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TREND ANALYSIS IN ALLOCATION, RE-APPROPRIATION AND UTILIZATION OF EDUCATION BUDGET IN DISTRICT TANDO MUHAMMAD KHAN AND MATIARI

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RESEARCH STUDY ON BUDGET TRACKING OF MATIARI AND TANDO MUHAMMAD KHAN DISTRICTS

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Preface

The Civil Society Support Programme (CSSP) is a non-profit civil society organization that aims to respond to the challenges being faced by the civil society of Pakistan in the context of socio-economic issues. Established in 2005, it aspires to create a meaningful engagement of the civil society in socio-economic and democratic development of Pakistan.

This study has been supported by a DFID's national initiative in Pakistan, called ILM IDEAS under its "Education Reform through Research and Advocacy" component.

The study is limited to two districts of southern Sindh i.e. Matiari and Tando Muhammad Khan. It intends to explore issues in government budget allocation and utilization in Primary and Secondary education at district level. It's supported by complementary activities in capacity building of selected CSOs, media persons and youth activists vis-à-vis education budget and its tracking so that advocacy is then undertaken for corrective measures.

CSSP team wishes to pay indebtedness and thanks to the many individuals who have contributed to undertake this study so successfully.

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We encourage every reader to contact us for the feedback on this report.

Happy Reading!
Noor M. Bajeer
Executive Director

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Acronyms

ABS	Annual Budget Statement
ADB	Asian Development Bank
ADEO	Assistant District Education Officer
AG	Accountant General
CSSP	Civil Society Support Programme
DAO	District Account Office
DCO	District Coordination Officer
DDO	Drawing and Disbursement Officer
DO	District Officer
EDO	Executive District Officer
EDO F & P	Executive District Officer Finance and Planning
EDOE	Executive District Officer Education
EFA	Education For All
EMIS	Education Management Information System
ESR	Education Sector Reforms
GER	Gross Enrollment Rate
GPO	General Post Office
IDI	In-depth Interview
JST	Junior School Teacher
MoF	Ministry of Finance
MoU	Memorandum of Understanding
MTBF	Medium Term Budgetary Framework
MTFF	Medium Term Fiscal Framework
NER	Net Enrollment Rate
NFC	National Finance Commission
NGO	Non-Government Organization
PAC	Public Accounts Committee
PEFA	Public Expenditure and Financial Accountability
PFC	Provincial Finance Commission
PFM	Public Financial Management
PFMAA	Public Financial Management and Accountability Assessment
PIFRA	Project for Improve Financial Reporting and Auditing
PSLM	Pakistan Social Living Measurement
RSU	Reform Support Unit
SBP	State Bank of Pakistan
SEMIS	Sindh Education Management Information System
SERP	Sindh Education Reforms Programme
SIP	School Improvement Plan
SMC	School Management Committee
SR	School Rehabilitation
STR	Student Teacher Ratio

Executive Summary

This research report was commissioned by CSSP with financial support from the DFID's national initiative in Pakistan called ILM IDEAS to explore the issues in government budget allocation and utilization in Primary and Secondary Education at district level i.e. in Matiari and Tando Mohammad Khan in Sindh. It was a part of a research and advocacy project that also included CSO's capacity building and advocacy on efficient education financing.

The overall purpose of this study was to identify the gaps in budget preparation, approval and utilization processes through an in-depth analysis of the past three years i.e. 2009-10, 2010-11, and 2011-12 in the target districts. It was anticipated that the findings will not only promote awareness and understanding on education financing but also help pave way for necessary reforms at policy and implementation levels through advocacy.

Essentially an exploratory study of qualitative nature, it has benefitted a great deal from similar other studies, official records such as notified budgets, appropriated expenditures, audit reports and other documents. It's been supplemented by in-depth interviews with key informants such as the heads of the education department and focus group discussion with supervisory staff, school head masters, teachers, SMC's and communities.

