

**CONSULTATION VERSION  
(SUBJECT TO CHANGE)**

# **Good Practice Guide For Governing Bodies**

**OF INDIAN TECHNICAL EDUCATION INSTITUTIONS PARTICIPATING IN TEQIP-II**

**A WORLD BANK - NPIU SUPPORTED INITIATIVE**

**In partnership with the Ministry of Human Resource Development and  
State Governments of India**

## GOOD PRACTICE GUIDE FOR GOVERNING BODIES

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## FOREWORD

TEQIP-II is a partnership between the Government of India, State Governments, Engineering Colleges, Industry, and the World Bank. TEQIP-II emphasizes increased autonomy with accountability as fundamental to the development of strong institutions delivering quality services to its students and communities.

TEQIP-II requires States to approve, and Institutions to establish, governing bodies (Board of Governors) and to seek academic autonomy. In addition, States commit to specific provisions of increased financial autonomy. Using this increased autonomy with effectiveness, impartiality and integrity is absolutely fundamental to the success of the institution, the autonomy reform and the project.

### **Lessons from the Learning Forum on Governance:**

In 2009, a Learning Forum brought together five leading States, institutional heads, and international experts. It provided examples of how five states are leading efforts to solve governance challenges. The participants identified nine key governance issues drawn from their own experiences. "Developing the capacity and capabilities of governing bodies and institutional leaders to assume greater responsibility for delegated authority, and instituting new mechanisms for quality assurance and accountability," was a key issue common to the five States.

**The nine key governance issues and the State and International Case studies are available in the World Bank Working Paper No. 190 "Governance of Technical Education in India Key Issues, Principles, and Case Studies": [www.worldbank.org](http://www.worldbank.org)**

**This Good Practice Guide for Governing Bodies seeks to support and strengthen governing bodies in carrying out their duties in guiding and overseeing the activities of technical education institutions in India.**

The decision to develop this *Good Practice Guide* follows lessons from the first phase of TEQIP, policy dialogue with MHRD and in particular from recommendations from five leading state governments and heads of institutions during a *Learning Forum* on Governance.

**This Good Practice Guide for Governing Bodies** will become a main pillar of the governance guidance to Institutions and States participating in TEQIP-II. The guide will be used in the following ways:

- All members of governing bodies of participating institutions will receive a copy of the Good Practice Guide for Governing Bodies.
- Governors will be invited to join discussion sessions that will explore the use of the guide to build capacity and raise awareness among governors.
- States interested in organising similar statewide discussion sessions for governors can apply for funding.
- The NPIU will, on an annual basis, ask their quality auditors to benchmark each participating institution against the guidelines recommended in the guide.
- The Good Practice Guide for Governing Bodies will be presented at international conferences to bring the Indian experience and efforts to the benefit other countries.

The World Bank and NPIU brought together an eminent *Expert Advisory Group*<sup>1</sup> to advise and develop this *Good Practice Guide*. The Expert Group comprises acknowledged experts with diverse governance and higher education experiences including directors as well as chair-persons of governing bodies; and national, international, educational, corporate, government, institution, practitioner, as well as strategic planning and policy expertise. This experience extends substantially beyond the expertise of NPIU and the World Bank.

We would simply not have been in a position to produce the guide without the expertise and dedication devoted by each and every member of the Expert Advisory Group. The NPIU and the World Bank is proud that such a highly regarded group of experts were willing and able to give their time and effort to this important endeavour.

*Andreas Blom, World Bank; Prof Digraskar, NPIU*

<sup>1</sup>Professor M Anandkrishnan, Chairman, Board of Governors, IIT Kanpur; Professor R Natarajan, former Chairman of AICTE; Mr S Ramadorai, Vice Chairman of Tata Consultancy Services; Sir Andrew Cubie, Chairman of the Leadership Foundation for Higher Education and former Chairman of the UK Committee for University Chairs, Ms Jannette Cheong, Independent Consultant (formerly HMI for England, and Associate Director for Quality Assessment and Head of International Collaboration for HEFCE); and Dr Yogesh Scrivastava, representing NPIU.

## PREAMBLE

### *Current Reform Initiatives*

*“Governance: There is an acute need for reform in the structures of governance of universities. The present system is flawed. On the one hand, it does not preserve autonomy. On the other, it does not promote accountability. The autonomy of universities is eroded by interventions from governments and intrusions from political processes. This must be stopped. At the same time, there is not enough transparency and accountability in universities. This must be fostered. It is exceedingly difficult to provide generalized prescriptions. Some steps, which would constitute an important beginning, are clear. First, the appointments of Vice-Chancellors should be based on search processes and peer judgment alone. These must be freed from direct or indirect intervention on the part of governments. Once appointed, Vice Chancellors should have tenure of six years, because the existing tenure of three years in most universities and five years in central universities is not long enough. Second, the size and composition of University Courts, Academic Councils, and Executive Councils slows down decision-making processes and sometimes constitutes an impediment to change. University Courts, with a size of 500 plus, which are more a ritual than substance, could be dispensed with. Large Academic Councils do not meet often. Even when they meet, decisions are slow to come. Thus, Standing Committees of Academic Councils, which are representative, should be created for frequent meetings and expeditious decisions. The Vice-Chancellor should, then, function as a Chief Executive Officer who has the authority and the flexibility to govern with the advice and consent of the Executive Council which would provide checks and balances to create accountability. Third, experience suggests that implicit politicization has made governance of universities exceedingly difficult and much more susceptible to entirely non-academic interventions from outside. This problem needs to be recognized and addressed in a systematic manner not only within universities but also outside, particularly in governments, legislatures and political parties”.*

National Knowledge Commission  
2007.

At the national level, reforms have focused on unlocking the full potential of India’s higher education sector. The need for these reforms is articulated by a number of recent important committees led by distinguished scholars.<sup>2</sup>One of the most compelling references for the need for change comes in the 2007 report from the National Knowledge Commission on the need to reform governance structures.

It is against this backdrop of important national reform initiatives that a paramount need for good practice guidelines is recognized to improve the effectiveness and performance of our governing bodies, consistently, across the country. Thus, not only improving the governance of our institutions, but also providing opportunities for governors to participate in development activities to share best practice in governor leadership. Importantly, such guidelines will provide support to the performance of key institutional functions including: developing institutional missions and strategic plans, setting up effective mechanisms for monitoring, establishing standards and quality assurance, ensuring accountability and performance (that can be benchmarked nationally and internationally), and strengthening engagement with employers for sustainable two-way collaboration.

### *Our Vision*

We, the Expert Advisory Group (EAG), therefore, believe that effective governance, at all levels, is a key to the improvement of the quality of learning, teaching and research outcomes in India, as it is internationally. In keeping with the current reform initiatives in India, we also believe that effective governance requires strengthening of autonomy with accountability. **Enhancing the effectiveness of governing bodies can only be achieved when the governing bodies are themselves both autonomous and fully accountable to stakeholders. Unless, and until this concept is embraced in the legal acts and statutes it is clear that empowering and energising institutions will progress more slowly than envisioned.** From experience in India, and elsewhere, effective governance is most likely to be prevalent when it is an integral part of the acts and statutes that considers autonomy and accountability - mandated by the very foundations of these acts and statutes.

We believe that this can also benefit the social and economic ambitions for India, and assist the nation’s vision to create more equality in society and help to realize the potential of many more of its citizens.

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<sup>2</sup>The most notable For example The **Yash Pal Committee Report** has provided advice on the renovation and rejuvenation of higher education in India. The newly established **Kakodkar Committee** is looking at how to strengthen the Indian Institutes of Technology and their research base to make them comparable to world-class standards. The **Madhava Menon Committee** is looking at the development of a comprehensive policy on autonomy and accountability for all centrally funded institutions. The **draft Act (2010) for the proposed Innovation Universities** contains special provisions for ensuring autonomy and accountability and to serve as leading edge universities.

In our view governing bodies are the custodians of the *values, purpose and mission* of institutions and as such, one might say, also of institutional **autonomy and accountability**. Autonomous institutions have the right of self-determination and self-government ensuring that ‘third parties’ cannot dictate to governing bodies, either in the composition of that body, or as to how it should act.

Academic, financial and managerial autonomy with accountability can effectively empower institutions. This has been the case internationally for many years – though to different degrees and in different ways in different countries. But it continues to be one of the main driving forces for change in many countries, in both the advanced and developing economies.

**However, autonomy comes with responsibility and accountability. Institutions, through their governing bodies, should be most responsive and accountable to the legitimate demands of stakeholders** be they government, staff, students, sponsors, etc. These demands will relate both to learning expectations and outcomes as well as to outcomes from funding imperatives to deliver high quality teaching, learning and research and the fundamental skills, knowledge and experience necessary to sustain the development of India’s national, regional and international needs for the foreseeable future.

#### *Tenets of the Good Practice Guide*

Public trust in higher education is paramount. **Good governance is vital both to gaining, and maintaining, public trust.**

This *Good Practice Guide for Governing Bodies* and its recommendations for good practice are put forward on the basis that we believe India’s higher education is moving towards a much more autonomous and accountable system. We are clear that this is an enormous challenge for a country of the size and complexity of India, but current reforms make it clear, also, that there is commitment and motivation from the highest levels of central and state government.

Besides strengthening the autonomy of the governing bodies, a number of other national governance initiatives would be conducive to assist the transition to institutional good governance across India, such as arms length regulation, multiple accrediting agencies with higher standards for assessment and accreditation, incentives for good governance, and so on. A more challenging problem is to ensure the academic, financial and administrative autonomy and accountability- not only of public institutions, but also of privately funded institutions – especially in view of the large variety of institutional structures that exist in India.

