

Need and Significance of Finance for Non-Government College in Jaipur

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Abstract

In the modern age of money-economy, finance is the basic human need, whether it is commercial, social, industrial or political. For effective working of social structure availability, educate finance is as important as the regular flow of blood in a human body. It is, as it were, the very backbone of the economic structure. In this contemporary world, no human activity can start without constant flow of finance for the ever-expanding needs. The development of education is a spring-board for growth of all branches and verity of human activities, where supply of finance is the basic need for initiating an educational activity and its continued development. Education is a dynamic and progressive activity. Its needs are ever expanding which paves the way towards further development, which in turn multiplies its financial requirements.

Introduction

The concept of Investment in the educational activities makes a whole different sense form that of the investment in any other economic, commercial or industrial activity. This is because returns of investment in the field of education cannot be measured in monetary terms in addition it cannot be visualized in any other physical form as its returns are attained in abstract from only the shape of development of human resources of a nation and in the refinement of culture and civilization, in the spread of enlightenment, knowledge, and in the generation of new ideas, leading to researchers and inventions and many more who help in growth of various arts and skills.

Education paves the way for the development of trade and industry. Its own products, the development of science and technology have further changed its shape and texture and have multiplied its financial needs to huge dimensions. Gone are the days when education could be imparted under a Banyan tree by a half-naked saint. Now educational activities are conducted in a huge building with a vast campus, equipped laboratories with most sophisticated scientific appliances and material, big libraries full with thousands of books and research material. As this paraphernalia raises there is a need for finance on a larger scale.

But as stated earlier, the investment in the field of education does not yield return in monetary terms, and this peculiar nature of educational finance influences the sources of its supply. The sources form

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which industry and commerce draw their capital are not available for education. Finance for education is drawn only from fees for various purpose, donations by philanthropists, and the state funds. In a poor country like India, it is not possible for the entire expenditure in an educational institution to be met out from the amount of fee charged. Nonetheless, with the resin spiral of prices and cost of living, the channels of donations are getting dried up. The prospectors of high returns form investment in industry also served to discourage donations or charities for education, even though such charities offer exemptions on the income tax.

Even if someone does financially aid the institutions, he/she attempts to interfere in the internal activities/ management of institute, and try to dominate on the ground that "one who pays the piper has a right to determine the tune." This adversely affects the administration of an educational institute and spoils the tone of the institute. Greater government control over the functioning of government aided educational institutions, rigid govt-in-aid-rules and restrictions imposed on the managements have discouraged the flow of private funds to individual institutions and these are not as liable as they were in per-independence era. Subsequently, post-independence there has been a marked change in a philology of people and a decline in the sentiments for charity for its own sake charity, too has become motivated. Those who have funds to sphere have become more purpose oriented. They would give the benefits of their saving in the guise of donations only when they see forecasted personal gains (either in the shape of political affluence or dominance over the institution, to provide employment to the members of their family or gain social importance or appease the authorities for any reason).

There has been a reversal of categories of persons at different levels of economic affluence. Those who were rich and had the sentiments for charity are no more rich. Then, the growth of trade and industry has increased the attraction for investments and diverted funds from donations to investment in trade and industry. All this ha made it necessary for educational institutions to learn on the state aid to a large extent. With the development of the concepts of a socialistic pattern of society a tendency has development in the people to lear on the state for every need, and it has begun to be felt that it is the duty of the govt to develop every activity and find the funds for it. High taxation also has diminished savings, and hence private donations. But this increasing dependence of educational institutes on the the state has led to the tendency of educational institutes begin controlled by the state to a greater extent and has marred their autonomy, and political factors also dominate their functioning. Educational finance is getting politics-oriented. Those elected on the basis of merits other than any kinds of educational qualifications make decisions in regards to educational matters and their decisions are motivated by considerations entirely different from those who are conducive to sound development of education. Education and educators are in strange predicament particularly I the sphere of finance, which is the lifer-blood for any activity.

