



MAYO COLLEGE GENERAL COUNCIL, AJMER

STATEMENT OF THE BOARD OF GOVERNORS POST ITS MEETING OF 30th AUGUST 2020

1. The Board of Governors of the Mayo College General Council (MCGC) which manages the functioning of both Mayo College and Mayo College Girls' School (MCGS) convened on 30th Aug 2020 on video conferencing. Amongst other matters, various aspects concerning the fees as also comments of the parents/guardians were discussed. The Management wishes to reiterate that it values its relationship with parents/guardians who are joint stakeholders in an attempt to produce leadership for a new India. It is fully aware of the situation and current developments. However, there appears to be an apparent gap in perception, which it wishes to address through this Statement.
2. **Background.** Consequent to issue of the initial fee bill sent on 20th Jul 2020, a number of representations had been received. All these were considered by the Management and additional concessions granted. These were sent out by the Director/Principal on 3rd Aug 2020. Following this, there were further representations. All these were considered by the Board in its meeting on 30th Aug 2020 and it was felt necessary that a holistic statement giving the complete background be issued. Both schools reopened on 13th Jul 2020 and online instruction continues.
3. **Status of and Working of MCGC.** The MCGC is a non-profit institution which aims at providing cost effective education. It complies with all extant orders and rulings. Both Schools have parent representatives and are fully conscious of concerns of parents. It was keeping all this in view that the Management last year, i.e. **in March 2019**, took a considered decision not to increase any fees for Academic Year (AY) 2019-20.
4. **The Budget System.** To understand the background of the case it is also necessary to explain the systems in place. Preparation of budgets for the Schools for the forthcoming AY commences in Sep of the previous year. Budgets including fee increases are finalised in Feb and approved by the Board in March. Parents are accordingly informed when the fee bills are sent by end of May. Parents are expected to remit fees by end June. This year, the fee bill was delayed as the lockdowns kept getting extended. In keeping with the precedent of high trust levels with parents/guardians, the Autumn Term commenced on 13th Jul 2020, even before the fee bill was sent.
5. **Planning for Financial Year 2020-21.** All planning for the current financial year was undertaken accordingly and budgets were prepared factoring in a 10% increase in fees in February 2020 (well before the onset of Covid 19). These were approved in Mar 2020 for implementation.



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6. **Post Covid Reconsiderations.** With onset of Covid 19 and connected restrictions, the Management reconsidered the issue and decided that given the situation and notwithstanding the fact that the Budget had been approved based on fee increase, a rebate of 10% be given so that the fees remained unchanged. Thus, fees have remained the same for the third year running. The impact of this on the budgeted income of the two residential Schools was about Rs 9.5 crores. As this would result in a lower income, an immediate measure to cut down expenses by withholding increments of staff was also ordered.

7. **Obligations.** Given the hard times and implications for the staff, the Management as a responsible employer, made certain that it retained the services of every employee. It has continued to pay all wages less the annual increments. However, it must also be appreciated that withholding the increments for its teachers and other staff implies that, it was denying this planned benefit to its own employees and in a manner, passing on the subsidy to parents, who in almost all cases, belong to more affluent sections of society. All this, was with respect to the value it places in this relationship. Further, all parents/guardians will appreciate all assets and infrastructure have to be maintained in keeping with standards expected of the Mayo Brand.

8. **Expenditure on Facilities Not Utilised.** As explained earlier, subsequent to the initial fee bill, the Management further reviewed the budgeted expenditure and took a decision that the rebate offered must be in excess of savings that accrue in respect of a student not being physically present. Thus, all budgeted expenditure on messing, board, electricity, water, tours, games and functions like the prize giving and so on, was cut out and passed on in the rebate being offered. **It must also be pointed out that the Management took prompt action to incur urgent, unbudgeted expenditure to provide safety and other infrastructure to meet post Covid norms.** It also allocated funds for purchase of laptops for every teacher so that they could adapt to the changed environment of online instruction. The letters of 3rd August were issued accordingly. A 10% discount was granted for the term [in addition to the 10% given for the whole year earlier], which for the 1360 boarders of both Schools, amounted to over Rs 4.7 crores. Over and above this, additional 5% discount was offered to those who remitted the fees by 20th Aug 2020. This would further cost the Schools upwards of Rs 2 crores. **Parents/guardians will agree that these are huge concessions for any Board to grant.** More than 50 percent of parents have availed of these concessions and paid the fees.

9. **Capital Expenditure.** There is a perception among some parents that the current year's fees are being used for capital expenditure. This is not the case. As stated earlier, the MCGC is a non-profit organisation. Nevertheless, in this competitive environment it must continue to invest in infrastructure, its staff and facilities so that it stays ahead of the field. None of this expenditure is from fees charged for the current year. Also, given the current situation, only such expenditure for capital works as is required under contractual obligations, is being incurred.



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10. **Comparisons.** Some parents have mentioned comparisons with other similar schools. Such evaluations are inappropriate because firstly, each School has different infrastructure, financial and support systems; secondly and more importantly, all other schools have regularly raised their fees since 2018 whereas the MCGC has not.

11. **Point of Contact.** The Management, in keeping with norms, wishes to confirm that as per established precedent, the Director/Principal who are aware of all the facts, are the single point contact. Under the circumstances, it is thus only correct that all issues be addressed to them directly or, through the parent representatives. It is neither desirable, nor correct for such correspondence to be addressed to individual members of the MCGC.

12. **Hardship and Other Cases.** The Management is also aware that there are genuine hardship cases and has directed that these be considered by each School, duly supported by documents, on a case by case basis. The Management after its meeting of 30th Aug 2020 as a special one-time consideration, also decided that in keeping with the need for parents to assimilate this Statement, has decided to extend the last date for payment of full fees [including the additional 5 percent discount] for the Autumn Term till 15th Sep 2020.

13. **Conclusion.** Through this Statement the Management wishes to reiterate that it values its relationship with parents/guardians. While taking into account all their concerns, it also expects similar understanding of the constraints in maintaining such establishments and honouring commitments especially to the staff who are making every effort to fulfil their obligations to students and continuity in teaching. The Management avers that it has made every effort to balance needs of Schools with concerns of parents/guardians and hence, there is no need for further discourse in this regard. Under the circumstances and with this understanding, it is confident that with joint efforts of all concerned, this period of crisis too, will be overcome.

‘LET THERE BE LIGHT’

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