

Assessment of Tertiary Education is a project sponsored by UNDP under a grant signed with HMG in August 1992 and executed by the World Bank in collaboration with HMG and Tribhuvan University. It is designed as a self-study focussed on five major areas: structure, management, financing, quality and the physical facilities of tertiary education. Its main objectives are:

1. to make tertiary education cost-effective and relevant to the national goals of development of human resources and macro-economic growth.
2. To prepare a policy framework for the next decade for tertiary education sector in Nepal, including affordable and alternative financial and policy scenarios for implementation by HMG and the universities

The self-study is designed to address specific policy-related issues and deliberate on and disseminate their findings among the policy-makers, planners, the university faculty and management.

All the studies are conducted almost entirely by national experts from the Tribhuvan University faculty.

The list of major studies sponsored by the project is given in the inside front cover.

# A STUDY ON CURRENT TUITION-FEE WAIVERS AND SCHOLARSHIPS IN TRIBHUVAN UNIVERSITY

## EXECUTIVE SUMMARY

1995

Assessment of Tertiary Education

A HMG/Tribhuvan University/UNDP/World Bank Project

NEP/91/011

Kathmandu, Nepal

## List of the Studies Conducted by the Project

1. Manpower Needs of Nepal: A Review and Synthesis of the Literature
2. A Study on Current Tuition-Fee Waivers and Scholarships in Tribhuvan University
3. A Study on Financing of Higher Education in Nepal
4. Decentralization of the Management of Higher Education in Nepal
5. A Study on Regionalization of Higher Education in Nepal
6. A Study on Internal Efficiency in Tribhuvan University
7. A Study on Instructional Process in Tribhuvan University
8. An Inventory of Tribhuvan University Real Estate
9. Facilities Rationalization in Tribhuvan University
10. Space Survey in the Secondary Schools of Nepal
11. Teacher Availability Study
12. Feeder Schools Survey
13. Civil Works for Higher Secondary Schools
14. Facilities Required for Secondary Schools Upgradation
15. The Transition Plan for the Implementation of Higher Secondary Reform
16. Continuous and Comprehensive Evaluation for Higher Secondary Education
17. Curriculum Framework for Higher Secondary Education
18. SLC Results (1982-1991) Data by Districts and Projections for the Coming Decade

## PREFACE

This Executive Summary consists of the findings and recommendations made by a team of specialists who were commissioned by this project to undertake the study at the request of His Majesty's Government and Tribhuvan University to help the university as well as the Government to initiate institutional reforms and policy changes in tertiary education. This is one of the several policy-related studies sponsored by the project.

The Terms of Reference as well as the team of experts who conducted the study are given at the end of this publication. The full text of the report is, of course, voluminous and much longer than this summary. Those who are interested in the complete report may find copies of the report with the Planning Division of Tribhuvan University, the Higher Education Project, Tribhuvan University, Kirtipur, the Resident Mission of the World Bank in Nepal at Kathmandu and the United Nations Development Programme Library at Pulchowk.

10 December 1995

Kamal P. Malla  
National Project Coordinator

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# A STUDY ON CURRENT TUITION-FEE WAIVERS AND SCHOLARSHIPS IN TRIBHUVAN UNIVERSITY

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## RECOMMENDATIONS

The following recommendations are made based on the outcomes of the study:

1. The objective of providing tuition-fee waivers and scholarships to students at different levels under the TU campuses has been to provide financial support to poor and motivate talented students. These objectives have only been partially met. One of the main problems associated with the management of the tuition-fee waivers and scholarship award is the selection of the candidates for these awards. In both awards, the TU campuses select candidates on the basis of merit. Since the objectives of tuition-fee waivers and scholarships are different, the selection criteria should also be different.
2. The tuition-fee waivers should be awarded to financially poor students. There is problem in defining poor. At present there are two types of poor. (1) real poor and (2) proven poor. Proven poor are reaping the benefit of tuition-fee waivers and real poor seems to be left out. To improve the situation and direct university resources to real needy students the university should change the present rule of awarding tuition-fee waivers to 20 percent of the students enrolled and should adopt following practices:

- A. Tribhuvan University should provide tuition-fee waivers to *all* the poor students.
- B. The university should define the poor student. For practical purpose, a poor student should be defined as one who has received tuition-fee waivers and/or any other financial assistance in his high school. To receive tuition-fee waiver in a campus a student should be required to provide certified testimony from his high school and his Village/Town Development Committee.
- C. The university should provide structured forms to receive recommendations which should also caution the person making recommendations that if the information furnished by him is found to be false he will be blacklisted in the campus and the tuition-fee waivers awarded will be immediately withdrawn. The objective of making such provision is to discourage the undeserving demanding tuition-fee waivers and making the referee responsible.
- D. The university should adopt aforementioned policies for the students who will be admitted in the new session. The students who are receiving tuition-fee waivers at present should be allowed to complete the present level of study.

