

School grants : an effective approach for more equity and quality in education

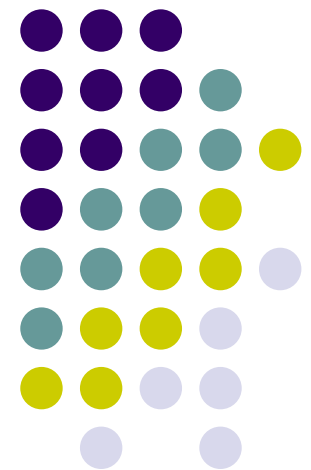
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Atou Seck



Structure of Presentation



1. Why grants to schools?
2. Intermediate objectives of grants to schools
3. Organizing and implementing school grants
4. Impact of school grants
5. Implementation issues
6. The way forward



1. Why grants to schools?

- **Improvement of equity** in access to education and quality of learning;
- Various studies reveal that efforts in terms of financing have helped to significantly improve **access to education**;
- **Financing of quality** has become a major concern;
- The **involvement of stakeholders** (parents, communities) in school activities improves the management of the school and its performance;
- Finally, budgets with **over centralized implementation do not ensure that all resources achieve the set targets**;

2. Intermediate objectives for providing grants



- **Reduce direct cost** of education for parents.
Objective : no child can be prevented from attending school because she/he cannot pay school fees.
- **Increase resources to schools** in terms of teaching material and basic operational expenses.
- **Improve management** of schools and classes
A number of governments use **school grants** to :
 - Replace school fees,
 - Provide resources for teaching materials and operational expenses, and
 - Promote school based management

2. Reduce costs for parents by replacing school fees with grants



Experiences in Africa: Abolition of school fees has led to a major increase in total primary enrollment in the year following the abolition:

Lesotho: 11% (75% in 1st year)

Mozambique: 12%

Ghana: 14%

Kenya: 18%

Madagascar: 18%

Ethiopia: 23%

Tanzania: 23% (43% in 1st year)

Cameroon: 26% (59% in 1st year)

Malawi: 51%

Uganda: 68%

2. Reduce costs for parents by replacing school fees with grants



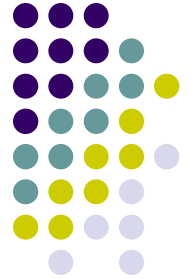
- ❖ However, abolishing school fees is **NOT THE MIRACLE SOLUTION**

What is required:

- **Sustainable financing** to:
 - (i) replace resources at the school level (loss of school fees)
 - (ii) tackle the increase in enrollment
- **Transparent and effective mechanisms** to replace lost school fees through for example **school grants**

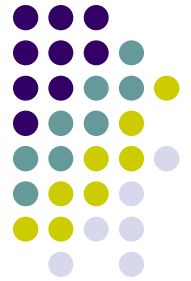
HENCE : countries planning to abolish school fees must evaluate the impact and mechanisms for implementing school grants in their FTI plans

2. Using grants to increase resources for schools



- Major argument in favor of school fees: correct the negative impact on quality of learning, due to a **serious lack of public financing for schools meant for non-salary educational resources**
- FTI recommends about **33% of recurrent expenses for these resources**. This is well below the current average level in Sub-Saharan Africa
- **School grants** are increasingly used to finance:
 - Textbooks
 - Other teaching materials
 - Operational expenses of schools

2. Improve school based management through grants



- Studies in Sub-Saharan Africa show a **weak link** between the **resource amount** allocated to a school and its **learning outcomes**.
- Explanation : partly due to, **poor management of the school and classes**
- Grants must be used to **strengthen the role and involvement of parents and local communities**.
Improve the quality of supervision of management and ensure that the abolition of fees does not lead to the disengagement of parents and the community.

