

**VESP**

**VANUATU EDUCATION  
SUPPORT PROGRAM**

## **Cost of primary education in Vanuatu**

20 November 2022



Vanuatu Education Support Program is managed by Tetra Tech International Development,  
on behalf of the Australian Government

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## Abbreviations

AusAID	The Australian Agency for International Development (now Australian Aid)
GDP	Gross Domestic Product
GER	Gross Enrolment Ratio
MoET	Ministry of Education and Training
Open VEMIS	Open Vanuatu Education Management Information System
STR	Student Teacher Ratio
VESP	Vanuatu Education Support Program
VETSS	Vanuatu Education and Training Sector Strategy

## Executive Summary

The progress and well-being of a country's population depend on an efficient and effective educational system. To achieve this, Vanuatu's Ministry of Education and Training (MoET) has adopted the 2020-2030 Vanuatu Education and Training Sector Strategy (VETSS) (MoET, 2020). The design and implementation of VETSS depend on the quantity, effectiveness and accountability for financing. The study's primary objective is to review the financing of primary education in Vanuatu. Government grants and teacher salaries are the primary source of school funding in Vanuatu. Accordingly, the study:

- Examines school grant implementation across schools.
- Captures how schools and communities augment school finances.
- Analyses expenditure patterns for school finances, especially the support to teaching and learning.
- Reviews oversight and management practices of school grant implementation.

The analysis triangulates information from the different sources to capture how schools receive, generate, and use financial resources. The study is based on primary analysis of data collected from 68 primary schools across 3 provinces. Principals, teachers, school council members, and provincial office staff were interviewed, and classrooms were observed. The questionnaires capture mainly quantitative information with a few closed-ended qualitative questions. This primary data analysis is complemented by a secondary analysis of the relevant cost data available from the Open Vanuatu Education Monitoring Information System (Open VEMIS).

The study's conclusions inform the discussions and decisions on improving or redesigning government financing of primary schools. The key findings of the report are as follows:

- 1. School grant implementation:** Grant implementation is based on student numbers. The stability in student enrolment data, which is critical to grant allocations, is analysed in 3 ways. First, principals were asked two questions about enrolment. One question was about what the student enrolment numbers were and another question was focused on how many students were considered enrolled in the request to MoET for the school grant. Differences in both responses ranged from negative 61 to 91 students. In some cases, the principal's response to this question on student enrolment in the first instance was bigger than their response the second time. And in other cases, it was the opposite. Second, Open VEMIS data collected in March each year for the sampled schools differed from the principals' responses to both questions on student enrolments. Finally, the number of students listed in the attendance registers and the numbers present in the classrooms were compared, and the differences ranged from negative 19 to 29 students across the 2 classes.

A lack of stability in student enrolment suggests that this essential and straightforward education outcome needs attention. If student enrolment figures are stable, enrolment-based financing would be appropriate. In contrast, school financing becomes inefficient if grants are paid for students who never enrolled, enrolled intermittently or enrolled for short periods.

- 2. School finances:** A second area of the study examines the extent of financing available to schools. To understand how school grants were distributed across the provinces, it is important to note that each province's total amounts received through school grants (government) were divided by its student enrolment figure. The global amounts provided per pupil vary, with students in Shefa receiving higher amounts than the others. The variation may be due to schools' different levels of awareness regarding the availability and mechanism for accessing government funds.

Despite government grants provided for more than a decade, schools continue to generate funds from other sources to support the functioning of the school. These include school fees, community

contributions, dedicated fundraising and private contributions. Forty-seven principals provided the 2020 school budget. This budget figure and the 2020 government grant in Open VEMIS were divided by the same Open VEMIS enrolment number for each school to obtain a per pupil amount. The per pupil school budget is significantly higher than the per pupil school grant amount.

Both school grants and budgets suggest equity across schools may be adversely affected. The needs of schools in poorer and remote communities may not be met due to constraints with raising funds locally.

- 3. Expenditure patterns for school finances.** The eligibility list does not include infrastructure, so the amounts spent on infrastructure items identified in the School Improvement Plan (renamed School Strategic Plan in 2020) are not known. Principals' focus on infrastructure development likely distracts school management's attention to ensuring systematic classroom instruction.

The highest proportion of schools (around 90%) spent on transport, photocopying, stationery, maintenance, administration and fuel. The lowest proportion of schools (46%) said they spent money on books. Schools are reluctant to spend on items fundamental to teaching and learning, namely textbooks, as reflected in observations made of available textbooks in the classroom.

While the lack of textbooks represents under expenditure, teacher remuneration represents supplementary or additional expenditure. In many instances, this expenditure is unnecessary taking into account Student Teacher Ratios (STRs). On average, sampled schools had 4 government paid staff and 3 to 4 additional teachers paid by the community. The expenditure on teachers' salaries is imprecise but has implications for teacher management and primary school financing. This is discussed in more detail in an accompanying report titled 'Teacher policies and management in Vanuatu.'

- 4. Oversight and management practices of school grant implementation.** All schools had active school councils, with about 8 members. They met 3 to 4 times a year and were expected to participate in all school budget and expenditure decisions. Similar to other countries where school grants are set-up, local communities were given significant responsibility for oversight. Due to limitations in knowledge, time and energy, communities have found it challenging to play a role in transforming schools.

Knowledge of the financial manual is important. According to the survey (Table 10), 68% of the principals knew about the financial manual, but only 23% of school councils interviewed were aware of the manual. School council members' interest in financial accounts was limited and they were unaware of issues related to student enrolment or learning.

The role of provincial education offices is mainly focused on enforcing and monitoring school finance compliance and not on connections between financing and student outcomes.

Based on the above findings, the following recommendations include (i) immediate actions that could improve school financing (short term) and (ii) long term redesign of school financing.

## Recommendations for the short term

- Establishing a system for spot checking and verifying enrolment numbers and discussion on attendance expectations for receiving grants.
- Revising the School Grants Manual to improve the financing of the enablers of student learning outcomes, such as textbooks.
- Training provincial education offices to provide greater support to schools on the use and accounting of school finances.
- Building the capacity of provincial education office staff to oversee school functioning and support weakly performing teachers.
- Providing school management training for:
  - Better accounting of both government and community financing.
  - Procuring needed goods and services.
  - Monitoring the impact of financing on student enrolment, attendance and learning. Developing a document that describes the kinds of data available in Open VEMIS, which could enable a more systematic analysis of data related to financing and expenditure.
- Developing a document that describes the kinds of data available in Open VEMIS, which could enable a more systematic analysis of data related to financing and expenditure.

## Recommendations for the long term

With the greater potential for effective implementation, the redesign does not introduce a new approach. Still, it builds on what schools are used to in the School Improvement Plan while ensuring the necessary teaching and learning items are available.

- **Funding for primary education could be based on specific and costed school operations and development plans.** Similar to existing School Improvement Plans, schools would develop a budget for day-to-day school operations and maintenance based on previous years (not based on per pupil expenditure), which MoET finances through the provinces. In this way, grants to schools would safeguard operational costs and maintenance while sustaining proactivity and development ownership. In addition, school management would feel less pressure from not having responsibility for infrastructure development and the procurement of teaching resources. Support could be targeted for consistent and systematic reporting on student outcomes.
- **To obtain a grant for infrastructure development, schools would develop an infrastructure-specific plan for submission, distinguishing capital costs from the regular school operations costs.** Infrastructure grants could be under the purview of the big picture national school infrastructure development program addressing equity and effectiveness.
- **To ensure sufficient instructional materials, instead of schools requesting them, the Curriculum Development Unit in MoET retains the required amount from the school grant to procure and distribute the necessary textbooks for each student.** This will ensure each student has the necessary teaching and learning items, such as textbooks and other resources needed to progress in learning.
- **Rethinking the role of the provincial education offices could address the challenges of implementing school grants.** Provincial offices could be charged with visioning, implementing, and being accountable for school and student performance instead of just monitoring financial compliance.

## Introduction

Ensuring an efficient and effective educational system is critical to a country's progress and well-being. Vanuatu's commitment to achieving such an education system is expressed in the 'Vanuatu 2030: The People's Plan,' representing the government's overall vision to implement 'an inclusive, equitable and quality education system with life-long learning for all.' (Government of Vanuatu, 2016, p. 10). To foster the development of such a system, Vanuatu's MoET (MoET, 2020a) has adopted the VETSS 2020-2030. This plan provides a roadmap for the effective expansion of quality education.<sup>1</sup>

VETSS is accompanied by a Corporate Plan, which details implementation over the next 5 years (MoET, 2021a). Financial outlays and expenditure patterns at different levels of the government and down to the school significantly impact this plan's implementation. This study, commissioned by MoET through the Vanuatu Education Support Program (VESP), facilitates a better understanding of the costs for providing good quality primary education.

Government grants, mainly school grants, are the main mechanism for financing schooling in Vanuatu. Teacher salaries also provide financial support to schools.<sup>2</sup> Many of the strategies in the VETSS focus on the effectiveness of school grants to improve access to quality education. The study informs the strategies and activities listed in the VETSS to improve school grant implementation and oversight. Patterns of expenditure are also analysed to help evaluate whether teaching and learning are appropriately financed. Based on data generated by the Open Vanuatu Education Management Information System (Open VEMIS) and data collected from a representative sample of schools, the study informs the government's intentions to expand and/or revise the existing expenditure framework.<sup>3</sup> Thus, this study of the cost of primary education has the following objectives:

- To examine the implementation of processes and regulations for obtaining and using grant funding by principals and the school councils.
- To capture how schools and communities augment school finances with community contributions and school fees.
- Though the initial purpose of per pupil school grants was to eliminate parents bearing the burden of school fees, this study tries to understand school financing and expenditure patterns in relation to student outcomes, especially learning.
- To review oversight and management practices of school grant implementation.

The study's conclusions will inform MoET and the development partner's discussions and decisions on improving or redesigning school grants and overall government support to schools. Specifically, the analysis will inform the strategies and activities related to school grants outlined in the Corporate Plan (MoET 2021a) and included in Annex 1. The audience for this study includes the departments in

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<sup>1</sup> Accordingly, the VETSS includes strategies and activities arranged across 3 pillars – access and equity, quality, and management – to improve sector performance. The access and equity pillar lists 10 strategies for implementation in the next 10 years, the quality pillar another 7 strategies, and the management pillar 6 strategies. Each strategy includes a range of activities to be implemented during the next decade. The VESP now contributes to the implementation of the VETSS.

<sup>2</sup> A significant cost in primary education is also teacher remuneration. Efficiency in teacher salaries is also determined by how they are managed and whether salaries are commensurate with the work they do. Since this is beyond the scope of this study, a second study focuses on the availability, distribution, and management of the teacher workforce.

<sup>3</sup> Open VEMIS is a computerized data collection, processing, maintenance and dissemination system for MoET. Data is collected and stored in this database on the status and outcomes in education.

MoET, which finance, manages, and administer government grants, provincial education offices, and development partners subsidising the grants envelope.<sup>4</sup>

# 1 Country context

According to the 2020 Census (Government of the Republic of Vanuatu, 2021a), Vanuatu has a population of 300,019 across its 6 provinces. More than two-thirds of the population live in rural areas. The literacy rate is 77% for the Anglophone population and 40% for the Francophone population. About a third of the population is below 15 years old. The 3+ age group in Vanuatu schools numbers 51,000 males and 49,000 females. Vanuatu's poverty rate is low at an average of 12.3% (Government of the Republic of Vanuatu, 2020a), reflecting the potential for community support for education.

Most of Vanuatu's households (94%) have access to indigenous lands and feel this is sufficient for their needs. The land is used by 87% both for residing and growing food. (Government of the Republic of Vanuatu, 2021b). In addition, most of the population has full or partial access to forest and marine resources (Government of the Republic of Vanuatu, 2012). The availability of land and other resources contributed to Vanuatu's high ranking in 2021 on the Global Happiness Index, which measures sustained well-being. The index is calculated based on a country's experienced well-being multiplied by its life expectancy and divided by its ecological footprint.<sup>5</sup>

According to the WorldRiskIndex (Bündnis Entwicklung Hilft, 2021), Vanuatu is one of the most vulnerable countries to natural disasters. The country's location in the Pacific and the 'ring of fire' renders it vulnerable to earthquakes, cyclones, and tsunamis. Climate Change is expected to exacerbate some of these hazards in the future. In 2015, tropical cyclone Pam caused severe damage. In 2020, tropical cyclone Harold ravaged several islands. Both cyclones were category 5. In 2017 and 2018, the eruption of Lopenpen volcano led to the evacuation of Ambae island's entire population. Well before these natural disasters, a World Bank report (Jha and Stanton Geddes, 2013) estimated Vanuatu's average annual loss from natural disasters to be 6.6% of Gross Domestic Product (GDP), more than 10 times the global average and significantly higher than the average for other Pacific Island Countries. While Vanuatu is fortunate not to have experienced community outbreaks of the coronavirus at the time of data collection and analysis for this report, the impact of border closures and loss of tourism income had contributed to lowering the growth rate in 2020 to 2.6% by 2021 (the Ministry of Finance and Economic Management, 2021).<sup>6</sup> With a USD 2870 per capita income, Vanuatu falls in the lower-middle-income group of countries<sup>7</sup>. In addition to the service sector (which contributes an estimated 65% to the nation's GDP), agriculture, fishing, and forestry are critical industries. Manufacturing and construction are relatively small, contributing less than 10% of GDP.

Culture forms the basis of sustainable social and economic development (Hybrid Fact Sheet 2020b), and language forms the primary vehicle through which culture is shared and transmitted across generations. The '*Lanwis*' refers to the 110 distinct languages spoken in Vanuatu. Figure 1 displays the number of languages spoken by a ni-Vanuatu. The most common is oral proficiency in 3 or 4 languages. Only 1% of the population speaks a single language. The majority speak 3 or 4 languages.

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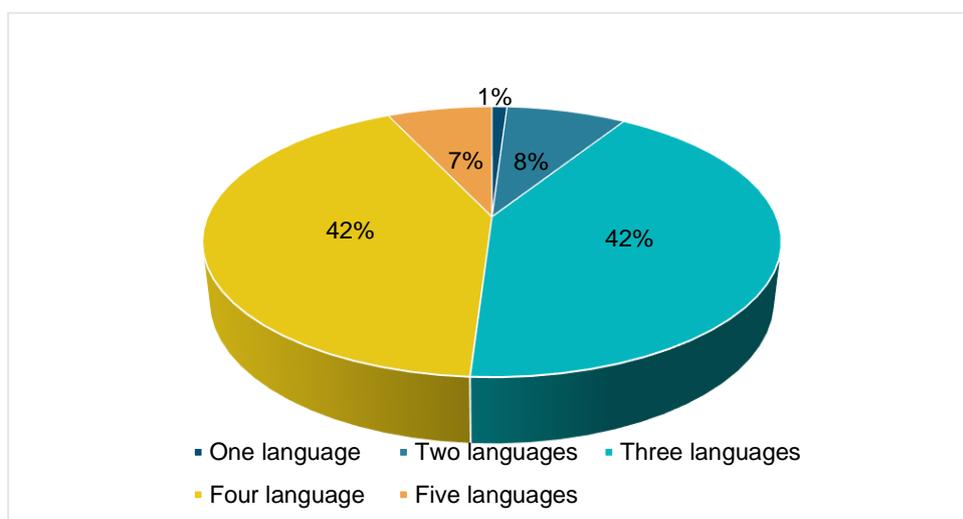
<sup>4</sup> Report conclusions may also be useful for other government departments such as the Department of Finance and Treasury, and the Department of Strategic Policy, Planning and Aid Coordination.

<sup>5</sup> <https://happyplanetindex.org/happy-planet-index-2021-launch-event-recap/>

<sup>6</sup> Data collection for this study took place in August/September 2021 and an initial analysis of data was completed in February 2022. The COVID-19 outbreak took place in March 2022.

<sup>7</sup> <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=VU>. In 2019, the per capita income was USD 3115.4 and this has reduced in 2020 by more than USD 200.

