

# REIMBURSEMENT OF 25%: Focussed in Uttarakhand

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## 1. ABSTRACT

The Right of Children to Free and Compulsory Education (RTE) Act passed by the Indian Parliament in 2009 mandates free and compulsory education of all children of the age of 6-14 years in a neighbourhood school till the completion of elementary education. The law ensures that all private unaided primary schools under this act have 25% of their class size constituting of children from disadvantaged group and would be provided free education. The act provides the facility to the schools to get the spent amount be reimbursed by the state government. However various procedural and financial aspects of the reimbursement process have caused a lot ambiguity and complications in the tripartite relationship of the Center, state government and school in various parts of the country. The present study aims to analyze the procedural discrepancies arising in the process of reimbursement of fee to school owners in Uttarakhand under 25% reservation in RTE and the impact of the same on the financial as well as regulatory autonomy of the schools of the state.

## 2. INTRODUCTION

In 2009, the government of India passed a landmark bill called the Right to Education Act which espoused to provide free and compulsory education to all children between the age group of 6-14. But with the passage of the bill, section 12 of the bill which gives a provision for reservation of 25 per cent seats for weaker and disadvantages sections of the society became one of the most contentious issues. The private schools had good reasons to be sceptical about the reimbursement of fees given the previous track record of the government efficiency.

The constitutional validity of the section was challenged in the Supreme Court by the Society for Unaided Private Schools in Rajasthan. The Supreme Court upheld the constitutional validity of the act, making it mandatory for government, private aided and unaided schools to reserve 25 per cent seats for weaker and disadvantaged sections of the society. But in the same judgement, Supreme Court contradicted itself by allowing minority schools to be exempted from this provision as it would violate Article 30(1).

There are various stages to the implementation of the 25 per cent reservation clause:

1. Identification: *Identifying the weaker sections and disadvantaged groups of the society*
2. Awareness: *Creating awareness about the 25 per cent reservation clause among parents, children by government and schools.*
3. Admission Process: *School admissions should be done through lottery system*
4. Reimbursement: *Schools will be reimbursed the amount by the concerned state government*
5. Maintaining records: *Local authorities shall maintain records of all children in their neighbourhood from birth to 14 years of age.*

According to the act every school should reserve 25 per cent of the seats for the 'weaker' sections and 'disadvantaged' groups of the society. The state government will then reimburse the school the amount equivalent to the per child cost determined by government schools or the fees of the private school whichever is less.

Section 12 of the Act was added with good intentions but it had various problems when it came to the implementation stage. The problems can be identified at 2 stages:

1. Centre- state level: Funding pattern has been a point of contention between Centre and states for a long time now.
2. State- school level: As state governments are facing difficulties with the central governments, this translates into schools receiving insufficient amounts for reimbursement. Moreover there is lack of clarity among schools and state officials pertaining to documentation required for providing these reimbursements.

While copious amount of literature is available about the problems that plague the implementation of 25 per cent reservation but they give a very broad description of problems without giving in- depth analysis. This paper seeks to add to the existing literature by addressing the problem of reimbursement stage focussed in Uttarakhand.

### 3. PURPOSE OF STUDY

Significant proportion of literature in this field is devoted to review of different policies and provisions specified under RTE. Within this, a greater emphasis has been laid on critically evaluating Section 12(1)(c). In this context, several reports and papers have been published by different organisations reviewing the 25% reservation policy mechanism and suggesting recommendation for improving the same. The paper by Accountability Initiative (2012) studies the implementation of 25% quota under RTE in PAISA states while the view point series of CCS on RTE broadly addresses the issues pertaining to reservation under RTE in private schools. Other reports on RTE include Project Eklavya by Indus Action and Central Square Foundation which studies the 'awareness' aspect regarding the 25% quota. A report by National Advisory Council (NAC) suggests recommendations for strengthening implementation of Right to Education. Most of these papers mention about the reimbursement process without going into any further details. While the report by Accountability Initiative did address the issues arising in reimbursement process its focus was limited to PAISA states. The focus of CCS view point series was much broader by encompassing the issues of admission, awareness, identification and school transfers along with reimbursement. As a result most of the existing literature lacks a comprehensive analysis of the reimbursement process and the problems by school. This paper contributes to the existing literature by singularly focusing on the aspect of reimbursement process in the state of Uttarakhand. Through primary research it seeks to address the procedural discrepancies occurring in the reimbursement process in Uttarakhand and suggests recommendations.