3. Organizing and Implementing a school grants program



- **Two forms of allocations:** non-conditional or conditional
- **A large variety** of objectives and mechanisms of grants to schools
 - **Non conditional in terms of the number of pupils in the school, the size of the school, etc.**
 - **Conditional transfer to parents** to bear indirect/opportunity costs
 - **Conditional transfer to the school** to finance specific activities (maintenance, teaching inputs, infrastructures)
 - **Transfer on competitive basis** with selection criteria

3. Mechanisms and conditions of transfers



- Transfer to School Management Board directly from Government or after an intermediary level
- Validity of SMB required (composition, recognition, etc.)
- Transparent management mechanisms required (bank accounts for SMB, supervision etc.)
- Reporting on performance

3. Other responsibilities related to grants to schools



- Payment of salaries
- Recruitment of teachers and non-teaching staff
- Supervision of teachers/learning time
- Selection of textbooks
- Monitoring and evaluation of the mechanism



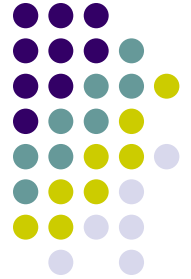
3. Annual grant amount per pupil varies (US\$ equivalent)

- **Ethiopia** : (2002)*: **\$1,2 to \$2,4** depending on the year
 - **Ghana****: (2004): **\$2,70** for boys and **\$3,88** for girls
 - **Kenya**: (2003): **\$14**: 1/3 for textbooks, 1/3 other teaching material
 - **Madagascar**: (2002) : **\$1** will increase to **\$2** this year
 - **Mozambique**: (2003): from \$0,6 to \$1,2 depending on the year
 - **Tanzania**: (2002-03): **\$10** of which **\$4** for textbooks
 - **Uganda**** (1997): **\$4** for the 1st to 3rd year ; **\$6** for the 4th to 7th year.
Increase expected
- Main factor to explain variations in amount: textbooks included or not included
 - According to a study, \$16 to \$19 per pupil = the minimum required in low income Sub-Saharan African countries for basic non-salary resources. Corresponds to +/- 33% of recurrent expenses in the FTI Indicative Framework

* Indicates the year of introduction of the grant

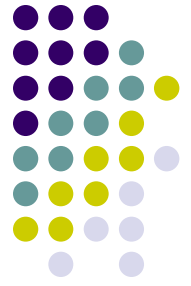
** Textbooks supplied separately

3. Experiences of school grants in Sub-Saharan Africa : Objectives



- **Replace resources of schools** previously generated from schools fees, and financing the availability of quality resources
- Target **vulnerable groups** by differentiating the grant amounts (girls, orphans, poorer schools and/or communities)
- Provide money to schools for **training materials and operational expenses**
- Strengthen **the ownership and the transparency of the use of funding** in schools by involving parents and communities in the management of the grants
- Promote the **decentralization** of decision making and procurement to maximize the use of local expertise

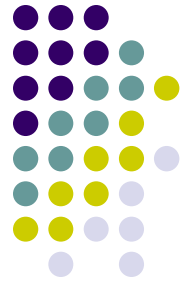
3. Experiences of school grants in Sub-Saharan Africa: Implementation/management/control



Details depend on national context. In general :

- Allocation to schools **per pupil** to buy items from an approved list or **approved school rehabilitation plans**
- Funds transferred to school **bank accounts**
- Managed by **School Management Board** (SMB) including the director of the school, parents, and community members. SMB **trained in basic accounting, funds management, and public procurement**
- Different types of **controls** to ensure **transparency and the effective use of resources**: funds received by the school, spending decisions made in a participatory manner, regular audits, and reporting by the school. Also regular **impact assessment**.