Present practice of awarding scholarships is not uniform in all institutes, faculties and levels of study. Regarding scholarships the university should adopt following policies:

- A. The scholarships provided to the students of T.U. should be classified into three groups. 1) TU merit scholarships 2) TU poor student scholarships and 3) scholarships sponsored by private endowments and government and non-governmental organizations.
- B. TU merit scholarships should be awarded to students who secure highest marks in the class. Present practice of awarding scholarships to one male and one female student in each class should be continued. If the funds permit it can be increased to 2 each or 3 each. Regarding TU merit scholarship following policies should be adopted.
  - i. For those students who enter campus for the first time, scholarships should be awarded on the basis of merit obtained in the scholarships examination to be conducted by each campus one month after the commencement of the classes.
  - ii. For subsequent years the scholarships should be provided on the basis of merit list of annual examinations. But TU should develop a mechanism to publish annual examination results within 2 months of the examination held.
  - iii. In the subsequent higher level academic programmes the merit scholarship should be provided only to those students who have passed lower level examinations from the same campus.
  - iv. The students receiving merit scholarship should be provided with merit certificate.

- v. The amount of money to be provided for merit scholarship should be handsome as compared to TU poor student scholarships or other private endowments. It can be awarded in kind. If TU merit scholarships are provided to more than one male and one female student the amount of award to first and second student should vary.

C. TU poor student scholarship should be provided to financially weak but academically sound students. These scholarships should be comparatively large in number and distributed in different campuses. They should be awarded to poor, remote, backward and disadvantaged groups. Basically, these scholarships should be made available to the students willing to study outside the Kathmandu Valley, in small and remote-area campuses. These awards should be made only to those students who would otherwise not be able to receive higher education. The selection procedure to be adopted is suggested as follows:

- i. TU central office should publish the notice asking for application for scholarship at least six months ahead of commencement of the academic session.
- ii. The application has to be made on prescribed forms available from different campuses.
- iii. The applicants should be required to furnish testified documents from Village/Town Development Committee, the school from where they passed SLC and 3 academic referees who also know the candidate's financial status.

- iv. A central level Scholarships Award Committee should make scholarship awards on the basis of academic and financial condition of the candidate. The candidates should seek admission himself. Awards should be made only when he gets admission.

- v. Each campus should have a provision of assigning an academic advisor to the scholarship recipients. He will monitor their financial and academic condition.

- vi. The scholarship should be awarded for the duration of one academic programme. But there must be strict provisions of scholarships withdrawal if the student is not making any progress in academic matters.

- vii. These scholarships should be distributed each month only after receiving testimony from the academic advisor. Academic advisors should testify that the awardee is regular in the class, making good academic progress and well behaved.

D. Scholarships arranged through private endowments, government and non-governmental organisations should be awarded on the basis of the contract made with the person or organisation making endowment. However, the university should have a fixed policy to receive endowments such as

- i. Since T.U. already provides merit scholarship, no endowment should be accepted for making award to student scoring highest mark.

- ii. Each campus should develop a plan to receive private or organizational endowments. The different criteria to receive scholarships can be formulated as a) poorest student b) orphan c) disabled d) coming from disadvantaged communities e) coming from different places f) students scoring highest marks in a particular subject g) champion in sports/particular sport, music, literary skills and or I.Q. h) campus, level and programme specific etc. Besides these general endowments open to all kinds of students can also be made.
- iii. It should be possible to receive private endowments at local level. The provision of TU rule which states that the prior permission of the Executive Council to receive endowments should be amended. However, guidelines to make endowment and receive endowment should be developed and included in TU rules. The new TU rule is not clear.
- iv. Each campus should mobilize local resources by means of charity and donation for the purpose of scholarships. The amount thus collected should be invested in high yielding risk free investments. Earnings made from these investments should be utilized to provide partial financial support to needy students. These funds should be awarded only for academic purposes such as buying books, paying tuition fee, paying examination fee, support for thesis writing and financial relief at the time of natural calamities and disasters.

- v. To encourage private endowments the university should establish good linkages with general public and public and private institutions. University/campus authorities should encourage the public by asking them to participate in public functions organised in university premises. Similarly, the persons who make endowments should be commended by the university. Even making Education Day Awards to the persons who make endowments for scholarships will motivate a large number of people to make endowments. University/campuses can make roster of possible endowment-makers and solicit endowments. Similarly, university alumni can also help the university in this endeavour.
- vi. To attract private endowment, transparency of the system is a prerequisite. Each campus which has private endowment should publish the accounts of the earnings and expenses as well as help to establish a lively linkage between the endowment-maker and recipient of the benefit.

4. Other policies which should be adopted by the university system for the better management of scholarships and tuition-fee waivers are as follows:
  - A. Two scholarships and/or tuition-fee waivers should not be awarded to any one student. This will help to provide financial support to a large number of students.

- B. The amount of scholarship should be raised to meet the cost of living and studying by an average student. The amount of scholarships needs to be revised often. Stagnation in the amount for many years makes the scholarships meaningless.
- C. It is recommended that the large number of TU scholarships provided to the students of technical institutes should be curtailed down and the amount saved should be utilized to increase the amount of scholarships.
- D. At present, campus chiefs do not feel that they should mobilize local resources to make endowments for scholarships. TU should give responsibility of mobilizing resources for scholarships to campus chiefs and evaluate their activities.
- E. Scholarships for girl students are desirable but this was not demanded by any campus chief or the students interviewed. Even in this situation TU should create girls' scholarship fund and award them to needy students because of international and national demand.
- F. TU should provide scholarships to the very poor needy students who are not applying for admission from TU poor student scholarship scheme.