Findings of the study bring it to the fore that education sector budget in both the districts form on average around 50% of the overall budget of the district governments. While apparently this looks overwhelming, the situation on the ground is still quite desperate, as in the range of 85% to 90% of the education sector budget goes to current expenditures, mainly salaries and other related costs, which leaves hardly any funds for development.

The budget allocation pattern shows that at elementary level the overall budget has increased from PKR 611 million to PKR 769 million in Matiari, and from PKR 429 million to PKR 527 million in Tando Mohammad Khan. Yet the last year's budget in both the districts actually was lesser than the previous year. At secondary level, however, the budget has increased consistently from PKR 228 million to PKR 340 million in Matiari, and from PKR 112 million to PKR 244 million in Tando Mohammad Khan.

At elementary level the max development budget could get was PKR 34 million for Matiari, and PKR 50 million for Tando Mohammad Khan; while at secondary level the development was only once allocated PKR 2.9 million for Matiari in 2009-10, and it was never seen allocated in case of Tando Mohammad Khan for the last three years.

In terms of utilization, the salaries account is almost always fully utilized and sometimes even exceeds the actual allocation for unplanned raise in salaries. Yet another reason that sometimes contributes to over-spent in salaries account is the omission of /ignorance about upcoming recruitments at the time of budget formulation.

For the development budget, actual expenditure usually falls within under-spent vis-à-vis actual allocation. There are number of reasons for such an underutilization. These may include among other things, mainly lack of efficient planning, coordination and the lengthy release process for development funds. Here instances of graft seeking behavior again cause inordinate delays in final payments.

Ranked at the bottom in educational achievements in Sindh, the situation in Tando Muhammad Khan requires immediate attention. There are a number of reasons for this dismal picture as compared to Matiari such as lower budget allocated to education, fewer teachers, and lower per child cost, high incidence of missing facilities at schools and longer mean distance to schools.

The budget formulation process at district level doesn't seem to be consultative. Let alone civil society and SMCs, only a few key administrative personnel at district education secretariat are involved in formulating annual budget. There is a need to develop School Improvement Plans (SIP) at school level where all the educational needs of a specific school should be identified and the financial resources required should feed the budgeting.

Frequent and politically motivated transfers and postings of headmaster of high schools, primary schools being without financial demand and disbursement powers results not only in under-spent but also renders the schools infrastructure dilapidated.

The two districts were affected by recurrent floods in 2010 and 2011, yet no exceptional allocations were made in the following year for repairs and renovation of the schools in these districts. Besides, these districts exist since 2005 but for no budget to build education department offices, most of these have occupied a part of the school premises.

Lack of stability in system of local governments seems to have taken its toll on the overall management of education. The officers get themselves hardly familiar with the details of a system, and then governance system changes only to hamper ability to work smoothly.

The detailed findings from this study may form an agenda for advocacy and lobbying to reform the mechanism of education financing not only in the sample districts but across the province. Necessary networking and coalition building will be among the first steps to bring about the desired reforms.

1. Introduction

1.1. Background

The Civil Society Support Programme (CSSP) is a non-profit civil society organization that aims to respond to the challenges being faced by the civil society of Pakistan in the context of socio-economic issues. Established in 2005, it aspires to create a meaningful engagement of the civil society in socio-economic and democratic development of Pakistan.

CSSP was supported by a DFID's national initiative in Pakistan called ILM IDEAS to undertake the study on issues in government budget allocation and utilization in Primary and Secondary Education at district level as a part of the project that included:

- i. Research on Trend Analysis in Allocation, Re-appropriation and Utilization of Education Budget in District Tando Muhammad Khan and Matiari
- ii. Capacity building of selected CSOs, media persons and youth activists on overall understanding of education budgeting process and its tracking
- iii. Advocacy campaign through trained CSOs for proper formulating and release of budgets

To carry out a research study CSSP had proposed two districts of Tando Muhammad Khan and Matiari. The Former district is with lowest net enrollment rate (NER) indicator and later district is ranked at middle level according to the NER indicators. This report attempts to understand the issues of financial allocations and its utilization in Primary and Secondary Education and endeavors to help understand the perception and challenges faced by the district education administration. Furthermore, the communities of sampled schools in targeted districts have also been consulted to gather their perception about budgetary constraints of the public schools. At the end, efforts have been made to reconcile some suggestions/recommendations for the policy makers so that they may have greater understanding about the challenges that surface at the school levels and formulate such policies, to address those.

