

**Recommendations of the
Committee for Regulation
and Implementation of
Fee Structure in Un-aided
Private Schools**

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1.1 Background

1.1.1 In view of the recent clashes between some of the Parents Association and School Management of Private Schools on fee hike issues, Govt. have taken up an initiative to find a mechanism for fee regulation in Private Schools in order to establish bonhomie among the stakeholders. Accordingly Govt. have set up a Committee to recommend a Mechanism for Regulation of Fee Structure in Private Schools.

1.1.2 Pursuant to Govt. Order No. SME-SPLEDN-0009-2018 6923/SME, Dt. 29th March 2018, a Committee was constituted with the Director, Secondary Education, Odisha as the Chairperson to recommend the mechanism for regulation of Fee Structure in Private Schools. The list of other members of the committee is placed at Annexure-A. The Committee was assigned to deliberate and recommend a uniform fee structure for the Private Schools.

1.1.3 The terms of reference of the Committee were as follows:

- a) Fee Structure to be implemented
- b) Mechanism for fee regulation and implementation of fee structure.
- c) The committee will submit the recommendations within a period of three months.

1.2 Expansion of the Committee:

1.2.1 It was decided by Govt. for wider participation of stakeholders more members representing all the stakeholders should be included in the committee. Subsequently, the canvas of the committee was expanded by inclusion of representatives from Finance and Law Department, Government of Odisha and more representatives from Parents Association and School Management pertaining to Southern, Northern and Western division of Odisha (Annexure -B).

1.3 Invitation of Feedback from Stakeholders/ Public

1.3.1 The Committee during several rounds of deliberation felt the expediency of participation of adequate Stakeholders from various parts of Odisha. In order to facilitate a large scale participation and receipt of feedback in the matter, it was decided to seek views and constructive suggestion from stakeholders by giving wide publicity. Accordingly, feedback was sought by publishing advertisements in two widely circulated Odia dailies, The Sambad and The Dharitri. Opinions were also sought on internet platform by floating it on OPEPA website for wider dissemination. (Annexure - C) In response, one hundred forty valuable suggestions/feedbacks were received from various stakeholders. The gist of each feedback was discussed in the meetings thread-bare and these were considered as important input for formulations of the final recommendations. (Annexure -D)

1.3.2 The Representatives of Parents Association have also been given adequate opportunity to share their views to be considered for preparation of final recommendation of the Committee.

1.4 Practices Adopted in other States:

1.4.1 The practices adopted in different states e.g. Uttar Pradesh, Punjab, Gujarat, Karnataka, Rajasthan, and Andhra Pradesh pertaining to policy, regulatory bodies, fee structure, penalties for violation of provision for Private schools fee regulation were also discussed in the meetings. (Annexure -E)

1.4.2 Most of the members appreciated features envisaged in the "*Uttar Pradesh Self-Financed Independent Schools (Fixation of Fees) Ordinance, 2018*" adopted by Govt. of Uttar Pradesh. The provision at rule for Fixation of fee: 4 (1) of the said ordinance relating to fee hike, reads, "*A recognized school may revise its fee annually for its existing students by itself for each grade/class/level of school equivalent to average percentage per capita increase of monthly*

salary of teaching staff of previous year provided fee increase shall not exceed latest available yearly percentage increase in Consumer Price Index + five percent of the fee realized from student," was appreciated by the members.

1.4.3 Representatives of Private School Management suggested that either the above said formula or a flat rate @10% hike every year should be recommended to Govt. as the formula for fee hike. They also referred to the provision of 10% hike every year as suggested by NCPCR in their report to MHRD quoted in national Newspapers. The representative from DAV School also cited the report of Justice K.P Mohapatra Committee, "*fee increase from one year to the other should not exceed 10-15% in a year subject to the formula of cost plus a reasonable surplus.*"

1.4.4 Some of the representative of Parents Association did not agree to the provision made in *Uttar Pradesh Self-Financed Independent Schools (Fixation of Fees) Ordinance, 2018'* in the Odisha context and advocated for capping the limit less than 10%.