During periods of reform and transition there should be a clear awareness of the impact of the various ‘controls’ on critical institutional functions, which would not be considered good practice. For example: the management committees of the Central and State universities chaired by

*“The quality of governance of many state educational institutions is a cause for concern. I am concerned that in many States, university appointments, including that of Vice-Chancellors, have been politicized and have become subject to caste and communal considerations. There are complaints of favoritism and corruption. This is not as it should be. We should free university appointments from unnecessary interventions on the part of governments and must promote autonomy and accountability. I urge states to pay greater attention to this aspect. After all, a dysfunctional education system can only produce dysfunctional graduates....”*

*Man Mohan Singh (2007). Address at the 150<sup>th</sup> Anniversary of Mumbai University*

the Head of the Institution (such as Director or Vice-Chancellor) who have substantial academic autonomy; or the direct influence of government, particularly through financial instruments of the Central and State universities, acting as a constraining influence on institutional autonomy and accountability.

#### *National and International Good Practice*

The *Good Practice Guide for Governing Bodies* does not seek to reinvent any wheels, but rather to consolidate good governance practice and distil past experience and recommendations developed both in India and internationally. With the help of a task force, we surveyed practices in India and other countries where guidance for governors is widely prevalent, for example, in the UK, USA and Australia; in particular:

- The Guide for Members of Higher Education Governing Bodies in the UK - Code of Practice and General Principles (CUC 2004, 2009)
- Governance Development Programme by the UK Leadership Foundation for Higher Education
- The Association of Governing Boards 'Effective Governing Boards: A Guide for Members of Governing Boards of Independent Universities and Colleges (2010)
- Australian National Induction Pack - Virtual Induction handbook for University governing bodies

In particular, we recognise the pioneering work of the Committee of University Chairs of the UK in developing the first Guide and subsequent reports on Effective Governing Bodies.

Keeping in view the current reform initiatives, our vision, our tenets and current practice, we have framed a *Good Practice Guide for Governing Bodies* embodying the salient characteristics and principles of good governance.

We hope that this *Good Practice Guide for Governing Bodies* will assist institutions and government on their journey to good governance in practice. Perhaps, working together they will give the necessary impetus needed for the *winds of change to blow effectively* through the governance arrangements of the Indian higher education sector.

*“As part of the endeavour to improve the quality of educational institutions in the tertiary sector, the aim has been to enhance their autonomy. Autonomy and accountability go hand in hand.”*

KapilSibal, Minister of Human Resource Development, Government of India

*World Bank Working Paper No. 190 “Governance of Technical Education in India Key Issues, Principles, and Case Studies”: Foreword*

## INTRODUCTION

### *Statement of the purpose*

***The sole purpose of good governance is to support the mission and objectives of individual institutions. To that end the Expert Advisory Group, which has written this paper and promoted this Good Practice Guide, is clear that the objectives of this TEQIP-II initiative apply as well to all institutions funded by the Government of India, individual States and private trusts or societies.***

***India has a wide range of universities and colleges engaged in the provision of technical education. There are different statutes, regulations and funding structures. They operate today amidst the widest range of interpretation and stages of transition to 'autonomy and accountability'.***

***The purpose of this Good Practice Guide is not to create a detailed Governance Code or Statutes for all institutions. Rather the intent is to identify fundamental propositions, some of which demand to be non-negotiable, whilst other aspects may be capable of interpretation and nuance.***

***The Good Practice Guide for Governing Bodies is directed towards governing bodies, in all their forms, and those with governance accountabilities (this is especially the case where the governance functions mentioned in this guide are still undertaken by a body other than the governing body of a single higher education institution), as well as to individual governors; be they in post, or yet to be recruited.***

### *Context*

India's complex higher education system serves around 3 million students in technical education. There are approximately 3,600 technical and engineering institutions across India's 30 states, of which less than about 5 percent of public institutions are autonomous. There has been a phenomenal growth in the number of private colleges across India in the last 20 years as demand for tertiary education continues. Private colleges now deliver about 85 percent of all technical and engineering education of which the overwhelming majority is in colleges affiliated to general or technical universities. There are ten different types of universities and other technical institutions in India.

### *The need for good governance*

Good governance ensures that stakeholders, including students, faculty and institutional management, as well as those from the wider society, have full confidence and trust in our institutions – and that all those who have governance responsibilities and accountabilities, both within and outside institutions, carry these out effectively.

***Why has there been such a stress on improving governance? Problems, such as failure to ensure proper accountability and abuse of the role of governors at one extreme, and ineffective or non-participation of governors at the other, can create a lack of confidence or worse, a lack of integrity, in governance, and there is a danger of undermining the sector as a whole.***

***The Guidelines: Who? Does What? With Whom? To what effect?***

Who?

The Guide is aimed at:

- All Governing bodies: Board of Governors, Syndicate, Executive Council, Board of management, Governing Council and so on. In Public and Aided institutions as well as in private Trusts and Societies.
- Individual governors and others with governance responsibilities, including policy makers and government officials.

Does what?

The Guide aims to assist governing bodies to increase their awareness of their tasks & duties, and the fundamental importance of their work to institutions including:

- setting strategic aims and goals
- promoting quality, credibility and transparency of the educational and research activities
- ensuring accountability and effective scrutiny,
- monitoring and measuring performance, and
- ensuring the effectiveness of the head of the institution (and appointing him/her as appropriate

With whom?

The Guide emphasises the need for governing bodies to work effectively with the institutional senior executive, managers and stakeholders

To what effect?

To demonstrate the governing body's effectiveness and full support of the mission and objectives of their institutions.



It is not easy to create an ideal governance system in India since its constitution and its powers and functions have to be adjusted to suit different circumstances and different institutional capacities. Even so, it is possible to establish a governance system that is functionally autonomous and accountable so as to fulfill the mission of the institution effectively.

Expansion of the higher education sector without good governance would not serve the nation's best interests, and could undermine the sector's long-term development.

#### *Benefits of Good Governance*

The benefits of good governance are reflected in high achieving institutions that demonstrate:

- *Integrity in appointments at all levels, both external and internal*
- *Strong leadership and management skills in all of the places where they are needed*
- *Processes in place for monitoring the quality of teaching and learning, and within institutions for improving that quality with appropriate student involvement*
- *Processes in place to deliver improvements in research quality (assuming that there is significant research activity)*
- *Lean and competent administration*
- *Robust and transparent financial systems, not least on procurement, and strong internal and external audit*
- *Effective and transparent mechanisms to determine remuneration at all levels*
- *Strong human resources processes, for example on appraisal, development and dealing with poor performance*
- *Effective student support arrangements*
- *Student participation in management and governance at all levels.*

*Good governance* creates a sound, ethical and sustainable strategy, acceptable to the institution as a whole and other key stakeholders.

*Good governance* oversees the implementation of such strategy through well-considered processes in an open, transparent and honest manner.

*Good governance* is essential to the grant or assertion of autonomy. Boards of Governors, by embracing good governance approaches, accept, unequivocally, their own collective and individual responsibilities.

*Good governance* facilitates decision-making that is rational, informed, and transparent which leads to organisational efficiency and effectiveness that supports and fosters the development of high quality education and research."

**World Bank Working Paper 190:**  
*Governance of Technical Education in India*

A good governance system ensures that educational institutions have independent and fully empowered governing bodies with representation from key constituents such as independent members representing industry, the community, faculty and students, whose **sole purpose is to support the mission and objectives of individual institutions.**

A good governance system helps to create a stimulating 'ecosystem' to attract talented faculty and motivate them through a performance-based reward structure. An enlightened governance system stimulates a culture of innovation, encourages large-scale faculty development programmes, improves productivity and supports the sustainability and development of institutions.

The role of governing bodies is also vital in supporting global, national and local collaborations with academic partners, research and industry and others who support the mission and objectives of institutions. Such partnerships are crucial to the success of high achieving institutions and can also support a range of development opportunities for faculty and most importantly the student experience and education and research outcomes.

Good governance arrangements play an important part in the way that institutions are held accountable to the government and the public interest. They can also help institutions to ensure a coherent strategy and a sustainable development path.

*For the good governance expected in Indian higher education, the Good Practice Guide for Governing Bodies sets out recommended Core Principles (Part One). This part can be read as an executive summary.*

*Part Two describes more in detail the Guidelines and the associated recommendations. The Expert Advisory Group commends them to all governing bodies of technical education institutions in India.*

## PART ONE:

### CORE PRINCIPLES

The governing body (Board of Governors, Syndicate, Executive Council, Board of Management, Governing Council and so on) is responsible for ensuring the effective management of the institution and for planning its future development. **It has ultimate responsibility for overseeing all the work of the institution.**

The **core principles** have been set out under five themes of good governance. The **core principles** are generic. They can, and should, be applied to all institutions. The implementation of these principles may vary according to the size, mission and type of institution. Implementation of the core principles may in particular be constrained by a low degree of autonomy of the governing body from the funding government or private trust; especially during times of reform and transition. However, the core principles are the same for any governing body, institution, private trust and funding government wishing to demonstrate that it is practising good governance.

#### A. PRIMARY ACCOUNTABILITIES OF GOVERNING BODIES

- A.1 Good governance requires all higher education institutions to have an **effective and accountable** governing body
- A.2 Governing bodies are collectively responsible for overseeing an institution's activities, determining its future direction, and fostering an environment in which the institutional mission is achieved.
- A.3 The **primary accountabilities** of governing bodies are:
  - a. **To approve the mission and strategic vision** of the institution, long-term business plans and annual budgets; ensuring that these meet the interests of stakeholders, including students, employers, local communities, government and others representing public interests.
  - b. **To ensure the establishment and monitoring of proper, effective and efficient systems of control and accountability** (including financial and operational controls, risk assessment and management, clear procedures for managing physical and human

resources including for example, handling internal grievances and for managing conflicts of interest.)