Figure 1: Language spoken by people in Vanuatu



Source: Hybrid Fact Sheet 2020a

## 2 Primary sector background

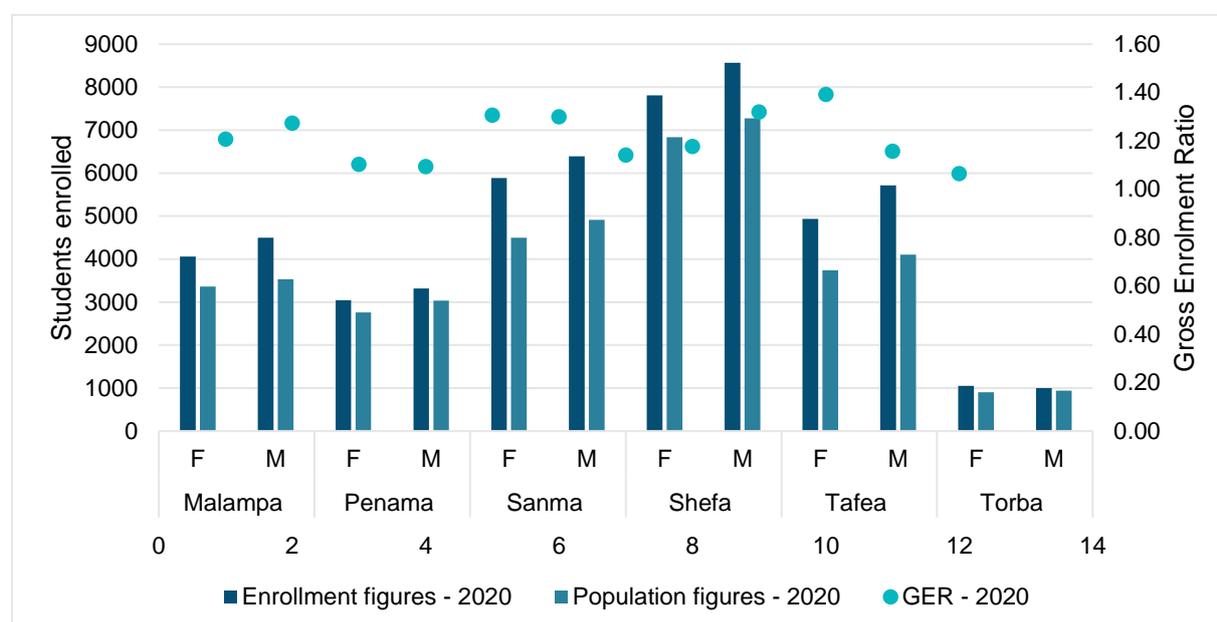
The country achieved its independence from France and Great Britain in 1980. While the current education system operates under a single Education Act of 2014, schools continue to operate as either Francophone or Anglophone. The Vanuatu National Curriculum Statement was established in 2010, representing a commitment to establish a truly harmonised Vanuatu curriculum. Based on these Standards, a primary school syllabus was established in 2013.<sup>8</sup> Years 1-3 have 4 learning areas (Language and communication, Mathematics, Science, and Living in our community). Year 4-6 has 6 learning areas (Language and communication, Mathematics, Science, Social Sciences, Arts and Crafts, Health, and physical education).

Of the 300,019 ni-Vanuatu population (Government of Vanuatu, 2021), the 6-11 age group accounts for about 15% (45,902). The Gross Enrolment Ratio (GER) represents the total enrolment in a specific level of education, regardless of age, expressed as a percentage of the population in the official age group corresponding to this level of education, and is expected to be 100% (not above or below). The Open VEMIS collects extensive public and private school data in the 6 provinces. The number of students attending primary school is 29,485 indicating a primary education GER of 124%. The additional 24% represents either underage or overage students attending primary school. Overage students could represent students starting primary school late or repeating grades in primary school. Both underage and overage students increase the primary school-going population.

A similar pattern of high primary education GERs is evident when disaggregating the data according to province and gender (Figure 2). Penama, with a GER of 1.10 for girls and 1.09 for boys, is closest to the expected GER of 100, followed by Torba. Tafea is the highest at 1.32 for girls and 1.39 for boys. Across the 6 provinces, there were more males than females in the primary age group population. Having said this, the GER for girls is higher than for boys in 3 provinces –Torba Sanma and Penama. This situation is reversed in the other 3 provinces (Malampa, Shefa and Tafea), with the GER higher for boys than for girls.

<sup>8</sup> The cost for implementing this curriculum is supported by VESP, and the sustainability including replacement of materials and the training of teachers are unclear.

Figure 2: Primary Education GERs



Source: MoET, Statistical Digest 2022.

Based on the 2022 Statistical Digest, there are 428 primary schools spread across the 6 provinces. The government supports 91% of schools, and only 9% are fully private. Primary schools can be fully financed by the government (government schools) or partially funded by the government (non-government assisted schools).<sup>9</sup> Government schools account for 61% of primary schools, while the mostly Church-owned, non-government assisted schools account for about 30%. Thus, most students are enrolled in government or non-government assisted schools (Table 1). The proportion of Anglophone and Francophone schools has held constant for several years, accounting for 66 and 34% of the primary schools, respectively.<sup>10</sup>

Table 1: Different types of primary schools in the 6 provinces

Province	Church Gov assisted	Church Private	Government	Private	Total
Malampa	30		54		84
Penama	24		38		62
Sanma	32	1	55	1	89
Shefa	15	2	63	12	92
Tafea	23		49	2	74
Torba	7		19	1	27
<b>Total</b>	<b>131</b>	<b>3</b>	<b>278</b>	<b>16</b>	<b>428</b>

Source: MoET, Statistical Digest 2022.

<sup>9</sup> According to the 'Vanuatu School Grants Code (2021),' an Education Authority is responsible for the operations of non-government assisted schools and the MoET provides assistance with grants, teachers and other resources.

<sup>10</sup> Under Vanuatu's language policy for education, the vernacular, including Bislama (one of the national languages), can be used as the medium of instruction in early childhood education (up to year 4). However, the Open VEMIS records only 3 vernacular schools.

## 3 Education financing and school grants

This study focuses on government and non-government assisted schools' costs and financing. The end goals for universal primary school access, quality and management are, respectively, student attendance, learning and the effective use of resources. Apart from teacher salaries, government school grants and alternate or other grants are the primary financing mechanisms. School grants represent the main source of financing, while alternate grants are smaller and represent an ad hoc immediate response to specific purposes. Also, as this paper highlights, schools have their own ways of raising resources.

### 3.1 Key prior research

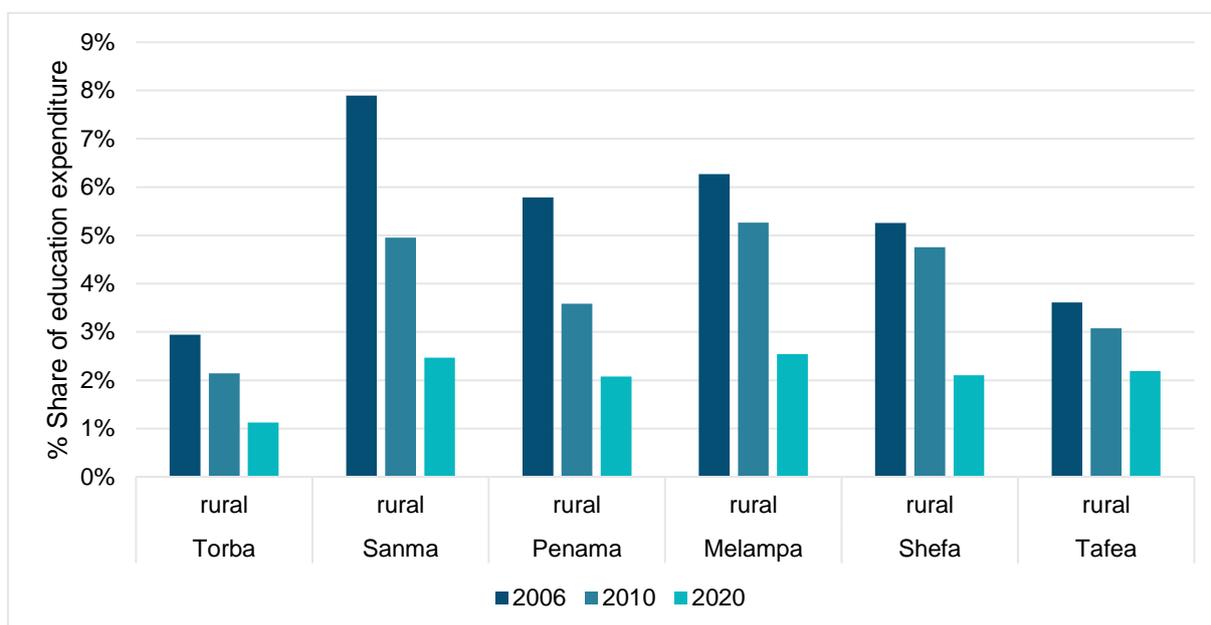
An Australian Agency for International Development (AusAID) paper (2011) provided a literature overview of the design and use of school grants and school-based management, including promoting access and equity, improving teacher behaviour and learning, and reducing repetition and dropout. An assessment of program impact conducted in Indonesia found school grants had few benefits (2015). The Indonesian school grants program (*Bantuan Operasional Sekolah - BOS*) was implemented between 2005 and 2014. The financial burden to families of sending their children to school initially fell but rose higher than before the program began. While enrolment increased, there is no evidence of improvement in transition rates from primary to junior secondary. School committees were supposed to be involved with school management, which also did not happen.

In 2016, Lugaz and De Grauwe analysed the grant experience of 4 countries (Mongolia, Indonesia, Vanuatu, and Timor Leste), focused on the objectives, policy formulation, criteria and procedures for distribution, finances generated by the school, local involvement, the use of the grant and oversight. The amounts allocated are on a per student basis across all 4 countries, and considerable attention was initially given to disseminating information on school grants. In Mongolia, decisions on grant allocation consider school location and children with disability. Across countries, communities raised significant additional funds in each school, and school councils are generally weak participants. Usually, only the principal conducts oversight, except in Mongolia, where there is additional monitoring. Similar to the earlier findings for Indonesia, the impact of school grants was not evident in this study by Lugaz and De Grauwe.

### 3.2 Grants in Vanuatu

MoET introduced 'school grants' in 2010 for primary education, amounting to VT 6,800 per student. The intention was to ease the burden on families by dissuading schools from charging fees and facilitate direct payments to schools (MoET, 2010). The 2021 School Grants Code document reiterates this intention for grants to 'eliminate the parents' cost for school fees.' (MoET, 2021a, p.8). The last education sector public expenditure review (Ministry of Finance and Economic Management, 2012) discusses school grants. According to this report, school grants have greatly assisted the country in achieving universal access and primary education enrolment. The report does not provide much detail except that these funds were not targeted to 'individual school needs nor individual school improvement performance' (p. 6) but rather supplemented family support for education. As seen in Figure 3, there is a decline in household expenditure on education, most significantly in 2010 and also in 2020.

Figure 3: Household share of expenditure for education



Source: Household surveys various years

The Education budget has steadily increased year on year from VT 1,865,658,678 in 2016 to VT 2,939,506,139 in 2021. (Government of Vanuatu Budget. Volume 2, various years). School grants and personnel salaries constitute the main costs of education. Grants to schools and other educational institutions represented 22% of MoET's overall expenditure in 2020. If only grants are considered, primary schools received a large proportion (31%) – though the majority (54%) was allocated to secondary schools. On the other hand, if only personnel costs for primary schools are considered, the primary sector's allocation (41%) was higher than secondary (36%) (VESP, 2021).

According to a UNICEF and IIEP-UNESCO study (Niroa et al. 2014), when school grants were introduced in 2010, extensive training was offered to provincial Education Officers and principals. Bank accounts were set up for each school to avail of school grants, enabling greater autonomy for school management and reducing transaction costs. School grants also promoted a greater involvement of communities, with school councils established and working with the school. Continuous capacity building helped school development planning and developed skills to monitor expenditure and results. The current amounts distributed for each level of schooling are listed in Table 2.<sup>11</sup>

Table 2: Annual School Grant Government Rates

School level	Age group	Amount 2020	60% (used for the 1 <sup>st</sup> and 2 <sup>nd</sup> tranche)	40% (used for the 3 <sup>rd</sup> tranche)
Kindergarten	4 & 5 years	9,000 VT	VT 2,700	VT 3,600
Primary	Years 1 to 6	8,900 VT	VT 2,670	VT 3,560
Secondary	Years 7 to 13/14	8,125 VT	VT 2,437	VT 3,250
Secondary subsidy	Years 7 to 10	42,000 VT	VT 12,600	VT 16,800

Source: Vanuatu School Grants Code (2021), p. 32.

<sup>11</sup> Republic of Vanuatu. Education and Training Act No. 9 of 2014. Grants Codes Notice No. of 2020. This code was first published in 2003. This document is revised. (MoET, 2021a).

The number of children enrolled in school (Open VEMIS data collection) each year determines the amount received as a grant. The following criteria are applied for schools to be eligible to receive grants: (MoET, 2021)

- The school must teach the Vanuatu National Curriculum.
- Student information is complete and entered accurately on Open VEMIS, with no duplicate student records.
- Financial reports are entered in Open VEMIS and submitted to the Provincial Education Officer by the due date.
- The school council approved by the Provincial Education Board meets at least once a term.<sup>12</sup>
- The school council approves the School Improvement Plan.
- The school has no audit issues.

The Provincial Education Officer verifies that the schools have met the above criteria. Schools must submit their fee proposals to MoET as part of the budget submission process to receive grants. Any amount exceeding the limits set by the government needs MoET and the Minister's approval. Though not implemented, if school fees were charged, the school grant would be reduced by this amount.<sup>13</sup> On the other hand, if the school was charging more than this amount in fees before the grants were instituted, school fees could continue to be charged to make up this difference. Parents are expected to continue to cover school uniforms and transportation costs.

The grant money is paid into school bank accounts in 3 tranches per year.<sup>14</sup> The principal, the Chairperson of the school council, and one other council nominee would be signatories for all transactions. The MoET units involved with its administration are Finance, Education Services, Policy and Planning, and Internal Audit. The compliance and disbursement of school grants are clear at the national level. The MoET publishes a detailed School Financial Manual and distributes it to every school.<sup>15</sup> This manual and its quick guide aim to help the school manage its finances. The Ministry updates the manual regularly. It also organises regular financial management training sessions for school authorities.

The first School Grants Scheme and Financial Manual (MoET, 2010) documents authorised expenditures for school grants. Figure 4 shows the proportionate spending that was expected for different items. The total grant amount spent on academic items was to be 40% and the remaining for non-academic items. Teachers were responsible for renting their school provided housing. Use of school grants to pay the salaries of non-certified or non-qualified teaching staff was not permitted. Support staff, such as cleaners, could be paid with the school grant. According to Figure 4, expenditure is no longer enforced. The School Grant Codes (2021) provide an updated version of what expenditure is possible and what is not (see Annex 2). Expenditures above VT 500,000 are only allowed if MoET is involved and must have the Director of Education Services' approval. The critical point is that expenditure must be within the limits set by the budget driven by the School Improvement Plan.