1.5 Other Key Issues:

1.5.1 The Committee on Regulation of Fee Structure of Private Schools met four times and deliberated thread-bare on various aspects of Regulation of Fee Structure of Private Schools. In the penultimate meeting held on 31st July 2018 all members almost zeroed in on the core issue of fee hike to be recommended to Govt.

1.5.2 The necessity of a Fee Regulation Act in the state was proposed and discussed in the meeting. Committee members have expressed unanimity in the necessity of promulgation of an Act in Odisha to regulate the fee structure and revision in private schools. However, since the finalization of the draft Bill will take substantial time, it was unanimously decided to prepare and submit an interim report to Govt. for issue of executive instructions in this regard.

1.6 Recommendations

The final recommendation on Regulation and implementation of Fee Structure in Private Schools are mentioned below:

1.6.1 The procedure for collecting fees in a school shall be open, transparent and accountable.

1.6.2 There may be a five slab of fee structures i.e. a) Up to class UKG, b) From Class I to V, c) From Class VI to VIII, d) From Class IX to X and e) Class XI to Class XII. There should not be a wide gap between the fees of one slab with the next slab.

1.6.3 **Possible Fee Components:** The School may fix any combination or one or all of the following fee components:-

- (i) Prospectus and Registration fee: It shall be payable only at the time of registration by the Student;
- (ii) Admission fee: At the first time of new admission to the School.
- (iii) Examination fee: Shall be payable for examinations each year. Fee charged by Board, if any will be levied on students.
- (iv) Composite Annual Fee: Single head annual recurring fee payable each year. Provided that upon commencement of this Order any recognised School charging recurring fee under different heads shall from the ensuing academic year be required to club all such heads into a single head recurring fee as provided.

1.6.4 **Optional Fee Components:** Various fee payable for optional activities and facilities provided by the School including:

- (i) transport:
- (ii) boarding

- (iii) Day-boarding
- (iv) mess or dining:
- (v) excursions:
- (vi) any other similar activity

1.6.5 Fixation of fee: An Unaided Private School may revise its composite fee annually for its students by itself, after taking into account the need to generate funds to run the institution and to provide facilities necessary for the benefit of the students and to generate reasonable surplus and yearly increase in fee percentage shall not exceed the following:

a. (Consumer Price Index + five) % more than the fees collected in previous year

Or

8% more than the fee collected during previous year, whichever is lower.

(Explanation: If the present CPI is 4.17 then adding 5 to it the percentage of increase in year can be 9.17%. In this case 8% being lower the fee hike shall not exceed 8%. Similarly if CPI is 2, the permitted fee hike will be $2 + 5 = 7\%$).

Any school seeking increase beyond 8% shall seek prior permission from Govt. with necessary justification.

1.6.6 Fixation of fees for new student: The School shall determine its admission fee for the new students for any class/grade seeking fresh admissions, in a particular academic year with an annual increase maximum of 10% of the previous year. Increase in fee for subsequent years for these students shall be in accordance with sub-section (1.6.5).

1.6.7 For the previously admitted students' computation of permitted fee increase for the first year 2018-19 shall be calculated taking fee structure of year 2017-18 as the base year.

1.6.8 At the time of admission irrespective of the grade/ class in which a student is entering the school, the school must provide the guardian the complete fee structure for all grades/ class up to grade /class XII.

1.6.9 It was decided that 2017-18 will be considered as the base year for fixation of fee for the year 2018-19. Schools that have collected the fees for 2018-19 shall be considered as ad-hoc and excess amount collected will be adjusted/refunded to the students.

1.6.10 The schools collecting fees of less than Rs. 30,000/- per annum or as would be revised by Govt. from time to time, will be out of the ambit of the executive instructions regarding the fee hike.

1.6.11 The procedure for collecting fees in a school shall be open, transparent, accountable and audited by Govt. Agency.

1.6.12 **Complaint:** The Director, Secondary Education shall be empowered to take decisions for any complaints against a private school from the students enrolled in such school or their parents or guardians, in relation to: fee being charged in excess.

1.6.13 **Penalties:** On receipt of complaint, if any, from students or their parents/guardians, Govt. after making due inquiry and after being satisfied, may dispose of the complaint following.

(i) In case of contravention of the provisions of the executive order for first time, shall impose financial punishment to Rs. One Lac, with refunding of excess fee levied, from the student in proportionately to the notified fee.

