Governance and the Governing Body and identify action points for improvement. It will also indicate that:

- The conduct of the Governing Body is an accordance with the standards of behavior that the public should rightfully expect.
- The Governing Body and the individual Governors are exercising their responsibilities in the interest of the institution as a whole.
- The Review has been undertaking by a Group who have internal and external credibility to undertake such exercise.

INSTITUTIONAL GOVERNANCE REVIEW TEMPLATE	Perceived Score, out of 10	Performance Auditors Observations/Suggestions
A. PRIMARY ACCOUNTABILITIES		
SELF-REVIEW QUESTIONS		
Has the Governing Body approved the institutional strategic vision, mission and plan – identifying a clear development path for the institution through its long-term business plans and annual budgets?		
Has the Governing Body ensured the establishment and monitoring of proper, effective and efficient systems of control and accountability to ensure financial sustainability		
Is the Governing Body monitoring institutional performance and quality assurance arrangements?		

Has the Governing Body put in place suitable arrangements for monitoring the head of the institution's performance?		
B. OPENNESS & TRANSPARANCY IN THE OPERATION OF GOVERNING BODIES		
Does the Governing Body publish an annual report on institutional performance?		
Does the Governing Body maintain, and publicly disclose, a register of interests of members of its governing body?		
Is the Governing Body conducted in an open a manner, and does it provide as much information as possible to students, faculty, the general public and potential employers on all aspects of institutional activity related to academic performance, finance and management?		
C. KEY ATTRIBUTES OF GOVERNING BODIES		
Are the size, skills, competences and experiences of the Governing Body, such that it is able to carry out its primary accountabilities effectively and efficiently, and ensure the confidence of its stakeholders and constituents?		
Are the recruitment processes and procedures for governing body members rigorous and transparent? Does the Governing Body have actively involved independent members and is the institution free from direct political interference to ensure academic freedom and focus on long term educational objectives?		
Are the role and responsibilities of the Chair of the institution and the Member Secretary serving the Governing Body clearly stated?		
Does the Governing Body meet regularly? Is there clear evidence that members of the governing body attend regularly and participate actively?		

D. EFFECTIVENESS AND PERFORMANCE REVIEW OF GOVERNING BODIES	
Does the Governing Body keep their effectiveness under regular review and in reviewing its performance, reflect on the performance of the institution as a whole in meeting its long-term strategic objectives and its short-term indicators of performance/success?	
Does the Governing Body ensure that new members are properly inducted, and existing members receive opportunities for further development as deemed necessary?	
E. REGULATORY COMPLIANCE	
Does the Governing ensure regulatory compliance* and, subject to this, take all final decisions on matters of fundamental concern of the institution.	
Does the regulatory compliance include demonstrating compliance with the 'not-for-profit' purpose of education institutions?	
Has there been accreditation and/or external quality assurance by a national or professional body? If so, give details: name, status of current accreditation etc	

Table 6.   Performance Audit - Support to Weak Students

S. No.	Aspect	Perceived Score, out of 10	Performance Auditors Observations/Suggestions
1.	Percentage of students that complete the full first year and transit successfully to Second Year		
2.	Effectiveness of techniques used for identifying weak students		
3.	Conduct of remedial teaching throughout academic session		
4.	Conduct of specialized soft skills and professional skills training		
5.	Increase in the number of campus interviews		
6.	Establishment and functioning of a Finishing School		
7.	Increase in the number of internal and external students that attend high intensity training conducted by the Finishing School		

Improvements noticed on shortcomings reported during earlier Performance Audits

_____

_____

_____

_____

Brief statements on continuing shortcomings and reasons thereof

_____

_____

_____

_____

Recommendations for Mentors

_____

_____

_____

_____

TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME-II (TEQIP-II)

Table 7 - Response Sheet for Head of Institution

A. Project Implementation

S. No.	Evaluation Parameters	Responses
1.1	Briefly describe the actions taken for obtaining Autonomous Institution status, and the status of your applications as made.	
1.2	If your institution is already an Autonomous Institution, briefly state actions taken for the following:	
	1. Value addition to courses as per market demand	
	2. Improvements introduced in student evaluation	
	3. Addition of electives	
	4. Carrying out teacher evaluation by students	
	5. Starting of new PG programs, as planned	
	6. For enhancing qualification, deputing to other institutions and/or admitting within the institution those teachers that have a Bachelors degree only	
	7. Conducting continuing education and/or skill enhancement programs for industry	
	8. Inviting experts from industry and eminent institutions for special lectures	
1.3	The amount of financial powers assigned / delegated to the following. If no delegations has been done so far, state the proposed action for each level with the corresponding timeline:	
	1. Board of Governors	

	2. Head of Institution for: (a) single purchase of equipment, and (b) recurrent expenditure	
	3. Dean	
	4. Heads of Department	
1.4	Progress in starting new PG programs, as proposed	
1.5	Actions taken to fill up seats in the existing PG programs	
1.6	Actions taken to reduce vacancies in faculty positions	
1.7	Status of faculty appointed on regular basis, and proposed actions to fill up all faculty positions on regular basis	
1.8	Progress in getting pedagogical training in both the modules	
1.9	New Activities (since project start or the last performance audit) undertaken for enhancing interaction with industry	
1.10	Generation, retention and utilization of the non-tuition fee revenue generated through various activities	
2.1	Progress in instituting practice of teacher evaluation by students	
2.2	Current percentage of teachers evaluated by students in one subjects taught	
2.3	Current percentage of teachers evaluated by students in more than one subjects taught	

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2.4	State the incentives being offered to the faulty for participation in consultancy assignments, R&D, and continuing education programs conducted by the institution for industry	
3.1	Are the 4 funds established?	
3.2	If yes, what is the amount in each fund?	
3.3	Is the contribution to each fund as per the requirement in the PIP? (see Annex-1, item-4 on page 148 of PIP)	
3.4	State the quantum of financial powers delegated to: (a) BOG; (b) Head of Institution; (c) Deans, and (d) Heads of Departments	
3.5	If less than those recommended in the PIP, state the reasons for the shortfall, and actions planned to comply with the project recommendations.	
4.1	Number of ongoing sponsored projects from industry	
4.2	Number of industry awarded consultancy assignments completed	
4.3	Number of ongoing industry awarded consultancy assignments	
4.4	Number of organizations and industries with whom MOUs have been signed for joint R&D	
5.1	List the UG programs accredited on date by name	
5.2	• State program-wise action taken to get accredited the eligible UG program that are yet to be accredited. • Describe difficulties faced, if any.	
5.3	List the PG programs accredited on date by name	

5.4	• State program-wise action taken to get accredited the eligible PG program that are yet to be accredited. • Describe difficulties faced, if any.	
6.1	Give the number of papers published in national refereed journals from the date of joining the Project.	
6.2	Give the number of papers published in Foreign refereed journals from the date of joining the Project.	
6.3	• Number of patents filed since joining the Project • List the titles of patents filed since joining the Project along with names of contributors.	
6.4	• Number of patents obtained since joining the Project • List the titles of the patents obtained since joining the Project along with the names of contributors	
7.1	Actions being taken for identifying weak students	
7.2	Number of students that have benefited from remedial teaching since joining the Project/ since the last performance audit	
7.3	Number of students that have benefited from specialized soft skills and professional skills training programs conducted since joining the Project/ since the last performance audit	
7.4	Status of establishment and functioning of Finishing School	