National Seminar on:
ANTI-CORRUPTION ISSUES IN EDUCATION

(Baku, Azerbaijan: 21-23 February 2006)

OPEN SOCIETY INSTITUTE
EDUCATION SUPPORT PROGRAM

The Center for Innovations in Education

UNESCO
United Nations Educational, Scientific and Cultural Organization

International Institute for Educational Planning

A national Seminar on "Anti-corruption issues in education" was organised jointly by the International Institute for Educational Planning (IIEP), the Open Society Institute (OSI)[1] and the Centre for Innovations in Education, from 21 to 23 February 2006 in Baku, Azerbaijan.

The major aims of this Seminar were information and awareness building regarding the challenge of improving transparency and accountability in education; exposure to methodologies of successful anti-corruption measures; and the initiation of policy dialogue on anti-corruption in education.

This report includes the various materials that were prepared and used for the Seminar. The appendix contains the list of participants.

[1] Education Support Program

Seminar on: "Transparency, ethics and anti-corruption measures in education"

Baku, 21-23 February 2006

Ethics and corruption in education: overview

Jacques Hallak and Muriel Poisson

"Corruption is a major drain on the effective use of resources for education and should be drastically curbed".
EFA
(Dakar, 2000)

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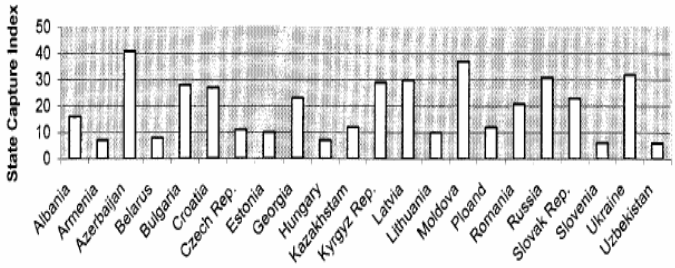
Introduction: magnitude of corruption

- World cost of corruption is estimated at US$ 1 trillion out of a 30 trillion economy
- Two national estimates of corruption:
  - *Mexico: around 15% of GNP today*
  - *India: around 20% of GDP in 1980*

Measuring of State Capture in 22 Transitions Countries, 2000



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Introduction: general setting

- International setting:
  - OECD Convention on combating bribery of foreign public officials (1997); UN Convention against corruption (2003)
  - Good governance and anti-corruption programmes (donors, World Bank , ADB)
- Regional setting:
  - Anti-corruption network for transition economies (OECD)
  - Anti-Corruption Gateway for Europe and Eurasia (World Bank)
  - Transparency International chapters in the region
  - Soros foundation networks and policy centers
- Growing awareness
  - Wide diffusion of TI Index*
  - Links corruption/poverty/development/democracy established
  - Coalitions of NGOs against corruption (youth movements)
  - Role of mass media

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* The 2004 Corruption Perceptions Index

Country	High-Low Range
Finland	9.6 – 9.8
New Zealand	9.4 - 9.6
Denmark	9.3 – 9.7
Iceland	9.5 - 9.7
Bulgaria	3.7 – 4.6
Russia	2.5 – 3.1
Armenia	2.4 – 3.7
Moldova	2.0 – 2.8
Venezuela	2.2 – 2.5
Kazakhstan	1.8 – 2.7
Ukraine	2.0 – 2.4
Georgia	1.6 – 2.3
Bangladesh	1.2 – 1.9

Source: Transparency International (TI)

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Introduction: examples of corruption in education

- *Honduras:* ghost teachers on payrolls
- *Kyrgyzstan:* students pay to get good grades
- *China:* illegal fees charged in some schools
- *France:* violating tendering processes
- *Italy:* selling exam questions in advance
- *Pakistan:* fictitious schools, teachers, pupils
- *Peru:* 30% of leakage of non-wage funds
- *USA:* many bogus e-mail colleges

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Outline

I. What is corruption?

II. Regional focus: what major trends?

III. Regional concerns: what challenges?

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I. What is corruption?

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1. Definition of corruption

- Definition used for all public sectors:

  "The use of public office for private gains"

  - *diversion of funds from govt accounts*
  - *favouritism in personnel appointments*

- Definition used for education:

  "The systematic use of public office for private benefit whose impact is significant on access, quality or equity in education"

- Where to draw the line between corrupt and honest behaviour?

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2. Levels of corruption

- Grand corruption: high-level officials and politicians
  - very large amounts of money
  - high economic impact
  - Example: *Procurement of education facilities*
- Petty corruption: public officers at all levels
  - many small amounts of money
  - severe social impact, especially for the poor
  - Example: *Undue fees charged**
- Continuum from grand to petty corruption
  - Example: *Teacher recruitment and appointment*

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* Payment of bribes

GCB 2004 - Experience of bribery

Question – *In the past 12 months, have you or has anyone living in your household paid a bribe in any form?* Answer – Yes	More than 50%	Cameroon
	41% - 50%	---
	31% - 40%	Kenya, Lithuania, Moldova, Nigeria
	21% - 30%	Albania, Bolivia, Czech Republic, Ecuador, Ghana, Philippines, Romania, Russia, Ukraine
	11% - 20%	Bosnia and Herzegovina, Brazil, Costa Rica, Egypt, Greece, Guatemala, India, Indonesia, Kosovo, Latvia, Mexico, Pakistan, Peru
	5% - 10%	Argentina, Bulgaria, Croatia, Estonia, Georgia, South Korea, Macedonia (FYR), Poland, Turkey, Uruguay, Venezuela
	Less than 5%	Austria, Canada, Denmark, Finland, France, Germany, Hong Kong, Iceland, Ireland, Israel, Italy, Japan, Luxembourg, Malaysia, Netherlands, Norway, Portugal, Singapore, South Africa, Spain, Switzerland, Taiwan, UK, USA

Source: UNODC, 2005

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3. Transparency and accountability

- *Transparency* is the extent to which stakeholders can understand the basis on which resources are allocated and how they are used (role of information)
- *Accountability* includes:
  - Compliance with statutes and regulations

    Corruption can be according to the rule (payment for a legal act) / against the rule (payment for an illegal act)
  - Adherence to professional norms, such as codes of conduct of teachers

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4. Ethical education/ethics in education

- The education sector – by including the teaching/learning of ethical values and behaviours – is regarded today as a major component of strategies to fight corruption

ETHICAL EDUCATION ⟷ ETHICS IN EDUCATION

- But in a "corrupt environment", education cannot successfully promote ethical values and behaviours
- It is therefore of vital importance to ensure integrity and limit unethical behaviours within the educational sector

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5. Scope

Focusing on institutions, procedures, mechanisms **and not on individuals**

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Part II. Regional focus: what major trends?

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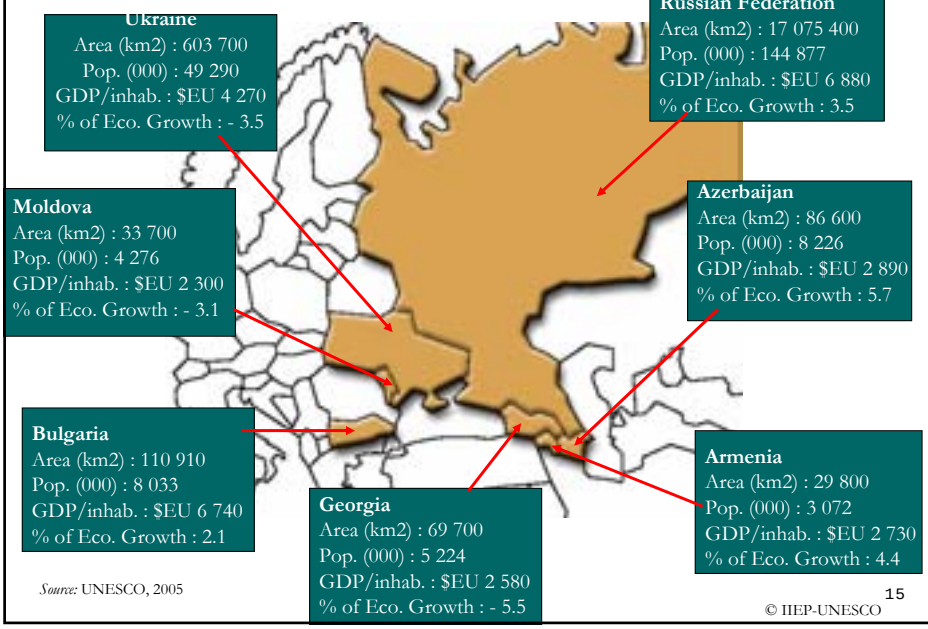
1. Diversity of the context



Source: UNESCO, 2005

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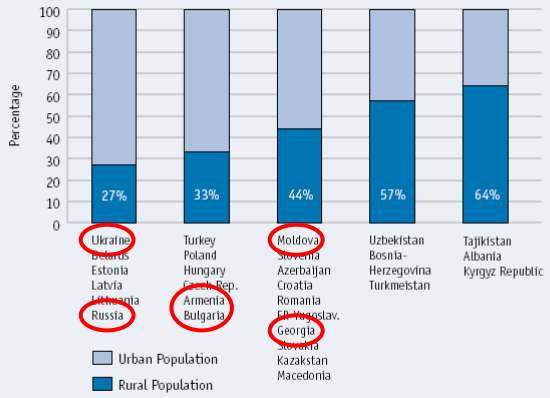
Figure 2 Percentages of Rural and Urban Population Varied by Country in 1997



Note: Rural population in the countries listed in each group falls into a 10 percent band within an overall range of 20–70 percent. The percentage for each group is the average for individual countries in that group.
Source: Wetzel and Dunn (1998).