### 4. METHODOLOGY

The authors of the paper adopted a three pronged approach to carry out the research on this topic:

1. Study various central laws and their implications on state reimbursement process.

2. A mixture of primary and secondary research was used in the course of research. Secondary research mainly involved study of Uttarakhand RTE document, government notifications, newspaper articles along with reports and publications of various organisations. Primary research involved qualitative analysis wherein structured interviews were conducted with educators and officials of Uttarakhand. Their responses were documented and analysed for suggesting policy recommendations

## 5. LITERATURE REVIEW

Education comes in the concurrent list in the constitution of India which means both the Centre and the State can legislate on the issue. In 2009, the Centre passed The Right to Free and Compulsory Education Act providing a broad framework for enacting the law. The central government had further notified that the States/UTs can either elaborate on the central rules or adopt the model rules formulated by the Centre. While most of the states/UTs have formulated their own rules, five UTs namely Dadra and Nagar Haveli, Andaman and Nicobar Islands, Lakshwadeep, Chandigarh and Daman and Diu have adopted the rules provided by the Centre.

As education is a concurrent subject, the funding of various educational acts is also shared between the Centre and the State. Centre has often changed the funding pattern between the Centre and the State. During the 9<sup>th</sup> Plan, the funding pattern between the Centre and the State for SSA was in 85:15 ratio. This was changed to a ratio of 75:25 in the 10<sup>th</sup> Plan. During the 11<sup>th</sup> Plan, the prescribed funding pattern was on a tapering scale of 65:35 for the first two years of Plan, 60:40 for the third year, 55:45 for the fourth year and 50:50 thereafter. But after the implementation of the RTE Act the Government revised the fund sharing pattern from the sliding scale ratio to a fixed share in the 65:35 ratio with effect from 2010-11 (Press Information Bureau, 2011).

Funding pattern has been a point of contention for a long time now between the Centre and the state, especially after passing of the Right to Education Act. Specifically the 25% reservation clause of The Right to Education Act has created a lot of disagreement between the Centre and the State. Many state governments have often alleged that the Centre is exerting undue financial pressure on the state to ensure the enactment of the 25% reservation clause. State governments have also often accused the central government of diverting the funds of Sarva Shiksha Abhiyaan for fee reimbursement of the 25% quota.

So much dissent between the Centre and the State over the fund sharing pattern will only increase skepticism of the private schools about the 25% reservation rule. This will make it more difficult to absorb the weaker and disadvantaged sections of the society into educational system which the RTE Act espouses. It would be better if the central government formulated a more well-structured policy on the fund sharing pattern which clearly distinguishes the Centre share and the state shares.

Initially National University of Educational Planning and Administration had estimated the total cost of RTE to be INR 1,71,000 crore. However after taking into account teacher's salaries under the existing SSA pattern, the estimate was revised to INR 2,31,000 crore over five years. Of this INR 2,31,1000 crore estimate, INR 24,000 crore will be provided by the central government and the remaining amount INR 2,07,000 crore would be shared between the Centre and the state in the 65:35 ratio (The Indian Express, 2010).

Even after commitment of such a staggering amount by the Centre, the state governments fear that they will still have to spend substantial amount of money out of their own kitty for the reimbursement process. Many state governments dread that the amount will only increase exponentially in the course of next seven years.

The Karnataka government alleged that the Central government was diverting funds of SSA towards reimbursement of fees which was putting extra financial burden on the state government. Karnataka and Madhya Pradesh reported that their percentage of private schools was higher than the national average, thereby making the amount sent by the Centre for reimbursement inadequate (The Hindu, 2012).