- c. **To monitor institutional performance and quality assurance arrangements**, which should be, where possible and appropriate, benchmarked against other institutions nationally and internationally (including accreditation and alignment with national and international quality assurance systems.)
- d. **To put in place suitable arrangements for monitoring the head of the institution's performance.**

## B. OPENNESS AND TRANSPARENCY IN THE OPERATION OF GOVERNING BODIES

B.1 Strong governing bodies promote **transparency and openness** in support of the high ethical standards expected to ensure public trust and institutional integrity. For example, by:

- a. Publishing an annual report on institutional performance, including the identification of key individuals and a broad summary of the responsibilities and accountabilities that the governing body delegates to management, or those that are derived directly from the instruments of governance.
- b. Providing 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. Ensuring that marketing and reported information is truthful (if there are legal or commercially sensitive reasons for not providing information these should be made publicly known).
- d. Maintaining and publicly disclosing a register of interests of members of its governing body.
- e. Conducting proceedings of governing bodies in as open a manner as possible, including the review of the governing body and any reports on the outcomes of such reviews.
- f. Detailing student admission information to ensure public trust and confidence in the integrity of the processes used regarding the selection and admission of students using clear and transparent criteria, procedures and processes.
- g. Ensuring that vacancies are widely publicized both within and outside the institution.

B.2 The general principle applies that students and staff should have appropriate access to information about the proceedings of their governing body.

## C. KEY ATTRIBUTES OF GOVERNING BODIES

C.1 High performing governing bodies have a keen sense of their role, responsibilities, ethics and duties. They understand clearly the high standards and quality expected by those inside and outside the institution, and how they should carry out their duties to safeguard

the mission, objectives and reputation of the institution on whose governing body they serve. The following are the key attributes of high performing governing bodies:

*Size of governing bodies*

- a. The size of the governing body is such that it is able to carry out its primary accountabilities effectively and efficiently.

*Skills, experience and competences*

- b. There is a balance of skills, experience and competences among governors - sufficient to enable the governing body to meet its primary accountabilities and to ensure the confidence of its stakeholders and constituents.

*Independent members*

- c. Normally, governing bodies have a majority of independent members, defined as both external to and independent of the institution. Autonomous institutions are free from direct political interference in order to ensure academic freedom.

*Appointments*

- d. Appointments would be managed by an independent committee (such as a nominations committee) normally chaired by the Chair of the governing body, using rigorous and transparent procedures, including the preparation of written descriptions of the role and the capabilities desirable in a new member, based on a full evaluation of the balance of skills and experience of the governing body.

*Clarity of responsibilities*

- e. There is clarity in relation to the role and responsibilities of the Chair of the governing body, the head of the institution and the administrator serving the governing body.

*Chair of the governing body:*

- f. The Chair of the governing body is responsible for the leadership of the governing body, and is, therefore, ultimately responsible for its effectiveness. The Chair ensures the institution is well connected with its stakeholders.

*Head of institution*

- g. The head of an institution is responsible to the governing body for advice on strategic direction and for the management of the institution.
- h. The head of the institution is accountable to the governing body, which makes clear, and regularly reviews, the authority delegated to him/her having regard also to that conferred directly by the instruments of governance.

*Administrator to the governing body:*

- i. The administrator (the secretary, the registrar, the clerk etc.) supporting the governing body is responsible for ensuring compliance with all procedures and ensuring that papers are supplied in a timely manner with information in a form, and of a quality, appropriate to enable the governing body to discharge its duties and for recording the governing body's conclusions in a form which will aid their effective implementation.
- j. All members must have access to the advice and services of the administrator to the governing body, and the appointment and

removal of the administrator is a decision of the governing body as a whole.

*Commitment*

- k. Governing bodies must meet sufficiently regularly, and normally not less than four times a year, in order to discharge their duties effectively.
- l. Effective members of governing bodies attend regularly and participate actively.

*Conduct*

- m. All educational establishments, whether publicly or privately established, contribute to the public good. Individual members, and governing bodies themselves, should at all times conduct themselves in accordance with the standards of behaviour that the public should rightfully expect such as: *selflessness, honesty, integrity, objectivity, accountability, openness and leadership.*
- n. Governing bodies, and individual governors, exercise their responsibilities in the interests of the institution as a whole, and not as representatives of any constituency, company or organisation.

**D. EFFECTIVENESS AND PERFORMANCE REVIEW OF GOVERNING BODIES**

- D.1 High performing governing bodies keep their effectiveness under regular review and ensure that their members are properly inducted and receive opportunities for further development as deemed necessary.
- D.3 Effectiveness is measured against both an institution's statement of primary accountabilities and its compliance with these guidelines. Structures and processes will be revised accordingly, as part of the governing body's ongoing regular review processes.
- D.4 In reviewing its performance, a governing body should 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.
- D.5 Where possible, governing bodies should benchmark institutional performance against such indicators of performance and success of other comparable institutions.

**E. REGULATORY COMPLIANCE**

- E.1 Governing bodies ensure compliance with the statutes, ordinances and provisions regulating their institution, including regulations by Statutory bodies, such as the AICTE and UGC, as well as regulations laid out by the State government and affiliating university (if any); and, subject to these, take all final decisions on matters of fundamental concern to the institution. The regulatory compliance includes demonstrating compliance with the 'not-for-profit' purpose of education institutions.

- E.2 From experience in India, and elsewhere, **effective governance** is most likely to be prevalent when it is **an integral part of the acts and statutes that considers autonomy and accountability.**

## PART TWO:

### GUIDELINES FOR GOVERNING BODIES

#### **Good practice on Development of an Institutional Strategic Plan**

*The Board of Governors of IIT Madras decided in 1996 that the Institute needed a first Strategic Plan to guide its future operations and reach its goals. The Governors constituted a Strategic Planning Committee that was headed by a prominent Board Member from Industry, co-chaired by the Director; and included as Members a few other Board Members and senior Faculty of the Institute.*

*Good practice elements in the design process of the Strategic Plan were the development of a set of shared goals, the use of multiple sources of knowledge including external consultants, involvement of faculty and stakeholders, and the design of coordinated cross-departmental interventions. Approximately three-fourths of the inputs for the Plan came from IITM leaders, departments, and faculty, and one-fourth from outside.*

*The Strategic Plan covered all aspects of the Institute: Context; Vision, Mission and Goals; Educational Processes; Human Resources; Physical Resources; Governance; Building Relationships; and Financial Resources. The Strategic Plan aimed at making IITM a world-class institution – a place that provides intellectual leadership in chosen fields and is administratively and academically autonomous, with sustainable competitive advantage. The Strategic Plan was designed as a series of coordinated interventions to bring about changes in the directions, structure, processes, interfaces and performance of the Institute. The progress of implementation has been continuously monitored by the Board through presentations by the Deans and Heads of Departments at Board Meetings. As the expressed milestones were achieved, new and further aspirational goals have been articulated and adapted into a revised Plan.*

**These Guidelines for Governing Bodies provide more detailed recommendations under the five themes of Core Principles outlined in Part One.**

The governing body (Board of Governors, Syndicate, Executive Council, Board of Management, Governing Council and so on) is responsible for ensuring the effective management of the institution and for planning its strategic future development. **It has ultimate responsibility for overseeing all the work of the institution.**

**The guidelines set out below are generic. They can, and should, be applied to all institutions.**

**The implementation may vary according to the size, mission and type of institution.** Implementation may, in particular, be constrained by a low degree of autonomy of the governing body from the funding government or private trust; especially during times of reform and transition. However, the guidelines are the same for any governing body, institution, private trust and funding government wishing to demonstrate that it is practising good governance.

**If governing bodies do not yet undertake some of primary accountabilities mentioned in this Good Practice Guide for Governing Bodies at present, we recommend that an independent state body/committee undertake such accountabilities in the interim.** Such a body could be the State Council for Higher Education. In such circumstances the body must adhere to the same Guidelines, and involve key members of governing bodies with appropriate skills and experience; of the governing body of the institution concerned.

#### **A. PRIMARY ACCOUNTABILITIES OF GOVERNING BODIES**

##### *Strategic Planning*

1. Governing bodies have a duty to enable their institutions to achieve and develop their mission and primary objectives for learning and teaching and research.
2. This responsibility includes considering and approving the institution's strategic plan, which should set out the academic aims and objectives of the institution and identify the financial, physical and staffing strategies necessary to achieve these objectives. Institutions should adopt a risk-based approach to strategic planning.

3. It is the duty of the governing body to oversee the creation and delivery of the strategic vision and direction of the institution that will of course, encompass its purpose and mission. However, it is the responsibility of the head of the institution and the executive to convert the strategy into detailed business planning that is delivered consistent with the values, purpose and mission of the institution.

#### *Finance*

4. The governing body's financial responsibilities include:
- Ensuring the solvency of the institution and safeguarding its assets
  - Approving the financial strategy
  - Approving annual operating plans and budgets which should reflect the institution's strategic plan
  - Ensuring that funds provided by funding bodies are used in accordance with the terms and conditions specified in any funding agreements/contracts / memorandum
  - Ensuring that there is a clear and quantified scheme of financial delegated authority of approval and expenditure to managers at appropriate levels
  - Ensuring the existence and integrity of risk management, control and internal governance systems and monitoring these through the audit committee
  - Receiving and approving annual accounts (audited financial statements).
5. The governing body normally delegates detailed monitoring of the financial position and prospects, together with the appropriate levels of expenditure approval to a **finance committee** or equivalent.
6. Regulatory bodies may require institutions to include a **statement of internal control** in the corporate governance section of the audited financial statements, explaining the risk management arrangements operated by the governing body.
7. Officers of the institution, under delegation from the governing body, exercise day-to-day financial control.
8. Responsibility for administering the finances and advising on financial matters is delegated to a professional employee, generally designated as director of finance. That individual must have access to the head of the institution whenever he/she deems it appropriate.
9. An essential element of financial management is the annual budget. This quantifies expected income and plans expenditure in the context of that predicted income. In many institutions the approval of the annual budget is a responsibility reserved under the constitution to the governing body for its collective decision, without delegation. The governing body should approve the annual budget before the start of the financial year.
10. In conjunction with the revenue budget, a capital budget must be prepared, aggregating approved capital needs and identifying required funding sources and strategies.