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Table 2. Percentage Change in GDP, by Country, between 1989 and 1998

Country	% Change	Country	% Change
Central Europe		*Western CIS*	
Czech Republic[a]	5.3	Belarus[a]	-12.7
Hungary[a]	6.3	Moldova[a]	-32.9
Poland	37.4	Russian Federation	-35.7
Slovak Republic[a]	11.7	Ukraine[a]	-51.1
South-Eastern Europe		*Caucasus state*	
Albania[b]	3.0	Armenia[b]	-54.2
Bulgaria[a]	-22.0	Azerbaijan	-51.8
Romania	-10.4	Georgia[a]	-65.4
Former Yugoslavia		*Central Asian republics*	
Bosnia and Herzegovina	—	Kazakhstan	-34.5
Croatia[c]	24.3	Kyrgyz Republic	-23.5
Macedonia, FYR[d]	-1.7	Tajikistan[f]	-58.1
Slovenia[a]	30.0	Turkmenistan[f]	-28.5
Yugoslavia, FR	—	Uzbekistan[d]	4.8
		Turkey[a]	73.0
Baltic states			
Estonia[a]	-14.3		
Latvia[a]	-36.8		
Lithuania	-14.2		

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2. Similarities in education profiles*

- Decrease in NER in Azerbaijan, Georgia, Moldova and Russia
- Decrease in pupils to teachers ratios
- High level of literacy rates in all countries
- Low share of the private sector at all education levels
- Reduction in public expenditure on education in most countries

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* Education profile (1)

Country	Year	Net enrollment ratio (%), primary level	Primary level completion rate (%)	School life expectancy (years)	Pupils to teachers ratio, primary level
Armenia	1990	…	…	…	…
	2002	94.4	102.7	10.9	17.6
Azerbaijan	1990	100.0	…	…	…
	2002	79.9	102.7	10.6	15.3
Bulgaria	1990	86.1	90.4	12.0	15.4
	2002	90.4	95.7	12.8	17.1
Georgia	1990	97.1	…	…	17.2
	2002	88.7	84.9	11.3	14.4
Moldova	1990	88.8	…	…	23.2
	2002	79.0	83.4	10.1	19.4
Ukraine	1990	80.2	56.1	…	21.9
	2002	84.3	58.6	13.4	19.1
Russian Federation	1990	98.6	…	…	22.3
	2002	89.7	89.9	13.5	16.9

Source: World Bank , 2002

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* Education profile (2)

Country	Year	Adult literacy rate (%), > 15 years	Private sector enrollment share, 2ary level (%)	Public expenditure on edu. (% GDP)
Armenia	1990	97.5	…	7.0
	2002	99.4	0.7	3.2
Azerbaijan	1990	…	…	7.7
	2002	…	0.3	3.2
Bulgaria	1990	97.2	0.0	5.2
	2002	98.6	0.8	3.5
Georgia	1990	…	…	…
	2002	…	2.7	2.2
Moldova	1990	97.5	…	5.6
	2002	99.0	1.3	4.9
Ukraine	1990	99.4	…	5.1
	2002	99.6	0.4	5.4
Russian Federation	1990	99.2	0.1	3.5
	2002	99.6	0.3	3.8

Source: World Bank, 2002

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3. And some common trends

- Reform of educational contents in a context of transition
- Demographic decline* combined with economic instability/financial constraints (increased disparities**)
- Decentralization of educational resources***, in a context of poor managerial capacities, no proper accounting, no audit, no check and balances
- Development of new delivery modes: informatics and distance delivery (increasing use of new technologies), privatization

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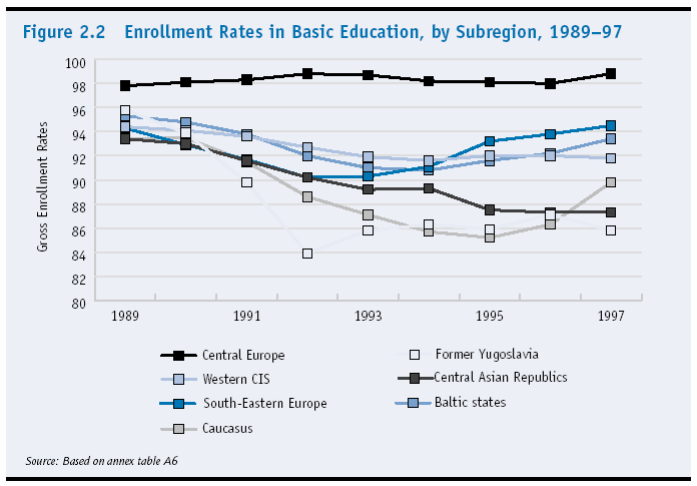
* *Enrolment decline*



Source: World Bank, 2002

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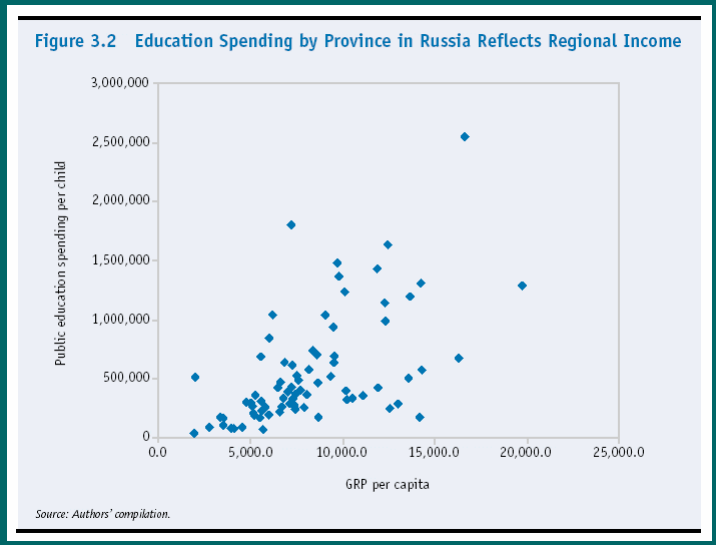
** Regional disparities



Source: World Bank, 2002

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*** Decentralization of resources

Wages
(Teachers' salaries)

Ministry of Education

Bank Accounts

Oblasts

Teachers

Other non-wage Expenditure *(materials, running costs)*

Ministry of Education

Rayons

Oblasts

PTA's

Schools

Capital Expenditure *(classrooms)*

Parents Teachers Associations (PTA's)

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Part III. Regional concerns: what challenges?

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1. Reform of contents in a context of transition

Areas	Opportunities of corruption (examples)	Impact on education
Curriculum reform	• Little corruption	• ----
Teacher training	• Bypass of criteria • Bribes	• Less qualified teachers with less access to training
Production and distribution of textbooks	• Bypass of copyrights law • Fraud in public tendering • Embezzlement • Illegal fees	• Lack of consistency between textbooks and curricula • Textbooks not available in the classroom
Learning assessment*	• Selling of information • Favouritism, nepotism • Bribes • Academic fraud	• Unjustified credentials available to students who can afford to pay bribes • Entrance to higher education levels based on subjective criteria

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* Student Admission Commission in Azerbaijan

- Creation of the State Student Admission Commission to fight inefficiencies and distortions in the examination processes
- Azerbaijan's higher education admission process is entirely run by computer:
  - construction of tests
  - administration of exams
  - grading tests and processing admission to universities
  - candidates directly informed of their results
- No outside interference is possible

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2. Demographic decline and financial constraints

Areas	Opportunities of corruption (examples)	Impact on education
Construction, maintenance and school repairs	• Fraud in public tendering • Bypass of school mapping • Manipulating data	• Bad location of schools • Too high or too low use of schools • Poor learning environment • Schools kept opened or closed based on fake statistics
Equipment, furniture and materials (including textbooks*)	• Fraud in public tendering (transport, boarding, canteens) • Embezzlement • Manipulating data	• School meals free to the rich and not available for the poor • Textbooks charged when they are supposed to be free
Teacher salaries and incentives	• Ghost teachers • Absenteeism • Illegal fees • Private tutoring	• Total number of teaching hours reduced significantly • Teachers and other staff not complying with codes of conduct

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* Surveys on textbooks in the Philippines

- Surveys on textbooks conducted by the NAMFREL
- Findings:
  - 5 pupils had to share one textbook (norm: 1 textbook/child)
  - 10,000 textbooks faulty from the publishers, incorrect numbers of textbooks delivered, deadlines not adhered to, delivered textbooks not fulfilling the curriculum
- Dissemination of the results through the press:
  - Overpricing decreased significantly and the average price per book fell to less than half
  - 37 million textbooks procured within the allocated timeframe of 12 months, instead of the usual 24 months
- Textbook monitoring exercise institutionalized within the MOE
- MOE's ranking: from 1 of the 5 most corrupt government agencies to 1 of the 5 least corrupt

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3. Decentralization of educational resources

Areas	Opportunities of corruption (examples)	Impact on education
Formula funding	• Transgressing rules/procedures • Manipulating data • Bypass of criteria	• Inflating enrolment figures to increase financial transfers • Disparity in resources available • Less resources available in priority areas
Teacher management*	• Favouritism • Nepotism • Bribes	• Disparity in staffing by schools
School based management	• Favouritism, nepotism • Transgressing rules/procedures • Leakage	• Less resources available for the school

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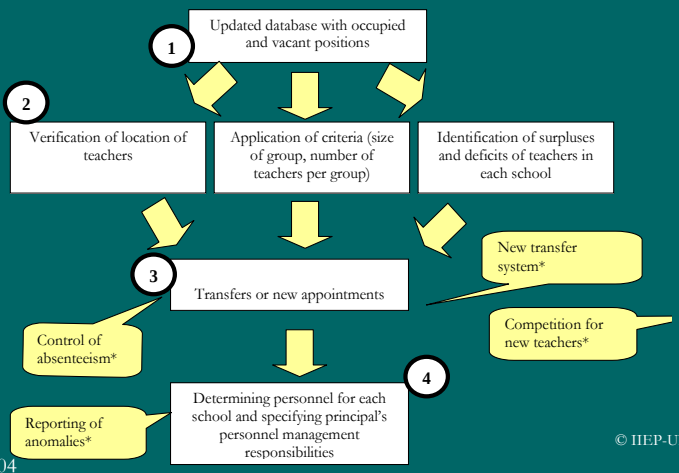
* Teacher management in Colombia

In Bogotá, 240 000 additional pupils enrolled with no additional recruitment of teachers for half of them, thanks to the redeployment of existing staff



Source: Peña 2004

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4. New delivery modes

Areas	Opportunities of corruption (examples)	Impact on education
Increasing use of new technologies (informatics and distance delivery)	• Academic fraud	• Fake credentials or diplomas (paper mills and diploma mills)
Development of the private sector*	• Bribes • Fraud in the accreditation process	• Accreditation of institutions irrespective of their quality and results • Parents mistaken on the quality of the instruction received

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* Accreditation in Dutch higher education

At national level:

- Creation of the Netherlands Accreditation Organization
- Same requirements made for public and private providers
- Independent judgments and clear sanctions
- Plurality in methods for quality assessment
- Accreditation and quality assessment report made public

At European level:

- Creation of the European Consortium for Accreditation
- Mutual recognition of accreditation decisions
- Code of good practice:
  - ▶Must be sufficiently independent from government, higher education institutions, business, etc.
  - ▶Can demonstrate public accountability, has public and officially available policies, procedures, guidelines and criteria

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Concluding remarks

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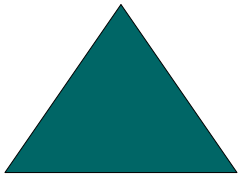
34

Comprehensive strategies: agenda of the Seminar

Creation and maintenance of regulatory systems

Formula funding
Financing
Private tutoring



Strengthening management capacities

Surveys tools
Contracting

Encouragement of enhanced ownership

Anti-corruption education
Movements against corruption

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Seminar on: "Transparency, ethics and anti-corruption measures in education"

Baku, 21-23 February 2006

Surveys approaches, including tracking and perception surveys

Jacques Hallak and Muriel Poisson

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Introduction: definition

Survey studies:

"Picture of a group of individuals or an organization at a particular point in time"

Example: diagnosis of the education sector

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Outline of the presentation

I. Scope and research questions

II. Data collection and analysis

III. Dissemination and reporting

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I. Scope and research questions

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1. Research questions

A crucial step is the explicit definition of the assumptions to be tested by the survey, as they determine:

- the scope
- the content of the questionnaire and other instruments to be designed
- the criteria for sampling (to some extent)
- the aim of the data analysis

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Research questions: a few examples (1)

- A monopolistic approach to textbook provision is likely to increase the opportunities for corruption
- Less information sharing on the availability of school resources means more likely distorted use of public resources for private gains
- More transparency is likely to occur when local communities are involved in school affairs
- Richer and well organised urban schools are likely to suffer less from leakage of funds than poorer rural communities

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Research questions: a few examples (2)

- Low teacher salaries contribute to more pressures on students to receive private tutoring
- In higher education, the highest the demand for some studies, the higher the opportunities for corrupt practices
- More independent management of examination for access to universities is likely to produce less opportunities for fraud than institution based management of exams

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2. Scope and overview

- 'Collect information about what?'
  - Is it for the whole population? (rarely the case, given the costs involved)
  - Is a probability sample to be selected from a well defined population?
  - Is a sample by quotas to be selected from a well defined population?
- What is the 'well defined population'?
  - Service delivery, beneficiaries, managers, policy makers
- Contrasted approaches:
  - Fact-finding (*objective*)
  - Perception (*subjective*)*

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Different approaches to surveys

I. Fact finding

Objective data (MoE/Institutions)

PETS

II. 'Perception'

Subjective data (Teachers/Students)

Participatory assessment

- *Organizational* (management, central & local level)
- *Human resources* ('ghost' teachers, absenteeism, recruitment)
- *Financing* (financial statements of an activity/entity, budget, fund raising)
- *Procurement* (tendering)

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3. Cost issues

- Trade off between the scope and the depth (complexity of the data collection instruments and process)
- The decision to collect data must be informed by:
  - Prior decisions regarding the units of observations (how many?)
  - The questions to be answered and the assumptions to be tested (how many?)
  - The resources available for conducting the survey

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II. Data collection and analysis

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1. Sample design

- Because of cost, data are generally collected for a sub-set of a population, called a sample*
- Different types of samples:
  - Random (*scientific*)
  - Non-random (*representative/ non representative*)
    Example: TI: perception of foreign non-residents / national non-residents / residents
- To develop descriptions for:
  - The desired target population (*from general...*)
  - The defined target population (…*to more specific*)
  - The excluded population (*desired – defined pop.)*

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Samples: a few examples

- *Study on private tutoring:* population of all students who have just graduated from secondary education and are applying for admission to higher education
- *Study on teachers absenteeism*: population of all teachers (male and female, with and without tenure) employed in Junior secondary schools
- *Study on leakage in transfer of funds*: population of all the schools who benefit from transfer of funds

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2. Aims of data analysis

- Producing summaries of finding, giving a synthesis of the results by meaningful categories:
  - rural/urban areas
  - big/small schools
  - department of a university*
- This step is critical as it should lead to both understanding the mechanisms behind the distorted behaviour and drawing inferences for policy decisions

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Data analysis: a few examples

- *Data analysis of enrolment statistics:*
  - Summary breakdown of errors in enrolment by rural/ urban institutions (suggesting that urban schools tend to inflate enrolment to get more allocation of funds)
- *Data analysis of textbooks in the classrooms:*
  - Averages textbooks per pupil ratios by public/private institutions, size of schools, conditions of physical facilities (availability of cupboard in the classrooms to store textbooks)
  - Cross tabulations linking textbook per pupil ratios to existence of PTAs, distance to centres of provision of textbooks, cost per textbooks charged to pupils

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3. Summaries and standardisation

- Preparation of usable summaries of the data that have been collected and prepared for analysis:
  - Descriptive statistics with means and standard deviations and cross tab frequencies
  - Testing
  - Adjustment (sampling weights)
- In the case of perception surveys carried out by TI, because of each of the sources uses its own scaling system, the data needs to be standardised before each country's mean value can be determined

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Participation assessment: People's Voice Project, Ukraine (1999-2007)

Objectives:

- To implement procedures that promote public participation and in that way encourage partnership between civil society and local government to resolve problems related to service delivery
- To conduct an analysis of current education policies and to make recommendations on improving their effectiveness
- Greater transparency and accessibility to municipal decision-makers

Strategies/tools put in place:

- Ad hoc education committee of 8- 10 persons, representing both education and the community interests (NGOs, parent council representatives, business leaders..)
- Public hearings on issues such as education financing, city budget preparation..
- Public awareness campaigns
- Training courses for the local population
- Report cards were developed, notably on educational policy in the city of Ternopil

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Participation assessment: People's Voice Project, Ukraine (1999-2007)

'Perception' survey: the project in Ternopil began with the delivery of the *Public Service Citizen Satisfaction Survey**, which assesses the quality of local public services, the attitudes of public servant and the perception of transparency among these

The survey has been highly valued by local government as it not only gives them a sense of the scope of the problem, but they also begin to understand the need to involve the general public in the decision-making process

*Carried out by the Ternopil Agency of Urban Development and local stakeholders, including municipal authorities and NGO partners

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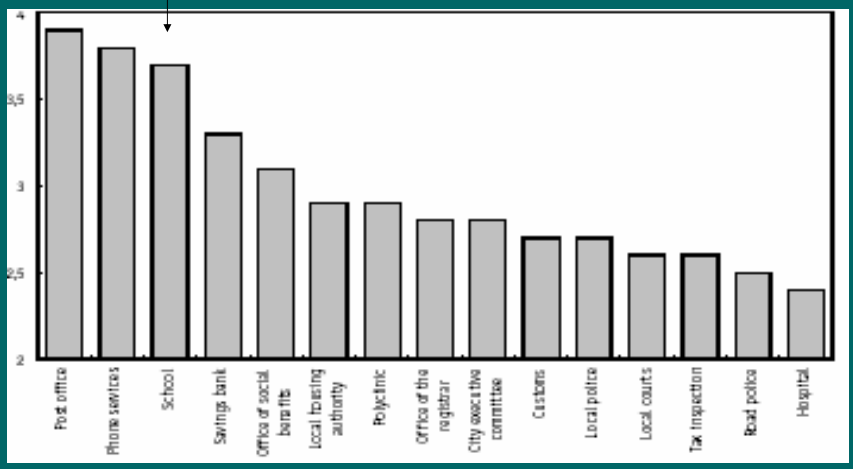
Participation assessment: People's Voice Project, Ukraine (1999-2007)

Evaluation of service quality in Ternopil (scale 0 to 5, 5 is 'very good'), 1999



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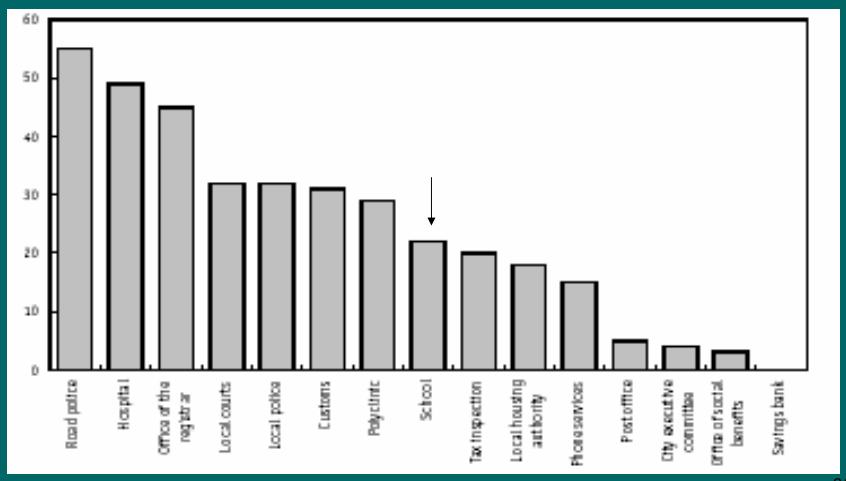
Participation assessment: People's Voice Project, Ukraine (1999-2007)

Percentage of respondents that have to make unofficial payments for public services in Ternopil, 1999



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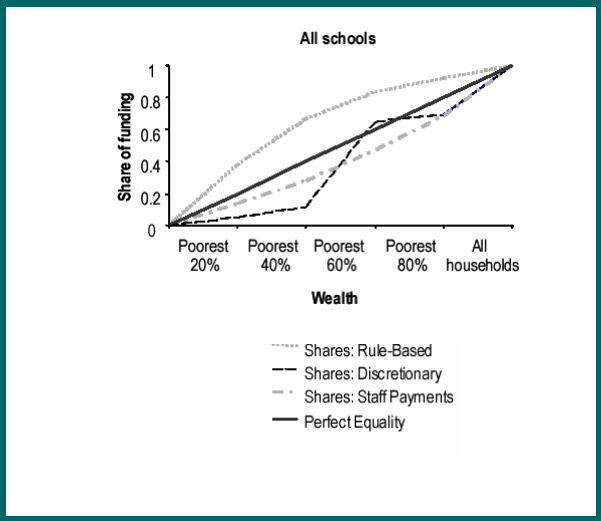
Public Expenditure Tracking Surveys: inequalities in public funding, Zambia