The problems faced by the state government translate into problems for the schools. Delhi State Public Schools Management Associations which has membership of 800 schools in Delhi NCR has alleged that Delhi state government has not reimbursed even one year's tuition fees. Similarly the Tamil Nadu government failed to reimburse schools for two consecutive academic sessions. Schools in Karnataka have accused the state government of reimbursing grossly inadequate amount. In Andhra Pradesh the problem was that the state government had not decided the reimbursement amount due to poor governance because of the whole Telangana issue (Ravikumar, Aruna, Mukherjee Baishali, and Srivastava Apporva 2014). In Uttarakhand, schools have reported administrative lapses on part of the state government such as they mix-up students account while reimbursing the amount.

However one aspect that could have put more financial burden on private schools has been taken care of by SSA. SSA makes provisions for textbooks, workbooks and other essential teaching learning material for children at the rate of INR 150 per child for primary stage and INR 250 per child for the upper primary stage to the extent that these are not already provided by State Governments. In case of savings from textbooks, SSA mentions the saved money may be used for providing additional items such as stationery, slates (SSA final report, 2010).

## 6. RESERVATION OF 25% IN UTTARAKHAND

### 6.1 RTE REQUIREMENTS

The procedure to be followed while implementing the 25% reservation clause has been mentioned in the Uttarakhand RTE under Sections 12 and 13.

According to Section 2(g) of Uttarakhand RTE, "child belonging to disadvantaged group means a child belonging to:

1. Schedule Caste
2. Schedule Tribe
3. Other Backward Classes as notified by State Government (except creamy layer)
4. Orphan Child
5. Child suffering from disability as defined in Persons with Disabilities (Equal Opportunities, Protection and Full Participation Act, 1995) (Act 1 of 1996)
6. A child depending on widow, divorcee mother whose annual income is less than INR 80,000
7. HIV<sup>+</sup> child or a child of HIV<sup>+</sup> parents
8. A child belonging to parents with disabilities (including leprosy effected persons) defined in Persons with Disabilities (Equal Opportunities, Protection and Full Participation Act, 1995) (Act. 1 of 1996) whose annual income is less than INR 4.5 Lakh

According to Section 2(h), "child belonging to weaker section" means a child belonging to such parent and guardian whose annual income is less than INR 55,000.

The admission process to be followed for admission of children belonging to disadvantaged group and weaker section of the society is laid down Section 12(3). Section 12(3)(I) makes it incumbent upon the Block Education Officer to identify children belonging to disadvantaged groups and weaker section of the society in accordance with applications received for the



purpose. The list shall be prepared ward wise. The Block Education Officer shall also prepare a ward wise list of existing schools.

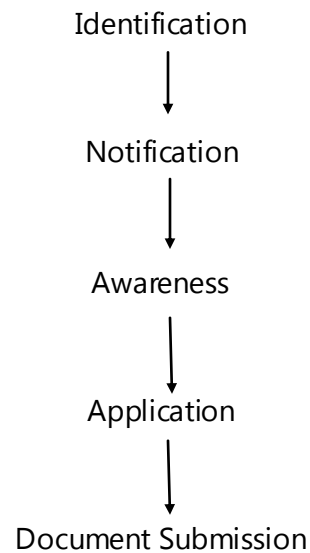
Section 12(3)(II) mentions that the admission procedure to be followed for admitting students of disadvantaged group and weaker sections under the 25% reservation clause shall be notified by the state government from time to time. It also prohibits schools from discriminating against these students in any manner and makes it their responsibility ensure 100% enrolment and 100% attendance of students. Sub clause 11 of this section forbids schools from delaying the issue of transfer certificate when requested by parent or guardian of the child.

Section 13 of the act defines the process of reimbursement to schools that make 25% reservation for students of disadvantaged groups and weaker sections. It specifies that that the schools shall be reimbursed according to the per- child expenditure incurred by the State Government in government schools. The formula for per- child expenditure has been defined as *"The total annual recurring expenditure incurred by Government whether from its own funds, or funds provided by the Central Government or by any other Authority, on elementary education in respect of all schools established, owned or controlled by it or by the Local Authority, divided by the total number of children enrolled in all such schools."* The section also stipulates that any school that is already under the obligation to provide free education to a specified number of children on account of it having received free entitlements from government shall not be reimbursed any amount. Schools also need to maintain a separate bank account which shall be subject to audit. It also makes it the responsibility of State government to ensure that children admitted under the 25% reservation clause are provided with all the free entitlements that children in government schools receive.