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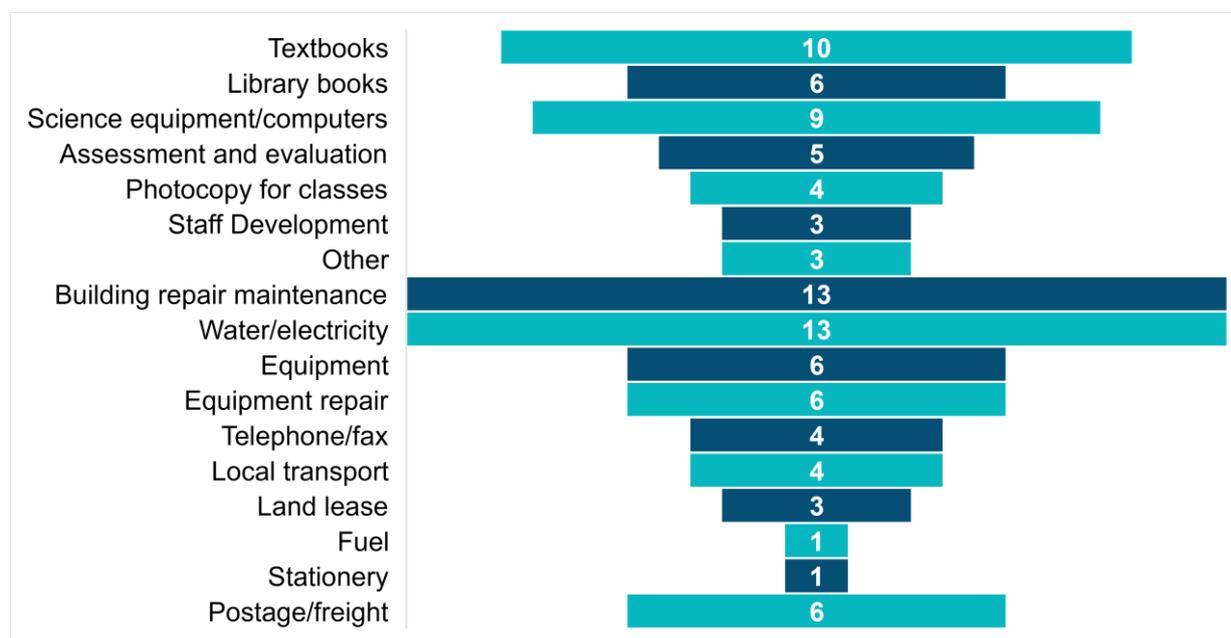
<sup>12</sup> School Councils are made up of 7 members.

<sup>13</sup> The Education Act (2014) and the Education Regulation (Amendment) Order No. 107 of 2019 regulates school fees.

<sup>14</sup> Earlier, the grant could be paid in 2 or 3 tranches but in 2021, 30% of the grant was paid on January, 30% in April and 40% in July (School Grants Code 2021).

<sup>15</sup> Ministry of Education and Training. School Financial Manual. 2010. This Manual is being updated, based on Grant criteria and Open VEMIS data. Another document also assists schools – School Financial Procedures Quick Guides (2010).

Figure 4: Eligible school grant expenditures (in%)



Source: Financial Management Manual 2010 p. 95

Annual school grant financial reports are to be approved by the school council and submitted to the provincial office before uploading in Open VEMIS. Even though these financial reports on grant expenditure can be observed in Open VEMIS, there are few details. It is difficult to determine if budgets and expenditures contribute to increasing and sustaining access and quality in schools and classrooms, as discussed in this study.

## 4 Study methodology

The study is centred on primary schools. Data from schools and provinces enables the detailed exploration of 2 critical dimensions in an education system: the cost of providing quality primary education and ensuring good quality teachers in primary school classrooms. This study focuses on primary education financing –the criteria for school grants, school budgets, expenditure, oversight and management.<sup>16</sup> The overall aim of the study is to understand how the financing of budgets and expenditure work in primary schools. In addition, the analysis examines the role of the Provincial Education Office vis-à-vis school financing.

The methodology for this study includes collecting primary data from schools and provinces, complemented by a secondary analysis of relevant cost data from Open VEMIS. In-depth qualitative interviews were planned of a small sub-sample to obtain a more detailed understanding of school financing. However, due to COVID-19 travel restrictions, this could not be undertaken.

Primary data was collected from the sample of provinces using the instruments described below. Regarding the analysis of Open VEMIS data, the data is used in 2 ways. Data from all 6 provinces are examined where available, relevant, and useful to further the study objectives. Open VEMIS data that applies to the schools in the sample survey was also analysed in comparison with data collected in the study. This enables a comparison of global data collected in an information system (taken one day of the year) and school level data systems and functioning.

<sup>16</sup> A separate study examines the expansion and management of the teacher workforce. This study on teachers has implications for the analysis of primary education financing.

## 4.1 Sample

The sample for primary data collection included schools from 3 provinces in Vanuatu – Shefa, Tafea, and Torba. Shefa and Tafea represent more populated provinces (similar to Sanma and Malampa), while Torba is less populated (similar to Penama). The school sample included 68 randomly selected primary schools, or 16% of the primary schools in Vanuatu (Table 3).<sup>17</sup> Government schools are twice that of non-government assisted schools in Vanuatu. The 56 government schools in the sample represent 22% of total government schools, and the 8 non-government assisted schools represent 6% of total non-government assisted schools in the country.<sup>18</sup> The sample included 28 schools (36% of total schools) from Shefa, 33 schools (46% of total schools) from Tafea, and 10 schools (38% of total schools) from Torba.

**Table 3:** Study sample and instruments

	No of participants	Instrument
<b>Interviews</b>		
Principals	68	Questionnaire
School councils chairs	62	Questionnaire
Year 3 Teachers	64	Questionnaire
Year 6 Teachers	63	Questionnaire
Total persons interviewed across schools	257	
<b>Observation</b>		
Year 3	66	Observation
Year 6	62	Observation
Total classrooms observed	128	

At the provincial level, an inspector and Provincial Education Officer from each of 5 provinces participated in the study (Officials from Sanma were unavailable). In addition, the following School Improvement Officers participated – 1 from Penama; 2 each from Shefa and Torba; and 3 each from Tafea, Malampa and Sanma.<sup>19</sup>

<sup>17</sup> Three schools were excluded from the analysis. Two of these schools were not found in the Open VEMIS system. Reasons for this are unknown. A third school was in the Open VEMIS database but without any data.

<sup>18</sup> The original intention was to have a proportionate representation of government and government-assisted schools. However, due to the logistical challenges of travel to schools, the study could not support proportionate representation. Instead, the government assisted schools that could not be visited were compensated with additional randomly selected government schools to make up the 16% overall sample of schools.

<sup>19</sup> Inspectors and School Improvement Officers crucial for the oversight functions of the province were withdrawn. MoET is working on a new structure to replace these roles.

## **4.2 Instruments**

The study fielded questionnaires to the Principals, school council members, and teachers. The year 3 and year 6 teachers were interviewed, representing the midpoint and endpoint in the primary school cycle. Year 3 and year 6 classrooms were also observed. Since the study was analysing costs and teachers, the questionnaires were extensive. Moreover, to capture 'business as usual,' the questions tried to capture varying perspectives of the same area by posing similar questions to different sources. While the instruments were long and detailed, the interviewers' ability to tailor the questions to various individuals (instead of just one person) helped to avoid response fatigue. The research approach enabled assessing the information's coherence or helped expand and nuance one person's response with another person's response on the same topic. For example, the study explores the issue of textbooks by asking for cost data, checking textbook availability for teachers, and seeing the texts in the classroom first-hand. Teacher salaries are another example where a principal's statements could be reviewed in light of what teachers said.<sup>20</sup> Questionnaires were also fielded to all the individuals participating in the study at the provincial level. The questionnaires are available from the research staff in MoET's policy and planning unit.

## **4.3 Analysis**

While keeping the objectives of the study in mind, the analysis is iterative, weaving together the following in the discussion:

- Open VEMIS population level data where relevant.
- Open VEMIS data on the schools in the sample survey.
- School and provincial level sample survey data.

The study is quantitative, relying on descriptive statistical analysis and simple correlations of data generated through questionnaires. The analysis includes data generated from closed-ended qualitative questions. The study's use of photos enables visual data analysis. The study also collates closed-ended qualitative responses and visual data and triangulates them with quantitative data.

## **4.4 Ethical concerns and study limitations**

The sharing of the Concept Note for review and feedback with MoET, internally with VESP, and with the development partner enabled transparency in the proposed study objectives and the intended data collection and analysis process. The translation of the instruments into Bislama also improved transparency and understanding. The research team consistently included a MoET representative.

MoET was involved with identifying enumerators. Before recruitment, the enumerators had to provide a valid police clearance and comply with the child protection code before receiving approval to work in a school environment. Data collection could only begin after receiving formal authorisation from the provincial education offices. The Provincial Education Office also approved the randomly selected schools. School personnel signed letters of consent before the interviews, and provincial education staff accompanied the enumerators to the schools when possible.

The names of the individuals interviewed are removed from the analysis and the schools are only identified by the Open VEMIS number. All spreadsheets containing the content of the questionnaires and the photos taken include the Open VEMIS number only. Confidentiality and information

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<sup>20</sup> A team of experienced education enumerators was engaged to collect data from the 3 provinces. Each province was assigned 2 teams of 2 enumerators each. The enumerators were responsible for data collection using the survey instruments listed in the methodology. The Vanuatu National Statistics Office gave tablets to the enumerators. The team received comprehensive training in the survey instruments, the studies' purpose and how to use the tablets. They also participated in a pilot and a debriefing before commencing fieldwork. The team in Vanuatu oversaw the daily collection of data and made comments.

aggregation at the school level are maintained throughout the study. The focus is on broad patterns across schools and not on idiosyncratic distinctions, which would require identification.

The limitations of the study include the following:

- Without qualitative interviewing, the study could not capture an in-depth understanding of the different procedures and processes surrounding the school and province. In addition, a better interpretation of the quantitative findings would be possible with qualitative interviewing.
- This study is a first of its kind. It could not build on prior experiences with the instruments used to collect data from schools and classrooms that are hives of activity and movement. Follow-up studies could build on the methodology and findings of this study.
- Including an analysis of the role of the highest level of government vis-à-vis the school would have contributed to a broader and richer understanding of school functioning. In future, connections made, especially by government officials, with study findings will be invaluable in addressing the constraints to quality education.
- Baseline information on some areas would allow the study to expand on this information. For example, there was limited information on the actual situation of government and community teachers working together, which would have allowed the study to analyse further how this works on the ground.

## 5 Introducing the schools sampled in this study

Initially, general information about the school was collected before focusing on the study's main topics. Questionnaires asked about school infrastructure (the number of classrooms and toilets in the school) and location (distance from the town). The report then discusses school functioning and record keeping as important dimensions in the sampled schools. Finally, this introductory section examines the principal's years of experience.

### 5.1 School infrastructure and location

Fifty-one schools had between 2 to 8 classrooms, 9 schools between 8 to 11, and 8 schools between 11 to 21 (Figure 5). Classrooms and enrolment were compared for all schools in the study, evincing a good correlation.<sup>21</sup> This meant the number of classrooms for a school could be reasonably estimated by looking at its student population. To express this differently, for the schools sampled, the number of classrooms provided was usually proportionate to the number of students in a school.

All the schools had a water source of some sort (stream, well or tank or other). Toilets were also available in all the schools.<sup>22</sup> Some schools had many toilets, with 12 having between 6 and 9 (Figure 6). A large segment of 36 schools (67percent of sampled schools) had between one and 6 toilets. Toilets and enrolment were compared for all schools in the study and there was a fair correlation suggesting some predictability between the size of school enrolment and the number of toilets provided.<sup>23</sup>

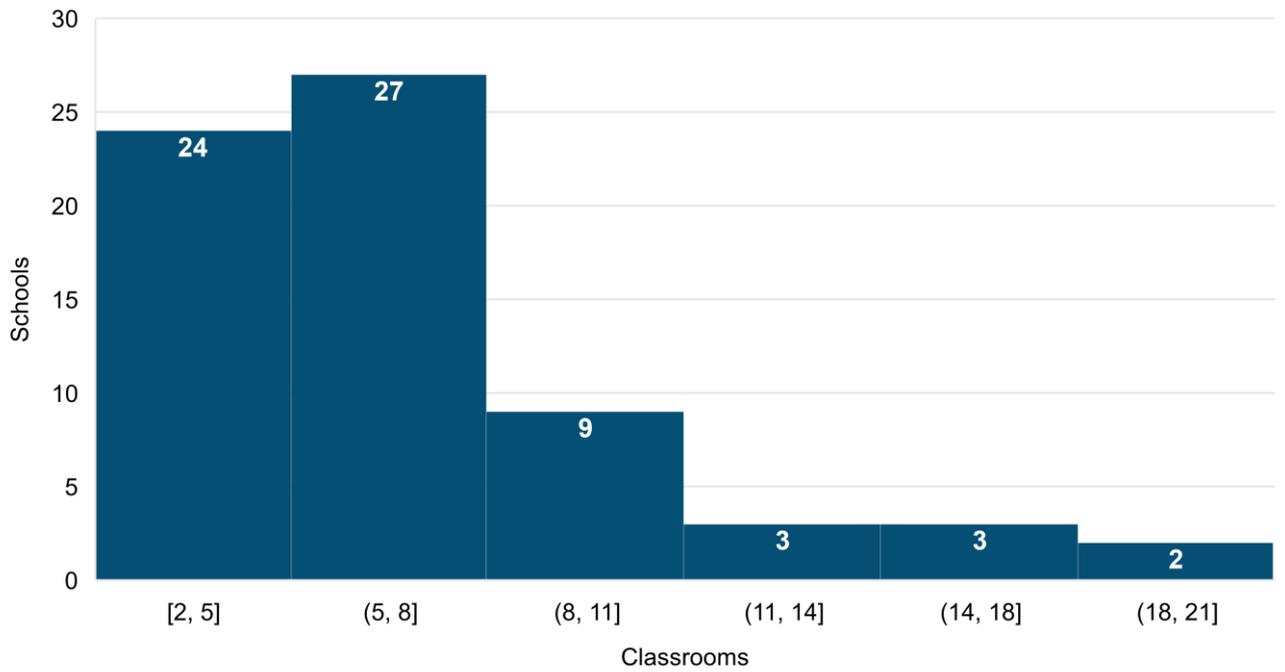
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<sup>21</sup> The correlation was 0.76,  $p < .001$ . If the correlation is 1, it would suggest the relationship between the way in which classrooms were provided is fully predictable and commensurate with the level of enrolment in the school.

<sup>22</sup> The MoET standard facility and equipment in School provides 20 students with one toilet and separate toilets for girls and boys.

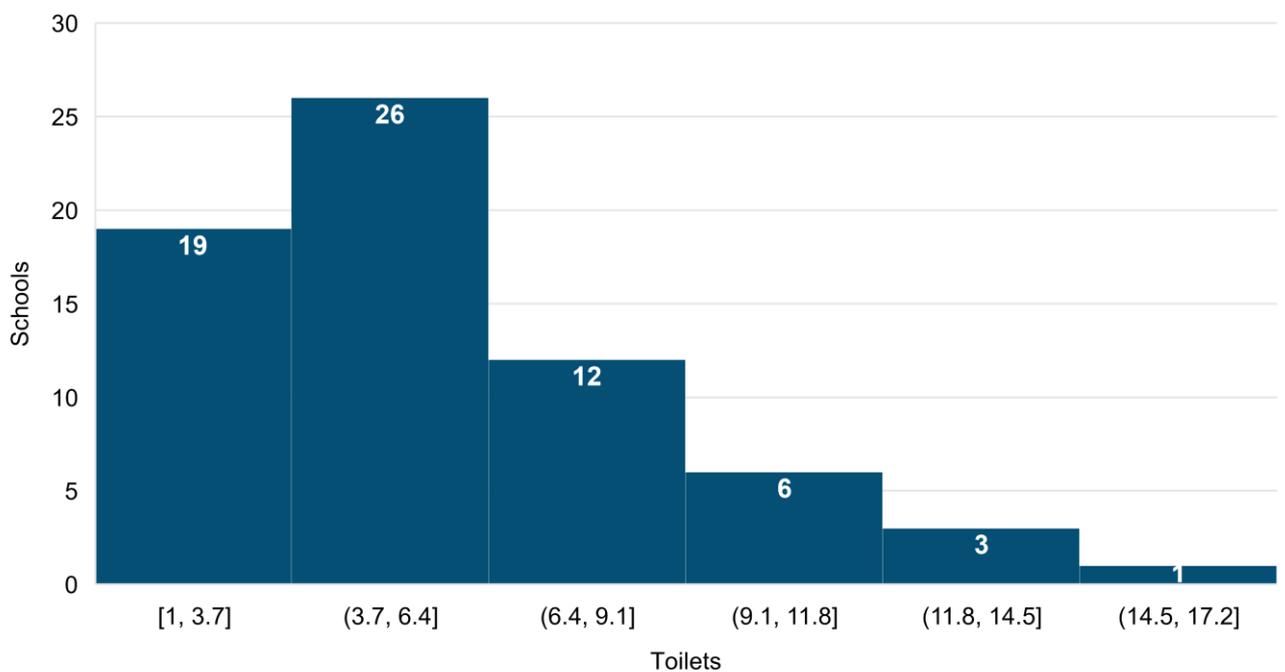
<sup>23</sup> The correlation between toilets and students enrolled was .63,  $p < .001$ . (Outlier included, 32 toilets and 697 students).

