

# 6

## EXPENDITURE STATEMENT OF PDP

### 6.1 Benefits offered under PDP Scholarship

6.1.1 The PDP scholarship offers the following benefits to its awardees: -

- a. Economy class, return air ticket between the home country and the host university.
- b. Full Tuition Fee paid directly to the university.
- c. Cost of basic medical and accident insurance obtained through the university
- d. A monthly subsistence allowance to cover living expenses, including books.
- e. CSRU also reimburses the legitimate expenses related to university admission i.e. Visa fee, Application fee, TOFEL/IELTS, GRE/GMAT etc. The fees of only those tests are reimbursed which are pre-requisite for admission in the university and taken recently.

6.1.2 The scholarship does not cover:

- a. Expenses for the officer's family;
- b. Training or courses in computers or other disciplines;
- c. Additional travel during the course of the study program or otherwise not covered in the tuition fee;
- d. Expenses related to research, supplementary educational materials, field trips, or participation in workshops, seminars, or internships not covered in the tuition fee;
- e. Educational equipment such as computers; or
- f. Language training.

### 6.2 Average Cost Estimates (PC-I)

6.2.1 PC-I provides an estimate of US\$ 40,000 as average cost for a one year Master degree program. It is also stated that any escalation in cost would be adjusted by decreasing the number of scholarships.

### 6.3 Actual Per Person Cost

CSRU has made every possible effort not only to keep its operational cost to the minimum but also to keep the training cost within the limits. During the first cohort the average cost of training was below the average projected cost. However, it has increased progressively in the subsequent years. The average per person cost during 2006 was US\$ 45,675.78, which is 16% higher as compare to the first cohort. The following table shows years wise actual per person cost on PDP: -

**Table 6.1: Actual Per Person Cost – Year wise**

	(Rs. In Million)		
	2004	2005	2006
<b>Stipend</b>	<b>91,679,121.60</b>	<b>67,013,525.00</b>	<b>68,699,566.00</b>
<b>Tuition Fee</b>	<b>158,617,126.63</b>	<b>96,345,409.97</b>	<b>97,257,677.52</b>
<b>Air Ticket</b>	<b>8,462,164.60</b>	<b>5,520,255.00</b>	<b>5,677,727.00</b>
<b>Visa Fee</b>	<b>379,022.00</b>	<b>869,328.05</b>	<b>623,977.00</b>
<b>TOEFL/GRE/GMAT &amp; IELTS</b>	<b>372,191.00</b>	<b>257,534.00</b>	<b>358,134.00</b>
<b>Misc. Charges</b>	<b>119,402.00</b>	<b>22,579.00</b>	<b>37,390.00</b>
<b>TOTAL COST :-</b>			
<b>Pak Rs.</b>	<b>259,629,027.83</b>	<b>170,028,631.02</b>	<b>172,654,471.52</b>
<b>US Dollar (US\$) @ 60</b>	<b>4,327,150.46</b>	<b>2,833,810.52</b>	<b>2,877,574.53</b>
<b>Average Pak Rs.</b>	<b>2,360,263.89</b>	<b>2,500,421.04</b>	<b>2,740,547.17</b>
<b>Average US\$ @ 60</b>	<b>39,337.73</b>	<b>41,673.68</b>	<b>45,675.78</b>

### 6.4 Principal Cost Drivers

6.4.1 The main cost drivers include the following: -

- a. **Increase in stipend** - During the first two cohorts, the rate of stipend approved by the Finance Division was US\$ 1200 per month across the countries. In addition, the scholars were paid US\$ 300 as sundry allowance at the time of departure for training. The stipend and sundry allowance was revised during the third cohort (2006). The rate of stipend was enhanced US\$

1500 for big cities i.e. London, New York, Boston etc. For all other cities the stipend was fixed US\$ 1350 per month. Similarly the sundry allowance, which is disbursed once at the beginning, was fixed at US\$ 500.

- b. **Increase in Tuition fee** – It is a normal international practice that the universities enhance their fee annually by a certain factor i.e. inflation. The increase in tuition fee has affected the overall cost of PDP.
- c. **Top Ranking universities** – As the PDP has evolved, CSRU weeded out non ranking universities from the prescribed list. The programs offered by the top ranking universities are relatively expensive as compared to medium or low ranking universities.
- d. **Cost of Professional Degrees** – The cost of professional degree programs i.e. LLM, MBA, MPA etc. is higher as compare to regular degree programs.
- e. **Two year Degree Program** – In the beginning, PDP was limited to one year training only. A limited number of officers who got admission at ISS, the Hague were granted special permission for 15 months funding. However, the policy was reviewed during the third cohort and two year funding was allowed retrospectively.
- f. **Increase in PIA fair** – CSRU purchases most of air tickets from PIA, which is increasing its airfare off and on. Unfortunately, our experience with PIA is not very exciting. Despite providing millions of rupees business per annum, PIA is not only charging excessively but also providing very poor service.

6.4.2 Efforts were made by CSRU to negotiate tuition fee with certain universities. Crawford School of Government and Economics, Australian National University offered 10% discount on tuition fee apart from waiving the fee for orientation cost. This saved more than A \$ 50,000/- The largest discount (33%) was offered by the Williamson College, Boston, USA.