## **6.2. GENERAL PROCESS OF ADMISSION UNDER 25%:**

To have a comprehensive understanding of the problems plaguing the process of reimbursement it is essential to have an overview of the admission process of students under 25% quota. The RTE Uttarakhand document states that before starting of admission process, the Block Education Officer (BEO) with the help of Student Management Committee (SMC) will identify the children of disadvantaged group and weaker section of his block and prepare a ward wise list of the same. This also includes the children living in slums, rag pickers, street children and children with no permanent address. BEO will also prepare a ward wise list of schools where 25% admissions under RTE are to be held. This is followed by the process of notification of admission by District Education Officer (DEO) and the schools and subsequent awareness campaigns by schools and district education department. Parents then apply to different schools for admission and in case demand exceeds supply, a lottery takes place in presence of a school official, education department official and parents. On meeting the criteria

the parents are required to submit the necessary documents like income certificate and EWS certificate.



### **6.3. PROCESS OF REIMBURSEMENT:**

As per the education department officials, the process of reimbursement at state level starts with release of Sarva Shiksha Abhiyan fund to State Project Office (SPO). At each block and district level the education department sends an Annual Work Plan to its higher office and accordingly the funds are allocated. The DEO receives a 'Self Declaration Form' from the schools at the starting of academic session stating every detail relating to their infrastructure and expenditure including the decided fee structure of the next academic year. Subsequent verifications of these details along with the attendance of the students under reserved category are carried out by officials of education department. At the time of reimbursement, which is after completion of the academic year, schools are required to send details of the students enrolled under 25% reservation, their attendance and documents pertaining to EWS such as income certificate. After verification of these details, reimbursement based on per child expenditure is paid to school subject to the condition of 60% attendance of the students. This amount is paid in the separate account created by the school for this specific purpose. The amount for entitlement such as food, uniform and mid-day meal is sent to the student's individual account with school as the guarantor of the account. These accounts are subject to regular audit.

#### 6.4. ROLE OF STATE:

One of the most important mechanisms that can contribute towards successful implementation of 25% reservation in RTE is timely reimbursement of fees by the government to the school owners. It has been observed in most of the cases that schools are not keen on admitting students under RTE because they have not received any reimbursement from government for years together and even if they did receive the reimbursement it was very less as compared to their normal fees. As a result school owners indulge in several malpractices by exploiting the loopholes in the existing act and keeping number of students admitted through RTE as low as possible. Many of the schools try to escape from the responsibility of admitting 25% students under RTE by not creating any awareness amongst parents in the neighbouring about this provision. As a result, due to lack of students applying the seats remain vacant or are filled by normal fee paying students. Many NGO's and public policy think tanks are working seriously towards raising awareness in this regard. As per a report in Indian Express, data collected by education inspectors of three zones in Mumbai reveals that out 12,818 seats reserved for students from Economically Weaker Section (EWS) under 25% RTE quota only 26% or 3308 have been filled (Sonawala, 2014). Some schools in Nagpur are reportedly extra strict with legal nuances of RTE and reject the applications under 25% reservation quotas to curb the number of non-revenue generating students (Choudhari, 2014). Such rejection of applications on frivolous grounds is observed in many other states also. As reported by an educator in primary research, some schools also tend to reduce the total number of seats in the entry level class 1 where most of the applications are received so that less number of students would be admitted through RTE. The number of seats are then increased in subsequent classes.

To resolve these problems it is imperative to analyze the procedure from state's perspective and analyse ways in which improvement in reimbursement process can lead to more effective implementation of 25% reservation under RTE. For this it is essential to understand the issues leading to delays in reimbursement. Is it the complex procedure which requires a hierarchy of approvals before sanctioning the reimbursement amount or is it the lack of clarity in policy with respect to the share of funding between central and state government that is leading to such delays. In this top down approach, any obscure rule at policy level creates room for confusion thus hindering successful implementation of any Act.

## 7. FINDINGS

### 7.1 ISSUES AND CHALLENGES:

Interviews conducted with various educators, state officials, principals and teachers as part of our primary research validated some of the findings of secondary research and brought forth even more issues and challenges faced by Uttarakhand schools and education department.