Figure 5: Classroom distribution across schools (n= 68)



Source: Principal Sample School Survey 2021

Figure 6: Toilet distribution across schools (n= 67)



Source: Principal Sample School Survey 2021. Note: the survey does not include one outlier with 32 bathrooms.

Principals were asked how far their school was from a town without specifying the definition of a town (Table 4). Distance to the nearest town indicates how easily a school can procure supplies and other requirements. Moreover, if there is no local teacher accommodation, proximity to a town would also be attractive for teachers. Seven principals did not provide the distance. For the remaining 61 schools, the distance from the nearest town ranged from 0 to 500 km. The average distance across the schools that responded to this question was 29 km from the town.

**Table 4:** School distance to town (n= 61)

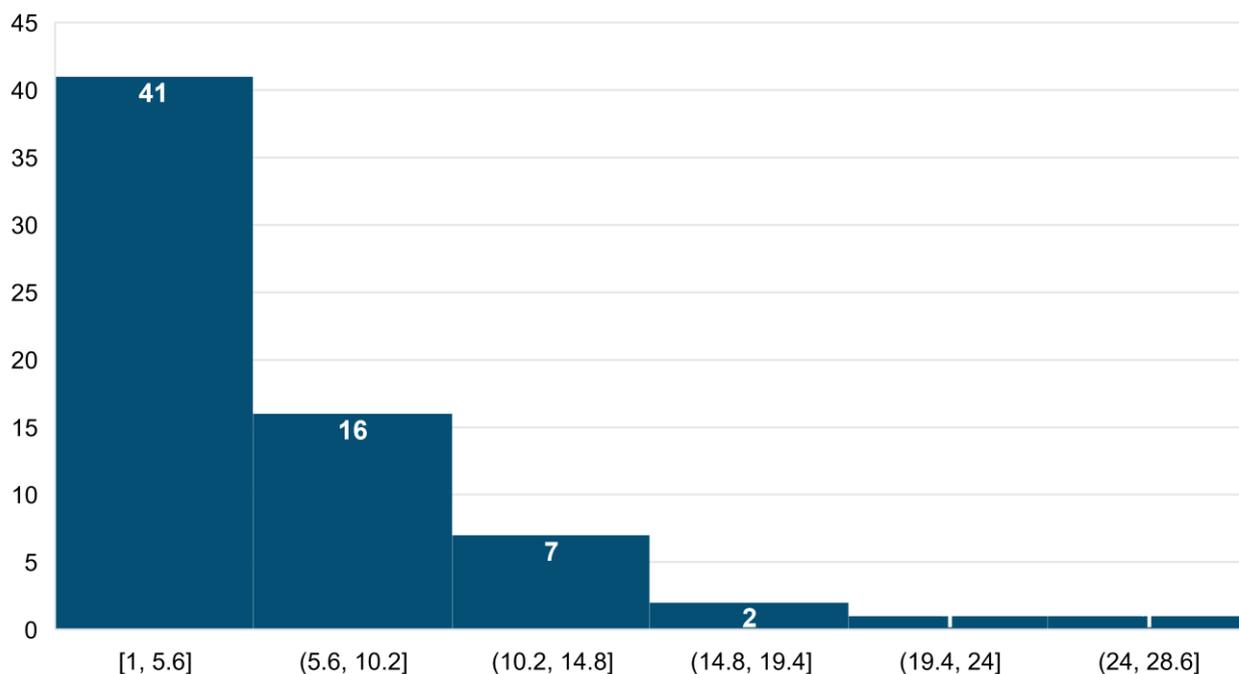
Kilometres	0-6 km	7-12 km	13-18 km	19-24 km	25-30 km	30 < km
Schools	25	6	6	7	6	11

Source: Principal Sample School Survey 2021. Note: 7 non-respondents

## 5.2 Principals’ experience

Principals interviewed for the sample study had an average of 6 years of experience as a principal (Figure 7). Most principals (41 or 60%) possessed between 1 and 6 years of experience, followed by 16 principals (24%) having between 6 to 10 years of experience. 3 principals said they had more than 15 years of experience. A large proportion of principals (41%) are also teaching.

**Figure 7:** Principals’ years of experience (n=68)



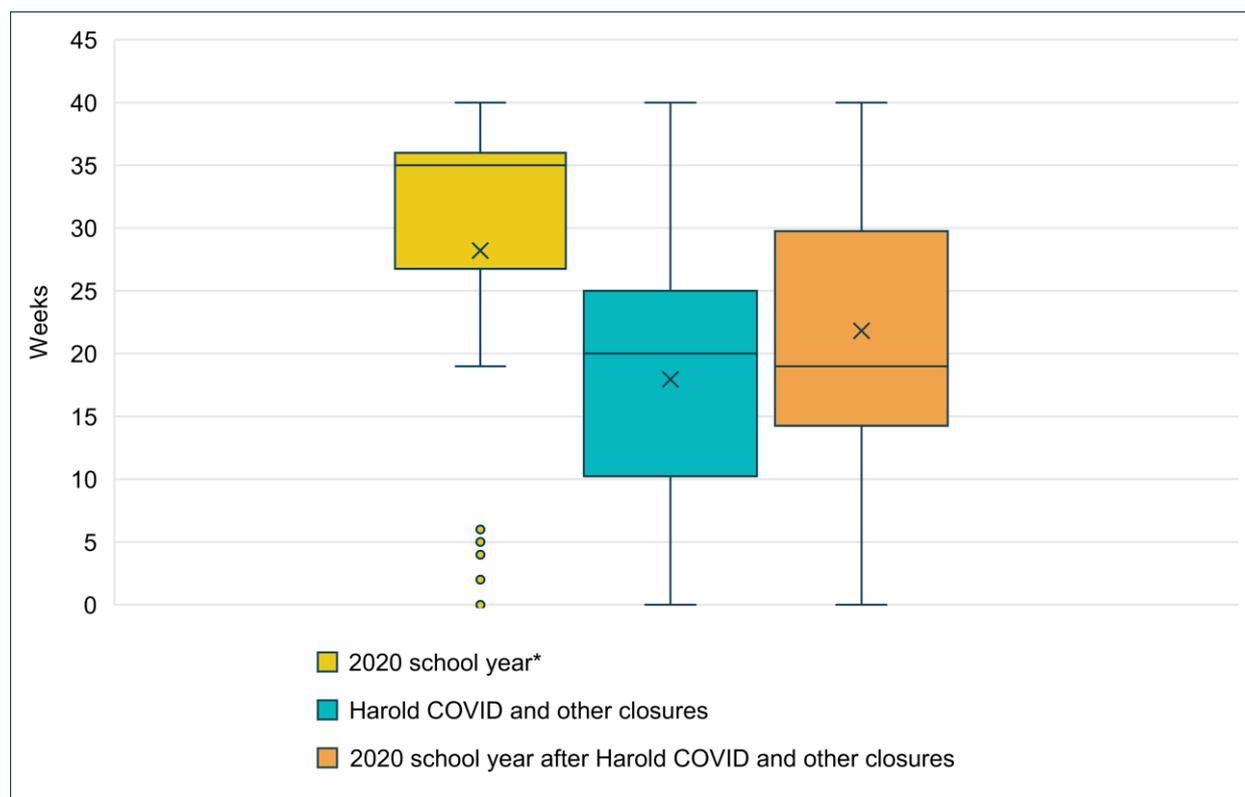
Source: Principal Sample School Survey 2021.

### 5.3 School functioning

The basic expectation is that a school functions for a stipulated number of weeks in a school year, and the number of weeks would be closely aligned with the time taken for teachers working in the school to complete the defined curriculum outlined for each year of primary school. The school year over a period of 6 years would be the length of study that would enable a student to be exposed to and learn the topics assigned to primary education.

The survey asked the 68 principals how many weeks the school is expected to function each year. Their answers ranged from 37 to 41 weeks, with the majority (75%) saying it was 39. Principals were also asked how many weeks schools functioned in 2020, given that schools closed due to tropical cyclone Harold, COVID-19 and other reasons. There is a significant lack of specificity in the answers (Figure 8).<sup>24</sup> For 7 schools, the 2 responses were not plausible and were not included in the analysis. Based on the rest of the data, the average for the principals' answers for the 2020 school year was about 35 weeks. The number of weeks principals said the school remained closed (for weather events and the pandemic) was subtracted from what principals said the school year needed to be. The median for the school year after subtraction was about 18 weeks. Eighteen weeks is a very short school year. Although 2020 was an atypical year, the study captured the lack of specificity in the length of the school year. On the other hand, the study found limitations in leadership and proactivity in identifying and responding to curricula loss due to lost school weeks.

**Figure 8:** School year across surveyed schools (n=61) #



Source: Principal Sample School Survey 2021. # Seven schools are excluded due to errors in the response.

\*Principal response on the 2020 school year.

<sup>24</sup> An explanation of a box plot is found in Annex 4.

## 5.4 Record keeping

Data is needed to know how the school functions and whether students are enrolled and learning. The survey focused on this area in 2 ways. First, irrespective of whether there was a computer in the school, enumerators were asked to see the records maintained by the principal in 4 areas – student enrolment, student performance, teachers' leave, and financial accounts. The conclusions were as follows:

- 65% of school principals kept records on student enrolment.
- 54% of school principals kept records on student performance.
- 38% of school principals kept teacher leave records.
- 78% of school principals kept records of financial transactions.

The study also focused on schools with computers and whether this had any bearing on schools maintaining records. Fifty-two sampled schools (77%) had computers. The number of principals keeping records was not higher for this group.<sup>25</sup> Finally, the study also explored if more experienced principals were more likely to keep records. The relationship was weak, with no connections between record keeping and the principal's experience. The expectation that principals with more experience were more likely to keep relevant records did not hold.<sup>26</sup>

## 6 School grant implementation

There are several issues regarding implementing the school grant scheme, specifically concerning fund allocation based on student enrolment numbers and School Improvement Plans.

### 6.1 Student enrolment

Grant amounts allocated to a school depend on the number of students enrolled in the school as entered in Open VEMIS. The extent to which the enrolment number is representative of patterns of students' school attendance during the year is a critical piece of information. The above discussion on whether principals stored enrolment data provides a sense of systematisation of this information. A third of the principals were unable to show enrolment records. And even the schools supplied with a computer did not all show evidence of the effective recording of student enrolment. Moreover, principals could not specify how many students were repeaters or who had dropped out of school.

The stability in student enrolment data critical to grant allocations is analysed in 3 ways.<sup>27</sup> First, the study tried to understand how the principal kept track of student enrolment by asking them twice about their school enrolment. In the first instance, the principal was asked how many girls and boys were enrolled in the school. In the second instance, principals were asked how many students were put forward in the request for school grants.

In the first instance, principals from 21 schools did not have an answer. In the second, 4 principals did not. Principal reporting of student enrolment numbers in the first and second

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<sup>25</sup> For 52 principals with computers, records were observed for 63% principals (enrolment), 58% (performance), 38% (teachers' leave) and 81% (financial accounts).

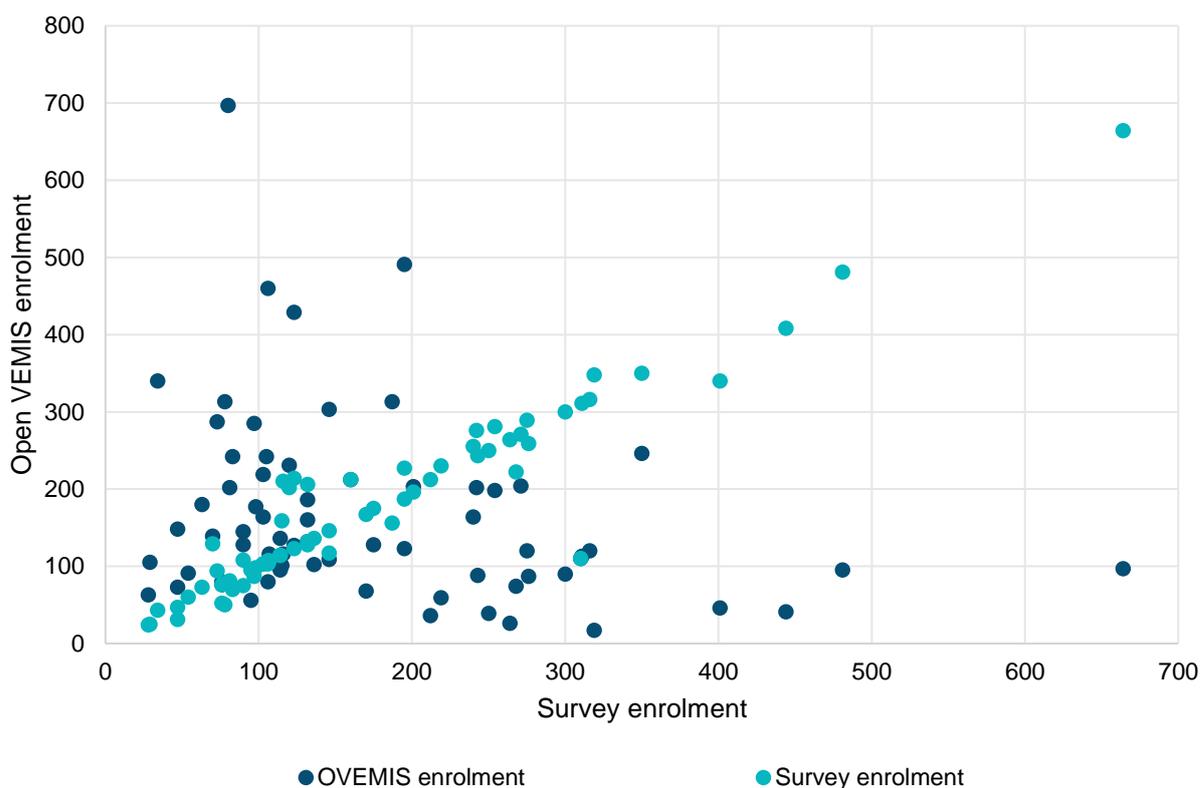
<sup>26</sup> Correlation coefficients between principal experience and record keeping for enrolment, performance, teachers' leave and financial accounts were less than .10 and the p-value was insignificant.

<sup>27</sup> The Global Partnership for Education's "Education Sector Plan appraisal raises concerns with the Open VEMIS data. Based on 'The Urban School Study,' (VESP 2018) and the 'Analysis of Education data: A gendered perspective' (VESP 2020) percent discrepancy in enrolment across the system.

instances was compared for 37 sampled schools.<sup>28</sup> Enrolment differences between the 2 responses ranged from negative 61 to 91 students. In some cases, the principal’s response to this question on student enrolment in the first instance was bigger than their response the second time. And in other cases, it was the opposite.

A second way the study explores student enrolment stability is by comparing Open VEMIS data collected in March each year for the sampled schools and the enrolment numbers provided by the principals during the interview (first instance). Again, the Open VEMIS numbers are not the same as those provided by the school principal, as shown in Figure 9.

**Figure 9:** Student enrolment in the survey and Open VEMIS (n=68)



Source: Principal Sample School Survey 2021

A third way the study examined student enrolment stability was to analyse the differences between students listed in an attendance register and numbers present in the classroom. Enrolment differences were observed for year 3 and year 6, ranging from negative 19 to 29 students across the 2 classes. More students were sitting in the classrooms than the number listed in the registers, while the opposite was true for some other classes.

The 3 ways this study shows the lack of stability in recording student enrolment suggest this essential and straightforward education requirement needs attention. If student enrolment is stable, financing based on enrolment would be appropriate. However, school financing becomes inefficient when grants are paid for students never enrolled, enrolled intermittently or enrolled for short periods.

