



Zambia Cost-Sharing Transparency at a Price

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Zambia: Cost-Sharing: Transparency at a Price

Summary

This report is based on the results of the study, 'Funding of Basic Education in Zambia: An Anti-Corruption Perspective', conducted from 6-30 July 2005 by Transparency International Zambia (TIZ). The survey was a follow-up to the World Bank-funded Education Sector Delivery Survey (ESDS) of 2002.

The study canvassed the views of 145 respondents from four different districts of Zambia. It found that the incidence of corruption in the use of funds at the basic school level (ages 6-15) is low. This was attributed to the systems in place providing for more accountability of stakeholders in the management of the school. However, it was also apparent that corruption may be insignificant because the income base upon which it is supposed to thrive is very low.

Context

Education has undergone a dramatic transformation since the 1990s when the government shifted to a policy of cost-sharing with parents in both primary and secondary schooling. The introduction of semi-autonomous Parent Teacher Associations (PTAs) in the latter half of the decade was aimed at complimenting this policy. PTAs were tasked with the technical and administrative oversight of their respective schools. They often have responsibility over fundraising, setting priorities and monitoring the usage of funds. The government gives quarterly grants for administrative and running costs, such as chalk, paper, books, desks and other amenities, but the general complaint is that this grant is not sufficient to run the schools. PTAs must conduct independent fundraising to cover the costs of maintaining infrastructure, such as teachers' houses or the upkeep of the school vehicle. Parents typically incur additional costs, such as payments for school uniforms, school and examination fees, and any contribution to school development projects suggested by the PTAs (i.e for grade 8 and 9 students).

While the system encourages high levels of accountability in school management, it has proven less effective in rural areas with a low resource base where PTAs have been unable to deliver all of these tasks. Indeed, many view the system as a way for the government to abrogate its responsibility to adequately finance education.

Of particular concern in the performance of the education sector is the low remuneration of teachers. In a country where the ideal bread-basket is estimated at K830,000 (€160.70) per month for a family of six living modestly, the average gross salary of a college-trained teacher is only K720,000 (€139) per month. Even in urban areas, payments are often delayed for as much as two weeks after the due date and teachers rarely receive allowances for overtime or acting positions.

Consequently, there is now a trend particularly in urban schools, for teachers to supplement their meager income by conducting private tuition. It is frequently argued that this trend has tended to compromise the quality of education given to students in

school. This ultimately impacts on poor households who cannot afford fees for extra tuition.

In order to assess weaknesses in education, in 2002, the World Bank funded an ESDS with three main components. The first part analysed the flow of expenditure from the Ministry of Education to the schools. The second examined how the funding that reached the school, whether in cash transfers or educational materials, affected pupils' test scores. The third part of the study examined school and household characteristics to ascertain the impact of educational funding on enrolment.

With regard to financial management and accountability, the survey found little evidence to suggest that funds earmarked for schools by the state are failing to reach their target beneficiaries. Although funds allocated are reaching the schools for which they are intended the ESDS study found a lack of financial information at school level and recommended a strengthening of capacity at lower levels of the educational system. Task forces were subsequently formed at district and school levels, comprising the officer in charge at the district police station, representatives of teachers' unions, school managers, church leaders, the District Education Board Secretary (DEBS), the head of the Parent-Teacher Association (PTA) and the Education Standards Officer. So-called 'strong rooms' were also established to store examination papers.

Project Methodology

The study focused on the basic school level, which encompasses primary and lower secondary school up to grade nine. Its main objective was to establish a link between the prevalence and extent of corruption in the sector arising from its pattern of funding. Specifically, the study focused on identifying corrupt practices that may occur as a result of loopholes in the systems adopted for school management.

The schools in the sample were chosen randomly and represented a mix of rural and urban schools from districts including Chongwe and Chibombo (close to Lusaka), as well as Ndola and Kalulushi. A total of 146 respondents involving 20 schools were interviewed, including four DEBS, formerly District Education Officers (DEOs), 20 head teachers or school managers, 38 teachers and 84 PTA members or parents with school-age children. The samples were adequate representatives of the total population, given the scale of the study.

Questionnaires were prepared for each of the four categories of respondents to gauge individual opinion. They were administered through personal interviews by a TIZ research team.

Main Findings and Discussion

The study revealed that overall levels of corruption were negligible. While there may be corrupt practices in higher educational establishments, there was little evidence of its existence at the basic school level. Parents may feel compelled to pay bribes in the process of enrollment, or desperation resulting from the inadequacy of grants or salaries

could lead to school authorities offering bribes to district officers, however, the structures and systems put in place as a reaction to the ESDS report seem to have been largely effective in deterring corruption. At the core are the PTAs, who provide checks and balances, and oversee management of the schools. They were found to have representatives on all tender committees when large school purchases were decided as well as acting as co-signatory for school cheques. Financial and activity reports for any development taking place at a school are presented to the PTA during the annual general meeting. PTAs can also call an extraordinary meeting to clarify or address matters that are considered urgent.