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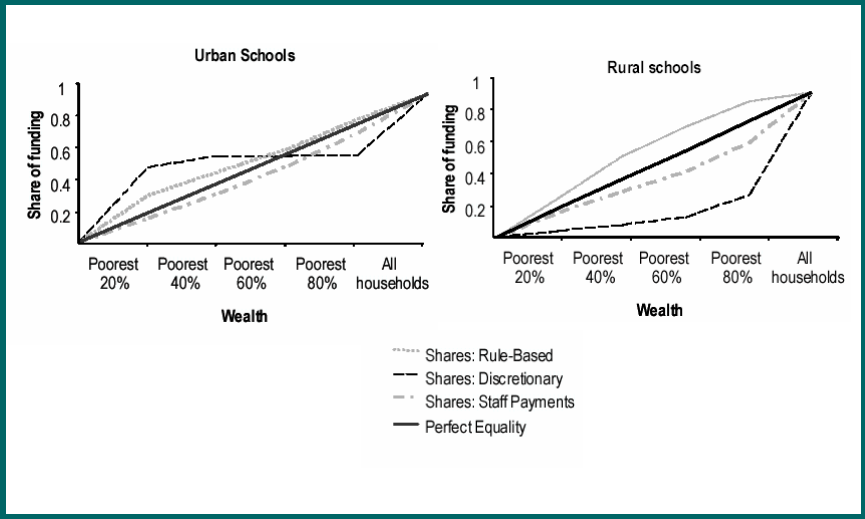

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IV. Dissemination and reporting

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1. Dissemination

- Building anticipation of surveys information during planning and survey work stages
- Selection of Task Force and likely consumers of the findings (preparation of a mailing list)
- Sharing all aspects of surveys at appropriate stages in a progressive manner
- Preparation of a report clearly explaining results and recommendations and present to Task Force and other consumers
- Avoid personal and institution specific findings

⚠ Renew contacts with govt. as soon as first results are available

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2. Reporting

While other members of the team continue data analysis, the coordinator for public relations would:

- Prepare interim summary Report
- Organize press conference and meetings with politicians, decision-makers, PTA representatives, Teachers Union leader
- Encourage the writing of articles on the first results of the survey in newspapers and other printed media, or write them
- Stimulate and/or organize radio/TV broadcasts to popularize the first results of the survey

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3. Public targeted

Dissemination activities should essentially address three different publics:

- The consumers-clients of the education system, i.e. parents of school children and the PTA's that represent them
- Decision-makers, politicians and government officials
- Teachers and Teachers' Unions

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Quality of survey studies: checklist

1. Problem
   a. is stated clearly and understandable;
   b. includes the necessary variables;
   c. has theoretical value and currency (impact on ideas);
   d. has practical value and usability (impact on practice).
2. Literature review
   a. is relevant and sufficiently complete;
   b. is presented comprehensively and logically;
   c. is technically accurate.
3. Hypotheses and/or questions
   a. are offered, and in directional form where possible;
   b. are justified and justifiable;
   c. are clearly stated.
4. Design and method
   a. is adequately described;
   b. fits the problem;
   c. controls for major effects on internal validity;
   d. controls for major effects on external validity.
5. Sampling
   a. gives a clear description of the defined target population;
   b. employs probability sampling to ensure representativeness;
   c. provides appropriate estimates of sampling error.
6. Measures
   a. are adequately described and operationalized;
   b. are shown to be valid;
   c. are shown to be reliable.
7. Statistics
   a. are the appropriate ones to use;
   b. are used properly.
8. Results
   a. are clearly and properly presented;
   b. are reasonably conclusive;
   c. are likely to have an impact on theory, policy, or practice.
9. Discussion
   a. provides necessary and valid conclusions;
   b. includes necessary and valid interpretations;
   c. covers appropriate and reasonable implications.
10. Write-up
   a. is clear and readable;
   b. is well-organized and structured;
   c. is concise.

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Seminar on: "Transparency, ethics and anti-corruption measures in education"

Baku, 21-23 February 2006

Private supplementary tutoring
Nature, impact & government responses

Muriel Poisson

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1. What is private supplementary tutoring?

- Tutoring in academic subjects, e.g. languages and maths (excludes extra-curricular subjects)
- Provided for financial gain (excludes voluntary help)
- Additional to mainstream schooling (outside school hours, often in separate premises)
- Either by the same or by other teachers
- Variable intensity (family income)

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2. Extent and effects of PST

- Since 1960 major phenomenon in East Asia

Cambodia	31%	Kenya	69%
Egypt	58%	Malta	50%
Hong Kong	45%	South Korea	73%
India	39%	Romania	32%
Japan	64%	Taiwan	81%

- Large societal effects in many countries:
  - Improves student learning
  - Distorts school curricula
  - May be imposed on parents by tutors
  - Increases social inequalities

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3. Causes

- High rates of return on education
- Low salaries of mainstream teachers

% average wage	1990	1997
Armenia	65 %	44 %
Kyrgyzstan	75 %	61 %

- Systems intolerant of slow learners
- Classroom teaching inadequate for passing exams
- Control of student promotion by teachers
- Competition among schools (league tables)
- Evaluation of teachers made through their pupils' results
- University exams have "a gate-keeping function"

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4. Does monopoly cause illicit behaviour?

Corruption = Monopoly + Discretion - Accountability

- Illicit behaviour flourishes when agents:
  - Have monopoly power over their clients
  - Can exercise their discretion
  - Have weak accountability
- This is true for teachers providing private tutoring to their own pupils
- Such teachers are in a position to make more money by:
  - Failing in their duty in mainstream classes
  - Hinting that tutoring ensures the promotion of children

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5. Impact on education

- PST beneficial when it helps students understand mainstream lessons
- PST harmful when:
  - Teachers neglect their mainstream duties
  - Students are less interested in mainstream classes or absent
  - PT is examination-oriented, distorting mainstream curricula
  - Public facilities are used for private interests
  - Non-transparent criteria are used for teacher deployment
  - Pressure is exerted on parents to pay for private tuition
  - Curriculum is taught in a distorted way
  - Pupils who do not attend private tutoring are penalised (including their deliberate failing)

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6. Impact on societies

- Children submitted to private tutoring work harder than their parents
- Many parents see this pressure as beneficial
- Private tutoring helps poor children gain social mobility
- Private tutoring tends to increase social inequalities
- Private tutoring may be imposed on parents by tutors

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7. Impact on economies

- Private tutoring helps students get higher degrees, and thus higher salaries
- Private tutoring helps poorly paid teachers improve their incomes, but, at the same time:
  - Private tutoring wastes financial and human resources that could be better used
  - Tutoring and cramming stifle creativity
  - The economic effects of private tutoring are ambiguous

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8. Strategies

- Rationalize the teaching wage bill:
  - Better use of teachers (remedial courses)
  - Adjustment of wages (decline in enrolment)
- Inform parents and beneficiaries:
  - Government campaign to educate parents on the choice of a tutorial school
  - Publicity to warn operators and inform clients on their rights (*Hong Kong*)
- Recognize and regulate private tutoring:
  - Publication of government laws and regulations
  - Obligation of registration (safety, tax, monitoring)
  - Self-regulatory processes; e.g. tutoring associations (*Taiwan*)

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Toward Assessing **Academic Fraud** as part of Global Education Corruption

21-22 February, 2006

Baku, Azerbaijan

Brian L. Heuser
Peabody College
Vanderbilt University

ACADEMIC ETHOS

"I will give you two tests today - one in honesty and the other in trigonometry. I hope that you will do very well on both. But, if you happen to fail one of them, please let it be the one in trigonometry."

-Dean Sarratt

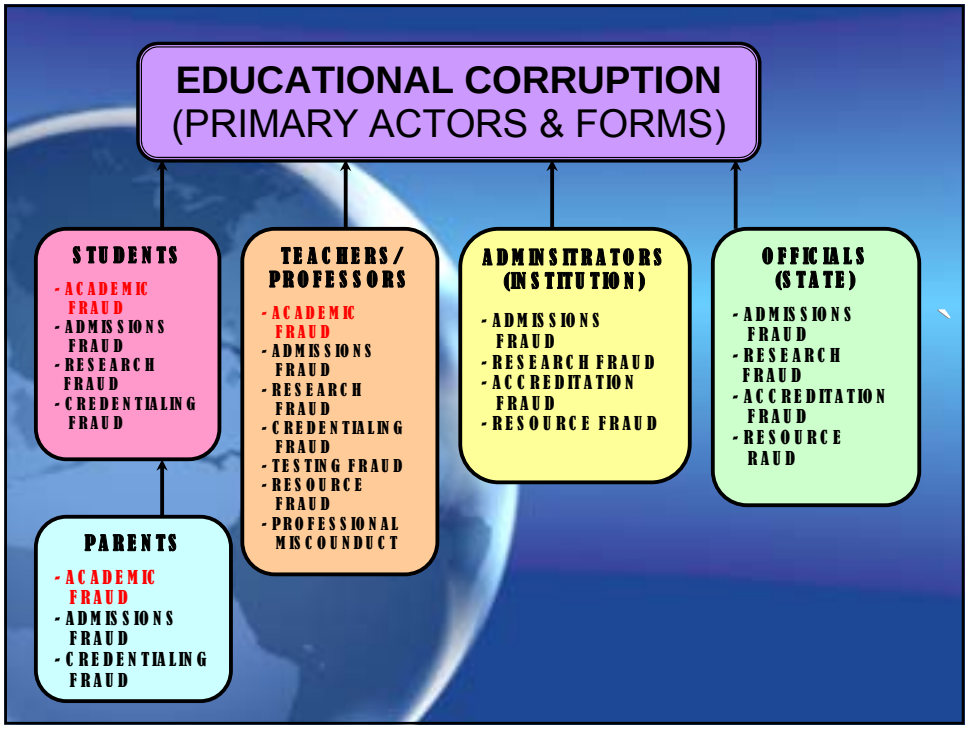
Frequency of Academic Fraud

- "He who does not cheat does not progress." *("El que no tranza, no advanza.")*

  -Popular Mexican Phrase in Academia

- "A person has to lie or cheat sometimes to succeed."
  2000 = 34% agreed; 2002 = 43% agreed (JIE, 2000-02)

- McCabe (IAI) & Josephson Institute of Ethics independently found serious instances of cheating among 74% of US students, in both high school and college; 72% engaged in plagiarism; >30% in serious repetitive cheating; where sig. honor code = - 33-50%



Primary Categories of Educational Corruption

- Admissions Fraud
- **Academic Fraud**
- Accreditation (Inst.) Fraud
- Credentialing (Personal) Fraud
- Resources Fraud
- General Professional Misconduct
  (intentional or wanton wrongful behavior)