<sup>28</sup> 21 school Heads did not have an answer and for the remaining 10 schools, the numbers were not plausible.

## 6.2 School Improvement Plans

There is an expectation that each school has its own ‘School Improvement Plan’ to obtain school grant funding.<sup>29</sup> Except for 6 schools, all the remaining schools had obtained their school grants for 2021 and previous years based on submitted School Improvement Plans. Principals were asked whether the school had achieved the targets outlined in their plans for 2 consecutive years, 2020 and 2019. Almost all the schools indicated that they had not achieved their plan’s targets (Table 5). With regards to achieving some targets, performance was significantly better in 2020 (85%) compared to 2019 (59%).

**Table 5:** School Improvement Plan Targets – Achievement in 2019 and 2020 (n=68)

	2019		2020	
	Schools	In % sample schools	Schools	In % sample schools
No response	2	3%	11	16%
No targets reached	7	10%	14	21%
Some targets reached	58	85%	40	59%
All the targets	1	1%	3	4%

Source: Principal Sample School Survey 2021

School Improvement Plans were intended to ensure consistent and effective school operations. These plans also needed to support the primary task of teaching and learning. Most of the targets did not emphasise this objective. Instead, the School Improvement Plans focused on infrastructure improvements, including construction, repairs, and maintenance of facilities. The targets associated with teaching and learning were almost non-existent, as reflected in the principal’s response. Funding was mainly spent on areas only indirectly connected to developing students’ abilities and achieving learning goals.

### Targets in School Improvement Plans 2020 and 2021

- Building new or expanding existing classrooms.
- Building library, toilets, teachers’ houses, and playgrounds.
- Building fences or petrol sheds.
- Supporting administrative needs, storage facilities, server rooms, and kitchens.
- Connecting internet to the school.
- Painting buildings.
- Purchasing solar panels or water tanks.
- Developing school agriculture plots.
- Providing sanitation/hand washing facilities.
- Purchasing photocopiers.
- Buying furniture.
- Supporting health and hygiene programs.

<sup>29</sup> School Improvement Plans were renamed School Strategic Plans in 2020. These plans different from School Improvement Plans are expected to cover a three-year period. Provinces are beginning to consider what it means to plan for three years rather than for a single year.

Only 5 schools (about 7%) included one or 2 targets related to teaching and learning:

- Ordering teaching resources and stationery.
- Workshop for parents to get them involved with teaching activities.
- Drafting an academic plan.
- Evaluation of academic progress.
- Organising reading corners.
- Purchasing reading books.

## 7 School finances

The cost of primary school is not only defined by school grants and other grants but also by the amount of funds raised through other sources. School Grants were introduced in many countries to reduce the burden of school fees for parents and to encourage parents to send their children to school. Despite government grants provided for more than a decade, there are several income sources that support the functioning of the school. In addition to school grants, there are parent contributions (which could be the same as school fees), community contributions, dedicated fundraising, and private contributions.

### 7.1 School grant envelope

About 75% of principals knew the school grant amount per pupil was VT 8,900. The others either did not know or said an amount above or below VT 8,900. Principals were asked to provide how much they had received through school grants in 2020. Of the 68 principals, 17 were not able to provide the amount. While school grants have been providing significant financing to schools for over a decade, knowledge and leadership in using the entire money received are not uniform across schools.

Open VEMIS data on government grants are available for 3 years.<sup>30</sup> Considering all the grants each school receives across the 6 provinces, there is considerable variation in the global amounts provided per pupil. Table 6 calculates the total amounts divided by the enrolment numbers available. Many schools are not included in this calculation as these schools did not receive grants.

- In Malampa, 84 out of 88 schools are included in the analysis.
- In Penama, 59 out of 62 schools are included in the analysis.
- In Sanma, 85 out of 101 schools are included in the analysis.
- In Shefa, 77 out of 95 are included in the analysis.
- In Tafea, 73 out of 78 schools are included in the analysis.
- In Torba, 23 out of 27 schools are included in the analysis.

The excluded list also includes 3 schools that received grants without providing enrolment numbers. Also, 4 schools are not included because enrolment was not provided for one or 2 of the 3 years. The per pupil amount that Shefa received for all 3 years was much higher than the other provinces, which could portray Shefa's ability to obtain central funds.<sup>31</sup> Malampa and Penama received lower per pupil grants than the other provinces. Torba was in this bracket in 2020.

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<sup>30</sup> This analysis applies to government grants to all primary schools across Vanuatu. In each of the provinces a proportion of schools will include kindergarten and/or a junior secondary class. Government grants to these schools are included in the analysis and would include both students and amounts received for kindergarten and/or a junior secondary class.

<sup>31</sup> The reasons for the higher per-pupil amounts shown for Shefa will need further review. Likely reasons could be firstly, the proximity of this province to administrative centres. Secondly, because of proximity, Shefa becomes aware of grant availability sooner than other provinces, and finally, Shefa has the skills available to apply for these grants without delays.

**Table 6:** Per pupil grant amount and enrolment

	Per pupil amount with grants received in 2018 in VT	2018 Enrolment	Per pupil amount with grants received in 2019 in VT	2019 Enrolment	Per pupil amount with grants received in 2020 in VT	2020 Enrolment
Malampa	14,924	8,197	11,819	8,403	11,497	8,494
Penama	14,905	6,437	11,654	5,853	11,644	6,226
Sanma	18,943	10,441	15,248	11,331	16,666	11,194
Shefa	17,757	14,542	17,268	13,081	21,704	13,452
Tafea	15,399	9,980	13,075	10,401	14,970	10,503
Torba	19,195	1,985	13,436	2,028	11,308	1,994

Source: Open VEMIS data

This distribution of finances suggests the need to interrogate whether the equity objectives are being met. Apart from school grants, better-placed provinces could be more aware of the availability of other grants and the mechanism for accessing these funds.

## 7.2 School finances

In addition to school grants, schools were asked how much money was raised through other sources. Table 7 includes the total amount indicated by principals and the average for the group of schools. Only 10% of schools reported amounts contributed by parents or school fees. However, photos of school fee amounts were taken from 59% of schools. It is likely that if all the schools indicated how much is raised with school fees, this amount would be significantly higher. Private contributions by 21% of schools are also high.

**Table 7:** Funds raised by schools in VT

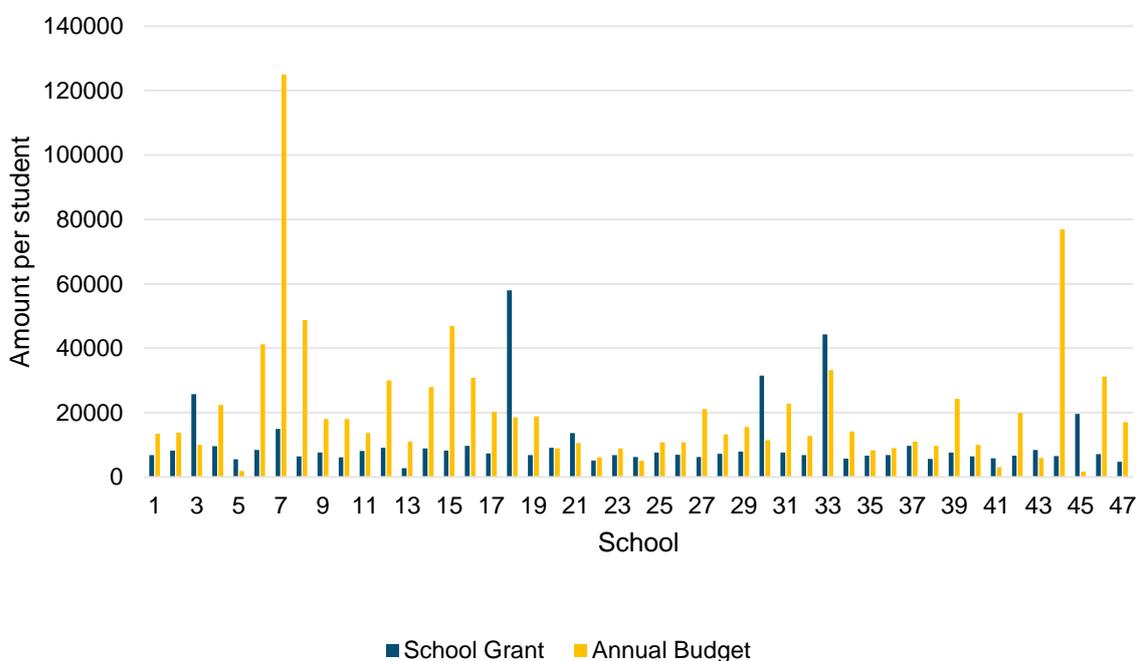
	Total amount raised	% Schools reporting	Average amount across reporting schools
School grants	10,825,2971	75%	2,122,607
Parents	13,831,000	10%	1,975,857
Community	4,131,685	24%	258,230
Fundraising	5,643,985	54%	152,540
Private contribution	11,851,975	21%	84,6570

Source: Principal Sample School Survey 2021

### 7.3 School budgets and school grants

While school grants were expected to reduce the burden of primary school for parents, the general impression is that school fees were never fully substituted by school grants and that schools continued to charge fees. While direct responses to questions on school fees lacked clarity and specificity, the annual budget provided by the principals indicated that school grants were augmented with other resources. The annual school budget stated by the principals for 2020 and the government grant amount for 2020 (from Open VEMIS) were divided by the same Open VEMIS enrolment number to obtain a per pupil amount for each. The per pupil school budget is significantly higher than the per pupil school grant amount, in many cases more than double, as seen in Figure 10, showing the schools' potential to raise funds. However, it is unclear if this demand for funds burdens families or negatively affects equity in school provisioning.

**Figure 10:** Per pupil amount for the school budget and school grant (n=47)



Source: Principal Sample School Survey 2021

The study included taking photos of documentation relevant to fundraising and school budgets. Picture 1, taken from one of the schools shows that the revenue from fees was almost equivalent to the school grant. Picture 2 shows the magnitude of school fees charged at about VT 16,500 a year. According to the Provincial Education Officer, most schools charge fees, and the estimate was between VT 5,000 to VT 15,000 per child per year. In addition, the community was the most significant contributor, and the support need not be only through fees but could be other in-kind items.

## Vanuatu Education Support Program Phase 2

Cost of primary education in Vanuatu | November 2022

Picture 1: Revenue/income and expenditure

<b>REVENUES/INCOMES</b>		
DETAILS PER HEAD	AMOUNT	PERCENTAGES
Students Fees	VT 1,806,000	44%
Government Grant	VT 1,931,000	47%
Other Funds	VT 350,000	9%
<b>Totals</b>	<b>VT 4,087,000</b>	<b>100%</b>

<b>EXPENDITURES</b>		
ITEM PER HEAD	AMOUNT	PERCENTAGES
PERSONAL	VT 500,000	VT 13%
ADMINISTRATION	VT 700,000	VT 17%
EDUCATION SUPPLIES	VT 1,700,000	VT 29%
OPERATION & MAINTENANCE	VT 500,000	VT 29%
DEVELOPMENT	VT 1,200,000	VT 12%
<b>TOTAL EXPENSES</b>	<b>VT 4,087,000</b>	<b>VT 100%</b>

Source: Principal Sample School Survey 2021

Picture 2: School fee structure

<b>SKUL FEE STRUCTURE PRIMARY IONG 2020</b>		
TERM 1	TERM 2	TERM 3
OPERATIONAL FEES DEVELOPMENT 2000 VT PERSONAL 3500 VT <b>TOTAL: 5500 VT</b>	OPERATIONAL FEES DEVELOPMENT 2000 VT PERSONAL 3500 VT <b>TOTAL: 5500 VT</b>	OPERATIONAL FEES DEVELOPMENT 2000 VT PERSONAL 3500 VT <b>TOTAL: 5500 VT</b>

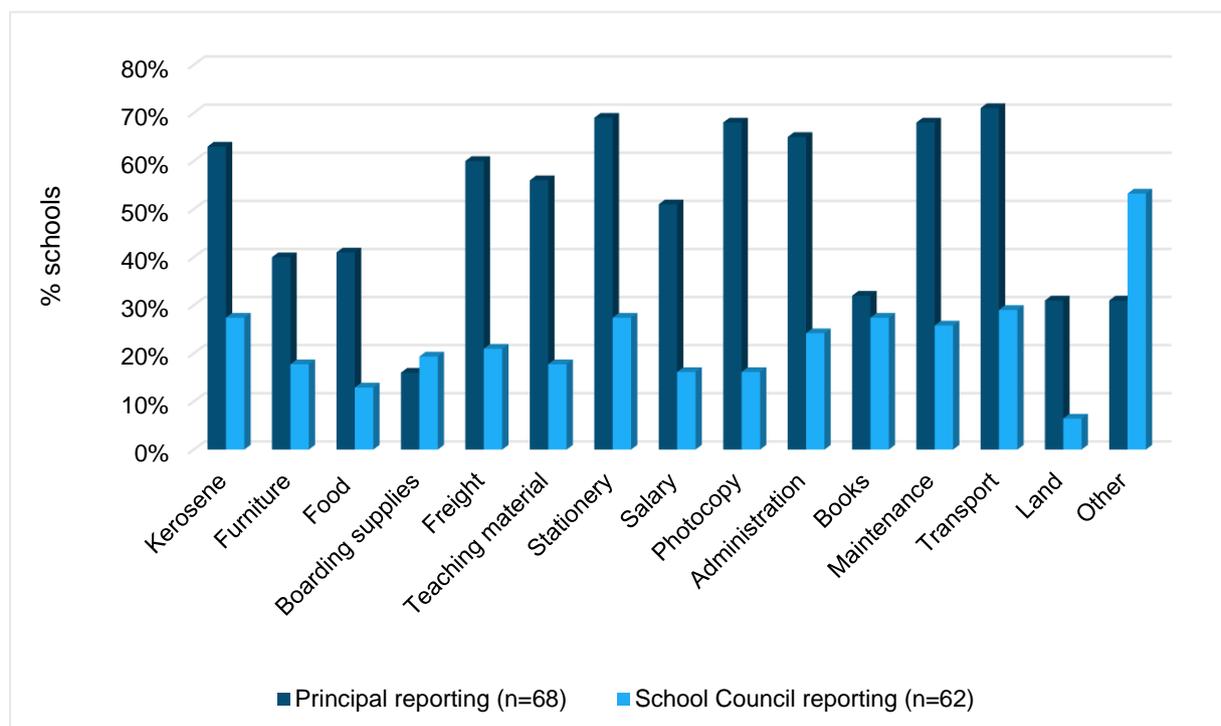
Source: Principal Sample School Survey 2021

## 8 School expenditure

To understand patterns of spending, there was an attempt to capture actual expenditure on different items. Since obtaining a specific government grant amount from the principal was difficult, this analysis does not disaggregate government grant and school budget expenditure. Instead, the focus is on principal reported school expenditure (irrespective of source). Table 8 captures the proportion of school expenditure spent on eligible items. There is a disconnect here as the infrastructure items identified in the School Improvement Plans are not on this list. Therefore, expenditure on those items is not captured. More than 60% of schools spent on transport, maintenance, administration, photocopying, stationery, freight, and fuel. A third of the schools spent money on books and a little over half the schools spent on teaching material.

The school council is a crucial entity for obtaining and acquitting school grants. The school council is expected to participate in and approve all aspects of the grant and monitor expenditure. The table below displays the disconnect of the school council with school spending discussed further below. For example, according to school council reporting, 27% of schools bought stationery, while according to principal reporting it is 69%.