1.2. Objectives of the Study

This study had following objectives to be achieved as a result of research findings:

- I. To promote awareness and understanding of the budget and expenditure trends among citizens about elementary and secondary education in two districts i.e. Matiari and Tando Muhammad Khan.
- II. To identify the gaps in budget preparation, approval and utilization processes through an in-depth analysis of the past three years' financial record;
- III. To procure support of multi-stakeholders for ensuring the transparency in governance and financial management and making them aware of the issues and gaps in the budgeting process.
- IV. To pave way for bringing informed changes in the policy and practices related to budget preparation, approval and utilization processes through lobbying and advocacy with key stakeholders in Sindh.

1.2.1 Research Questions

The key questions of the research are:

- Is there any gap between allocation and utilization of the budget in selected districts? If yes then what are the likely reasons in underutilization of the allocated budget.
- Whether current and development budgets are under or over utilized?
- Did budget allocation pattern remain the same through the three years or varies?
- Why Tando Muhammad Khan is lower ranked in enrolment than Matiari? Is it because of low allocation of budget?
- Out of the total expenditure that government incurs, what is the outcome, for instance, in terms of number of schools, enrolment, teacher student ratio and facilities at the schools?

1.3 Approach, Methodology and Sample

It is essentially an exploratory study that employed established mechanisms of conducting qualitative studies. The study on the ground however was initiated by signing a MoU between CSSP and Education and Literacy Department, Government of Sindh. The Executive District Officer (EDO), Education, was to be the focal person at the district level for access to/provision of detailed data and related necessary information. The budgetary information was collected from the respective district and Taluka (a sub-district) offices of Education Department of each district.

Primary sources of information and secondary source of information i.e. budget and appropriation of account books, published reports of Reform Support Unit (RSU) and other research studies have been significantly referred to, to achieve the objectives the study. Besides, published reports of Sindh-EMIS Reform Support Unit have also helped a great deal in compiling the data and extracting the findings of this study with regard to school information.

Sampling Framework

The sampling frame consists of primary and secondary schools, and relevant officers of education department of the two selected districts of Sindh. Selection of the districts has been made on the basis of Net Enrollment Rate (NER)¹ criteria for both primary and secondary schools. As per NER selection criteria, one district (Tando Muhammad Khan) represents lowest NER for both primary and secondary levels, whereas district Matiari remains somewhat in the middle range. Within the districts all the education offices, directly involved to compiling basic information of the schools, have been included for gathering the budget, utilization and school related information. Furthermore, the study also conducted in-depth interviews with district and Taluka level education officers and Focus Group Discussions (FGDs) at school level with community school teachers and students.

Selection of Schools for the Study

A total of 24 sampled schools have been studied (12 from each district) for collecting the school information on budget, its utilization and gaps therein. Out of 12 schools from each district, 4 schools from each Taluka and within each Taluka, two primary and two secondary schools, were selected for this study. Then, within each category of schools, the study took one school from rural area and other from relatively urban area. Since the office of Assistant Education Officer Education (ADOE), Elementary, manages the primary and middle schools at Tehsil level- the study did not researched on middle schools separately for the analysis. Moreover, there is no separate budget and expenditures reported in official financial books vis-à-vis middle schools.