In comparison to 2002, when the ESDS identified the lack of financial information as a shortcoming, the study found far greater transparency in 2005 with regard to the disclosure of information to and from provincial and district education authorities, head teachers, teachers and members of the community. One measure taken since 2002 is the display of information in head teachers offices on school budgets and expenditure of both government grants and PTA fees. In this study, 95% of the schools surveyed kept up-to-date records of financial transactions, and copies of quarterly reports to the DEBS were made available to teachers and PTA members. In addition, quarterly audits were conducted and, at district level, three of the four DEBS had accounts monitoring units for schools in the district. Previously, it was difficult for schools and the community to monitor how much the government had released to the school because the money would end up at the district level and was often used for non-school activities. The introduction of the cost-share policy required a community to be fully aware of how their money was being spent.

The survey also sought to identify a misappropriation of school funds that had previously been considered problematic. Of the head teachers and teachers interviewed, about 90% reported no cases of financial malpractices in the management of school funds. Table 1 shows the percentage break-down of perceptions of corruption in the utilisation of funds and the procurement of teaching materials. Respondents were asked: ‘What is your perception of the level of corrupt practices regarding procurement and utilisation of funds at your school?’

Table 1: Perceptions on corruption in utilisation of funds and procurement of materials

	Corruption is prominent (%)	Corruption does not exist (%)	Not sure (%)
Head teachers	0	95	5
Teachers	5	85	10

Respondents claimed that corruption was largely absent due to the greater involvement of stakeholders and improved disclosure of information.

However, there were obviously some negative tendencies in the disbursement of funds to schools from the Ministry of Education. All schools, irrespective of area, experienced delays in receiving grants from government and this directly affected their operations. However, no link was established between delayed disbursements and corruption. The study revealed that potential corruption was averted as a result of the clear separation of roles among the various players in school management systems. In all schools surveyed, officials and citizens performed different functions in such a way that accommodated and encouraged checks and balances.

In all schools the preparation of the budget was effected by a finance committee comprising teachers and PTA members; implementation of the budget by the head teacher and teachers; procurement by the school bursar and teachers; monitoring of expenditure by the finance committee; and approval of payments by the head teacher (or the finance committee). According to all respondents, this arrangement brought about greater transparency and accountability than the previous system where the head teacher would only work with the bursar when procuring school equipment, thereby diffusing the potential for corruption. Table 2 outlines the involvement and participation of various stakeholders in the financial administration of the school.

Table 2: Involvement and participation by stakeholders in financial administration of schools

	Preparing Budget	Implementing Project	Purchasing	Monitoring Expenditure	Approving Payment
Head Teacher	X	X	X	X	X
PTA Committee	X			X	
Some Teachers	X	X	X		
Community Members	X	X			
District Education Office (DEBS)				X	
School Accountant	X		X	X	
Finance Committee	X	X	X	X	X

Delayed disbursements, such as late payment of salaries, also affected teachers at a personal level. The study found that teachers' allowances were in arrears by up to eight months in some cases. Many were owed leave days, but could not take them due to lack of substitutes or because there was no leave pay. Some 70% of teachers made their own arrangements for accommodation if the government was unable to provide it. Many

teachers had to make ends meet by other means, such as farming or providing private tuition. Though these factors all affected teachers' performance, none could be directly linked to corruption.

The study's main findings are the following:

- The incidence of corruption at the primary level is negligible and insignificant. There may be a prevalence of corruption at high school level, but this was not the focus of the study.
- The low level of corruption at basic school level is a result of the structures and systems in place, which allow for greater participation by a cross-section of stakeholders in the management of a school's affairs. Increased access to financial information has led to greater transparency, and the system of checks and balances ensures greater accountability. PTAs also play a significant role in maintaining this transparency because they are composed of local stakeholders.
- While PTAs may be unable to deliver all of their tasks, they seem to be effective in overseeing school finances.
- Delays in disbursing grants to public schools¹ was common, affecting operations in all schools.
- Corruption may be insignificant, especially in rural schools, because teachers have little to offer parents or the community in return. Teachers may influence the admission of pupils into their schools for some financial rewards, but this is very limited.
- Corruption was not evident because the income base upon which it thrives is very low. Parents who take their children to government schools are not in a position to pay extra for free services. This may discourage teachers from asking for bribes.

Recommendations

This was the first time a study of this nature has been conducted in Zambia. It was carried out in an atmosphere free from interference and in an environment in which respondents were free to express themselves without fear. Officials in the Ministry of Education headquarters were not readily available to support this initiative. However, officials at district level were very cooperative and facilitated contacts with the selected schools. The findings show that transparent systems and structures in basic schools and other public institutions can help to minimise the incidence of corruption.

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¹ 'Public school' and 'government schools' are terms used to refer to schools that are owned and supported by the government of Zambia