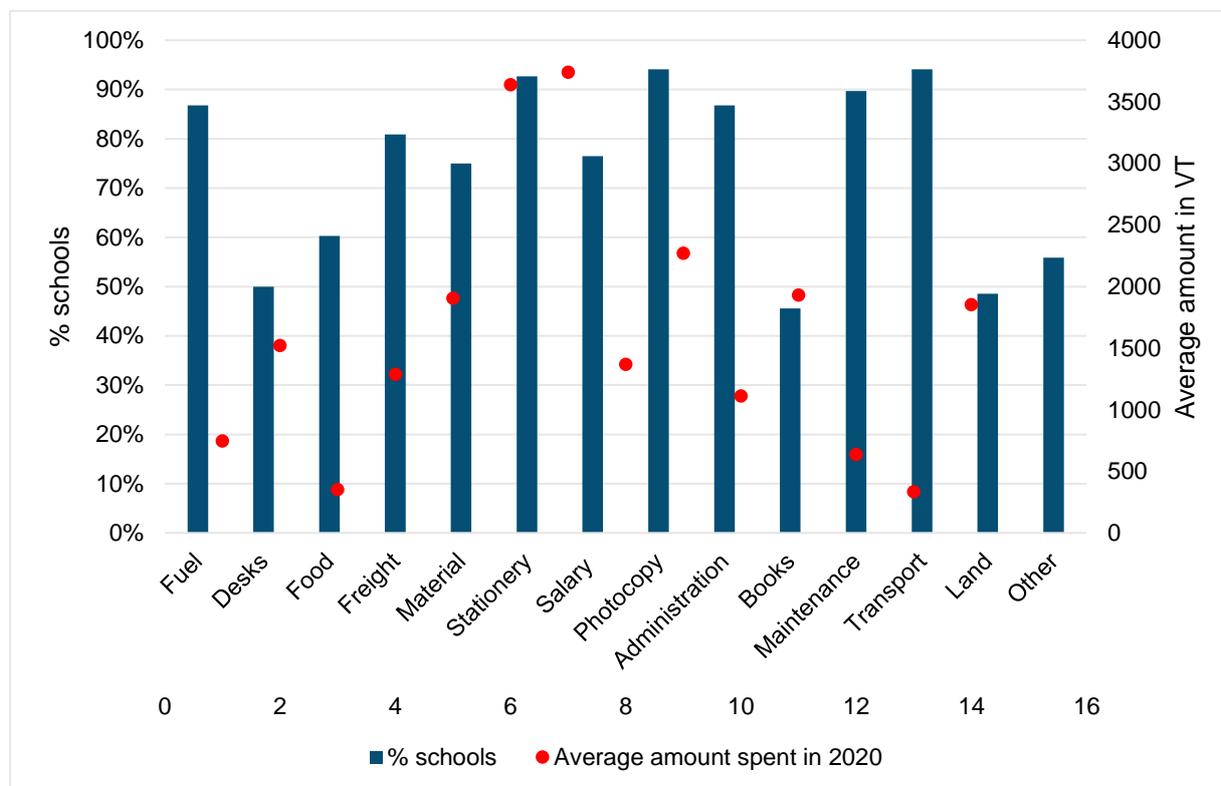
**Figure 11:** School spending on eligible items



Source: Principal Sample School Survey 2021; School Council Survey 2021.

Regarding the amounts spent on various items and how many schools, Figure 12 shows the proportion of schools indicating they had spent on a particular item and the average expenditure for the group spending on a particular item. The highest proportion of schools (around 90%) spent on transport, photocopying, stationery, maintenance, administration and fuel. Though only 76% of schools spent on teacher salaries, the average amount is the highest among all expenditure categories. The lowest amount on average is spent on food, land, transport and books. The lowest proportion of schools (46%) said they spent money on books. It is worth noticing the financial report's list does not include infrastructure, so the amounts spent on items identified in the School Improvement Plan are not known.

Figure 12: Amounts spent on various items



Source: Principal Sample School Survey 2021

## 8.1 Teaching and learning materials

Stationery, notebooks, exercise books, and textbooks are important and basic to making learning happen. Stationery and notebooks were observed to be sufficient in the classroom. Some indications suggest that schools did spend on purchasing these items in the amount spent under the heading 'stationery.' However, this is not the case with textbooks. From the school grant amount allocated for 'academics,' schools are expected to ask the Curriculum Development Unit in MoET to procure and send their required number of books. Only 7 schools in 2019 and 8 schools in 2020 submitted the number of textbooks purchased with the school grant (Table 8). The number ranged from 6 books to 1824 books during 2019 and 2020.

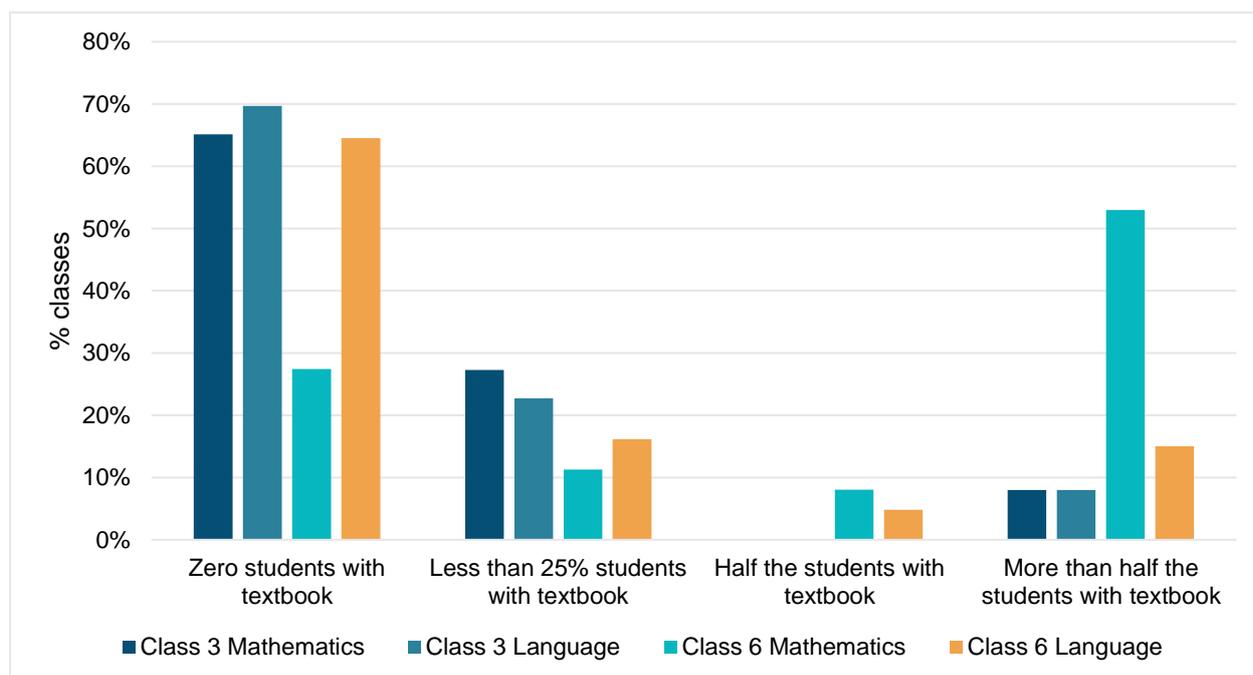
**Table 8:** Number of textbooks bought by 8 schools in the sample (n=8)

School	2019	2020
1	8	6
2	12	10
3	16	15
4	30	16
5	323	100
6	800	404
7	1,824	1,000
8		1,824
Total	3,013	3,375

Source: Principal Sample School Survey 2021

Observers for Year 3 and Year 6 recorded the number of mathematics and language textbooks they saw in the class. Figure 6 shows that except for Year 6 mathematics, most of the observed classrooms (more than 60%) had zero textbooks. The study calculates the proportion of students with a textbook in the classes. For example, more than half the students had a textbook in 8% of the Year 3 classes for both subjects. Overall, the situation was much more favourable for Year 6 mathematics. More than half the students in the Year 6 classes had a mathematics textbook. MoET’s Curriculum Development Unit explained that this could be because a new mathematics curriculum was rolled out and included textbook distribution financed directly by MoET. The exact number that was distributed is unclear.

**Figure 13:** Availability of textbooks (n class 3=66 and n class 6=62)



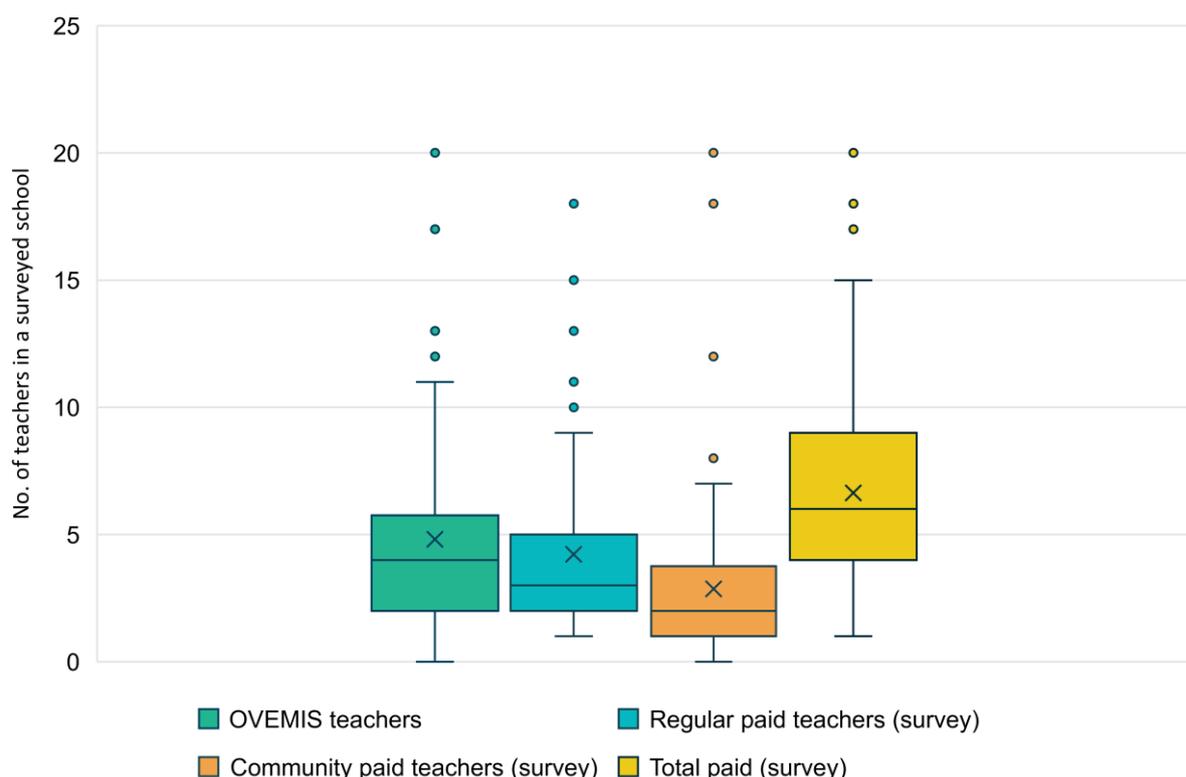
Source: Classroom Sample School Survey 2021.

The Provincial Education Officers were asked about the sufficiency of textbooks, and their responses were unclear and lacked specificity. For example, they said ‘textbooks should be enough’ but ‘they did not know the details.’ Interestingly, the School Improvement Officers’ responses also lack specificity, indicating their limited knowledge of the situation with textbooks in the classroom.

## 8.2 Teacher distribution and remuneration

While the lack of textbooks represents under expenditure, teacher remuneration represents supplementary or additional expenditure. In many instances, this expenditure is unnecessary taking into account the STRs described below. Schools have teachers paid for by the government and additional teachers paid by funds available in each school.<sup>32</sup> On average, the sample schools had 4 government paid staff and 3 to 4 additional community paid teachers. Figure 13 displays the distribution of principal reported government paid and community or school council paid staff in each school. In addition, Figure 14 includes the Open VEMIS reported number of teachers in each school paid by the government in the sample, which differs from the principal reported number of teachers paid by the government. The reasons for the differences between the Open VEMIS teachers and the government paid teachers are unclear. It could be that there is only one school budget, making it difficult for principals to separate government paid teachers from community paid teachers. In any case, having such fluctuation in teacher numbers does not bode well for teaching and learning. The stability and regularity of teachers working in a school are critical for student learning.

Figure 14: Open VEMIS and survey reported teachers in surveyed schools (n=68)



Source: Principal Sample School Survey 2021. Open VEMIS

<sup>32</sup> Since the disaggregation of school funds at the school level was not explored in this study, the source of the funding for the remuneration of these additional teachers (whether from school grants, school fees or community contributions) is also not known.

### 8.3 Student Teacher Ratios and teacher salaries

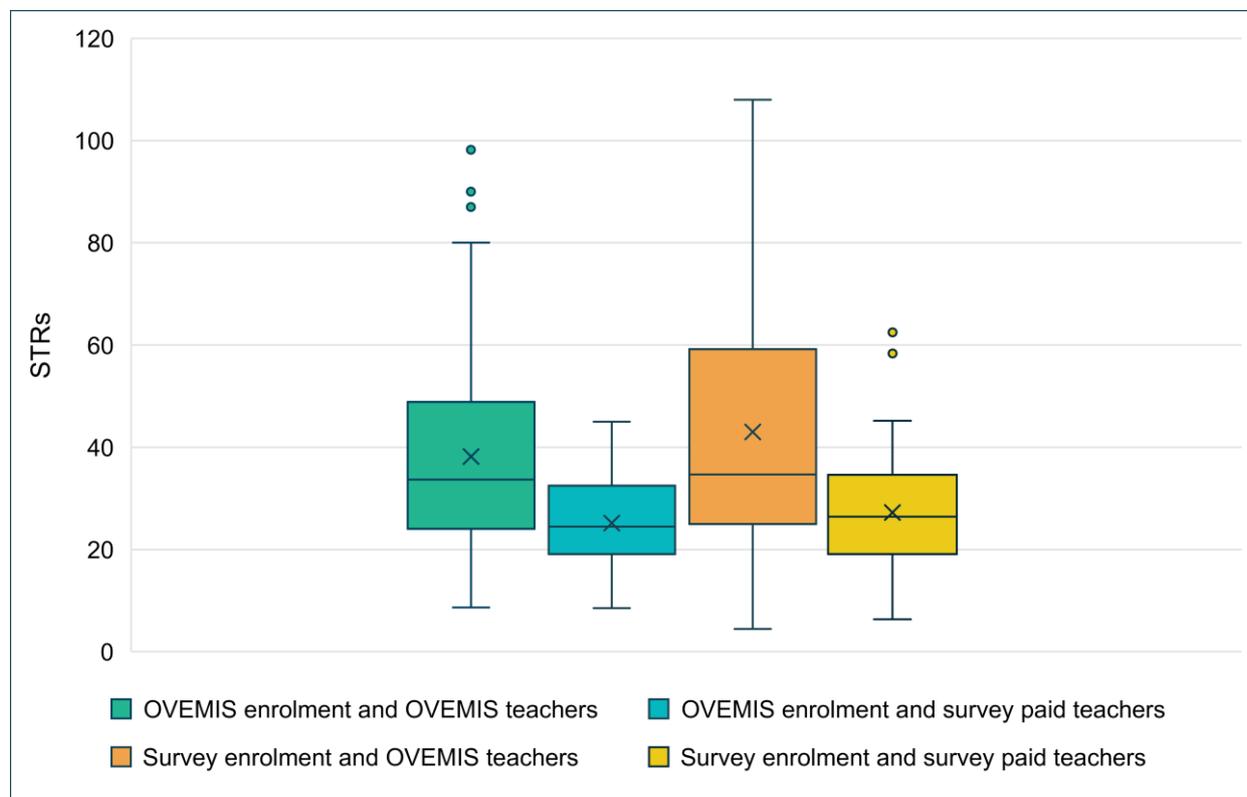
STRs inform the optimal teacher workforce requirements to deliver quality education. At a global level (macro statistics), except for Penama, the STRs are close to the norm of 30:1. The additional government paid teachers required by Penama to reach a STR of 30 is about 69 teachers, making it 211 teachers. However, based on STRs calculated from micro statistics, the analysis in the 3 surveyed provinces with implications for the other 3 provinces is confusing, mainly due to varying student enrolment numbers. The Pupil Teacher Ratios or the STR in Figure 15 displays the additionality of teachers in schools. While there are a few outliers, with class sizes requiring extra teachers, the study indicates that recruiting a variety of teachers in schools with local funds tips the system into inefficiency with too low STRs. Moreover, 41% of principals also taught students in the school, which would further lower the STRs.