1.4 Research Organization and Activities

1.4.1. Field Research

a. Hiring of Research Team

The research team with complementing skills set was engaged on the basis of qualification, experience in similar studies and their locality. The team consisted of a Lead Researcher, Project Manager, two District Coordinators and one Statistician. The team collectively had adequate experience in qualitative and quantitative research methodologies and expertise in data collection, analysis and reporting in similar studies.

b. Orientation of Research Team

Once the team was in place a one day training was given to orient the staff about the purpose of the survey, how to use the questionnaire, and interact with communities. This orientation was aimed at ensuring correct approach to research and data collection by the researchers. Moreover, the logistics and survey ethics were also highlighted to enhance the systematic execution of data collection and data compilation plans.

¹ The NER Data has been taken from Pakistan Social Living Measurement Survey (PSLM) 2010-11, Government of Pakistan.

1.4.2. Data Collection Techniques

This study applied following qualitative research techniques to address the key questions of the research:

a. In-depth Interviews

In-depth interviews are most appropriate for situations which require asking open-ended questions that elicit depth of information from relatively few people. These interviews helped understand deeper issues about the subject of research. The target group of these conversational interviews remained as following:

Target Group	Matiari	Tando Muhammad Khan	Total
DEO	01	01	03
SDEO	03	03	06
RSU			02
Total	04	04	10

b. Focus Group Discussion

A focus group is another form of qualitative research in which a group of people are asked about their perceptions, opinions, beliefs, and attitudes towards a service, concept, idea, or packaging. Questions are asked in an interactive group setting where participants are free to talk with other group members. The number of the FGD participants in this study ranged from 6 to 10. A moderator was engaged with the participants in a discussion whereas the note takers recorded all the discussions and also took help of audio recordings. Each district team was assigned to conduct 12 FGDs in their target district; so a total of 24 FGDs

District	Male	Female	Total
Matiari	69	40	109
Tando Muhammad Khan	61	34	95
Total	130	74	204

c. Data Tools

A comprehensive tool was designed to collect budgetary information from the district offices of education department of each district. The similar information was collected from Taluka education offices to cross verify the information. Furthermore, the relevant information from officially published reports and documents was also used as secondary source to triangulate the data collected from the field offices.

d. Direct Observations

The team of researchers also observed and recorded the physical condition of the schools they visited. This helped to qualitatively validate the data provided by the respondents through in-depth interviews and FGDs. An important aspect of this technique was to document phenomenon from researchers' perspective for comparative analysis.

1.5. Limitations

The data collection process showed the effectiveness of research design including methodologies and organization of the survey. Yet there are certain limitations that this study has to be seen with:

- The budget and expenditure has been compiled from DOE/ADO offices' records and verified from districts appropriation of accounts books. If there is any discrepancy found in both the records, published figure has been taken as final.
- The budget and expenditure of DO secondary and higher secondary are taken in secondary analysis. It includes both secondary and higher secondary schools, but the number of secondary schools is obviously far more than higher secondary so it is considered in secondary education.
- The analysis does not contain provincial data of education as the study is only for two districts it doesn't cater to provincial figures.
- In October 2011, the provincial government abolished the district government system. Consequently, though the annual budgeted figures are available yet expenditure figures are available only for three months. For the comparison of expenditure figures with other two years, current expenditure figures have been multiplied by a constant factor.

- For the development expenditure of FY-2011-12, as in case of most of the districts there is no expenditure incurred during first quarter of the year, so the development expenditures of the districts are dropped.
- Consistent efforts have been made to obtain copies of the notifications, minutes of meetings, and financial records in support of responses. Secondly those data responses have further been cross verified by secondary data sources but even then all responses, especially qualitative responses, could not be verified.
- The scope of the study is limited to government primary and secondary education and in only in two selected districts of the Sindh, so it cannot be generalized for the rest of the province.
- Although the sample size for qualitative research was carefully selected yet limitation is still there because research was conducted with only a small size of population; therefore, it cannot be generalized for larger group.
- Frequent transfer and posting of education officials and temporary posting results poor response of the participants.