Academic Fraud Defined

- **Five Primary Categories of Academic Fraud**: Cheating, Plagiarism, Research Fraud, Bribery, Sale of Grades and Credentials
- Those acts of dishonesty that destroy the learning process and the pursuit of knowledge
- Threatens the body of academic knowledge, intellectual property rights and legitimacy of higher education

Academic Fraud Cont'd

- **1) Misapplication:** {Cheating, False Research}
- **1:** *the* ***wrong[ful] use or application [of factual knowledge]***
- Source: *WordNet ® 2.0, © 2003 Princeton University*
- ** Intent is not required*

Academic Fraud Cont'd

- **2) Misappropriation:** {Plagiarism, False Research}
- ***2:*** *an act of* ***wrongful borrowing [or acquisition];***
- n 1: the fraudulent appropriation of [intellectual] property entrusted to your care but actually owned by someone else
- Source: *WordNet ® 2.0, © 2003 Princeton University*
- **Intent is not required*

Academic Fraud Cont'd

- **3) Misrepresentation:** {Falsifying Research, Cheating, False Credentialing}
- **3:** *the **wrongful representation of factual knowledge***
- **2:** *an intentionally **or** sometimes negligently false representation made verbally, by conduct, or sometimes by nondisclosure or concealment and **often** for the purpose of deceiving, defrauding, or causing another to rely on it detrimentally;*
- Source: *Merriam-Webster's Dictionary of Law, © 1996 Merriam-Webster, Inc.*
- **Intent is not required*

Challenges of Assessment

- **When asked to anonymously report their levels of drug/alcohol use, 99.7 responded [2650 of 2657]**
- **When asked to anonymously report incidents of date rape, 97.3% responded [2585 of 2657]**
- **When asked to anonymously report the kinds of academic fraud they've observed, 43.8% responded [1164 of 2657]**
- **When asked to anonymously report the kinds of academic fraud they personally engaged in, only 17.3% responded! [460 of 2657]**

ASSESSING ACADEMIC FRAUD	ACTUAL	PERCIEVED
	1) The real level of Compliance with Academic Standards 2) The real rate at which acts of Academic Fraud are engaged in 3) Experienced Rigor of an Academic Code (if one is present) 4) Personal Belief in the Significance of Academic Integrity	1) Perceived level of Compliance with Academic Standards 2) Perceived rate at which acts of Academic Fraud are engaged in 3) Perceived Rigor of Academic Code (if one is present) 4) Perceived Significance of Forms of Academic Fraud
	1) Includes both that which has been witnessed and/or experienced (acts of fraud and compliance to standards) 2) May include both that which is witnessed in others and as that which is personally engaged in 3) Includes both acts of fraud and interactions related to integrity 4) Subject to Personal Interpretation of Academic Integrity	Includes: 1) that which respondents are able to recall and are willing to document when surveyed (acts of fraud and compliance to standards) 2) that which individuals have chosen to report to university officials, either formally or informally. 3) knowledge of academic standards and codes 4) observations and perceptions
	OBSERVED	REPORTED

Academic Integrity Defined

- **Academic Integrity:** includes the following 5 elements: Honesty, Trust, Respect, Fairness, Responsibility, Equity (IAI)
- Socializes educational constituents to an academic culture of credibility
- * "Promotes the learning process and the pursuit of truth." (IAI)

Seminar on: "Transparency, ethics and anti-corruption measures in education"

Baku, 21-23 February 2006

Formula funding

Equity, transparency and accountability in decentralized financing

Jacques Hallak and Muriel Poisson

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Introduction: definition

Formula Funding (FF):

"Agreed set of criteria for allocating resources to schools, impartially applied to each school"

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Introduction: decentralisation & school based management

- Better relevance to needs and good governance can be expected by:
  - getting closer to the users
  - promoting participation and building ownership
- At the same time, the introduction of FF and the delegation of spending decisions can increase the possibility of fraud as many more people have direct access to funds
- This depends obviously on '*how FF operates in practice*'

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Outline of the presentation

I. Should "money follow students"?

II. Does FF contribute to more transparency?

III. Does FF contribute to more accountability?

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I. Should "money follow students"?

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1. Historical references

- *In the 1960s:*
  - Need to address the cases of schools with high concentration of disadvantaged pupils
  - Allocation of resources (not only funds) according to needs: Head Start in the USA, ZEP in France
- *In the 1990s:*
  - New trends in reforming public education inspired by liberalism/market oriented/democratic social orientations
  - Demand for more ownership, improved governance, efficiency, equity, freedom of choice
  - Decentralisation of authority to schools within a centrally determined framework of policies, priorities and standards
  - New challenges for countries in transition

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2. From "supply-" to "demand-side" approaches

- Mechanisms to distribute funds among spending units
  - Traditionally, norms for inputs
  - Now "money follows students" (based on capitation, unit cost or average cost)*
- The money should go to a jurisdiction small enough to be politically accountable / large enough to create possibilities for shifting resources among schools
  - Units of 100,000 small enough to be politically responsive / large enough to allow flexibility
- Assigning competence for different educational levels to different levels of government (e.g. Poland) reduces flexibility

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* *Demand-side financing in Romania*

- *Prior to 1990, supply-side system:* funds allocated on the basis of the number of teaching positions, square feet of building space and other planning norms
- *After 1990, demand-side financing:* funds allocated on the basis of unit cost per student in various field of study (higher education)
- Studies of unit costs conducted by the National Higher Education Financing Council (NHEFC), to provide the empirical basis for the FF
- Complementary funding allocated on a competitive basis (peer-reviewed competition)

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3. Typology of formula funding

- Several generations:
  - *1st generation:* very simple, linked to crude parameters (teacher/pupils ratios): more equality than equity
  - *2nd generation:* take into account differential needs for learning attainment: more resources to disadvantaged pupils (Australia, France, Indonesia)*
  - *3rd generation:* comprehensiveness: cost based and built in incentives
- Two complementary dimensions:
  - Reliability of indicators used to determine amounts (transparency concern)
  - Compliance in the use of the funds at school level (accountability concern)

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* Examples of formula

Victoria (Australia):

- *Core:* 80% of the budget
- *Need based:* disadvantaged and special learning needs
- *Priority programs:* 16 special needs

England (UK):

- *Pupils* number (75%)
- Students additional *needs* (5%)
- *Physical* conditions (20%)
- In addition, extra allowances/learning difficulties, using as a proxy Free School Meal (% FSM)

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II. Does FF contribute to more transparency?

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1. FF and transparency

- Consistently applied formula determines what each school is allocated: this is known by the school and can be made publicly available
- Basic requirements:
  - A clear explanation and understanding of the formula by all stakeholders
  - A reliable system of data collection in place on the basis of which amounts of funds are determined
  - A proper management of funds allocated at school level in place

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2. Data collection and verification

- Allocation by formula requires school level data on all the indicators that are included in the formula

Not to create perverse incentives to schools that encourage them to generate more funds by manipulating the formula

Type of formula	Pervasive effects	Recommendations
Allocations according to size of schools	Inflation of enrolment figures	• To collect data on enrolment externally • To check for accuracy externally
Utility costs funded according to past expenditures	No incentive for more efficient use of energy, water and telephones	• To include variables that predict the amount that the school must spend but cannot itself affect (e.g. size and conditions of buildings and climatic variations
Indicators of students' leaning needs	Incentive to principals to encourage low scores	• Not to use tests administered by the school itself
Data for calculating extra funding collected from the school (socio economic background, poverty, ethnicity, language)	Principals tempted to falsify statistical returns	• To check for accuracy externally

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Comparison Australia / England

- In *Australia:* data are collected at state level from schools four times a year; it has the most rigorous external check
- In *UK*: data are collected from schools by the annual census; IT management systems complete the forms and submit electronically to the ministry; deliberate misreporting does not seem to be widespread
  - Example of misreporting: Free School Meals (visit of LEAs auditors and inspectors)
  - If FF is not to be corrupted, strong data verification procedures and sanctions for deliberate misreporting must be in place

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3. Financial control at school level

- Financial management at school level increases opportunities for corruption:
  - Fraudulent use of school money for private gain
  - Graft or bribery in the awarding of contracts
- As a result, need for:
  - *Financial regulations:* transactions administered either via the public sector treasury (Sweden) or bank accounts, reduces opportunities for personnel to embezzle money (except when treasury does not operate accurately)
  - *Budget scrutiny:* the exercise of budget scrutiny at school level is important for minimizing opportunities for corruption
- This may require to have a common financial management systems and good capacities at school level

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Australia / England

- *Australia* and *England* have similar budget scrutiny processes, relying on accurate recording and reporting of financial information through computerized accounting software
- In *Australia,* there is a common management system; and TA and training is provided
- In *UK,* with 150 LEAs, this is not the case: each school must buy its training and support

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FF & transparency: in summary…

For	Against	How to address?
Knowledge of formula	Too complex	Equity/ transparency
Data sharing /indicators	Data manipulation	ITC Use various sources Internal audit
Financial regulations / control	No compliance No capacity Opacity of rules No routine control	Treasury/Bank acct. Outsource/training National standards Costs factors

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II. Does FF promote accountability?

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1. FF and accountability

- Budget scrutiny insufficient to prevent fraud/incompetence in the management of school finances and ensure accountability
- Need for adequate and reliable mechanism of control of reliability
- Basic requirements:
  - Financial reports or financial regulations fully complied with
  - Internal and external audits conducted on a regular basis

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2. Independent financial reviews

- Independent reviews conducted by registered private accounting firms
- Are financial reports or financial regulations fully complied with?
- Reports submitted to the various stakeholders at various levels with sanctions for misconducts and irregularities
  - Intervention of relevant public authorities (removal from school positions)
  - Intervention of the police (embezzlement of funds)

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Victoria (Australia)

- The financial regulation of schools is the responsibility of the Financial Management Unit (FMI), Standards and Accountability Division (SAD) [Department of Education and Training of the Ministry of Finance]
- School councils scrutinize and approve the financial accounts on a monthly basis
- The Auditor General, under the authority of the Audit Act 1994, has responsibility for the conduct of independent reviews and financial statement audits of public sector agencies, including schools

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3. Internal and external audits

- Several layers of audit to prevent fraud
  - School level, by a school board member
  - District or Regional level
  - Central govt regulating authority
- Internal audits conducted by schools; external audit and audit at a higher level by a central body with responsibility for the probity of the public sector
- Audits should check enrolment statistics; that money has been spent for approved purposes; financial regulations are properly observed
- Irregular and random audits (or on a sampling basis), given the costs involved

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Poland

- Several levels of auditing:
  - one is performed by the *gmina* on a routine basis (audit of school accounts once or twice a year)
  - one is undertaken irregularly by Regional Accounting Offices that audit other types of public sector institutions
  - the National Chamber of Control conducts independent enquiries (e.g. financing of non public schools)
- If it is found that a school's financial procedures are weak, the school director is required to bring them up to standard
- Failure to achieve satisfactory compliance with financial procedures can lead to the dismissal of the school principal

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FF & accountability: in summary…

For	Against	How to address?
Ownership	Weak Local Authority (LA)/LEA	ITC
Accountability chain	Data manipulation	Capacity building
Audit/certification	Power structure	Change procedures
Upper level control	Costs incurred	Outsource control

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Concluding remarks

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Concluding remarks

- Transparency of formula funding helps avoiding fraud only if formula is simple
- Publication of accounts in accessible form is a major factor in reducing fraud
- Intensive auditing and monitoring are the greatest deterrent to fraud
- Few questions:
  - Should « money follows students » apply to private and parochial schools as well as to government schools?
  - How much school choice should be permitted?
  - What are the advantages and disadvantages of "paper vouchers"?