11. Most institutions devolve the management of clearly identified elements of the annual budget to specified managers. These arrangements require the provision of accurate and timely financial information to budget holders, and hence the systems to generate such information, if they are to operate effectively.
12. The governing body and/or its finance committee should receive summarised performance information at regular points in the year.
13. Institutions must have financial regulations and procedures. Financial regulations should specify the financial responsibilities and authority of the governing body, its committees, and staff.
14. Financial procedures should specify processes to be followed in day-to-day financial transactions. There should be clear policies on a range of systems, including treasury management, investment management, risk management, debt management, and grants and contracts. These should be periodically reviewed to keep them up-to-date.

**MIT Audit Committee:**

*Consists of five members, three of whom shall serve for a term of five years and two of whom shall serve for a term of three years.*

*They are nominated by the Membership Committee from the members of the Corporation, one at each succeeding annual meeting, as vacancies occur, or at any stated or special meeting in the call for which notice has been given that a vacancy on the Audit Committee is to be filled.*

*Subject to the approval of the members of the Corporation, the Audit Committee shall employ public accountants to examine the books of MIT for the next fiscal year, and such other financial and investment records as the Audit Committee deems appropriate from time to time.*

**Procurement**

15. In addition to the requirements under regulatory/financial agreements, governing bodies should ensure that there is a **sound system of internal control, and be responsible for ensuring the delivery of value for money (VFM) from public and institutional funds without compromising quality, transparency and fairness to all stakeholders**. Procurement of works, goods and services is an area where VFM considerations are important.
16. Public and publicly aided Indian higher education institutions are bodies to which public procurement rules apply, in particular the relevant central and state Financial Management Rules, Stores Purchase Rules and Public Works Code. Contracts must be awarded in accordance with those rules. (For Institutions participating in the TEQIP-II project, all project expenditures must be incurred using the project's specific procurement rules).
17. Governing bodies should ensure that VFM in procurement is achieved through obtaining assurances that:
  - Adequate internal procurement policies and procedures are in place
  - Policies and procedures are consistently applied, and there is compliance with relevant legislation.
  - Procurement is carried out in an open and transparent manner without any entry barriers and all eligible suppliers, manufacturers and consultants are allowed to participate.
18. To obtain these assurances **governing bodies should ensure that their risk management framework and reporting mechanisms give adequate coverage of fairness and transparency of procurement processes; value for money achieved in the outcomes and risks** (see paragraphs 25-28.) The institution's procurement procedures, including procedures governing conflicts of interest relating to procurement matters, should form part of the Financial Regulations,

which should be approved by the governing body.

#### *Audit and the Audit Committee*

19. The governing body should be responsible for directing and overseeing the institution's arrangements for internal and external audit.
20. While the responsibility for devising, developing and maintaining control systems lies with management, internal audit provides independent assurance about the adequacy and effectiveness of risk management, control and governance. The internal audit service should also advise on value for money and should be able to give valuable advice when new systems are being put in place.
21. Regulatory and funding bodies may require institutions to appoint an audit committee and set up internal and external audit arrangements in accordance with appropriate *Audit Codes*, as may be required by such bodies.
22. **The audit committee should be a small, authoritative body, which has the necessary financial expertise and the time to examine the institution's risk management control and governance under delegation from the governing body. It should not confine itself to financial systems but should examine risk management, control and governance independently, and should report areas of concern to the governing body.**
23. The committee must produce an annual report for the governing body, including its opinion on the adequacy and effectiveness of the institution's risk management, control and governance arrangements; and arrangements for promoting economy, efficiency and value for money.
24. In summary, the specific responsibilities of members of the governing body in respect of audit are to:
  - Appoint the audit committee
  - Consider, and where necessary, act on an annual report from the audit committee
  - Consider the annual report of the internal audit service
  - Appoint external auditors, ensuring a regular rotation of appointment.
  - Receive and approve the audited annual financial statements in a timely fashion (no later than 4 months after the end of the financial year). This responsibility is usually reserved by the institution's constitution to the governing body for its collective decision, without delegation.

#### *Risk Management, Control and Governance*

25. Risk can be defined as: *'the threat or possibility that an action or event will adversely or beneficially affect an organisation's ability to achieve its objectives'*. Higher education institutions should be expected to identify and actively manage risks, having particular regard at

governing body level to risks that could threaten the sustainability of the institution. An annual disclosure about risk management should be required in audited financial statements.

26. Each institution's audit committee should be required to provide advice to the governing body annually on risk management, control and governance in advance of the governing body approving the audited financial statements.
27. Institutions should have a sound system of risk management, control and governance. Essential elements of such a control system are:
  - Effective review by governing bodies, finance and audit committees with an independent majority
  - Control systems which include policies, objectives and plans, management of key risks and opportunities, monitoring of financial and operational performance, including monitoring of investment policy for institutional endowment funds, physical safeguarding of assets, segregation of duties, authorisation and approval procedures, and information systems
  - An effective internal audit function
  - The identification and management of risk embedded in all business systems.
28. **At the highest level, risk management, control and governance is exercised by the governing body and its committees acting under its explicit delegation. The governing body should have overall responsibility for institutional activities and finances.** Many institutions internationally have established a planning and resources committee to consider strategic plans and the allocation of resources to meet such plans.

#### *Human resource management*

29. **The governing body should have responsibility for the institution's human resources and employment policy.** This includes ensuring that pay and conditions of employment are properly determined and implemented for all categories of employees. Also, ensuring that there are clear, open and transparent internal grievance and appeal procedures - that may reduce the risk of external intervention in personnel matters by agencies and courts.
30. **Normally, a governing body is responsible for appointing and setting the terms and conditions for the head of the institution** and such other senior posts as it may from time to time determine.

#### *Estate management*

31. The governing body should be responsible for oversight of the strategic management of the institution's land and buildings. As part of this responsibility it should **consider, approve and keep under review an estate strategy that identifies the property and space requirements needed to fulfill the objectives of the institution's**

**Appointment of Vice-Chancellors in the 2009 Maharashtra Universities Act:**

*The state government re-defined in 2009 the selection process and criteria of the Vice-Chancellor in a bid to improve governance.*

*The new act improves governance by:*  
*(i) establishing specific qualifications and experience that the recommended candidate shall possess, as well as a description of the candidate's desirable experience, expected skills and competences.*

*(ii) requiring the candidates to provide a detailed chronological resume along with a justification for fulfilling the requirements.*

*(iii) obliging the search committee to describe how the recommended candidates fulfill those criteria in order to judge the suitability of the candidate.*

*The changes are not aligned with these guidelines on the following recommendations:*

- (i) The final appointment is taken by the chancellor (the State governor), not the governing body.*
- (ii) No members of the governing body can become a member of the search committee (only nominate a member that is not associated with the governing body)*
- (iii) A panel of five is to be recommended, not one person.*
- (iv) An open and transparent search for the suitable candidate is not required; it is only permitted.*

**strategic plan, and also provides for a planned programme of maintenance.**

*Health and safety*

32. The governing body should carry ultimate responsibility for the health and safety of employees, students and other individuals while they are on the institution's premises and in other places where they may be affected by its operations. The governing body's duties include ensuring that **the institution has a written statement of policy on health and safety, and arrangements for the implementation of that policy.**

*Equality, diversity, and reservations*

33. The governing body should ensure that non-discriminatory systems are in place to provide equality and diversity of opportunity for staff and students.
34. The governing body should actively monitor that the Institution implements the State and/or Government of India requirements for reservations of seats and staff positions to minority groups.

**B. OPENNESS AND TRANSPARENCY IN THE OPERATION OF GOVERNING BODIES**

35. Strong governing bodies promote **transparency and openness** in support of the high ethical standards expected to ensure public trust and institutional integrity.
36. **The general principle applies that students and staff of the institutions should have appropriate access to information about the proceedings of a governing body.** Agendas, draft minutes, if cleared by the chair, and the signed minutes of governing body meetings, together with the papers considered at meetings, should generally be available for inspection by staff and students. There may, however, be matters covered in standing orders where it is necessary to observe confidentiality. Such matters are likely to concern individuals or have commercial sensitivity.
37. Good practice for all institutions might include placing copies of the governing body's agendas and minutes on the institution's intranet and in its library, reporting on decisions in a newsletter, and ensuring that the annual report and accounts are circulated to academic departments and any student representatives.
38. **The institution's annual report and audited financial statements should be made widely available outside the institution.** Institutions should also consider publishing their annual reports on the Internet.
39. Institutions should ensure that the machinery exists whereby they maintain a dialogue with appropriate organisations in their

communities. Ways should be found for the public, and the local community, to comment on institutional matters that concern them.

40. Compliance with publication of information as required by governmental and funding agencies is necessary. Additionally, the following good practice for publishing key information is recommended:

- Audited financial statements (annual accounts) should include a statement that covers the responsibilities of the governing body in relation to corporate governance and internal control.
- The annual report should include a *corporate governance statement* which sets out the institution's legal status and broad constitutional arrangements, recognising the general principles of public service and indicating how they are implemented; taking account of the wide range of constituencies to which the institution reports.

**Singapore: Example of Nomination Committee:**

*Singapore's publicly funded universities were corporatized in 2006 to give universities greater autonomy to differentiate themselves, and compete effectively at the global level. This also required greater accountability and ownership, and a higher standard of corporate governance to safeguard the best interests of its stakeholders.*

*A Nominating Committee (NC) is formed as part of the university's Governing Board (GB). The NC has 5-8 distinguished members of society and industry captains who are usually members of the GB. Non-Board members can be co-opted to provide new perspectives.*

*Universities have the flexibility to determine the exact terms of reference of their NC. This usually includes:*

- *Formally assessing the effectiveness of the GB as a whole,*
- *Assessing the contributions and performance of each member as well as undertaking a periodic review of the independence of each member to ensure independence in the GB's*

**University of Warwick, UK:  
Appointment of Vice-Chancellor:**

- *The Council shall appoint, after consultation with the Senate, the Vice-Chancellor at a special meeting called for that purpose*
- *A VC appointment panel is constituted with participation of senior members of both the Council and Senate, most often with student membership. The panel is chaired by the Chair of Council or the sitting Vice-Chancellor.*
- *A Recruitment Consultant Agency will be hired to give the panel advice*
- *A job-description and job qualifications are prepared*
- *The position is widely advertised and open for all applicants*

*There is a clear emphasis on openness and transparency of the appointment process.*

## C. KEY ATTRIBUTES OF GOVERNING BODIES

### *Size of governing bodies*

41. The size of the governing body should be such that it can carry out its primary accountabilities effectively – too big and it can be unwieldy and at worse, paralysing; too small and it could lack the skills and experience necessary to fulfill its duties competently.