The STRs were calculated using 4 sets of data that apply to the surveyed schools: (i) Open VEMIS enrolment, (ii) Open VEMIS teacher numbers, (iii) principal reported student enrolment, and (iv) principal reported teacher numbers. The varying STRs are evident due to the shifting student and teacher numbers.

- Open VEMIS enrolment and Open VEMIS teacher numbers for the surveyed schools provide an average STR of 35 students to a teacher (the majority range is 23:1 to 47:1).
- Average STRs for principal reported student enrolment and Open VEMIS teacher numbers are also according to the expected norm of 36:1 (the majority range is 15:1 to 55:1).
- The principal reported student enrolment and Open VEMIS teacher numbers generate a less than efficient average STR of 23:1 (the majority range is 16:1 to 30:1).
- The principal reported student enrolment and principal reported paid teachers in the school also produce a less than efficient average STR of 28:1 (The majority range is 19:1 to 35:1)

The average STRs listed above would be even lower with the principals of surveyed schools also teaching in the school. The fluctuation in enrolment and the differences between Open VEMIS and survey reported student enrolment in a school are serious concerns. The range in STRs also suggests a need to examine teacher deployment across schools more closely. It would be helpful to explore possibilities for transferring teachers with low STRs to those schools with higher STRs. The accompanying report (Teacher Policy Frameworks and Management for Effective Teaching and Learning, 2022) will describe the possibilities for improving how teachers are managed for better teaching and learning.

Figure 15: STRs with Open VEMIS and Survey data (n=64)



Source: Open VEMIS and Principal Sample School Survey 2021.

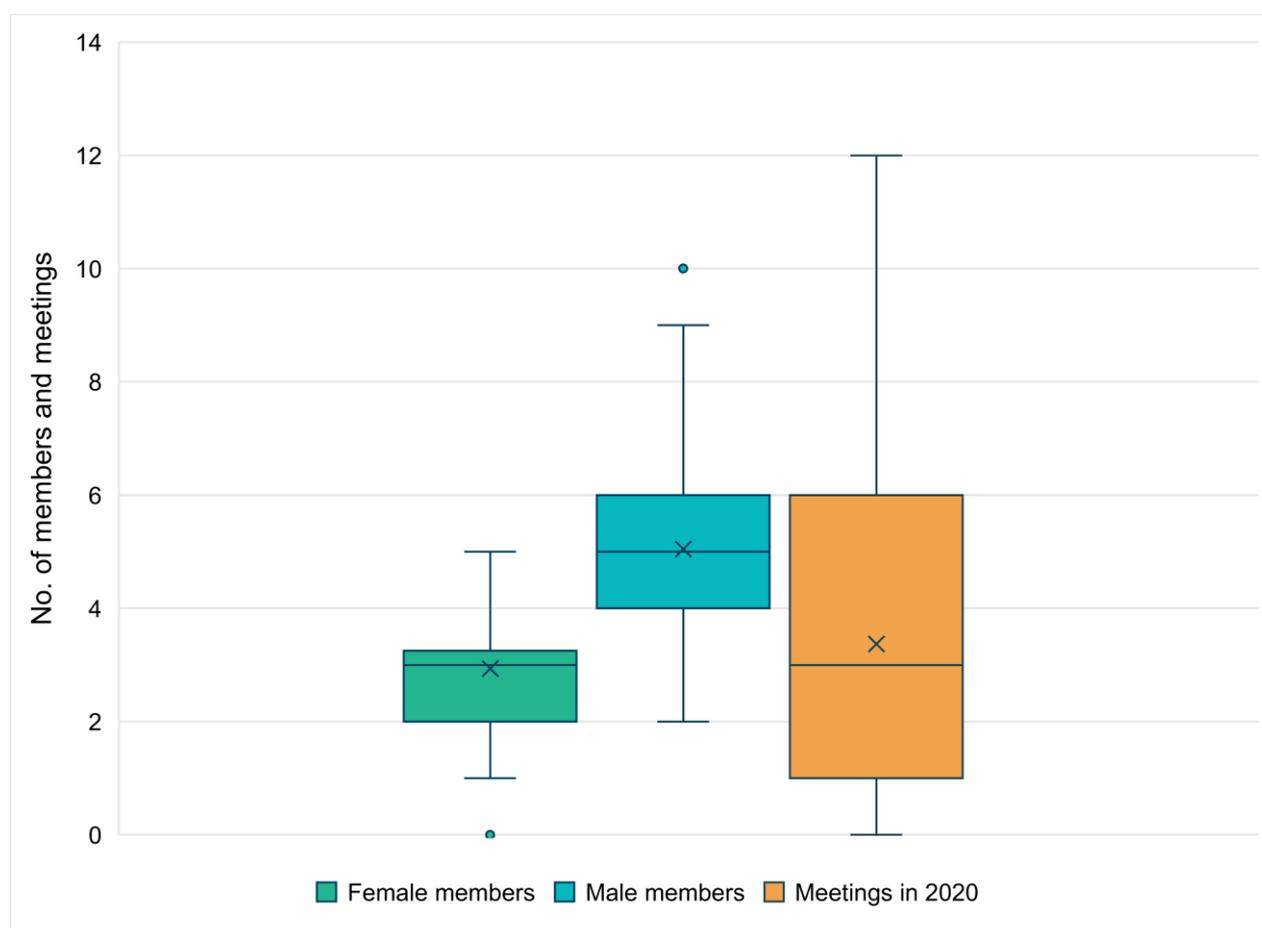
The number of teachers needed to maintain an adequate STR is important in helping management capture the financial implications of recruiting additional teachers for primary education. While the Open VEMIS has information on financial outlays for government paid teachers, this is insufficient to project how many more teachers will be needed. The teacher survey is revealing in this regard as it confirms the ad hoc recruitment of teachers at the school level. Closer scrutiny of numbers and composition and workload of those employed at each school will help to estimate teacher requirements appropriately. School grants are not supposed to be used to pay unqualified and uncertified teachers. According to Bennell (2012), the community paid a significant proportion (between 25 to 40%). This situation has not changed.

Government salaries are essential for a stable and efficient teacher workforce. The teacher’s questionnaires asked year 3 and year 6 teachers if they were full or part time at the school. Although all the 127 teachers interviewed were on the government payroll and in the Open VEMIS system, 53% of teachers surveyed said they did not know if they were full or part time. 39% of interviewed teachers also did not know their salary grade. Only half the teachers surveyed had been paid last month. A similar number indicated they had not received their full salary for the last 6 months. When asked who was paying them, 33% said the school, another 33% said the government and 33% said they did not know. About 40% of teachers said they had not been promoted. The remaining teachers who had worked long enough had received a promotion one to 6 years ago.

## 9 Oversight and management of School Grants

In many countries where school grants are set-up, local communities are given significant responsibility for oversight. Moreover, there is an unreasonable expectation that communities are more accountable than the system because their children are being educated.<sup>33</sup> This is also largely true of Vanuatu, where the school council is expected to participate in all school budget and expenditure decisions. The responses to the questions to the school council chair or member highlight the many challenges with these expectations. On average, as seen in Figure 16, the school council has about 8 members, with about half female. Most of the council met 3 to 4 times on average in 2020. In most schools, the entire council attended meetings (Table 9), if not most of the council. Interest in participating was notably high.

**Figure 16:** Size and meetings of the School Council (n=62)



Source: School Council Sample Survey 2021

<sup>33</sup> Four issues can be cited with expecting parents to be involved and making a school accountable. First parents, especially in rural communities, often lack the background to effectively engage with schools. Second, parents who have to earn a living find it challenging to devote sufficient time and energy to enhance, criticize or improve a school. Third, parent engagement will last only as long as their child is in class or school. Fourth, parents lack a holistic understanding of what student learning requires and may not have access to provincial education offices or MoET to initiate reform.

**Table 9:** Participation in meetings

<b>Member participating</b>	<b>Schools</b>	<b>In %</b>
Everyone	19	31%
Many of them	23	37%
Half	14	23%
1 Quarter	5	8%
No response	1	2%

Source: School Council Sample Survey 2021

Knowledge of the financial manual is important. About 50% of principals said they received training in the financial manual. Training ranged between 1 to 15 days. According to the survey (Table 10), 68% of the principals knew about the financial manual, but only 23% of school councils interviewed were aware of the manual. Principals and school council members were asked if the manual's requirements were fulfilled. 49%\* of principals and 13% of council members confirmed the manual was followed. School council members had limited interest in financial accounts. Most of them were also not aware of the issues related to student enrolment or learning.

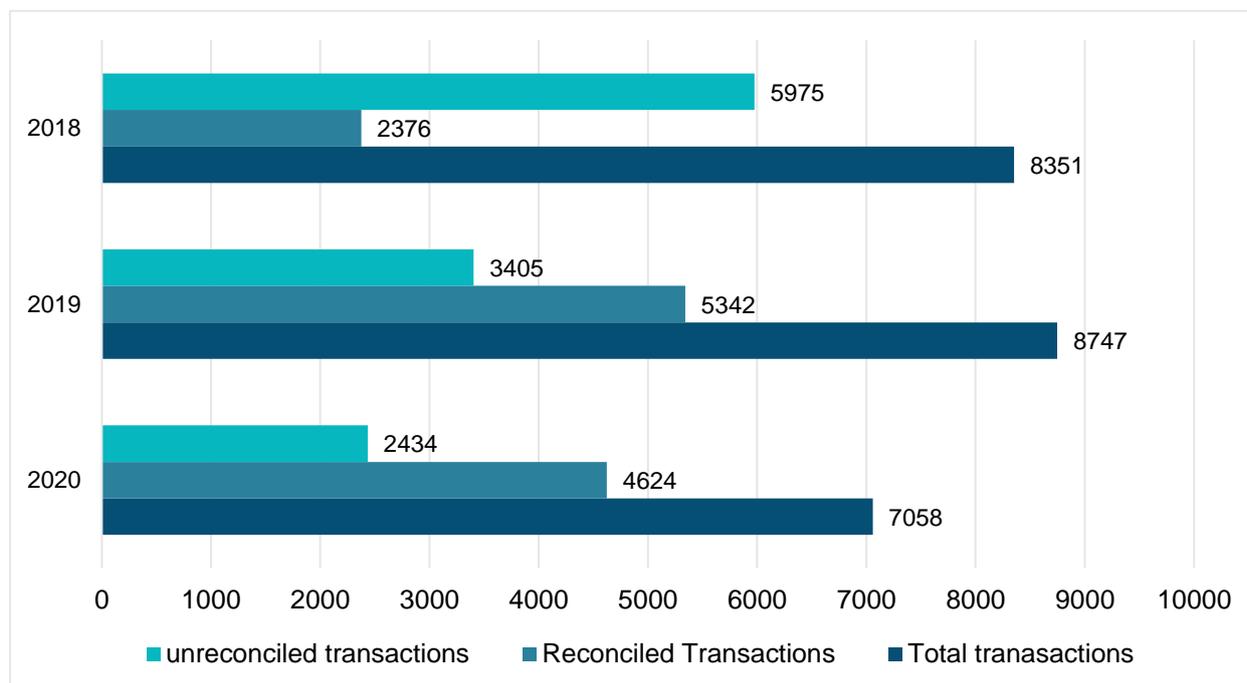
**Table 10:** School Council and principal knowledge of the Financial Manual

	<b>School Council (% Sample) (n=62)</b>	<b>Principal (% Sample) (n=68)</b>
Number knew about the Financial Manual	14(23%)	46(68%)
Number knew Financial Manual expectations were met	8(13%)	33(49%)
Number knew financial accounts were kept	9(15%)	53(78%)

Source: Principal Sample School Survey 2021. School Council Sample Survey 2021.

The provincial education officers were also asked about financing. They uniformly expressed frustration with financial accounting in schools. However, while principals indicated that they submitted acquittal records to the Provincial Education Office, when asked if the office reviewed these records, 24% of principals responded yes for 2019, and 34% responded yes for 2020. The Open VEMIS also details the financial transfers to schools and the extent to which amounts transferred to each sampled school were reconciled with expenditure. Figure 17 illustrates the size of the unreconciled and reconciled financial transactions. In 2018 unreconciled transactions (5,975) were double that of reconciled transactions (2,376). This situation substantially improved in 2019 and 2020, with considerably more reconciled than unreconciled transactions.

Figure 17: Reconciled and unreconciled financial transactions



Source: Open VEMIS data and survey schools

## 9.1 School Improvement Officers' role

The School Improvement Officers have had a significant role to play in implementing school grants. They work with the principals to obtain the grant and liaise between the finance department and the Head of School. They remind principals how to use the school grant and, together with the Provincial Finance Officers, organise meetings to improve School Improvement Plans and monitor Plan implementation. School Improvement Officers manage the compliance areas associated with the school grant. These officers are no longer available to provincial education offices as their role and employment conditions are being reconsidered by the government.

## 10 Discussion and recommendations

While MoET's intentions were well-founded when establishing the School Grants Policy more than a decade ago, this study's findings suggest rethinking the financing process for some critical areas:

### School grant implementation

- The enrolment fluctuations and the lack of information on repetition and dropout in schools have implications for grant implementation.<sup>34</sup> On the one hand, it is possible that the tendency of schools not to consistently and systematically record student enrolment and attendance is because it could affect the size of the grant obtained by the school. On the other hand, the actual cost of education is unknown because MoET can never be sure if the correct number of students is receiving school grants. This situation would present MoET with challenges in knowing the provinces' progress towards universal primary education.

### School financing

- The actual cost of primary education is unknown due to the variation across schools concerning revenues raised with local contributions and the limited information on school expenditure.
- In this scenario, it is not easy to estimate whether school grant amounts are sufficient, or the grants are too much for schools having the ability to raise additional funds locally. Moreover, it is unclear if this amount would suffice for remote schools in impoverished communities. It would not be possible or advisable for the government to halt the creativity and commitment to raising additional school funds. However, this model of the uniform allocation of government financing based on per student enrolment limits the equitable provision of grants.
- However, transitioning to a funding model based on specific school requirements would be timely and relevant for addressing equity. Provincial Education offices close to the school could conduct a situation analysis of schools to identify equity issues based on MoET's Minimum Quality Standards.

### Expenditure patterns vis-à-vis teaching and learning

- There are indications that schools are reluctant to spend on instructional materials fundamental to teaching and learning, namely textbooks. It is unclear if schools cannot determine the specific textbook requirements for the students enrolled or if they cannot procure what is needed. This hesitancy could also be due to the difficulties involved for an individual school to procure textbooks due to limitations in purchasing power cost-effectively. It could be worth considering the central procurement of textbooks, notebooks, and stationery.
- Teacher expenditure patterns are unclear and significantly affect teacher management and primary school financing. There may be unnecessary expenditure considering locally recruited teachers, low STRs, and teacher attendance patterns. Based on these same data collection exercises, the accompanying report on teachers discusses teacher management issues and ad hoc recruitment in more detail.
- Individual schools undertaking major school construction, such as an additional classroom or teachers' living quarters, detract the principal's attention from running the school. Specifying which principal responsibilities are critical and non-negotiable would need reiterating, especially record keeping for student enrolment and financing.

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<sup>34</sup> According to VESP (2020), there are clear challenges to the documenting of student enrolment. For example, on 'May 22, 2020, there were around 900 students taking up 1850 enrolment records. These students were recorded as enrolled in 5 to 6 schools at the same time.' (VESP, 2020, p.28).

#### Oversight and management of school grants

- It is challenging for school councils to assist the principal in accounting and monitoring the budget and expenditure. Performing these tasks requires the provinces to possess adequate staff and budgets. Also, empowering provincial education offices would require implementable job descriptions with relevant capacity building and accountability structures.
- Under the current school financing design, provincial education offices mainly focus on enforcement and monitoring compliance. Since provincial education offices are located in provinces and close to schools, they could assume responsibility for planning education development and being held accountable for outcomes rather than devoting their attention to compliance. This approach would give them a significantly greater role vis-à-vis school budgets and expenditures.
- MoET would be responsible for reviewing, improving, finalising, and supporting provincial education development plans in the province. Any school improvement plans would then align with the province's vision. Moreover, in this scenario, MoET would be well placed to demand that the provincial government monitor school revenue and expenditure and ensure compliance with national level financing of primary schooling.