1.6 Review of existing Studies

It has been observed generally across Pakistan and particularly in the province of Sindh that there is a paucity of literature available on education financing and its linkages to school statistics. Among the available research studies most of them have been conducted by Institute of Social and Policy Sciences (I-SAPS). This study has reviewed the existing available research and presenting the key finding and challenges highlighted in those studies. Generally available studies have analyzed the budget and expenditure data. The studies usually miss the budget links to school statistics, except few studies have built such linkages. So far only one study is found that has analyzed budget, expenditure and linked those to school statistics and finally calculated the per child cost. Following is the summary of few selected studies.

a. Public Financing of Education in Pakistan: Analysis of Federal and Provincial Budgets (2011-12) published by I-SAPS

The study has presented budget and expenditure analysis of federal and all four provinces of Pakistan for the last five years. This study was the third in the series of studies. First study covered first three fiscal years starting from 2007-08. The second and third studies have built on this analysis further by adding data from each of the subsequent years. These studies missed district level analysis and did not include school statistics and per child cost.

The study highlighted that the federal and provincial allocation for education has been increasing consistently over the past five years. The recurrent expenditure has been increasing more consistently and predictably whereas the development budget has shown huge variations in annual allocations and utilization. The development budget for education received cuts for three years by the federal government. Further study pointed out that there was no standard functional classification exists for education budget in Pakistan, except for a basic level of uniformity in the broad types of expenditure and object classification. The federal and provincial budgets are identical at the highest level to the extent that the total budget is a sum total of current and development expenditures. However, neither federal nor provincial budgets agree upon the sub-sectors that make up these categories. Such anomalies abound in all provincial education budgets due to which it is difficult to compare all provincial budgets, and these issues and challenges remained to be addressed.

b. Education Data and Budget Analysis: Case Study of District Peshawar (2012) Published by I-SAPS

The study has analyzed education budget, expenditure and school situation analysis for both primary and secondary education of district Peshawar for last two years. The study found that a large amount of budget has always been allocated to non-salary head. The percentage share of salary share in total current allocation is ranging from 98% to 99% and very little leave for operating and repair and maintenance of the schools and education offices of the district.

c. Education Data and Budget Analysis: Case Study of District Lahore (2011) Published by I-SAPS

This study is similar in nature to that of conducted in Peshawar. The study found that allocations for education sector in Lahore district have been continuously increasing from FY 2007-08 onwards. However, the expenditure as percentage of allocation is continuously decreasing since the same year. Further study argues that a major chunk (around 94%) of the current education budget has been allocated for salaries, whereas remaining 6% of the current education budget is meant for non-salary costs, which cannot meet the requirement of teachers, schools and students. Further the budgetary allocation for development budget in Lahore district is highly insufficient as no amount has been allocated for development of education sector. The most lamenting fact is that the budgetary allocation for development budget decreased to a lowest level of (-100%) in FY 2010-11. This indicates that perhaps no development activities were to be carried out in that particular year for education sector.

d. Public Expenditure Analysis and Service Delivery Assessment of Primary and Elementary Schools Districts Rawalpindi and Chakwal (2010) published by I-SAPS

This is the only study that analyzed the budget; expenditure then linked it with school level analysis and calculated per child cost for primary schools of the selected districts. Among other finding, the key finding is the per child cost. It showed that in district Rawalpindi, per child cost at primary level is Rs.8263 in FY 2009-10. It included Rs. 7,970 for salary costs and Rs.292.45 for non-salary costs. The similar cost for district Chakwal was Rs. 8,448 for FY 2009-10.

e. Policy Analysis of Education in Sindh (2011), published by UNESCO, Pakistan

The study did a comprehensive review of all the sectors in education from pre-primary till tertiary levels and found that ambitious plans need extra resources both financial and human. Thorough and viable financial projections are made to calculate financial impact of the plans. This will help prioritize several efforts proposed in the plan. It will also help formulate future demands linked to overall plan. Donor financing could also be channelized through such a planning and estimation.

f. Budget Support to Education in Pakistan; Options and Recommendations for Education Sector Budget Support in Pakistan