Accounting and record keeping regarding tuition-fee waivers and scholarships are lacking. So, it is recommended to develop and install an accounting system which will give adequate and precise financial information at the campus level and also at the central level.

- 6. During the course of this study we found it very difficult to obtain pertinent data about scholarships and tuition-fee waivers. Similarly, accurate statistics is also essential for proper management. Thus it is recommended that TU Central Office as well as each campus should maintain accurate up-to-date data about scholarships and tuition-fee waivers.
- 7. To provide financial assistance to needy students T.U. should adopt a policy of encouraging students to work in libraries, dormitories, cafeteria as well as research projects beyond their study hours.

**Table 1: T.U. Regular Budget, Total Income and Budgeted scholarships in different years**

(In thousand NRs.)

Fiscal Year	Total TU regular Budget	Total Income	Budget for Scholarship	Scholarships as Percentage of Total Budget	Scholarships as the Percentage of total income
2048/49	485632	49000	8609	1.77	17.57
2047/48	357000	42500	7094	1.99	16.69
2046/47	308500	42500	6150	1.99	14.47
2045/46	250400	32500	6062	2.42	18.65

Source: T.U. Budget Speeches of relevant years.

**Table 2: Total Income, Income from Tuition-fee and Estimated loss of Income from Tuition-Fee waiving in different years**

(In thousand NRs.)

Fiscal year	Total Income	Income from Tuition Fee		Estimated Loss due to Tuition-Fee Waiver	Loss as Percentage of total income
		Amount	%		
2049/50*	.....95000*	.....48420	51.0	..12105	12.74
2048/49	86469	36763	42.5	9191	10.63
2047/48	46348	12636	27.3	1723	3.71
2046/47	42518	13043	30.7	1779	4.18
2045/46	37750	9683	25.7	1320	3.50

Source : T.U. Budget Speeches of relevant years.

Note : \* Actual income of the fiscal year 2049/50 will be published in 2051/52 budget only.

So only the estimated income for this year is given.

**TERMS OF REFERENCE FOR  
A STUDY ON CURRENT TUITION WAIVERS AND SCHOLARSHIPS  
IN TRIBHUVAN UNIVERSITY**

**Background**

Tribhuvan University offers tuition waivers to about 12% of its total student population, and 2% of its budget is allocated to student scholarships. As the selection of the candidates for these provisions is done from among the students already enrolled in an academic year it is questionable if these provisions really serve the needy and poor who cannot enroll in the first place. Dispensation of these provisions is not always insulated from the political influence of the student unions. There are, therefore, valid grounds to doubt if scholarships serve educational ends of supporting the poor or the meritorious. Or do they merely provide extra pocket money to the well-off but influential students ?

**Objective**

This study will examine the current practices of awarding tuition waivers and scholarships in various faculties/institutes and levels of education in Tribhuvan University and make specific recommendations on how to improve them so that the truly deserving students get them.

**Scope of the Study**

1. It will examine the following policy issues relating to scholarships and tuition waivers :

How does the university select candidates for awarding tuition waivers and scholarships?

Should tuition waivers be given to the poor or to the meritorious?

How much for the poor?

How much for the meritorious?

How does the university phase out those who are not poor but get scholarships or tuition waivers? Can we reserve some scholarships to disadvantaged groups or women? If yes, what percentage and how many?

Should students who do not progress well or do not do well in tests be offered scholarships or tuition waivers?)

The study will examine these issues across the university as well as those which are specific to faculties/institutes.

2. It will evaluate various policy options relating to tuition waivers and scholarships.
3. It will make specific recommendations to Tribhuvan University on tuition waivers and scholarships so that the educational goals of offering them will be ensured
4. The study will examine the purpose and amount of scholarship (2% of TU Budget), the administration of scholarships, including project-funded ones, their number and allocations, the time of an academic year when these are actually defrayed to the candidates.
5. The study will calibrate and account for money lost to the university through tuition waivers.

6. The main focus of the study will be the student population (hypothetically 12% of the total) it serves, the ones it should have served, but normally don't, and the uses and abuses of tuition waivers. It will focus on the criteria for the selection of the candidates (open competition, merit-basis, means test?) and examine if the present practice of selecting candidates from among the already-admitted ones really serves the purpose of tuition waivers and scholarships.
7. The study will make concrete recommendations on how do we ensure that tuition waivers serve the needy and that scholarships go to the poor and deserving rather than the well-off and influential.
8. The study will be of 3 months' duration.

**Research Team and Budget for the study on  
Current Tuition Fee Waivers and Scholarships in Tribhuvan University  
Executed by Centre for Economic Development and Administration**

Budget : NRs 284,450

Duration : 3 months; Effective from December 14, 1993 to March 14, 1994

Final Report to be submitted on March 14, 1994

Submission of Final Report on August 3, 1994

**TEAM MEMBER**

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