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EDUCATION FUNDING AND PAYMENT REFORMS IN LITHUANIA AS A WAY TO IMPROVE TRANSPARENCY IN EDUCATION

Arūnas Plikšnys
Director of General Education Department, Ministry of Education and Science

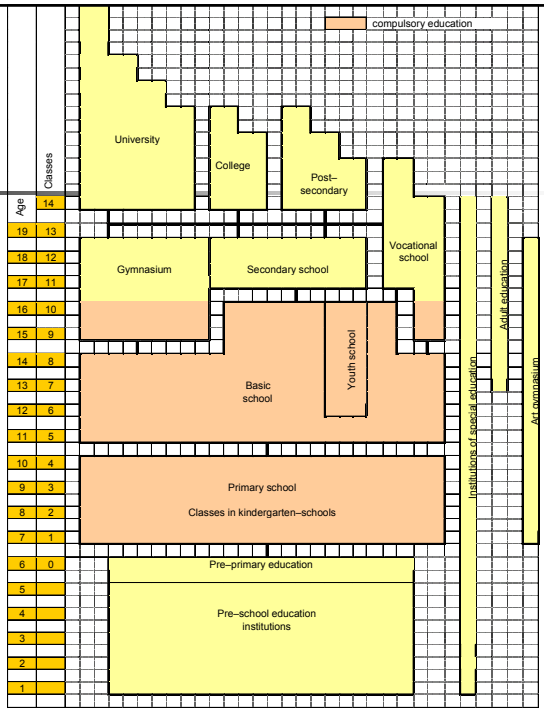
2005 1 27-29, Kiev, Ukraine

1

LITHUANIA IN FIGURES 2004/5

- Population – 3.45 mln.
- GDP(2003) – 55 359 mln. LTL (15 881 mln. EUR)
- National budget – 23,1% of GDP
- Funds allocated to education – 5.29% GDP
- National education budget – 3 266,2 mln.LTL (937 mln. EUR)
- State education budget – 37,1 %
- Municipal education budget – 62,9%
- Average teacher's month salary–1412 LTL(405 EUR)- 2005 09 01

2



3

LITHUANIA IN FIGURES 2003

- School structure – grades 4+(4+2)+2
- Primary schools (grades 1-4) – 193
- Basic schools (grades 1-10) – 635
- Secondary schools (up to grade 12) – 461
- Gimnasium (grades 9 –12) - 95
- Number of students – 528 215
- Number of teachers – 45 500
- Student/ teacher ratio – 11,8
- Average class size – 19,4 (city – 23,4, rural –13,9)

4

DEVELOPMENT OF FUNDING AND PAYMENT SYSTEM

- Until 1990 03 11 – 18 hours per week per teacher
- 1993-5 teachers' qualification categories implemented
- 1996 – coefficients in monthly basic wages
- 1998 – additional hours for preparation, etc. allowed
- 2000 – education portion of municipal budget calculated based upon student population
- 2001 – preparation for "student basket"
- 2002 01 01 – implementation of "student basket" (SB)
- **2005 09 01 – 2012 12 31 - implementation of new payment system for teachers**

5

FLAWS OF PRIOR FUNDING ARRANGEMENT

- Funding per student varies greatly
- Network of schools was not at its optimum
- Nearly all funding to salaries and utilities
- Money was allocated per number of class sets
- Money did follow students transferring to new schools
- Schools have no autonomy in planning
- Non governmental schools receive less and amounts were erratic

6

THE KEY OBJECTIVES

- Through more efficient use of funds to improve the quality of education services
- To optimize the network of schools
- To create network of non governmental schools
- To reduce absenteeism and drop - outs
- To strengthen school financial independence
- To increase responsibility of principals and other managers

7

DEFINITIONS

- Student's basket – annual amount of resources to be spent for teaching one student (teachers' salaries, teaching materials, management, pedagogical and social help) .The student basket **does not** include the "School environment "
- School environment - other monies to be spent for school "overhead" (technical staff salaries, heating, water supplies and etc.)
- Reference student - (a student in grade 5 – 8, attending an urban school, when the average number of students per parallel class set is 25.

8

PRINCIPLES OF FINANCING (1)

- School budget: students' baskets, School environment monies, project funds, donations from sponsors
- Every year, the Parliament shall specify the amount provided for educating one reference student (the student basket).
- Each school's allocation of student baskets depends upon its number of reference students.
- The number of reference students depends upon the number of actual students and supplementary coefficients (urban or rural schools, types and grades in school)

9

PRINCIPLES OF FINANCING (2)

- **Student's basket funds shall be used for:**

1. Implementation of teaching plan;
2. Teachers' in-service training;
3. Textbooks;
4. Teaching equipment and materials;
5. School management, pedagogical, social and psychological counseling services.

10

PRINCIPLES OF FINANCING (3)

- The number of reference students and the size of student's basket shall be calculated every year using Government approved methodology (11 12 2002 resolution No.1947)
- The funds for students' baskets shall be allocated from the state budget to school founders as a special targeted subsidy
- SB for non- governmental schools is allocated via municipality where the school is located

11

PRINCIPLES OF FINANCING (4)

- The founder may allocate additional resources.
- When a student transfers from one school to another the SB moves after him or her.
- The founder shall allocate resources needed for the School environment through a set procedure
- School environment monies shall be used for: maintenance of buildings, utilities, technical staff salaries, social security insurance for employees and other everyday operating costs

12

PRINCIPLES OF FINANCING (5)

- State shall finance centrally initiated education programs
- School shall decide on the use of School environment monies
- Savings from student basket can be used by school with founder agreement
- Founder can decide to use SB savings for other education needs

13

INTRODUCTION PHASES

1. **In 2002** - 1/3 of projected monies needed for textbooks, teacher in-service and teaching materials provided in SB, 15% reallocation between schools by founder allowed.
2. **In 2003** – 2/3 of projected monies for textbooks, teacher in-service and teaching materials provided in SB, 10% reallocation between schools by founder allowed.
3. **In 2004** – full student basket, 10% reallocation between schools by founder
4. **In 2005- 2006** - 5% reallocation between schools by founder, 20 % more for textbooks and TM

14

EXPECTED RESULTS

- Education funds will be used more efficiently.
- Competition between schools will results in better quality.
- Number of children not attending school shall decrease.
- Better planning opportunities for school community.
- Better conditions for creating non-governmental school network.
- School network will better suit needs of students and parents

15

METHODOLOGY FOR CALCULATION OF THE SB

- Methodology for calculation of SB – to define the annual amount of resources that need to be spent for one reference student
- Based on methodology SB shall be allocated per sum of all reference students
- Methodology shall apply to all public, municipal and state general education schools
- Summary of methodology is given in attachment 1
- Curriculum indicators are given in attachment 2

16

STUDENT'S BASKET 2004

- **The SB shall be calculated as follows**:
- **SB**=**Kb** x **q** x **12** = **1555** LTL
- **Kb** – base coefficient for calculation of the SB. Kb = 1,234 (attachment 1)
- **q** – shall be national base monthly salary (q=105 LTL).
- **12** – the number of months

17

METHODOLOGY FOR REFERENCE STUDENTS (1)

- Methodology for calculation of reference students – to define annual amount of resources that need to be spent for 1 student depending on school type, education level (grades 1-4, grades 5-8, grades 9-10, grades 11-12), students with special needs, national minority schools and other indicators.
- Methodology based on the same principles as student's basket (see attachment 1) but different coefficients for different average class size

18

METHODOLOGY FOR REFERENCE STUDENTS (2)

- Coefficients for reference students calculated : **Kn = K/Kb :**

1. **$K_{22(1-4)}$ = 0,8208 (1276 LTL)**
2. **$K_{20(1-4)}$ = 0,9005 (1400 LTL)**
3. **$K_{10(1-4)}$ = 1,5989 (2486LTL)**
4. **$K_{25(5-8)}$ = 1 (1555 LTL)**
5. **$K_{10(5-8)}$ =1,9081 (2967 LTL)**

19

IMPLEMENTATION OF SB(1)

- **2002 – SB = 1521 LTL** (1064 LTL salaries, 440 LTL – management, 10,5 LTL – textbooks, 2,1 LTL – teaching materials, 4,5 LTL – teachers' in-service)
- **2003 – SB = 1538 LTL** (21 LTL textbooks, 4,2 LTL teaching materials, 9 LTL – teachers' in-service)
- **2004 04 30– SB = 1555LTL** (31,5 LTL textbooks, 6,3 LTL teaching materials, 13,5 LTL teachers' in-service), **05 01 – 1703 LTL**
- **2004 05 01** – SB = 1703 LTL (q=115LTL)
- **2005 08 31** – SB = 1728 LTL, 09 01 – 1802LTL
- **2006 01 01 – SB=1942 LTL (50 Lt +10 Lt+24Lt)**

20

IMPLEMENTATION OF SB(2)

- 2002 - SB for General education schools
- 2003 – SB for : + Vocational ES, +10% SEN
- 2004 – SB for: + preschool EG, social pedagogs, + 2 days for teachers qualification
- 2005 – SB for:+ 10% PEG, +10% SEN (teachers assistants staff), +20% textbooks, +pedagogical –psychological counseling services PSS
- 2006 – SB for: +50% PSS, +15% textbooks, R=7.7 (was – 7.6)

21

IMPLEMENTATION PROBLEMS

- Reallocation of student basket between schools – 2003 – 4.8%, 2004 – 2.4%
- Use of savings of student basket for other education needs – 2005 Amendment of Budget low –1 of July and 1 of December
- School environment monies- by founder
- Additional funding for some schools and special needs – 2005 – 14 schools as rural
- Political pressures to change the methodology

22

IMPEMENTATION PROGRAMME OF THE NEW PAYMENT SYSTEM FOR TEACHERS

- 2004 09 30 Resolution of Government No.1231
- Implementation Programme 2005 09 01 – 2012 12 31
- . **The purpose** of the Implementation Programme of the New Payment System for Teachers is to define the goals and objectives of the introduction of the new payment system for teachers and to set its implementation periods and stages as well as the required means.