#### 7.1.1 DELAYS

One of the most discouraging factor in adopting 25% reservation by private schools was the long delay in reimbursement of fee. Instances of delay by state in reimbursing the fee to school owners were often heard across all states. In clear violation of provisions of the Right to Education (RTE) Act, 2009, private unaided schools in Chandigarh continue to await reimbursement for admissions done under the Act for the past three years (Gupta 2014). Similar problem affected Uttarakhand schools also. As admitted by an official of Education Department in Dehradun, no reimbursement was made to schools in Uttarakhand in the first 2-3 years after the implementation of the Act which made these private schools very reluctant to accept students under 25% reservation. Moreover, schools that did admit students under RTE but were unconvinced about government's promise to reimburse had admitted students on the condition that parents would pay the fee for availing 25% reserved quota with the promise that they would be reimbursed once the schools received the same from the government. In this tussle between state and school, it was the parents who suffered from the additional burden of high fee (Mysore 2012).

According to a senior official in State Commission for Protection of Child Rights (SCPCR) only 40% seats reserved under 25% reservation category were actually filled in the initial years. The primary reason for these delays was the lack of familiarity with rules on the part of state officials. Since the Act was new, there was lot of confusion and ambiguity over several clauses and implementation aspect. It was only after intervention by SCPCR through several training camps for education department officials (DEO/BEO/ARC/CRC) organised in all the districts that the reimbursement process started taking place in a planned manner. However delays in reimbursement of fee are still heard of if not as common as 2-3 years back. National Advisory Council in its report (2013) also emphasised on putting measures to ensure timely release of funds to private schools.

### **7.1.2 UNCERTAIN TIME FRAME FOR REIMBURSEMENT:**

Although at present, the fee is ultimately reimbursed to schools but the time period or interval at which this amount is provided is still uncertain. According to an administrative staff working in a middle fee private school in Almora, payments are usually erratic with no fixed time or month in which they are made. The Uttarakhand RTE document specifies the formation of 'State Committee' with Principal Secretary, Finance as its head whose function is to decide the calculation of per-child expenditure and the time frame of reimbursement. However when enquired about the same from the interviewees including the DEO, none of them had any knowledge about the said committee. Both the education department and the school owners confirmed about the uncertain time frame of reimbursement which heavily depended on bureaucratic procedure of sanction and release of funds. Such uncertainty and delays hindered efficient allocation of budget and financial planning especially for low fee schools constrained by resources.

Andhra Pradesh and Rajasthan have a State Committee formed on same lines as in Uttarakhand. This committee was required to meet within three months after commencement of the Act and thereafter every year in December to calculate the fee for the next academic session. The reimbursement is made directly in the separate bank account maintained by the school in two installments during the academic year. First installment of 50% is reimbursed in the month of September and the remaining balance is reimbursed in January. The final installment is reimbursed subject to verification of enrollment of children and 80% attendance of every child (Tucker and Sehgal, 2012). In Uttarakhand also reimbursed amount is given subject to 60% attendance of students. However they lack behind in terms of having a fixed time frame for reimbursement on same lines as Andhra Pradesh and Rajasthan. Ensuring a fixed interval for timely reimbursement will bring much more clarity and discipline to this process and ensure financial autonomy of schools through timely payments.

### **7.1.3 INSUFFICIENT PER CHILD REIMBURSEMENT:**

Reimbursement under RTE is based on per-child expenditure. As per the Uttarakhand RTE document, this per-child expenditure is obtained by calculating the total annual expenditure of the State Government divided by the total number of children enrolled in all such schools. Rajasthan, Andhra Pradesh, Maharashtra and Bihar RTE documents outline similar policies to arrive at the per-child reimbursement figure (Tucker and Sehgal, 2012). If the per-child

expenditure of the state is higher than the amount that is actually charged from the child by the private school, then the school shall be reimbursed the lesser amount. This per-child expenditure figure is calculated on the basis of recurring expenditure incurred by the state for its government schools and does not include infrastructure and other such expenses. Most of the private school owners which rely only on fee as their source of revenue for meeting all sorts of expenses on infrastructure and teacher salary reported this reimbursed amount to be insufficient. As a result, the schools in Karnataka demanded a hike of 15-25% in reimbursed amount (The Hindu, 2012). One of the interview subjects mentioned that many schools in Almora and Nainital are charging higher fee from rest of the students to compensate for the low reimbursement fee of the 25% students admitted under RTE. Hence it has been recommended in several studies and papers that per student expenditure should be calculated based on total school budget which includes the recurring as well as capital cost under all concerned ministries/departments at the state level (Shah and Mittal, 2010).