### *Skills, experience and competences*

42. Most importantly, **there should be a balance of skills, experience and competences among members sufficient to enable a governing body to meet its primary accountabilities and to ensure stakeholder confidence.**
43. Normally, governing bodies have a majority of independent members, defined as both external and independent of the institution. **Autonomous institutions should be free from political interference in order to ensure academic freedom.**

### *Independent members*

44. **Independent, lay or co-opted governors need to bring particular behaviours to the governing body. They should question intelligently, debate constructively, challenge rigorously and decide dispassionately, and they should listen sensitively to the views of others, inside and outside meetings of the governing body.**

### *Appointments*

45. Appointments are managed by a nomination committee normally chaired by the chair of the governing body, either convened by the state independently or by the governing body.
46. **To ensure rigorous and transparent procedures, the nominations**

**committee prepares written descriptions of the role and the capabilities desirable in a new member, based on a full evaluation of the balance of skills and experience of the governing body.**

47. When vacancies arise they should be widely publicised both within and outside the institution. **When selecting a new chair, a full job specification should be produced, including an assessment of the time commitment expected, recognising the need for availability at unexpected times.**

*Rotation and re-appointment of members*

48. Continuity of membership is important to an institution, but so is the need for new blood. Lay/independent members should be appointed for a given term, which should be renewable, subject to satisfactory performance. In some institutions, the period of the appointment may be laid down in the statutes, or left to the ordinances or not prescribed.
49. The renewal of any appointment should not be automatic, but should be recommended by the nominations committee as part of its report on filling vacancies – again subject to satisfactory performance. Continuous service beyond three terms of three years, or two terms of four years, is not desirable (although exceptions, such as retention of a particular skill or expertise, may be permitted). After this point members should normally retire and be replaced by new members. There should be no bar to a particularly valued member returning to office after a break of at least one year if a vacancy occurs in future years. Where a member of the governing body is elected to serve as chair of the governing body or to some other statutory office such as treasurer, he/she would automatically begin a new term of membership linked to the office.
50. The re-appointment or replacement of the chair of the governing body should be considered carefully and in good time during the term of the appointment. There are variations of practice in the length of term for which the chair is normally appointed. However, the re-appointment of a chair beyond two terms of four years, or the equivalent, should be regarded as exceptional.

*Representation of staff and students on governing bodies*

51. The statutes of international institutions normally provide for membership of the governing body by representatives of the academic staff and students (and in some cases non-academic staff); this is integral to the nature of governance in those institutions.
52. In some institutions these categories of members can be excluded by decision of the governing body. However, the representation of staff and students on the governing body is important in all institutions,

and it is strongly recommended that governing bodies do not exercise their power to exclude such members. If, nevertheless, a governing body does decide to exclude them, it should record formally in its minutes the grounds for its decision, and should publish these grounds within the institution.

#### *Commitment*

53. The governing body should normally meet not less than four times a year. The agenda and supporting papers should be circulated in advance and the decisions minuted.
54. Members should attend must attend governing body meetings regularly and actively participate. The governing body should establish clearly the number, and if necessary, the category of members who constitute a quorum.

#### *Conduct*

##### **TATA Code of Conduct 2008:**

##### **Ethical Conduct:**

- Every employee of a Tata company, shall exhibit culturally appropriate deportment in the countries they operate in, and deal on behalf of the company with professionalism, honesty and integrity, while conforming to high moral and ethical standards.

##### **Conflict of Interest**

- An employee or director of a Tata company shall always act in the interest of the company, and ensure that any business or personal association which he / she may have does not involve a conflict

55. **Governing bodies are entrusted with funds, both public and private, and therefore have a particular duty to observe the highest standards of corporate governance at all times, and to ensure that they are discharging their duties with due regard for the proper conduct of public business.** This includes ensuring and demonstrating integrity and objectivity in the transaction of their business, and wherever possible **following a policy of openness and transparency in the dissemination of their decisions.** Institutions receiving diverse funding sources are also required to adhere to the good practice appropriate to both public and private sector bodies. These Guidelines seek to indicate how this can best be achieved.

#### *Governors as representatives*

56. **Governors nominated by particular constituencies should not act as if delegated by the group they represent.** No member may be bound, when speaking or voting, by mandates given to him/her by others, except when acting under approved arrangements as a proxy for another member of the governing body.
57. Individual members of governing bodies and governing bodies themselves should at all times conduct themselves in accordance with the following standards of behaviour that the public should rightfully expect: *selflessness, integrity, objectivity, accountability, openness, honesty and leadership.*
58. Certain items discussed at governing body meetings may be declared to be 'reserved'; that is, business that for reasons of confidentiality is not open to discussion by the whole governing body. Such business should be kept to a minimum because of the general need for transparency and openness, but would normally include matters relating to an individual member of the higher education institution, or commercially sensitive material.
59. **It is central to the proper conduct of public business that chairs**

**and members of governing bodies should act and be perceived to act impartially, and not be influenced in their role as governors by social, political, or business relationships.**

60. Good practice requires that a member of a governing body who has a pecuniary, family or other personal interest in any matter under discussion at any meeting of the governing body or one of its committees at which he/she is present shall, as soon as practicable, disclose the fact of his/her interest to the meeting and shall withdraw from that part of the meeting.
61. A member of the governing body is not, however, considered to have a pecuniary interest in matters under discussion merely because he/she is a member of staff or a student of the institution. Nor does the restriction of involvement in matters of direct personal or pecuniary interest prevent members of the governing body from considering and voting on proposals to insure the governing body against liabilities which it might incur.
62. **Institutions should maintain a register of interests of all members of the governing body. The administrator to the governing body and any other senior officer closely associated with the work of the governing body, for example the finance director, should also submit details of any interests. The register should be publicly available and should be kept up to date.**
63. Details of the terms of appointment should be set out as appropriate in the letter of appointment, and institutions should seek a signed agreement that governors will act responsibly.
64. The governing body should have the power to remove any member of the governing body from office, and must do so if the member breaches the conditions of his/her appointment.

#### *Expenses and Remuneration*

65. Although a number of sectors now remunerate their non-executive directors for their services, in the higher education sector internationally common practice is to pay only such incidental traveling and subsistence expenses or other allowances to lay members as the governing body may determine. In exceptional circumstances, however, it may be deemed appropriate to remunerate a lay officer. Before any decision to remunerate is taken, the governing body should consider:
  - The provisions of any Trust laws
  - The implications of the decision for the division of responsibilities and overall relationship between the governing body and institutional managers
  - A public service ethos which should apply generally to governors
  - The need to be explicit about time commitment and to apply a



formal process of appraisal and performance management to the remunerated governor(s).

66. Where a decision to remunerate is taken, payments should be commensurate with the duties carried out and shall be reported in the audited statement of accounts.

*The proper conduct of public business*

67. The main responsibilities of the governing body should be set out in an **institutional statement of *The Primary Accountabilities of the Governing Body***, which should be consistent with the institution's constitution.
68. To function efficiently, **a governing body must have rules for the conduct of its meetings**. Issues for which rules are required include, but are not restricted to:
- Procedures for voting, rescinding decisions, calling extraordinary meetings, and declaring business reserved
  - Requirements for a quorum
  - Frequency of meetings.
69. The rules governing some of these issues may be specified in the statutes of universities, institutes and colleges. **Institutions should draw up standing orders to regulate those aspects of the conduct of governing body business that are not already prescribed by the statutes or articles**. Additionally, the institution's standing orders can usefully reiterate the relevant provisions of the statutes or articles in order to consolidate all such material for ease of reference.
70. Normally, members of governing bodies would refer to the administrator to the governing body for such information about the rules that may apply to their own institutions.

*Committees*

71. Most institutions will have committees dealing with finance, estates and facilities, and human resources/staffing. In particular, the *audit committee* and *human resources committee* should play a central role in supporting the proper conduct of a governing body's business. Should the institution have authority to decide upon remunerations or nominations, a *remuneration* and/or *nomination committee* should be established to ensure adequate attention to these two important aspects.
72. Institutions should be required to have an *audit committee*, the role of which is covered in above paragraphs 19 to 24 under *primary accountabilities*.
73. Governing bodies that have authority to decide upon remunerations should establish a *remuneration committee* to determine and review the salaries, terms and conditions. Membership of such a committee should include the chair of the governing body, a few other independent members and the lay treasurer if such an office exists. The *remuneration committee* should seek comparative information

onsalaries and other benefits and conditions of service in the higher education sector. The remuneration committee must represent the public interest and avoid any inappropriate use of public or other funds. The remuneration committee's reports to the governing body should provide sufficient detail of the broad criteria and policies against which decisions have been made.

*Clarity of responsibilities*

74. **The governing body should exercise its responsibilities in a corporate manner; that is to say, decisions should be taken collectively by all of the members acting as a body.** Members should not act individually, or as representatives of a constituency or in informal groupings, to take decisions on governing body business on an ad hoc basis outside the constitutional framework of the meetings of the governing body and its committees.
75. **The governing body will rely on the executive head of the institution to be responsible for the operational management of the institution, and to offer guidance to the governing body on issues coming before it. However, the governing body plays a key role in the strategic development of the institution.**
76. It should be involved in the development and approval of the institution's strategic plan, which influences and guides all decisions coming before the governing body. It should also approve an annual operating plan that identifies those aspects of the strategic plan being implemented in the year in question.
77. Strategic plans play an important role in informing the relationship between institutions and the regulatory and other bodies.