23

Current problems relating to teachers' salaries

- Teachers' wages greatly depend on the number of contact hours (18 contact/h/week and 4.2 hours for extracurricular activities)
- In fact teachers are paid on average only for 26.4 hours per week (average 21.3 hours are contact hours and 5.1 hours are extracurricular activities), but teachers also perform unpaid work.
- The rate of teachers' work does not depend on the number of students in the form set.
- In different schools for the same work teachers are paid differently
- The procedure of calculating the salary is complicated: it is determined on the basis of many factors (there exist 40 different rates).
- Since 2000 every year the average teachers' salary has been decreasing by 20-30 Litas as the number of form sets has been going down.

24

GOAL and OBJECTIVES

- **The goal** is to properly arrange the salary payment system and to increase salaries of directors and teachers and improving their work quality.
- **Objectives:**

1. to coordinate the principles of financing schools with the procedure of payment to teachers
2. to pay teachers for actually performed additional work;
3. to apply the same payment principles to all teachers for performing the same work irrespective of the school type;
4. to create a securer payment system for teachers.

25

Payment model and implementation periods

- **Period I** – 1 September 2005 to 31 December 2009;
- . **Period II** – 1 January 2010 to 31 December 2012.
- From 1 January 2009 a 30-working-hour week shall be set for a teacher's position (18-22 c/h, 12 – 8 ex./h)
- From 1 January 2012 a 36-working-hour week shall be set for a teacher's position (18 – 22 c/h, 18 – 14 ex/h)
- **Directors and their deputies** - 40 hours per week (35 - 40 for management activities, 0-5 c/h).
- . Three categories of positions of school directors and their deputies for education shall be set: I (the highest), II and III (the lowest. **3-4 categories of positions of teachers**.

26

EXPECTED RESULTS

- The system of the position-based payment to teachers shall be introduced from 1 September 2009.
- Teachers' salary at the end of Period I shall increase by 35.4% (400 mln. LTL) while the salary of other staff – by 24.2%, and at the end of Period II all salaries shall increase by 21.7% more (430 mln. LTL).
- The system of financing shall be coordinated with the payment system
- The quality of teachers' work shall improve.
- Teachers shall feel securer as their salaries shall not be directly dependent on the number of contact hours
- A transparent payment system shall be created.

27

Seminar on: "Transparency, ethics and anti-corruption measures in education"

Baku, 21-23 February 2006

Teacher behavior and management

Jacques Hallak and Muriel Poisson

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Introduction

Europe and Central Asia region:

« Most countries have yet to control significant inefficiencies in the sector, especially in their use of teachers, non-teaching staff, and energy. Student/teacher ratios, initially low relative to other regions of the world, had dropped to an average of 14:1 across the region by 1997. Most countries are accommodating these large teaching forces by letting teacher wages fall below the average public sector wage, not by rationalizing the teaching force by reducing its size and increasing class sizes, contractual hours, and pay. »

Source: Berryman, 2000.

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Outline

1. Background

   - *Corruption in teacher behavior/ management matters*
   - *Opportunities of corruption in this area*

2. Methodology

   - *Quantitative Service Delivery Surveys (QSDS)*
   - *Audit of management procedures*

3. Strategies

   - *Establish a "clean list of staff*
   - *Establish clear criteria*
   - *Finance computerized teacher management system*
   - *Set-up control mechanisms*

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I. Background

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4

1. Corruption in teacher behaviour/management matters

Teachers are the **chief component of education**

Teachers represent the **largest group of public servants** and their **salary** is the largest component of education costs **(50-90%)***

⇨ impact of distorted behavior is proportionately high

Highest incidence on **education quality** as they have an **ethical responsibility** : Corrupt teacher behavior gives negative signals to students

Spending on teacher salaries (2000)

- Azerbaijan (84.2%)
- Georgia (84.0%)
- Albania (82.5%)
- Kyrgyz Rep. (78.2%)
- Uzbekistan (73.0%)
- Armenia (47.1%)
- Moldova (32.2%)

* *Source*: WDR, 2004

5

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2. Opportunities for corruption in this area

Area	Corrupt practices
Teacher behaviour	– **Unjustified absence** (teacher gives no explication why he/she was absent, teacher gives false sick leave justification)* – **Fake diplomas** (teacher provides a diploma from a fake university, a non existing degree, or the notes have been illegally changed)** – **Illegal fees** (teachers claim 'fees' from students for school admission) **Bribes** (teacher pay to get the job, takes bribes for correcting papers, organizing exams or sport activities/excursions) – **Private tutoring** (teacher puts pressure on students to take extra payable hours in order to succeed the school-year)
Teacher manage-ment	– **Favouritism** & **nepotism in management** (Administration on local/central level uses unfair selection processes in appointment, promoting and transferring of teachers due to the fact that the teacher is a friend or a family-member to someone in the administration or due to his/her socio-political background. Ex. The National Education Workers Union in Mexico: a system of patronage, including selling of teaching positions – **Bribes** (Administration claims money for hiring, promoting and transferring) – **Ghost teachers** ('Fake' teachers listed on the payroll who are now retired, dead or never did exist. Done with purpose/unintentionally by the institution to get more resources)***

6

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* Teacher absenteeism

Determination of absence is based on physical verification against names on teacher roster, which includes the entire number of posts approved, both occupied and vacant. **Payroll** includes only occupied positions

Teacher absence has a significant impact on students :

- A 10 % increase in teacher absence is associated with a 1.8 % decrease in student attendance
- A 20 % decrease in teacher attendance is associated with a 2 % **decrease in test scores**

Country	Absence rates (%) in Primary schools
India	25
Bangladesh	16
Ecuador	14
Indonesia	19
Peru	11
Uganda	**27**
Papua New Guinea	15

* *Source:* N. Chaudhury et al. 2004 & 2005, World Bank

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** Use of fake diplomas by teachers

Ex. Teachers received higher salary due to fake degrees, Liberia

At Gwinnett Country school in Liberia, **six teachers have been found guilty in having bought their degree**

- Due to the fake degree they have received a total of **$ 29 702 in additional pay**, with individual's amounts ranging from $ 2 300 to $ 7 200

- The teachers had obtained their degree from St. Regis University, which claims to be recognized by the government of the African national of Liberia. The University grants master's degrees and doctorates based on 'life experience'. **A master's degree costs $ 995 and a doctorate $ 1 500**
- The teachers, whose names are listed publicly, must pay back the additional pay

Source: North Georgia's Newsroom; www.accessnorthga.com

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**** The case of 'ghost teachers'*

- Teachers listed on the payroll but who **no longer** or **never did exist**
- Some did exist but are now **dead or retired** and no longer present in a school
- Teachers who resigned, absconded, on leave without pay or on study leave without permission
- Others are deliberately **created at the school or at higher level** to increase the funding to a school or district

Country	'Ghost teachers' in %
Honduras 2000	5
Papua New Guinea 2002	15
Uganda 1993	20

Sources: World Bank 2001, 2004; Reinikka 2001.

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II. Methodology

1. Quantitative service delivery surveys (QSDS)

- **Quantitative survey approach** which aim to measure qualitative aspects in the education sector ('ghost teachers', absenteeism..)
- Data are collected from **unannounced visits** to selected schools to physically verify teacher presence
- Teachers who are not found in the school area 10-15 minutes after the arrival of the inspectors are considered as absent

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QSDS : absenteeism within India

Ex. Global Provider Absence Project

Source: Chaudhury et al. 2004

State	Teacher Absence (%)
Maharashtra	14.6
Gujarat	17.0
Madhya Pradesh	17.6
Kerala	21.2
Himachal Pradesh	21.2
Tamil Nadu	21.3
Haryana	21.7
Karnataka	21.7
Orissa	23.4
Rajasthan	23.7
West Bengal	24.7
Andhra Pradesh	25.3
Uttar Pradesh	26.3
Chhatisgarh	30.6
Uttaranchal	32.8
Assam	33.8
Punjab	34.4
Bihar	37.8
Jharkhand	41.9
Delhi	-
All India Weighted	24.8%

QSDS : reasons for absenteeism

	Uganda	Bangladesh	India	Indonesia	Ecuador	Peru	Average
Official duties	5.7	8.6	8.4	3.6	3.4	1.4	5.1
Authorized leave	9.1	6.8	8.4	7.0	3.2	2.6	6.0
Sick leave	*3.9*	*1.5*	*1.5*	*2.5*	*1.8*	*1.0*	*2.0*
Other authorized leave	*5.2*	*5.2*	*6.8*	*4.5*	*1.4*	*1.5*	*3.9*
Unexplained absence	11.1	0.6	8.1	7.8	7.2	5.9	6.9
Unexplained	*5.9*	*0.2*	*6.8*	*5.4*	*5.9*	*5.7*	*5.4*
Left early/arriving late	*5.2*	*0.4*	*1.2*	*2.4*	*1.3*	*0.3*	*1.6*
Other reasons	1.1	0.0	0.3	0.7	0.2	1.1	0.6
Total absent	27.0	15.9	25.1	19.0	14.0	11.0	18.7

* *Source*: Chaudhury et al. 2004

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QSDS : absenteeism / teacher characteristics

Teacher characteristics (India)	Absence Rate
Female	21.9
Male	**27.2**
Married	22.5
Unmarried	23.8
40 years or below	21.4
Older than 40 years	**27.1**
Head Teacher	**30.2**
Deputy Head Teacher	22.2
Permanent/Regular Teacher	23.1
Contract Teacher	24.1
Informal Teacher	23.5
Probationary/Temporary Teacher	24.3

* *Source*: Chaudhury et al. 2004

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QSDS : correlates of teacher absence (5 countries)