The inadequacy of reimbursement amount will become even more acute in future especially for low fee schools as they would have to ensure teacher quality norms and pay salaries at par with their government counterparts by 2015. This exorbitant increase in school expenditure coupled with a stagnant reimbursement amount which is insufficient even for meeting their regular infrastructural and capitation expenses like new furniture and lab equipment would put these schools under tremendous pressure. As described by a school official, "Our hands are already tied with the meagre amount of reimbursement we receive presently, I have no idea what will happen in 2015 when we are expected to pay much higher salaries to teachers."

#### **7.1.4 NO REVIEW OF PER CHILD EXPENDITURE:**

There is no provision in Uttarakhand RTE document mandating a timely review the per-child reimbursement amount. Unlike the State committee in Andhra Pradesh and Rajasthan which regularly meets for calculating per child expenditure for the next session, in Uttarakhand the same amount of per-child expenditure has been given to schools since the implementation of RTE as reported by a state official. This indicates that no revision of the reimbursement amount has ever taken place. The necessity to review this amount at regular intervals has been recognized in many studies and reports. The impact of inflation should be considered to work out cost per child (NAC, 2013). Hence the reimbursement amount should be revised to check the effect of inflation.

### **7.1.5 LACK OF DATA**

Interviews with officials of SCPCR indicated the procedural hassles created due to discrepancy in data or missing data. One of the respondents reported about cases wherein schools having recognition certificates since several years were not included in the list of BEO and hence did not implement 25% reservation under RTE in their schools. Maintenance of correct data is therefore extremely important to carry out the entire exercise of identification, admission, verification and reimbursement. The state RTE document mandates the creation of list of schools and students falling under 25% category by BEO/DEO. Therefore the state education department should ensure the maintenance of such lists and update it regularly to ascertain if the child is still enrolled and correct reimbursement has been made. Making this list public would encourage transparency and accountability. The main roadblock in implementing this process is the lack of sufficient staff in education department. Large number of responsibilities ranging from notification of dates, verification of forms to inspection visits have been given to officials of education department. As a result due to lack of manpower processes have become more time consuming and mistakes in creation of lists of schools and students have become more common. Increasing manpower in education department will help in addressing this problem.

### **7.1.6 REIMBURSEMENT FOR PRE- PRIMARY CLASSES**

This is a classic example of how lack in clarity in framing of policy leads to utter confusion. Central RTE act in Chapter 4, Section 12(1) (c) mandates the provision for free and compulsory education for 25% students admitted under RTE even cases when school imparts pre-primary education. In Uttarakhand, as per the state RTE document, recognition to schools offering pre-primary education is granted only if they admit 25% students in their pre-primary classes also. These schools are also mandated to receive reimbursement for the same by the state.

“The School shall admit in class I, to the extent of 25 percent of the strength of that class, children belonging to weaker section and disadvantaged group in the neighbourhood and provide free and compulsory elementary education till its completion. Provided, further that in case of pre-primary classes also, this norm shall be followed.

For the children referred to in the above paragraph, the School shall be reimbursed as per sub-section (2) of section 12 of the Act. To receive such reimbursements school shall provide a separate bank account.”