*Role of the Chair*

78. **The chair is responsible for the leadership of the governing body and ultimately to the stakeholders for its effectiveness.** As chair of its meetings she/he should promote its wellbeing and efficient operation, ensuring that its members work together effectively and have confidence in the procedures laid down for the conduct of business.
79. **A chair should take particular care that the governing body observes important principles of public life, and that committees which play a central role in the proper conduct of the governing body's business report back appropriately. The chair should also ultimately be responsible for ensuring that the governing body operates effectively, discusses those issues which it needs to discuss, and dispatches its responsibilities in a business-like way.**
80. **Through leadership of the governing body, the chair plays a key role in the business of the institution, but should not be drawn into the day-to-day executive management.**
81. **For the governing body to be effective, there must be a constructive and challenging working relationship between the chair and**

**the executive head of the institution.** This relationship will depend on the personalities involved, but reports nationally and internationally have emphasised the need for both sides to recognise that the roles of chair and executive head are formally distinct. The relationship should be mutually supportive, but must also incorporate the checks and balances imposed by the different roles each has within an institution's constitution. **Good governance would not be served if the head of the institution also acts as the chair of the governing body.**

82. **Lay or independent members of the governing body should also take care not to become involved in the day-to-day executive management of the institution.** This also applies to the staff and student members of a governing body, except that in the course of their employment or in their activities as students, they may have executive responsibilities within the institution.

*Role of the Head of the Institution in relation to the governing body*

83. **The head of the institution is responsible for the executive management of the institution and its day-to-day direction and leadership. The head of the institution should not seek to determine matters reserved for the governing body.**
84. The specific responsibilities of the head of the institution in relation to governing body business include:
- Implementing the decisions of the governing body or ensuring that they are implemented through the relevant part of the institution's management structure
  - Initiating discussion and consultation including, where appropriate, consultation with the staff and the academic board/senate on proposals concerning the institution's future development, and ensuring that such proposals are presented to the governing body
  - Fulfilling the duty, as the officer designated by the governing body under the terms of any regulatory/financial agreement/contract/memorandum with a regulatory or funding body (as 'the designated officer'), and to alert the governing body if any actions or policy under consideration would be incompatible with the terms of such regulatory/financial agreements. If the governing body nevertheless decides to proceed, then the head of institution has a duty to inform either the chief executive of such regulatory/funding authorities, or other appropriate officer.

*Role of the administrator to the governing body:*

85. The administrator to the governing body has a key role to play in the operation and conduct of the governing body, and in ensuring that appropriate procedures are followed:
- a. The administrator to the governing body should be appointed to that post by the governing body.
  - b. Normally the administrator would combine this function with a senior administrative or managerial role within the institution. The

institution and the administrator to the governing body must exercise care in maintaining a separation of the two functions. Irrespective of any other duties that the administrator may have within the institution, when dealing with governing body business the administrator will act on the instructions of the governing body itself.

- c. In carrying out his/her role as administrator to the governing body, the administrator should be solely responsible to the governing body and should therefore have a direct reporting link to the chair of the governing body for the conduct of governing body business (i.e. agendas, papers, minutes etc).
- d. The chair and members of the governing body should look to the administrator for guidance about their responsibilities under the charter, statutes, articles, ordinances and regulations to which they are subject, including legislation and the requirements of any funding bodies, and on how these responsibilities should be discharged. It is the responsibility of the administrator to alert the governing body if he/she believes that any proposed action would exceed the governing body's powers or be contrary to legislation or to the funding body agreements/contracts or memorandum.  
*(Note: the head of the institution is formally responsible for alerting the governing body if any action or policy is incompatible with the terms of the regulatory/ financial agreements/contracts/memoranda but this cannot absolve the administrator from having this responsibility as well.)*
- e. The administrator should be solely responsible for providing legal advice to, or obtaining it for, the governing body, and advising it on all matters of procedure.
- f. The administrator should advise the chair in respect to any matters where conflict, potential or real, may occur between the governing body and the head of the institution.
- g. The administrator should ensure that all documentation provided for members of the governing body is concise and its content appropriate.

86. If there is a conflict of interest, actual or potential, on any matter between the administrator's administrative or managerial responsibilities within the institution and his/her responsibilities as administrator to the governing body, it is the administrator's responsibility to draw it to the attention of the governing body. If the governing body believes that it has identified such a conflict of interest itself the chair should seek advice from the head of the institution, but must offer the administrator an opportunity to respond to any such question.

87. It is incumbent on the governing body to safeguard the administrator's ability to carry out these responsibilities. It is important that the administrator also both consults and keeps the head of the institution fully informed on any matter relating to governing body business (other than in relation to the remuneration committee's consideration of the head of institution's emoluments). **It is good practice for the Chair of the governing body, the head of the institution and the administrator to the governing body to work closely together within the**

**legal framework provided by the charter, statutes or articles of government and the ordinances and regulations laid down by the institution and any regulatory/funding body agreements.** If this is not possible because of inappropriate conduct by one of the parties involved, it is the responsibility of the governing body to take appropriate action.

#### *Delegation*

88. Where permissible, the governing body may delegate authority or allocate some of its work to committees, grant delegated authority to the Chair or a committee to act on its behalf, and delegate responsibility to the executive head and officers of the institution. Such delegations must be clearly defined in writing and be formally approved by the governing body. Having delegated authority to other bodies or individuals to act on its behalf, the governing body is nevertheless still ultimately accountable and has to accept corporate responsibility for the actions taken.

#### *Delegation to the Chair*

89. The governing body may grant delegated authority to the chair to act on its behalf between meetings. Policy on this matter should be defined in the governing body's standing orders or equivalent. Action taken under delegated authority will normally consist of business that would not have merited discussion at a governing body meeting (such as the signing of routine documents, and detailed implementation of matters already agreed by the governing body).
90. Occasionally, matters may arise which are judged too urgent and important to await the next meeting of the governing body. The chair then has the option of calling a special meeting, consulting the members of the governing body by correspondence, or dealing with the matter by chair's action. The chair should be careful not to take decisions by chair's action where it is inappropriate to do so, and not to exceed the scope of the delegated authority granted by the governing body. Chair's action on matters of importance should only be taken where delaying a decision would disadvantage the institution.
91. The chair is answerable to the governing body for any action taken on its behalf. Where chair's action is taken, a report should be made to the next meeting of the governing body.

#### *Delegation to Committees and retention of key functions*

92. It is common practice for governing bodies to delegate some of its powers and to allocate some of its work to committees. In deciding which tasks or responsibilities should be delegated to committees, **governing bodies should retain a formal schedule of matters reserved to it for its collective decision.** Such matters are likely to include final decisions on issues of corporate strategy; the review and approval of the institution's annual estimate of

income and expenditure and audited financial statements; and the appointment and dismissal of the head of institution and of the administrator to the governing body.

93. The articles of some institutions may list key powers that the governing body may not delegate. They may also state that the governing body must establish committees on employment policy (without delegating to them the essential decision-making functions in this area).

94. **All committees must be provided with a clear remit and written terms of reference that state the extent and limits of the committee's responsibilities and authority.** Committees must take care not to exceed their terms of reference and should be so advised by the administrator to the governing body. Committees should distinguish between issues on which they are empowered to take decisions, and issues that they must refer to the governing body for decision.

**Resources for Induction and orientation of governors under the TEQIP-II project:**

*With the aim of strengthening governance and management of technical education institutions, TEQIP-II has established an innovation management fund to which participating States can apply for funding to strengthen management. In particular, a state or groups of states can submit a proposal to conduct induction and orientation sessions for governors of technical education institutions. Proposals require state co-financing of 25% of the costs.*

*Such orientation sessions for new members of governing bodies are intended to supplement institutions' own induction arrangements. Proposals to offer sessions for more experienced governors on specific topics are also welcome.*

*Institutions and their governors are encouraged to work with the State government to prepare proposals and nominate members to attend such seminars.*

95. **Where a committee is acting under delegated powers it should submit regular written reports to the governing body on decisions that it has taken on the governing body's behalf.**

**D. EFFECTIVENESS AND PERFORMANCE REVIEW OF GOVERNING BODIES**

96. **Governing bodies should regularly monitor their own effectiveness and the performance of their institution against its planned strategies and operational targets and their primary accountabilities.**

97. **Governing bodies should further review their effectiveness regularly.** Not less than every five years they should undertake a formal and rigorous evaluation of their own effectiveness, and that of the committees, and ensure that a parallel review is undertaken of other internal boards and committees. Effectiveness shall be measured against the statement of *The Primary Accountabilities of the Governing Body*. The governing body shall revise its structure or processes accordingly.

98. **In reviewing its performance, the governing body shall reflect on the performance of the institution as a whole in meeting long-term strategic objectives and short-term key performance indicators.**

99. **The governing body should also ensure that it is able to discharge its responsibilities through a clear and accurate understanding of the institution's overall performance through a regular process of review.** Any such review of performance should take into account the views of the academic board, and should be reported upon appropriately within the institution and outside. Where possible, **the governing body should benchmark institutional performance**

**against the performance of other institutions (at home and abroad).**

100. In considering their own effectiveness, **governing bodies may wish to engage persons independent to the institution to assist in the process.**
101. The **results of effectiveness reviews**, as well as of the institution's annual performance against appropriate indicators of performance, **should be published widely**, including on the Internet and in its annual report.

#### *Induction and Development*

102. **It is the responsibility of the chair of the governing body**, working with the administrator who supports the governing body, as appropriate, **to ensure that all members of the governing body, when taking up office, be fully briefed on the terms of their appointment and be made aware of the responsibilities placed on them for the proper governance of the institution.** They should receive copies of background documents at the time of their appointment. These could include:
    - A copy of these guidelines
    - The institution's annual report, audited financial statements, and financial forecast
    - The overall strategic plan, and strategy documents covering areas such as learning and teaching, research, widening participation and estates
    - Notes describing the institution's organisational structure
    - The rules and procedures of the governing body.
  103. It is **important for governing bodies to provide an induction or briefing session for new members**, to explain their accountabilities, the function of the governing body and other organisations within higher education sector, and the strategic objectives of the institution.
  104. Following initial induction, **members should regularly receive institutional updates/newsletters and appropriate publicity material about the institution to help them stay up-to-date with developments. There is an onus on members to keep themselves informed.**
  105. Membership of committees provides a particular opportunity for members of the governing body to contribute their expertise to the institution and to learn more about aspects of its operations.
- E. **REGULATORY COMPLIANCE**
106. Governing bodies ensure compliance with the statutes, ordinances and provisions regulating their institution; and, subject to these, takes all final decisions on matters of fundamental concern to the institution.

