

**EDUCATION GUARANTEE SCHEME  
AND  
ALTERNATIVE AND INNOVATIVE EDUCATION**

**MEMORANDM OF UNDERSTANDING BETWEEN  
THE CENTRAL GOVERNMENT AND THE STATE GOVERNMENT**

\*\*\*\*\*

This Memorandum of Understanding is made and executed between the Department of Elementary Education and Literacy, Ministry of Human Resource Development, on behalf of the Government of India (hereinafter referred to as the “Central Government”) on the one part and the Secretary, Department of \_\_\_\_\_, on behalf of the Government of \_\_\_\_\_(hereinafter referred to as the “State Government”) on the second part.

2. The State Government undertake to implement the “Education Guarantee Scheme & Alternative and Innovative Education” (hereinafter referred to as “the Scheme”) in its true letter and spirit, within the territorial jurisdiction of the whole of the state/UT of \_\_\_\_\_(name of the State/UT)\_\_\_\_\_.

3. The State Government shall immediately identify the State Society (hereinafter referred to as the Society), which should be solely responsible for the planning, implementation - both from executive and financial point of view - monitoring and evaluation of the Scheme in the State/UT of \_\_\_\_\_.

4. The State Government shall simultaneously with the commissioning of the Scheme, discontinue the existing centrally sponsored NFE Scheme and the existing NFE & EE implementation structure in the State shall converge with effect from the notified date. With the Commissioning of the Scheme, the residual authority and responsibility, if any, of the executive administering the NFE Scheme, will be passed on to the Society.

5. The Society to be identified as the executing agency for the administration of the Scheme shall be the one which has been or will eventually be entrusted with the responsibility of administration of the Sarva Shiksha Abhiyan (hereinafter referred to as SSA).

6. The State Government shall remain committed to make provision for and release every year 25% share of the total expenditure of the Society including actual funding of the projects under the Scheme which shall be approved by the society, from time to time.

7. The Central Government upon consideration of requests for financial assistance from the Society, shall release funds to the Society, as it would consider admissible and justified. The Central Government’s share of expenditure will normally be released in three instalments of 40/40/20 . The release of second instalment would, however, be linked to the actual release of State Government’s share for the particular financial year. The funds released to the Society shall be spent by the Society only on the Scheme as per norms fixed.

8. The Society shall open a separate Bank account and shall maintain separate account in respect of the Scheme, which shall be got audited by a Chartered Accountant as well by the Accountant General of the respective State/UT.

9. The authorities of the Society shall rest with the General Council (GC) under the Chairmanship of the Chief Minister or State Minister in charge of the Department concerned and Executive Committee(EC) to be Chaired by the Chief Secretary or the Secretary of the Department concerned. The Central Government will be represented in the GC/EC by its nominees. The Composition and the powers of these authorities has been described in the relevant document

10. Actual launching of the Scheme shall be preceded by house to house survey district school Mapping exercise/micro-planning/capacity building exercises for which the Central Government will provide a pre-determined sum of money. In DPEP/SSA Districts funds available under these scheme shall be utilised, for the purpose

11. The District/Block level planning shall be so organised as to ensure elimination of duplicate enrolment , simultaneously, in private/Govt. Schools, NFE and such other centres.

12. The Society shall constitute a state-level Grants-in-Aid Committee (GIAC) to examine project proposals to be received. The Central Government shall be represented in the GIAC by a representative of the Department of the Elementary Education and Literacy (the Department) and a non-official member. The presence of the representative of the Department in the meeting of the GIAC will be mandatory. **Proposals received from those of the NGOs who have been blacklisted by any of the agencies/departments of the Central/State Governments, shall be permanently kept out of the consideration of the Society for allocation of programmes under the Scheme.**

13. Clear articulation of demand and commitment from the community shall be pre-requisite for consideration of proposals under the Scheme for EGS. Only those proposals shall be considered by the GIAC which bear evidence of being demanded by the community. The Society's certification to that effect will a mandatory requirement.

14. The Society shall evolve a mechanism for inviting application from Non-Governmental Organisations(NGOs) and for objective appraisal of the proposals received from such N.G.Os.

15. There shall be a mechanism which shall allow the N.G.Os not satisfied with the decision of the GIAC, to appeal to the EC. However, provision shall be inbuilt in the mechanism, for issuing warning to those of the NGOs who are found to be in the habit of preferring appeal without any valid reason. An NGO receiving two such warning will automatically stand black-listed.

16. The Society shall consider only those proposals under the Education Guarantee component of the Scheme, which are having per child cost within the

stipulated limits fixed from time to time. **Any proposal having higher cost parameters and all innovative interventions under the Alternative and Innovative Education component of the Scheme, shall be referred to the Central Government, after appending recommendations of the Society about the suitability of the agency for undertaking such a programme as also the PSAC detailed recommendations on the agency. Such proposals shall be directly dealt with by the Central Government.**

17. The following non-negotiable postulations shall be required to be guaranteed:-

a) Centres under the Scheme shall function for at least four hours every working day, during the day-time. Any exception to this norm shall be permitted only in the rarest of the cases with the approval of GIAC only:

b) Time-bound and regular payment of honorarium to the Education Volunteers shall be ensured;

c) Text-books & teaching-learning materials required for the Centres Shall be provided to the centres prior to the commencement of the Centres;

d) The induction-training of the Education Volunteers for the specific periods shall be ensured as per the provisions described in the relevant documents;

e) Evaluations of the functioning of the Centres under the Scheme on regular basis shall be carried out in addition to carrying out class-room observation studies.

18. With a view to ensure timely payment of honorarium and to meet requirement of funds for procurement of teaching learning material etc., it shall be the responsibility of the Society for timely release of funds to the field units through its approved channel.

19. The procedure prescribed by the Central Government for the selection and release of funds to the NGOs, shall be followed.

20. In addition to regular monitoring of the functioning of the individual programmes run by the State Government/NGOs, the Society shall also devise ways to keep a strict check on the accounts of such programmes.

21. The Society shall work out appropriate testing and certification mechanisms for the learners enrolled in the centres to enable them eventually to get admitted to the formal schools at various levels.

22. The Central Government on continuous basis evaluate performance and effectiveness of the programmes. Acceptance by the Society, of the decision of the Central Government, based on the recommendation of the teams which undertakes such evaluation activity, shall be mandatory and action taken reports on such decisions shall be placed before the GIAC when it meets next i.e. on or after one month from the date of communication of such decision.

23. The Society once in a year shall recommend to the State Government, names of a selected few centres, which tops the performance ladder, for conversion into formal schools. Such recommendation shall be made at least six months in advance of the commencement of the academic session.

24. The Society shall send reports and allied information to the State and Central Governments, as would be required and prescribed by these Governments, from time to time.

25. The Central Government will be within its right to suspend or stop release of funds, if in its opinion, the society has failed to perform its duties as specified in the relevant document(s) or as per the norms fixed and/or the State Government has not released its share of 25% of the total expenditure before the request for release of 2<sup>nd</sup> instalment of grant has been received by Central Government.

**(SIGNATURES  
WITH  
SEALS)**