(ii) Contravention of the provisions of the executive order for second time shall impose financial punishment of Rs. Five Lac, with refunding of excess fee levied.

(iii) Contravention of the provisions of the executive order for

third time, shall recommend for withdrawal of recognition/affiliation to concerned board for the institution.

1.6.14 **Grievance redressal mechanism:** Each school must formulate a grievance redressal mechanism to address issues related to Students, Parents/ Guardians under intimation to Govt.

1.6.15 **Safety and security of students:** The school management must adhere to the school safety and security guideline i.e. installation of CC Camera etc., and take measures for well-being of children in school and security of those travelling to school in private transport. The vehicles used for transportation of students must have valid Registration, Permit and Fitness Certificate, valid Driving License etc. issued by the Competent Authority.

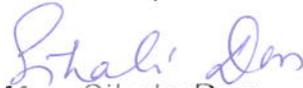
Committee Members present in the meeting held on Dt. 16.09.2018 under the Chairmanship of Director, Secondary Education on Mechanism for Regulation and Implementation of Fee Structure in Un-aided Private Schools.



Mr. Keshab Chandra Satapathy
Principal, DAV School,
Chandrasekharapur, Member



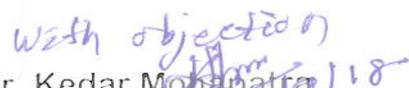
Mr. Bijay Kumar Sahoo
Chairman, SAI International School
Member

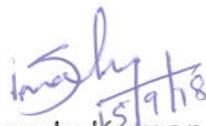

Director
Principal, BBSR Model Public school
Member


Mr. Sudarshan Das
Chairman, Odisha Abhibhabak
Mahasangha, Member



Mr. Sashi Ranjan Dash
Parent, DAV Public School,
Pokhariput, Member

With objection

Dr. Kedar Mohapatra
Parent, St. Xavier High School
Member

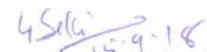


Mr. Annada Kumar Aggrawal
Managing Chairman Vedic Edu. Trust
Member

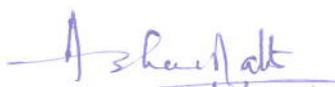

Sister Selvi
Principal, Secy. School Management
Committee, St. Theresa Eng School
Member

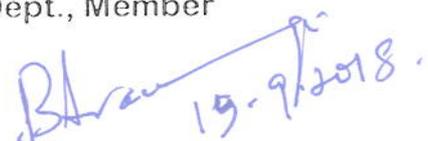
Mr. Arabinda Das, Parent
Member

Ch. Shantakar, Parent
Member

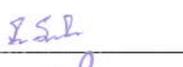
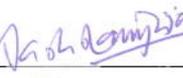
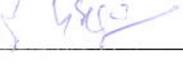
Under

Joint Secretary to Govt., Law Dept.
Member


Under Secretary to Govt., Finance
Dept., Member


Mr. A.K Rath
Deputy Secretary to Govt., S & ME
Dept., Member Convenor


Mr. Bibhu Prasad Sarangi
Director, Secondary Education
Chairperson

Attendance Sheet

Sl. No.	Name	Designation	Department	Signature	Mobile No.
1					
2	Bilshan Prasad Sanyal	DSE	SEMENTAL		9861470628
3					
4	Dr. Drijay K. Lohar	Chairman SAT Indraprastha School			9937190000
5	Dr. K.C. Satapathy	Principal DAV ESPOR BPSR		 15/9/18	9437049546
6	Sikala San	Bhubaneswar Model Public School			9937028771
7	P. SELVI	J.S. THEERASA S. SCHOOL			8763274607
8	B. Krishna Mohan	Principal Vedic Jr. college Sambalpur.			9000571838
9	Pranav K. Acharya	U.S. to Govt. F.D.			9861270328
10	Sudarsan Das	President OAM			9437020225
11	Sarav Ranjan Das	Parent representative			9437042085
12	Kedar Mohapatra	Parent representative			9861294876
13	Ashok Kumar Rath	Dy. Secy (convent) SARV			9861662889
14	Ganga dhar Selhi	Under Secretary Law Dept.			
15					
16					
17					
18					
19					
20					