	Variables	Positive	Negative
Salaries	Age	2	0
	Education level	2	0
	Head teacher	2	0
Monitoring & discipline	Inspections/ admin oversight	0	3
	PTA activity	1	1
	Parent literacy index		2
Working condition	Infrastructure quality	1	4
	Remoteness	1	1
	Multigrade teaching	1	1
Intrinsic motivation	Education degree	0	2
	Born in district		2
	Tenure at school	0	0
	In-service training	1	1
Contract status	Contract teacher	2 (of 4)	0

Factors which might increase absence

Factors which might decrease absence

Source: Chaudhury et al. 2004

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2. Teacher management audit

Reorganizing teacher management

Management audit of the education teaching staff

- **Verifying functions and placement** of all teachers on the city's payroll & status of vacant positions
- **Determining** the number of teacher required for each school
- Reviewing **payment codes** to identify 'ghost' teachers
- Assessing transparency of procedures and opportunities for corruption

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Audit: audit of SED's human resources at school level in Bogotá

Survey of a representative sample of schools:

- Evaluating the infrastructure conditions
- Verifying the presence of staff on the job
- Analyzing the effectiveness of teaching strategies
  - as a function of teachers' professional ability
- Analyzing the actual time devoted to learning activities
  - as a function of school-day and work-day requirements
- Detecting irregularities in the management of school time

17

Audit: review of SED's human resources in Bogotá

Audit of SED's human resources:

- Verifying
  - functions and placement of all teachers on the city's payroll
  - status of vacant positions
- Determining
  - teacher positions required for each school
  - overstaffed and understaffed schools
- Reviewing payment codes to identify "ghost" teachers
- Assessing
  - clarity, equity and transparency of procedures and criteria
  - opportunities for corruption

18

Audit: results obtained in Bogotá

Results of the audit →

Teachers were inequitably distributed
- surplus of teachers in rich areas
- shortage of teachers in poor areas

The number of existing teachers was sufficient
- to improve quality of education in poor areas
- to enrol more students

Major causes for inequitable teacher distribution →

Lack of control and regulation over the transfer of teachers from one school to another
- Susceptibility of the administration to outside pressures
  - opportunities for corruption
- Subjective administrative decision-making
- Lack of clear, transparent criteria and procedures
- Databases were different in SED's various divisions

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3. Use of awareness indicators ("red flags") for audits

One of the keys to success in detecting fraud is the possibility **to spot anomalies**, also called '**red flags**'

→ *situations or occurrences within a program or activity that can indicate susceptibility of corruption*

Area	'Red flags'
Diploma	– Degree from an unknown university – Abnormal number of degrees/high level compared to the teacher's age
Examination	– Teachers do no get paid for conducting exams – Very high % of students pass the exams/ very good score levels
Salaries	– Low salaries, extravagant lifestyle of teachers
Teacher appointment/ transfer	– Appointment of family/close friends – Teachers close to the administration are getting the most attractive posts
'Ghost teachers'	– Gap between payroll & the actual number of working teachers

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III. Strategies

21

1. Establish a "clean list of staff"

- **To organize a nation-wide 'headcount'** exercise, during which teams physically verify that teachers listed on payroll sheets exist
- To ask each teacher to physically travel to one designated location on a particular day
- To use a **formal administrative act** to validate the final list of teachers eligible to receive salaries from the ministry of education
- To conduct **'spot audits'** throughout the year by a professionally reliable group from the central auditors or Ministry inspectorate
- To identify cases of **double salaries** (teachers working part time in different schools), **undeclared sick leave** (longer duration than the norm of three days), use of **fake degrees***

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22

* How to eliminate the use of fake diplomas ?

Verify the **validity of degrees** with the educational institutions listed as having granted them (accreditation, that the notes has not been changed etc.) when a new teacher is employed

The original diploma should be presented whenever the head master/administration claim so

Prevent such behaviour by informing staff about the consequences of using fake degrees (**sanctions** like a fine or even dismissal)

Promotions or increase in salary should not take place before a verification of degrees have been done

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2. Set clear criteria (in consultation with teachers' unions)

Hiring of teachers

- Done according to *common parameters* (Preschool: 25 students per group and 1.0 teacher per group; Primary 35 students per group and 1.1 teachers, Secondary 40 students per group and 1.3 teachers)
- Vacant posts are publicised
- Selected process contracted to universities to eliminate influence of outside interests

Transfer of teachers

- Decided by **central** personnel office
- Transfer requests considered **only at end of school year** except proved illnesses, court orders

Absenteeism

- Each school creates monthly records of school employee's daily attendance, to be sent to central level

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3. Create a computerized teacher management system

- **Update data bases**, to be used in making decisions on teacher assignment
- **Detailed information** on each teacher (teacher code, work history, changes affecting pay…)

Can identify teachers receiving **double salaries** (working de facto part time in different schools), **undeclared sick leave** (longer duration than the norm of 3 days), **identify unjustified payment** of salaries or in excess

Result: The **effectiveness** of SED administration **increased** (reduction in the time needed to deal with teachers' requests

PROCEDURE	1998	2003
Leaves	15 days	5 days
Retirement	20 days	3 days
Filling vacant posts	25 days	6 days
Assignments	20 days	6 days
Technical bonuses	45 days	15 days
Vacations	20 days	5 days
Disabilities	25 days	8 days

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4. Set-up control mechanisms

Once an anomaly is detected (e.g. teacher absenteeism), the institutions in question (MOE, school, etc.) should :

- **Determine the status** of each teacher (status of qualification, contract etc.)
- **Inform** the entities responsible for carrying out disciplinary action
- Review any potential need for **revising the procedure**

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How to reduce teacher absence ?

Preventing absence : specification of the area's features in **publication** of **vacant posts** (Ex. from Bogotá, film showing schools in remote areas, to inform the candidates of what they are saying 'yes' to)

Inform staff (teacher and head master/administration) about the **rules & procedures** to follow in case of sick leave as well as the consequences (sanctions) if absence is not justified

Make clear that **the rules are the same for everybody** – even the most qualified and experiences teachers. Rules should be stated in contract + organize 'awareness' meetings for ex. twice a year

Organize **internal** and **external controls** to make sure that the teacher is physically in the classroom, teaching the students (importance of a collective understanding of these procedures, i.e. they are necessary to improve the quality of teaching and not to supervise the teacher 'non-stop')

Improve the **infrastructure** (covered classrooms/non-mud floors/teacher toilet/electricity/library)

Build **ownership** with different stakeholders: teachers' unions

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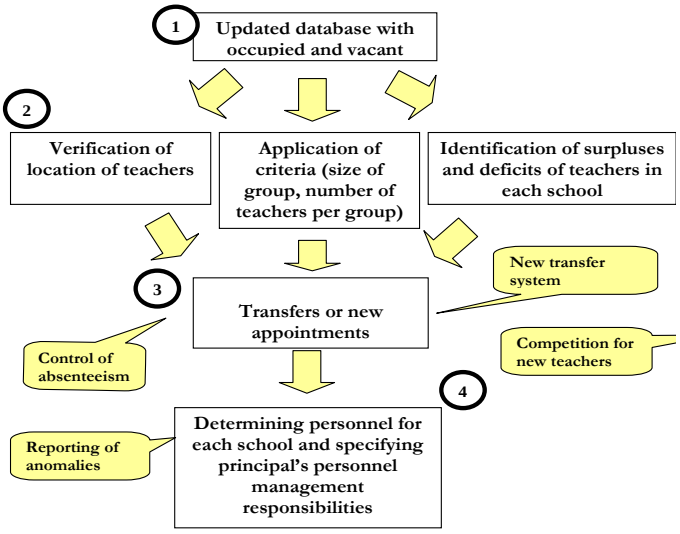
5. In summary: how to improve teacher management ?

In Bogotá, 240 000 additional pupils (33%) enrolled with no additional recruitment of teachers for half of them, thanks to the redeployment of existing staff – 1998-2003



Source: Peña & Rodriguez, 2004.

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Conclusion

- Due to teachers' considerable salary expenditures and their influential role on the education system, it is crucial to handle corrupt actions in teacher management and teacher behaviour
- Hence, the administration as well as students and teachers themselves must be aware of which **'red flags' to look for**

Implement multiple strategies to prevent corruption :
Implement **codes of conduct**; use **QSDS** to detect problems such as 'ghost teachers' & absenteeism; finance **computerized teacher management system** and **raise awareness** on various aspects of corruption in education

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Seminar on "Anti-corruption issues in education"

TENTATIVE AGENDA

21-23 February 2006, Baku, Azerbaijan

Tuesday 21 February 2006

09.30-10.00 *Welcome and introductory remarks*, by Elmar Qasimiv and Farda Asadov

10.00-11.15 *Ethics and corruption in education: an overview*, by Jacques Hallak and Muriel Poisson

11.15-11.45 *Coffee Break*

11.45-13.00 Ethics, anticorruption: the experience of Azerbaijan, Elmina Kazimzade and Nurlan Mustafayev

13.00-14.00 *Lunch*

14.00-15.15 *Survey approaches, including tracking and perception surveys*, by Jacques Hallak and Muriel Poisson

15.15-15.45 *Coffee Break*

15.45-17.00 *Corruption Perception Surveys (including CPI) in Azerbaijan*, Rane Safaraliyeva, Transparency International Azerbaijan

Wednesday 22 February 2006

09.30-10.45 *Private tutoring:* Panel exchange with Iveta Silova and Muriel Poisson

10.45-11.15 *Coffee break*

11.15-12.30 *Academic fraud*, by Brian Heuser (USA)

12.30-13: 30 *Lunch*

13.30-14.45 *Formula funding: equity, transparency and accountability in decentralized financing*, by Jacques Hallak and Muriel Poisson

14.45-15.15 *Coffee break*

15.15 -16.30 *Education funding reform in Lithuania as a way to improve transparency in education*, by Arunas Pliksnys

16: 30–17: 00 Group discussion on the tracking of financing, teacher and textbook expenditures

Thursday 23 February 2006

09.30-10.45	*Teacher management and behaviour*, by Jacques Hallak and Muriel Poisson
10.45-11.15	*Coffee break*
11.15-12.30	*Movements against corruption: youth, students, NGOs, etc.*, Panel exchange with OSI-ESP Budapest expert, Paviz Bargirov and participants
12.30-13.00	Follow-up Evaluation of the Seminar

Seminar: "Anti-Corruption Issues in education"
February 21-23, 2006 - Hotel « ISR Plaza Radisson»

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