Financial needs of educational institutions:

The actual financial needs for education differ from institution to institution, according to the discipline or faculty for which it is functioning, the stage upto which it is imparting education and its

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specialization and the area in which it is carrying on its activity. If it is a nursery school, finance is required for only a small building a small number of staff (one mentor for each class) a few items of furniture, some teaching tools like didactive apparatus and book for the library and some stationary for the office. As the school raises to higher standards a better infrastructure, rich library, laboratories, game-field are also required, here salary of teachers would also be higher. In the college sector an appealing infrastructure with spacious rooms with huge library stored with latest books and research work, highly-qualified teachers according to the standards prescribed by the University Grants Commission. The requirements of the staff and equipment will depend upon a number of factors like (a) whether it is a single faculty institution or multi-faculty institution (b) it is a technical institution like a medical college or an engineering college (c) the subjects in which it imparts instruction (d) whether it provides facilities for research or not (e) the conditions prescribed by the affiliating university (f) the conditions prescribed by UGC (g) the number of students receiving instruction (h) the locality in which it functions (i) the level of the qualifications and experience of the teachers and other staff.

The financial needs of the educational institution in the collegiate sector can be divided into two categories as is common while preparing the budget (I) Non-recurring expenditure (II) Recurring expenditure.

- A. **Non-recurring needs:** the non-recurring needs are the once which have to be met only once but it serves to the institute for a number of years. Such needs arise when the institution is started or when any further development programmes are undertaken as additional furniture and equipment, the expenditure on such development project yields return for a long period of time. Under this head following items of expenditure are included: (1) purchase of land and building for background, the total expenditure on this item will depend on the size and location of the plot. Very often the state government allots land on reasonable price for educational purposes. (2) Expenditure on construction of building. The actual expenditure will depend on size, architecture and time span within which the building will be constructed. (3) Purchase of furniture and equipment for the classes, offices, laboratory and the library. The actual requirement will depend of the status of the institute, for example it will differ in the case of a degree college, post graduate college, university, research center or a technical institute. (4) Purchase of fixed assets for other purposes and activities like N.C.C.
- B. **Recurring Needs:** These needs are of regular nature, and arise repeatedly requiring fresh expenditure each time during a session. Budget provision for these has to be more in every financial year. The following items of expenditure are included under this head.
1. Salary & dearness allowance of the teaching staff.
 2. Salary & dearness allowance of the ministerial staff.
 3. Salary & dearness allowance of the library staff.
 4. Salary & dearness allowance of the laboratory staff.

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5. Salary & dearness allowance of class the IVth staff.
6. P.F. contribution.
7. Managerial expenses, which are also admissible for grant-in-aid, if the same management runs more than two institutions these include allowances for the Secretary salaries of clerical staff utilized by the management, T.A. and D.A. paid to member of the board of management for attending the meetings.
8. Light and water charges.
9. Houses rent paid to the employees.
10. Telephone expenditure
11. Purchase of books for the library
12. Reading room expenditure
13. Audit fee
14. Printing and stationary
15. Repair and maintenance of building
16. Repair and maintenance of furniture
17. Bonus paid to employees
18. Affiliation fee
19. Expenditure on advertisement
20. Expenditure on issue of liveries to class IVth employees
21. Transport and cartage
22. Miscellaneous expenditure
23. Purchase of consumable material for laboratories
24. Purchase of consumable game material

Conclusion

The above remarks help us to understand the need for a fresh approach towards financial resources of non-government institutes. In a fast-changing social order with its new values it has become increasingly important to appreciate the problems of educational institutions run by private management. Truly speaking non-govt educational institutions, mainly the collegiate level are rendering, to a large extent, a greater social service than their counterparts in the Govt. Despite other

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various governmental and financial constraints these institutions are standing so far as the quality of education is concerned. The present chapter provides a basis for a general view of the educational scene in Jaipur: Past and Present.

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