(Conditions 3 and 4 of Form 2, Appendix 2, Uttarakhand RTE Rules 2010)

Based on the mentioned clause in Central RTE document, the NCPCR official highlighted that schools admitting students in pre-primary classes under RTE should be given reimbursed amount. However this does not happen in reality. An education department official at Dehradun clearly mentioned that the state does not reimburse the fee for students admitted in pre-primary classes. The reason being that as per education department, all RTE documents mention age 6-14 years for claiming reimbursed amount and pre-primary students are below six years owing to which no reimbursement shall be made. Similar case was observed in case of Maharashtra also where a circular issued by state directorate of education (primary) stated that “although the private schools have to adhere to the admission process of 25% reservation for EWS students at nursery or pre-primary level, the state government will reimburse the fees only from standard I which forces the school owners to bear the cost of education of children of reserved quota till class I.” However in reality it is not the schools but the parents bearing the burden. The official at education department further explained that “Parents are told at the time of taking admission under 25% reservation category to pay regular fee for 2-3 years till the kid reaches class 1 as government will reimburse the amount thereafter”. Following the circular issued by Directorate of Education, Maharashtra the high court in Bombay passed the order that government should pay the reimbursement amount for nursery and pre-primary classes as well. In case of Uttrakhand it is necessary to spread awareness among education department officials regarding this aspect and clear any technical doubts arising as a result of lack of clarity on this issue in the document. SCPCR can play an important role in this area given its positive track record in conducting training sessions and spreading awareness about different provisions in RTE in the past.

#### **7.1.7 CORRUPTION:**

The most common and least surprising of all challenges faced in a bureaucratic set up is corruption. In the course of primary research, several instances relating to corruption also surfaced. In one such case reported by an SCPCR official, district education department had sent the name of 100 private schools whose fee had to be reimbursed. However it was found that these schools did not exist and the amount meant to be given to schools was taken by officials. Apart from this there have been several instances wherein the same child had been admitted both to private as well as government schools in official record indicating either discrepancy in data or corruption as the factor. One of the ways of tackling corruption is to encourage more active participation by SCPCR in monitoring the administrative and policy decisions taken by officials of education department.



### 7.1.8 STRINGENT REQUIREMENT OF DOCUMENTS

The parents who admit their students to the reserved quota of 25% often don't have different documents that are required to prove their candidacy, in the current hierarchical system, they are always not provided with the right information and assistance to resolve the issues with non-availability of the documents. Stringent requirement of documents impedes the admission process and often reserved seats are left vacant when the parents fail to provide required documents. This discrepancy results in both increased financial burden to school and inaccessibility of the reserved seats to the deserving children.

### 7.2 THE DIFFERENTIAL IMPACT OF THE IRREGULARITIES OF REIMBURSEMENT PROCESS ON THE SCHOOLS OF DIFFERENT ECONOMIC STRENGTH

As the RTE act states that the schools providing free and compulsory education of the children shall be reimbursed expenditure so incurred by it to the extent of 'Per Child Expenditure' incurred by the State, or the actual amount charged from the child, whichever is lower. This conditional reimbursed fee causes a difference between the amount of money spent by the schools and the amount reimbursed by the state in case the schools per child expenditure exceeds the government's estimation of the same. Our study with the schools of Uttarakhand reveals that this inequality exerts considerable hindering impact on the financial and regulatory autonomy of the school. However, qualitative comparison of such impact indicates that the irregularities in the timely and sufficient reimbursement differently affect the schools belonging to different socio-economical strata. While analyzing the primary data we categorized the schools according to the number of students which can be viewed as an indicator to the financial and other resourcefulness of the schools. The schools with number of students ranging from 800-1000 were classified as 'bigger' school while the same with number of students ranging from 200-300 were classified as smaller schools. The disparity between these two categories, existence of which demands special consideration from the policymakers, is manifested by the following situations faced by the schools of Uttarakhand.

1. **Timely receiving the reimbursement amount:** Interviewing Principals from different schools of Almora districts indicates that although there is a general consensus about the irregularities of receiving reimbursement in timely fashion, smaller schools with modest resource face longer delay in getting reimbursed. While all four schools of bigger schools had received the

reimbursed amount for the year 2013-14 by the month of April of 2014, none of the three smaller schools received the same by June, 2014. One of these smaller schools is yet to receive the amount for the year 2012-13.