107. Governing bodies should ensure that information is provided to regulatory agencies demonstrating that the Institution **complies with their stated purpose**.

*Requirements of the regulatory/funding/affiliating bodies*

108. Conditions of funding are set by appropriate regulatory bodies. These may differ across the country but will include requirements set out in a regulations/financial agreement/contract/memorandum issued to each institution. The main provisions are likely to include:
- At least maintain the minimum standards required for official approval set by AICTE (regulatory agency)
  - For affiliated institutions, adhere to the rules for affiliating issued by the affiliating university
  - For Autonomous institutions, comply with the conditions set forward by the UGC and in the case of autonomous affiliated colleges, the university approving of the academic autonomy.
  - The statutory basis on which public funding is provided to the institution and the purposes for which it is provided. Such statutory basis would come from the funding State Government (Often the Directorate of Technical Education), Ministry of Human Resources in case of centrally funded institutions and/or the UGC.
  - The need for the proper stewardship and effective use of public and other funding and internal and external accounting systems which enable the fulfillment of these requirements to be demonstrated
  - The requirement for the institution to have in place sound systems of governance, management; including risk management and internal control
  - The need to safeguard the financial viability of the institution.



## ANNEXES: Tools to assist governing body effectiveness

### Template for the Role Description of Chairsof Governing Bodies

*NB. This template for a role description for the Chair of a University Governing Body is not intended to be prescriptive, not should it be taken in its entirety as a statement of best practice, although it aims to incorporate current understanding of best practice. The document is best approached as a checklist of points which a University will wish to consider in developing a role description for its Chair, especially perhaps in relation to the appointment of a new Chair. All the points it contains should be reviewed and if necessary amended, and appropriate new material added in accordance with local usage (an outgoing Chair might usefully assist with this process) before a role description is finalised and issued.*

#### 1. Leadership

- a. The Chair is responsible for the leadership of the Governing Body. As Chair of its meetings, he/she is responsible for ensuring that the necessary business of the Governing Body is carried on efficiently, effectively, and in a manner appropriate for the proper conduct of public business.
- b. The Chair should ensure, *inter alia* through a good working relationship with the Chairs of the Committees of the Governing Body, that Committee business is carried on in a proper manner, efficiently and effectively, and that regular and satisfactory reports are presented to the Governing Body.
- c. The Chair should ensure that the Governing Body acts in accordance with the instruments of governance of the University and with the University's internal rules and regulations, and should seek advice from the Administrator to the Governing Body in any case of uncertainty.
- d. The Chair should ensure that the Governing Body exercises collective responsibility, that is to say, that decisions are taken corporately by all members acting as a body. The Chair will encourage all members to work together effectively, contributing their skills and expertise as appropriate, and will seek to build consensus among them.
- e. The Chair should ensure that the Governing Body approves and operates a procedure for the regular review of the performance of individual members of the Governing Body, and should participate as reviewer in that process. The Chair should encourage members to participate in appropriate training events.
- f. The Chair will be formally and informally involved in the process for the recruitment of new members of the Governing Body, and should encourage all members to participate in induction events organised by the University
- g. The Chair will be responsible for the appraisal/review of the performance of the Head of the Institution, and will make recommendations to the Remuneration Committee accordingly.
- h. The Chair will be responsible for the appraisal/review of the performance of the Administrator to the Governing Body, taking care to ensure that any other duties the Administrator to the Governing Body may perform for the institution are excluded from consideration, and will make recommendations accordingly.

#### 2. Standards

- a. The Chair shall ensure that any conflict of interest is identified, exposed, and managed appropriately, in order that the integrity of Governing Body business shall be, and shall be seen to be, maintained.
- b. The Chair shall ensure that the Administrator to the Governing Body maintains an up-to-date Register of the Interests of members of the Governing Body, and shall make a full and timely personal disclosure.
- c. The Chair is responsible for ensuring that the Governing Body conducts itself in accordance with accepted standards of behaviour in public life, embracing selflessness, integrity, objectivity, accountability, openness, honesty and leadership.
- d. The Chair shall be responsible for ensuring that the Governing Body exercises efficient and effective use of the resources of the University for the furtherance of its purposes, maintains its long-term financial viability, and safeguards its assets, and that proper mechanisms exist to ensure financial control and for the prevention of fraud.

### 3. The Business of the University

- a. The Chair is responsible for ensuring that the Governing Body exercises control over the strategic direction of the University, through an effective planning process, and that the performance of the University is adequately assessed against the objectives which the Governing Body has approved.
- b. The Chair should at all times act in accordance with established protocols for the use of delegated authority or Chair's Action (ensuring that such protocols are drawn up if none exist). All instances of the use of delegated authority or Chair's Action should be reported to the next meeting of the Governing Body.
- c. The Chair should endeavour to establish a constructive and supportive but challenging working relationship with the Head of the Institution, recognising the proper separation between governance and executive management, and avoiding involvement in the day-to-day executive management of the University.
- d. All Committees of which the Chair is ex-officio a member should be listed, together with the number of meetings a year. All other events in the University's corporate life, such as Graduation ceremonies, which the Chair is expected to attend, should also be listed.
- e. Any arrangement for the Chair to act as formal signatory on behalf of the University eg in connection with the use of the Seal or the approval of the Financial Statements should be stipulated.

### 4. The External Role

- a. The Chair will represent the Governing Body and the University externally. (List any Committees or bodies which the Chair may be asked to be a member of or attend in his/her ambassadorial role.)
- b. The Chair will be asked to play a major role in liaising between key stakeholders and the University, or in fund-raising. This role in particular should be exercised in a carefully co-ordinated fashion with other senior officers and staff of the University.

### 5. Personal

- a. The Chair will have a strong personal commitment to Higher Education and the values, aims and objectives of the University.
- b. The Chair will at all times act fairly and impartially in the interests of the University as a whole, using independent judgement and maintaining confidentiality as appropriate.
- c. The Chair is expected to attend all meetings of which he/she is Chair or a member, or give timely apologies if absence is unavoidable.
- d. The Chair will make him/herself available to attend induction/training events organised by the University or other appropriate bodies.
- e. The Chair may wish to receive feedback on his/her performance as Chair via the review procedure for ordinary members of the Governing Body.
- f. The likely overall time commitment required of the Chair for the effective conduct of the duties of the post is XXX (for local determination, and may be expressed as days per week or month rather than an absolute total. Comment on the distribution of the commitment through the year may be helpful, as might a proviso about contact unexpectedly or at short notice.)
- g. The office of Chair is not remunerated, but the Chair is encouraged to reclaim all travelling and similar expenses incurred in the course of University business, via the Administrator to the Governing Body. Directors and Officers Liability Insurance is in place. (Here stipulate any other support for the Chair which the University offers- use of an office in the University, clerical support, provision of a lap-top computer, etc.)
- h. The formal start date and duration of appointment, together with any other relevant considerations (eg is there a formal annual election process?) should be set out either in the role description or in an appointment letter. It may be advisable to refer to any conditions under which the Governing Body may remove members from office.

THIS TEMPLATE IS BASED ON THE TEQIP-II GOOD GOVERNANCE GUIDELINES FOR GOVERNING BODIES	ASSESSMENT SCALE	SUPPORTING EVIDENCE
<p>The objective of this audit/assessment is to gather evidence that indicates:</p> <ul style="list-style-type: none"> <li>the level of effectiveness of institutional governance and the governing body (GB);</li> <li>that the conduct of the GB is in accordance with the standards of behaviour that the public should rightfully expect,</li> <li>and that the GB and individual governors are exercising their responsibilities in the interests of the institution as a whole.</li> </ul>	<p>Circle the number you feel best reflects the quality and standard of governance practiced at the institution.</p> <p>1= Extensive improvements needed (25% or less, clear supporting evidence)</p> <p>4= Annual monitoring shows clear evidence of good governance in all areas, as well as year-on-year development. (75% or more clear evidence)</p>	<p><b>1. Give at least two of the STRONGEST EXAMPLES that support each grade / question under each section.</b></p> <p><b>2. Give an overall summary assessment grade based on the evidence gathered for each section.</b></p> <p>NB: In addition to reviewing GB and Institutional documentation, Auditors should complete the template following selected interviews with the Chair of the GB, other representatives of the GB, the Head of the Institution and members of the Institution's executive team, staff and student representatives.</p>
<b>A. PRIMARY ACCOUNTABILITIES</b>		(For additional information see pp9, 14-18 of the Good Governance Guidelines)
1. Has the governing body <b>approved the institutional strategic vision, mission and plan</b> - identifying a clear development path for the institution through its long-term business plans and annual budgets?	1   2   3   4	<p><b>Example of evidence:</b> GB Minutes and/or institutional documentation indicates</p> <ul style="list-style-type: none"> <li>When, and to what degree, the strategic vision, mission, and plan (with a clear development path through long-term business plans and annual budgets), have been discussed.</li> </ul>
2. Has the governing body <b>ensured the establishment and monitoring of proper, effective and efficient systems of control and accountability to ensure financial sustainability</b> (including financial and operational controls, risk assessment and management, clear procedures for managing physical and human resources).	1   2   3   4	<p><b>Examples of evidence:</b> GB Minutes and/or institutional documentation indicates</p> <ul style="list-style-type: none"> <li>Institutional audits have been prepared, discussed and approved by the GB.</li> <li>GB has discussed and approved the Annual budget.</li> <li>GB Sub-committees have met (give dates and minute refs) and reported to the main GB - including on financial and procurement risks assessed and discussed.</li> </ul>
3. Is the governing body <b>monitoring institutional performance and quality assurance arrangements?</b> Are these benchmarked against other institutions (including accreditation and alignment with national and international quality assurance systems) to show that they are broadly keeping pace with the institutions they would regard as their peers or competitors to ensure and enhance institutional reputation?	1   2   3   4	<p><b>Examples of evidence:</b> GB Minutes and/or institutional documentation indicates</p> <ul style="list-style-type: none"> <li>Evidence of external scrutiny of course programmes reports to the GB, and actions taken and discussion by the GB.</li> <li>GB discussion of benchmarking (comparison of performance with similar institutions)</li> <li>Accreditation alignment and Academic Board reporting to the GB on effectiveness of quality assurance systems - including demonstration of improvements.</li> </ul>
4. Has the governing body <b>put in place suitable arrangements for monitoring the head of the institution's performance?</b>	1   2   3   4	<p><b>Examples of evidence:</b> GB Minutes and/or institutional documentation indicates</p> <ul style="list-style-type: none"> <li>Discussion and approval of the arrangements put in place.</li> </ul>
<b>AVERAGE GRADE</b>		