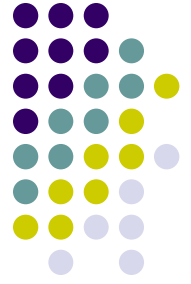
3. Experiences of school grants in Sub-Saharan Africa: **Pre-conditions for effective grants**



Vary according to the local context, however, many similarities:

- **Register/mapping of schools and database on enrolment** required to target grants and determine amounts
- Develop **simples directives for implementation of grants** and **train** local education staff, directors of schools and members of the SMB, in their application
- **Bank accounts and transparent management** of the school. Make public the amount of the funds received and their use.
- **Regular reporting** by schools and **governmental audit** of the use of funds

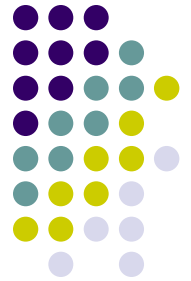
4. Impact of school Grants: Outcome



Greater access to education:

Supported by a strong commitment both internally and externally, demonstrated by an increase in available resources

4. Positive aspects of implementing a school grants program



Few rigorous evaluations available. Based on national case studies:

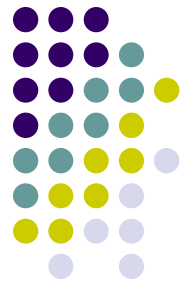
- Teaching materials and funds for operational expenses have **improved the learning environment and roused the interest of pupils**
- Grants: good tool for **improving the integration of poverty in the education strategy**, through differentiating the amount for girls, orphans, and the poor.
- Improvement in **transparency** in the receiving and use of funds for schools
- **Gives schools and communities the power to decide** what must be done to improve quality and revitalize the schools

5. Challenges and Issues

- **Problems in the following areas an often heavy bureaucracy: an inefficient allocation of public resources and** the capacity to mobilize these resources and transform them into results
- **The need for change** to enable those accountable for results (the schools), to manage their own resources
- **The need to be accountable for results** and the use of resources within the context which requires more flexibility in the implementation of programs
- In an environment where **capacities are low**

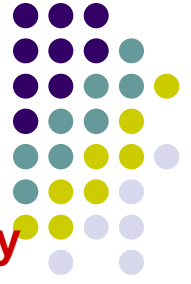


5. Experiences of school grants in Sub-Saharan Africa : **Other challenges/issues**



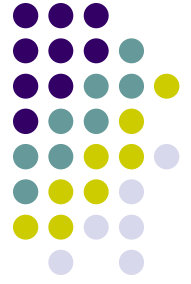
- Subsidy often initiated by external financing. To ensure fiscal sustainability, the financing must form part of the **national budgetary process - the Case of Mali**
- Grants must be provided to the schools **in a reliable manner and at the right time**
- For very small amounts, the **costs of transaction for schools can exceed the profits**. Evaluate if the increase in the subsidy amount would be effective enough to reach the FTI rate of 33% proposed for non-salary recurrent expenses.
- Ensure that the replacement of school fees by grants does not lead to a decrease in support and ownership.

6. Lessons learned



- Important to consider the question of **equity, internal efficiency, quality of the work environment, and adherence to accountability arrangements** (Mozambique, Brazil)
- Important to cover critical questions such as **training** of staff who manage the system (Kenya)
- Grants to schools **can reduce poor budgetary allocations and increase efficiency in targeting and disbursement of education resources** (Tanzania-Mali)
- School grants can **contribute to good governance in the education sector** with the involvement of communities (Uganda)
- Implementation of grants need to pay attention to **political pressures**
- Necessary to better **redirect the vision and organization of the regional directorates of education** (improvement of coordination, re-definition of tasks, reporting tools, support to schools, etc.) (Senegal)
- Strengthen **SMB** capacities

6. To Conclude...



- School grants are increasingly used to:
 - replace **resources** generated by **school fees**,
 - finance **basic teaching material** and **operational expenses**, and
 - promote **school based management**
- For countries which do so, plans **prepared for the approval of FTI** must evaluate:
 - **The impact of school fee abolition** on human, physical and financial needs, which in turn have an impact on **financial sustainability** and on **qualitative and quantitative objectives** of the plan,
 - How to develop **successful grant plans** to replace resources from school fees, promote quality and improve management of the school.
- In short, school fee abolition and school grants must be prepared within the context of a **sector wide approach** (SWAP)