2. **Coverage of per child expenditure:** It was found that often the disparity of the actual spent amount and the reimbursed amount affects the schools with modest means than those of greater resources, since the latter with higher number of students have the opportunity to distribute the claim of the extra amount amongst a greater number of stakeholders. While the smaller schools find it hard to bridge the fiscal gap as generally they have students of lower number and from lower rung of the society.
3. **Vacant seats:** Bigger schools are accessed by more number of people and because of their reputation, the catchment area these schools are less likely to have vacant seats in the reserved category. Moreover, in case any seat is left vacant, the information is known to officials and the students of reserved category, who are in search of suitable school, are sent to the bigger schools by the initiative of the local authority. The smaller schools are often left with vacant seats, especially those reserved for girl child, in absence of suitable candidate. Since the schools cannot admit a student from unreserved section in these seats, this puts considerable stress on the financial status of these schools.
4. **Problem faced by the parents:** As per the reimbursement norm, the amount meant for the uniform and books are sent directly to the accounts of the students. However since the parents of the students going to bigger schools often belong to different economical background than the parents of children attending a smaller school, the former group faces less problem in dealing with low amount and late reimbursement amount. The parents who send their students to bigger and reputed private schools are usually willing to pay the extra amount for books and stationeries and to bear with the delay of reimbursement amount. Parents of the children attending the smaller schools are often unable to bear the extra cost of the study materials and sustain the late reimbursement.
5. **Ability to reach out the Government's officials:** Bigger schools usually have financial autonomy to raise their voice against procedural discrepancy and

professional network along with technical capacity to send their grievances to the DEOs. Smaller schools are usually unlikely to have such opportunities and they cannot reach the suitable official to resolve their issues with procedural discrepancies regarding reimbursement. In the RTE workshops conducted by the state education department, the owners of the smaller schools usually feel oppressed to raise their voice against the intrinsic problems of the reimbursement process as they fear that the government's reactions to such grievances might affect the smooth functioning of their schools.

Thus, the differential impact of irregular/insufficient reimbursement on different schools provides scope to reassess the possibility to improvise the reimbursement amount to be commensurate with the school's financial status.

## 8. POLICY RECOMMENDATION

1. The primary reason responsible for delays in reimbursement is the lack of sufficient number of officials in education department to carry out various responsibilities like verification of forms, timely inspection of schools, awareness campaigns and various phases of reimbursement procedure. Apart from this there was lack of familiarity of officials at education department with different rules and provisions of RTE. SCPCR can intervene by conducting training camps for its officers to familiarise them with the policy and implementation aspect of RTE.
2. Per-child expenditure should be calculated not only on the basis of the recurring expenditure in government schools but should also include the fixed or capital expenditures including other costs related to elementary education of the state government.
3. A provision for timely review of per-child expenditure should be made in Uttarakhand RTE also. State Committee should be given the responsibility of fixing a time frame for reimbursement and for reviewing the per-child expenditure amount. This amount should be indexed to check the effect of inflation.
4. Creation of a reliable data base by BEO/DEO to ensure the inclusion of all those children and schools meeting the criteria under 25% reimbursement. This list should be made public to enhance transparency.

5. Clarity in law mandating the provision of reimbursement for pre-primary classes is required. No reimbursement is given to schools admitting students under pre-primary classes as children under pre-primary classes do not belong to 6-14 year age group. Necessary changes in the Uttarakhand RTE Act should be made to clear any confusion on inclusion of pre-primary classes under the purview of reimbursement by state.

6. Minimum number of documents should be required and admission of students fulfilling the criteria for 25% seats should not be refused due to lack of documents. Relevant verification of the details of the student can be made through community mobilisation and using volunteers for income and address verification.

## 9. CONCLUSION

The RTE was amended with a much ambitious goal to provide free and universal elementary education for all and has garnered India much accolades from the global fraternity for being the pioneer country promising to ensure the elementary education for its citizen. Although starting with high hope and involving a huge state run machinery to run the program, loopholes in the policies and lack of transparency in their implementation, many of the primary objectives of the act are facing failure. Reimbursement of the expenditure of 25% reservation quota is one such aspect of RTE. The paper has studied the discrepancies in the reimbursement procedure in context to the primary education sector of Uttarakhand. The identified problems in various stages of the process prove that the successful and hassle-free reimbursement process requires proper coordination and error free engagement from different components of the state-school-student dynamics. The paper holds the promise to be helping policymakers to come up with much needed improvisation in the policies and selfless commitment from the officials would enable the country to achieve its goal as covered by the umbrella of RTE.

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