<b>B. OPENNESS AND TRANSPARENCY IN THE OPERATION OF GOVERNING BODIES</b>		(For additional information see pp 10, 19 of the Good Governance Guidelines)
1. Does the governing body publish an annual report on institutional performance?	1 2 3 4	<p><b>Examples of evidence:</b><i>GB Minutes and/or institutional documentation indicates</i></p> <ul style="list-style-type: none"> <li>• Annual reports (past and present) which include: key areas of performance linked to strategic mission/ plan, and the institution’s annual accounts, plus the identification of key individuals and a broadsummary of the responsibilities and accountabilities that the GB delegates to management, (or those that are derived directly from the instruments of governance).</li> <li>• Evidence of GB discussion, approval and publication of annual report.</li> </ul>
2. Does the governing body maintain, and publicly disclose, a register of interests of members of its governing body?	1 2 3 4	<p><b>Examples of evidence:</b><i>GB Minutes and/or institutional documentation indicates</i></p> <ul style="list-style-type: none"> <li>• The Register of Interests indicates whether the conduct of the GB is evidence of the good practice highlighted in the Good Governance Guidelines (see P12, C1m)</li> <li>• GB members have completed the register of interests as part of the recruitment process (plus updating as appropriate).</li> </ul>
3. Is the governing body conducted in as 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?	1 2 3 4	<p><b>Examples of evidence:</b><i>GB Minutes and/or institutional documentation indicates</i></p> <ul style="list-style-type: none"> <li>• All matters concerning the governance of the institution, including minutes of meetings, are available publicly, and on the institutional website</li> <li>• GB discussion to ensure that marketing and reported information is truthful.</li> <li>• Detailed student admission information, including the use of any management quota, uses clear and transparent criteria, procedures and processes that are shared on the institutional website - to ensure public trust and confidence in the integrity of the processes regarding the selection and admission of students.</li> <li>• (Discussions with students and staff should indicate) they have appropriate access to information about the proceedings of their governing body</li> <li>• Discussion and outcomes from reviews of the GB are shared on the institutional website.</li> </ul>
<b>AVERAGE GRADE</b>		

<b>C. KEY ATTRIBUTES OF GOVERNING BODY</b>		
		(For additional information see pp 10-12, 19-28 of the Good Governance Guidelines)
1. Are the <b>size, skills, competences and experiences of the governing body, such that it is able to carry out its primary accountabilities effectively and efficiently</b> , and ensure the confidence of its stakeholders and constituents?	1 2 3 4	<b>Examples of evidence:</b> <i>GB Minutes and/or institutional documentation indicates</i> <ul style="list-style-type: none"> <li>• The size of a governing body is between 14 – 20 members.</li> <li>• The balance of skills, experience and competences among governors, and serving on the governing body sub-committees, <b>match</b> the written job descriptions and person specifications for GB members.</li> </ul>
2. Are the <b>recruitment processes and procedures for governing body members rigorous and transparent? Does the GB have actively involved independent members and is the institution free from direct political interference</b> to ensure academic freedom and focus on long-term educational objectives?	1 2 3 4	<b>Examples of evidence:</b> <i>GB Minutes and/or institutional documentation indicates</i> <ul style="list-style-type: none"> <li>• An independent committee manages appointments (chaired by the Chair of the governing body).</li> <li>• Independent members are external to, and independent of, the institution.</li> </ul>
3. Are the <b>role and responsibilities</b> of the Chair of the Governing Body, the Head of the Institution and the Member Secretary serving the governing body clearly stated?	1 2 3 4	<b>Examples of evidence:</b> <i>GB Minutes and/or institutional documentation indicates</i> <ul style="list-style-type: none"> <li>• Roles and responsibilities for these posts are clearly stated in job descriptions, person specifications and institutional governance documentation.</li> </ul>
4. Does the governing body <b>meet regularly</b> ? Is there clear evidence that <b>members of the governing body attend regularly and participate actively</b> ?	1 2 3 4	<b>Examples of evidence:</b> <i>GB Minutes and/or institutional documentation indicates</i> <ul style="list-style-type: none"> <li>• The governing body meets at least 4 or 5 times a year with each member attending 3-4 meetings (no delegates or substitutes).</li> <li>• GB members allocated to serve on sub-committees attend most meetings and are actively involved in the work of these committees – reporting back regularly to the main GB.</li> </ul>
<b>AVERAGE GRADE</b>		

D. EFFECTIVENESS AND PERFORMANCE REVIEW OF GOVERNING BODIES		(For additional information see pp 12, 28-29 of the Good Governance Guidelines)
1. Does the governing body <b>keep their effectiveness under regular review</b> and in reviewing its performance, <b>reflect on the performance of the institution as a whole</b> in meeting its long-term strategic objectives and its short-term indicators of performance/success?	1 2 3 4	<p><b>Examples of evidence:</b> <i>GB Minutes and/or institutional documentation indicates</i></p> <ul style="list-style-type: none"> <li>Governing body effectiveness is measured against the institution's statement of primary accountabilities, the institution's strategic objectives and compliance with the Good Governance Guidelines.</li> <li>Structures and processes have been revised as part of the governing body's ongoing regular review processes.</li> </ul>
2. Does the governing body ensure that new <b>members are properly inducted</b> , and existing members receive <b>opportunities for further development</b> as deemed necessary?	1 2 3 4	<p><b>Examples of evidence:</b> <i>GB Minutes and/or institutional documentation indicates</i></p> <ul style="list-style-type: none"> <li>There is a record of induction and development activities undertaken for all GB members (including dates/type of activity/costs and funding source if appropriate.)</li> </ul>
<b>AVERAGE GRADE</b>		

E. REGULATORY COMPLIANCE		(For additional information see pp12-13, 29-30 of the Good Governance Guidelines)
1. Does the governing body ensure <b>regulatory compliance*</b> and, subject to this, take all final decisions on matters of fundamental concern to the institution.  Does the regulatory compliance include <b>demonstrating compliance with the 'not-for-profit' purpose</b> of education institutions?	<b>1 2 3 4</b>	<p><b>Examples of evidence:</b> <i>GB Minutes and/or institutional documentation indicates</i> (List regulations with which compliance is expected:)</p> <p>* Compliance with the statutes, ordinances and provisions regulating their institution, including compliance with the regulations by Statutory bodies, such as the AICTE and UGC, as well as regulations laid out by the State government and affiliating university (if any);</p> <ul style="list-style-type: none"> <li>Current AICTE approval for all the UG and PG programs being conducted (<i>institutions should not be conducting any unapproved programs</i>)</li> <li>Current affiliation / academic autonomy / degree granting authority</li> <li>Sending in the mandatory disclosure to AICTE</li> <li>Ensuring the fee structure is within the permissible limits set by the Fee Fixation Committee of the State/UT</li> <li>Respecting the admission rules for that state</li> <li>Progress in compliance with any strictures passed by the AICTE</li> </ul>

<b>GOVERNANCE: OVERALL ASSESSMENT</b>		This overall assessment is an average of the grades given for sections (A-E) above.
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DATE COMPLETED:

SIGNED BY AUDITOR:

### About the Expert Group authoring these Guidelines:



**Prof. M. Anandkrishnan** serves as Chairman of Board of Governors at Indian Institute of Technology, Kanpur since 2007. He was the first Science Counselor at the Embassy of India Washington, D.C. (1974 to 1978) and served in the United Nations Centre for S&T for Development from 1978 to 1989 and as Vice-Chancellor of Anna University for two terms from 1990 to 1996. He was Vice-Chairman of the Tamil Nadu State Council for Higher Education from 1996 to 2002 and concurrently the Advisor to the Chief Minister of Tamil Nadu on Information Technology and e-Governance. He was Chairman, Madras Institute of Development Studies from 2003 to 2008.



**Jannette Cheongis** is a World Bank consultant, former head of International Collaboration and Development, and associate director for Quality Assessment, Higher Education Funding Council for England, and Her Majesty's inspector for Further and Higher Education. She has also acted as a facilitator and advisor to international initiatives and collaborations and worked in partnership with international and national organizations.



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**Prof. R. Nataraj** served as Chairman of the All India Council for Technical Education (AICTE) from 2001 to 2004. He took a position as an Assistant Professor at the Indian Institute of Technology, Madras in 1970, promoted to professor in 1975, Dean of Student Affairs in 1988, Chairman of the Institute's Centre for Continuing Education in 1990, Head of its Department of Mechanical Engineering in 1993 and Director of the Institute in 1995.



**Subramanian Ramadorai** is a Chief Executive Officer and Managing Director of Tata Consultancy Services (TCS) Limited. Mr. Ramadorai joined as a trainee engineer at Tata Consultancy Services in 1972 and has over 32 years of experience. He is responsible for overall corporate responsibilities, leads on community and environment issues. He received Padma Bhushan in January 2006 for his commitment and dedication to IT industry, and has received various awards for his excellent leadership. Achievements include the recognition as the sixth most influential IT leader in the world by Computer Business Review in July 2006, as the "IT Man of the year" for 2004 by Dataquest and etc.