### 10.1 Recommendations for the short term:

- Establishing a system for spot checking and verifying enrolment numbers and discussing attendance expectations for receiving grants.
- Revising the School Grants Manual to improve the financing of the enablers of student learning outcomes such as textbooks.
- Training provincial education offices to provide greater support to schools on the use and accounting of school finances.
- Staffing provincial education offices to provide oversight of school functioning and providing an additional support system for weak performers.
- Providing school management training for:
  - Better accounting of both government and community financing.
  - Procuring needed goods and services.
  - Monitoring the impact of financing on student enrolment, attendance, and learning.
- Developing a document that describes the kinds of data available in Open VEMIS, which could enable a more systematic analysis of data related to financing and expenditure.

### 10.2 Recommendations for the long term

With the greater potential for effective implementation, the redesign does not introduce a new approach. Still, it builds on what schools are used to in the School Improvement Plan while ensuring the necessary items for teaching and learning are available.

- **Funding for primary education could be based on specific and costed school operations and development plans.** Similar to existing School Improvement Plans, schools would develop a budget for day-to-day school operations and maintenance based on previous years (not based on per pupil expenditure), which MoET finances through provinces. In this way, grants to schools would safeguard operational costs and maintenance while sustaining pro-activity and ownership for development. In addition, pressure on school management would be eased without responsibility for infrastructure development and the procurement of teaching resources. Support could target consistent and systematic reporting on student outcomes.
- **To obtain a grant for infrastructure development, schools would develop an infrastructure-specific plan for submission, distinguishing capital costs from the regular school operations costs.** Infrastructure grants could be under the purview of the big

picture national school infrastructure development program addressing equity, effectiveness and other factors.

- **To ensure sufficient instructional materials, instead of schools requesting, the Curriculum Development Unit in MoET retains the required amount from the school grant to procure and distribute the necessary textbooks for each student.** This will ensure each student has the necessary teaching and learning items, such as textbooks and other resources needed to progress in learning.
- **Rethinking the role of the provincial education offices could address the challenges of implementing school grants.** Provincial offices could be charged with visioning, implementing, and being accountable for school and student performance instead of just monitoring financial compliance.

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# Annex 1: Corporate Plan 2022-2026: Strategy and Activities related to school grants

(p.12).

*Key Pillar 1 – Equitable Access to education is improved*

*Outcome 1 - Increased and equitable access opportunities for children to attend schools*

Strategy	Program4	Key Activity	
1. Maintain and utilise Fee Subsidy to schools (Early Childhood Care and Education – Senior Secondary) by revising School Financial Management Manual and Code and disbursing grants according to work plan	1. <i>School Financial Management Manual are updated</i>	1. Revise the School Financial Management Manual to include new administrative functions	
	2. <i>Grants are disbursed according to work plan</i>	2. Provide support and training to improve capacity and performance	
	3. <i>School Grant Code updated</i>	3. Grants disbursed each year and reported upon	3. Grants disbursed each year and reported upon
		4. Revise the school grant formula to be equity-based	4. Revise the school grant formula to be equity-based
		5. Disbursement of grants	5. Disbursement of grants
		6. Provide support and training to improve capacity and performance	6. Provide support and training to improve capacity and performance

## Annex 2: Acceptable expenditures

Acceptable expenditures (School Grant Codes, MoET, 2021, pp. 20-24)

### Education Supplies such as

1. Effective instruction
2. Desks, chairs and school furniture
3. teaching and learning materials, equipment, books and stationery; and
4. educational resources such as Library, Science laboratories, information, communication and technology;
5. school professional development training and other capacity developments for students and teachers, including other school staff; and
6. school excursions and field trips; and
7. freight of school materials and resources.

### Administration costs which include

1. administration costs, including internet access to maintain data on the Open VEMIS;
2. IT assets and communication to allow maintenance of school records on the Open VEMIS and improve reporting and monitoring of grants by schools;
3. student insurance, student registration, student ID cards and student transfer fees;
4. transport for Principal or school finance officer to attend bank for school banking or provincial centre for administration support, shopping for school needs, and other essential school related activities;
5. school sports and development;
6. a member of the school council is to be reimbursed for expenses incurred when engaged on the business of the school council;
7. development and review of school manuals and policies;

### Operations and maintenance such as:

1. water. Sanitation and Hygiene facilities;
2. electricity, water, gas, oil, fuel for school use;
3. minor maintenance of school buildings;
4. minor maintenance of school vehicles and equipment; and
5. for extension or expansion of a classroom, dormitory or any other school building, with approval of the Director administration and finance division; and

### Personnel such as:

1. wages and Vanuatu National Provident Fund contributions for non-teaching staff, approved by the school council, with consideration of the school budget, legislated minimum wage and Vanuatu National Provident Fund requirement;
2. wages and the Vanuatu National Provident Fund contributions for teaching staff that are approved by the Director Education Services, the Director Finance and Administration and the Ministry, based on recommendation of the Ministry, Teacher Management Unit and with consideration of:
  - i. the school annual plan;
  - ii. the school budget;
  - iii. the legislated minimum wage;
  - iv. the Vanuatu National Provident Fund requirements; and
  - v. addressing the teacher- pupil ratio.

### Student boarding which includes:

1. ration for students for boarding schools, but in certain occasions may apply to day schools;
2. kitchen cooking equipment and resources to improve hygiene in kitchen services and better nutrition for the students;
3. toilet paper and cleaning agent;
4. boarding furniture and supplies for students;
5. security equipment material resources; and
6. extra curricula for boarding students.

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### **Development projects** such as:

1. specific development project for the school, as approved by the School Community Association, through the school council; and
2. school's self-sufficient projects.

Schools may use school monies for other activities if, authorised jointly by the Director of Education Services and Director of Finance and Administration, and must be in line with the school improvement plan or school annual plan.

**Capital works** (the acquisition of land, construction, modification and renovation of buildings) may be funded by the Government or stakeholders such as development partners, individuals, or others. Capital works is to be undertaken by schools upon the prior approval of a capital works plan by the Facilities Unit in the Ministry to ensure that the Building Standards are met.

### **Government grant and school fees must not be used for any of the following:**

1. loans or advances;
2. wages or salaries for non-certified or non-qualified teaching staff;
3. maintenance of school houses;
4. any expenditure of over 500,000 vatu per item, unless approved in writing by the Ministry. These items must be funded by separate contributions or donations;
5. capital improvements;
6. transporting students and staff to or from school, except as provided under subclause (2);
7. entertainment, gifts, hospitality, alcoholic beverages or kava for any reason;
8. subsidising or establish a commercial activity within the school;
9. investing in any commercial Investment activity without the approval of the Ministry;
10. maintenance of a school house (as rental payments paid by the teachers or staff are to be used to cover the maintenance costs of the house);
11. any purpose which does not directly benefit students.

## **Annex 3: 2021 school grants checklist**

### **Disbursement of school grants**

#### Preparation of Grant Disbursement

1. Principal Finance Officer is to inform Principal Education Officer

Education Services, Principal Education Officer Higher Education, Principal Education Officer Policy and Planning and Principal Education Officer

Internal Audit of the government grant payment schedule. Query: Please confirm.

2. Ministry data validation process completed on the Open VEMIS, following Ministry Census data on 21<sup>st</sup> March.

3. Principal Education Officer Policy and Planning provides an approved schools registry, signed by the DG, of all government school and government assisted education authorities schools to the Principal

Education Officer, Education Services, Finance and Audit. This will include new schools/year levels, closed schools/year levels.

4. Principal Education Officer Internal Audit with the assistance of the Principal Education Finance Office to confirm any changes (new or closing or joint) of bank accounts references of all government schools ad government-assisted schools.

5. Principal Education Officer Policy and Planning liaises with Principal Education Officer Education Services, Principal Education Officer Internal Audit, and Principal Education Officer Finance to confirm status about completeness and accuracy of data on the Open VEMIS.

#### Grant Disbursement Process for Compliant Schools

6. Principal Education Officer Education Services must compile signed notification from the 6 Provincial Education Officers to confirm which schools are eligible to receive the government grant, and which schools are not.

7. Principal Education Officer Internal Audit Unit signs confirmation of schools that have audit issues, at the time of payment of grant.

8. Director Education Services signs cover letter confirming schools that are eligible to receive the government grant, and schools that are not eligible.

9. School Finance Officer provides Principal Education Office Financer with the listings of the government grant calculator, including for each school any correction of over/under payment from previous tranches, and Principal Education Office Finance to discusses any errors/discrepancies and way forward, with the School Finance Officer.

10. Principal Education Officer Finance provides School Finance Officer and the Director of Administration and Finance with a signed copy of the final eligible school list.

11. The Director of Finance and Administration signs the checklist, indicating approval of eligible schools to be paid the government grant.

12. Finance Unit raises Local Purchase Order to National Bank of Vanuatu for eligible schools according to the approved checklist.

#### Grant Disbursement Process for Non-Compliant Schools

13. Principal Education Officer Finance must draft a letter for Director General to instruct Internal Auditor to carryout check on individual bank statements and audit records to determine whether a school is subject to further audit action (desktop or full audit)

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14. For all non-compliant schools, grants are to be paid, except for those which are under audit or non-updated enrolment data. Schools that are not submitting financial report are to be paid, but supported, in bullet point 25 to 29

15. In case a Principal Education Officer Audit unit confirms that there is no need for further action beyond desktop audit, government grant is to be paid.

16. Finance Unit in the Ministry of Education and Training raises Local Purchase Order to the National Bank of Vanuatu for ineligible schools that have no audit and enrolment issues according to the approved checklist.

17. In case Principal Education Officer Audit detects any inappropriate practices, a full audit will be carried out and a report will be provided to the Audit Committee for decision.

18. Ministry will implement the decisions Of the Audit Committee and will decide on payment of grant. Process must not be more than 2 months.

19. Finance Unit in the Ministry of Education and Training raises Local Purchase Order to the National Bank of Vanuatu for ineligible schools that Audit Committee decided payment of grant, and the Policy and Planning Unit have confirmed enrolment issues.

### Operations after each payment into school accounts

20. Once confirmation has been received from National Bank of Vanuatu that cheque has been received and transfers to school's bank accounts is completed, the Internal Audit unit with the assistance of the Finance Unit, must need to confirm that the funds were correctly transferred to the accounts listed, and transactions reconciled.

21. Principal Education Officer Internal Audit will need to perform reconciliation of transfers to school's bank accounts on Open VEMIS.

22. Principal Education Office Internal Audit sends confirmation email to principal Education Officer Finance that school grants are processed and paid into school banks accounts.

23. Principal Education Officer Finance sends email to DG, all Directors, 6 Provincial Education Officers, Provincial Education Officer Audit and provincial Education Officer Policy and Planning unit that school grants are processed and paid into school banks accounts

### Supports School Capacity

24. Director Education Services requests a written report from the Provincial Education Officers on reasons for non-compliance and what detailed Action Plan the Provincial Education Office intends to execute in order to support schools. 25. Based on Provincial Education Officers report, Director Education Services will issue warning letters to Principals or Provincial Education Office staff for under performance.

26. In case the non-compliance is related to non-submission of financial report, or have an audit issue, the Director of Education Services must instruct the Provincial Education Officer to confiscate the cheque book for the respective schools.

27. Provincial Education Officer, supported by Provincial Finance Officer,

School Improvement Officer, School Inspector and Compliance Officer, Audit and Peer Principals must support the principal in accordance with the Provincial Education Office Action Plan to support schools. In no more than 2 months, Provincial Finance Officer return the cheque book and records and reports to the principal.

28. In case of non-compliance with enrolment data, the Open VEMIS officers, School Improvement Officers will be supporting the principals as part of the Provincial Education Office action plan to ensure that data is completed within 2 months.

### Communication

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29. Schools to print individual school grant certificate, and post on school notice board.

30. Principal Education Officer Finance will develop materials for publication of information in national paper, social media, OV public view area and the Ministry public website.

Summary of main responsibilities of counterparts:

Director Education Services — responsible to manage performance and compliance of Provincial Offices and Schools

PEO Education Services — coordinate compliance and data collection from Provincial Offices

PEO Provinces — responsible for supporting schools to comply with government grant processes

PEO Policy and Planning — verify completeness of OV data required for government grant

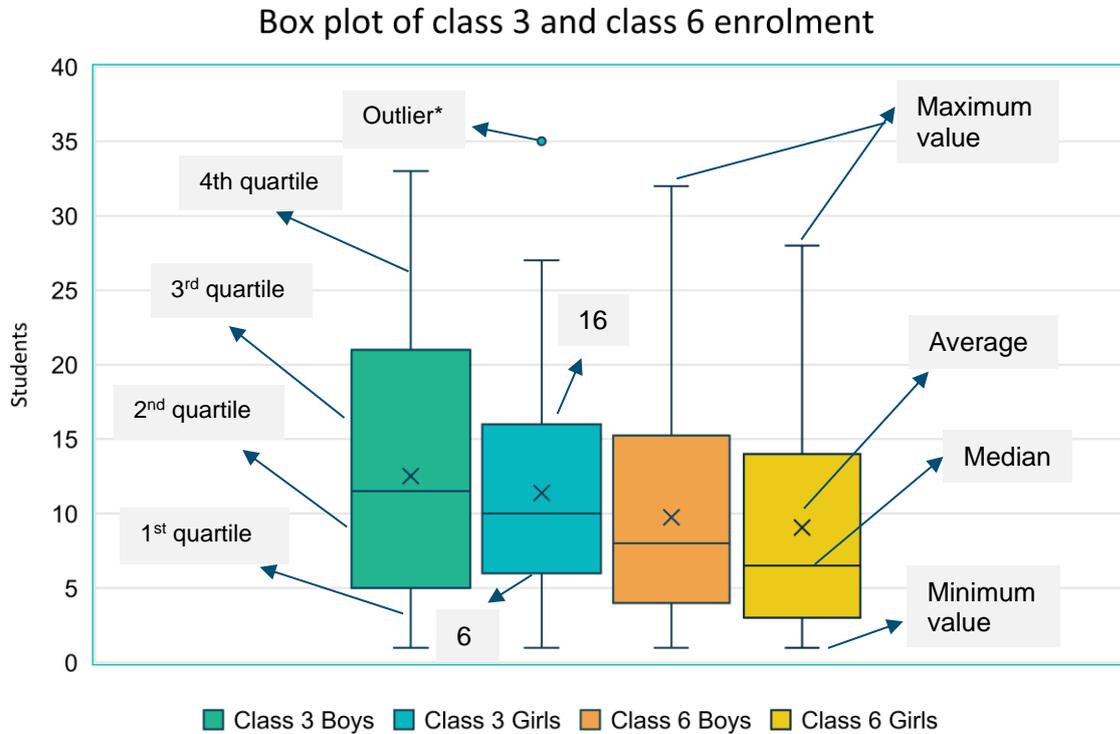
PEO Finance — coordination of government grant and ensures correct government grant calculation and disbursement

PEO Audit ensure that OV data regarding school bank accounts, bank statements, reconciliation of grants disbursements is up to date in OV and provide confirmation on School Audit status

## Annex 4: Data collection and Report writing Timeline

Key Tasks	2021												2022											
	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N			
Finalise Concept Note	█																							
Develop instruments		█	█	█																				
Field work plans/budgets		█	█	█																				
Instruments piloted					█	█																		
Finalise instruments					█	█																		
Fieldwork						█	█	█	█															
Data entry							█	█	█	█														
Data analysis, Report writing										█	█	█	█	█	█	█	█	█	█	█	█			
Bronze, silver and gold review													█	█	█	█								
DFAT review															█	█								
MoET review																	█	█	█	█				
Editing and finalisation																				█	█			

## Annex 5: Explanation of box plots.



\*The outlier in excel's boxplots is 1.5 times the interquartile range.

Interquartile range is obtained by subtracting 1<sup>st</sup> and 3<sup>rd</sup> quartile

For year 3 girls it is  $16 - 6 = 10$ .

Outlier is anything above  $\{16 + (10 \times 1.5)\} = 31$ .