The studies highlighted number of practical issues around the budget processes. The study found that non-salary releases by the provincial government have not corresponded with budgetary requirements. Further their redistribution is controlled by the DCO. The development budget continues to be controlled by the provincial government, further weakening the management of the education sector at the district level. The study also highlighted that the

(E) does not have access to consolidated information on the education sector for the district. The budgets and expenditure data are held in a variety of places, including the offices of the DCO, EDOs and the DAO. Full and consolidated information does not appear to be available with the EDO (Finance). The study concluded that the incomplete nature of fiscal devolution under the LGO 2001 is problematic in understanding the structure of budgets and expenditures for education at the district level. Disbursement of salaries, for example, is made by the provincial government through its account 'I', with a corresponding (notional) adjustment in the accounting information recorded in district account-IV. The accounts information for salaries is being recorded incorrectly. The Accountant General's office has not been able to prepare the accounts due to this intermingling of these accounts

Further study also pointed out that in Sindh despite the fact that a large number of ongoing development schemes stood incomplete, a large number of new schemes have been initiated in the budget. This shows the extent of wastage and inordinate delays because of the trend of change in programs and policies with every change in the democratic government. The major chunk of resources goes to special packages and block allocations, which are usually politically motivated.



Education Budgets: A Study of Selected Districts of Pakistan (2010) published by I-SAPS

The study has analyzed that budget, expenditure and school statistics for the six districts of Pakistan; namely Islamabad, Nowshera, Abbottabad, Faisalabd, Jhelum and Multan. The study found the usual results that salaries is a dominant account and is more often fully or over-utilized, whereas development account remains under-allocated yet underutilized as the funds are not released smoothly.



Education Budget Analysis: Five Districts of Southern Punjab (2010) Published by I-SAPS.

The study highlighted that the main reasons for the high incidence of missing facilities in public sector schools could be insufficient allocations under the development budget. In the five districts the share of development budget was reported far less than the current budget. The current budget, which includes salary and non-salary expenditures, is used to meet only operating costs, having less relevance to the quality and access of education. Study also found that the district government is generally unable to develop plans and local programs by linking available financial resources with the most pressing needs of the schools. The leadership at this level seems to be unaware of the concept and techniques of Fundamental Quality Levels. This lack of knowledge and skills results in inappropriate budgetary allocations, missing budget lines, and poor performance of the service providers.

2. Situational Analysis of Budget

2.1. Theoretical Analysis

Education gives people the knowledge of the world around. It develops in people a perspective of looking at life. Education is so crucial to develop a generation of responsible individuals and productive citizens. It has been evidently observed that countries that invested more in educating their populace have socio-economically developed and have been able to successfully address the issues of poverty, health and hygiene. Education also have offered proven dividend for promoting democracies in the countries across the globe.

Unfortunately Pakistan is listed among developing countries despite having so much of potential. The major reason for lower development indicators is the low level of spending by the governments mainly in education sector along with other social sectors.

A review of the public financial management (PFM) system in Sindh was carried out in 2008 jointly by Government of Sindh, Asian Development Bank (ADB), World Bank, European Commission, and DFID and an annual update was conducted in 2009. The recently conducted Provincial Public Expenditure and Financial Accountability (PEFA) Public Financial Management Accountability Assessment (PFMAA) 2011 suggests weaknesses in budget credibility.

Multi-annual fiscal forecasting was introduced at the provincial level through the development of Medium Term Fiscal Frameworks (MTFF). The latest MTFF has been prepared for the period 2009/10 to 2011/12. A first Medium Term Budgetary Framework (MTBF) 2010-13, based on economic classifications, has been completed. While the overall framework settings have largely been put in place, the challenge remains to implement and monitor them at all levels.²

Current Situation

Currently Pakistan is spending 1.8% of GDP on education which is far-far lesser than any developed country. It is as low as somewhere equivalent to Sub-Saharan Countries; while in case of Sindh province, only 9 billion are allocated in the recent budget (2012-13) for education.

By comparing the budgetary allocations for education with the total provincial allocations, it gets clear that educational allocation have remained between 7-8%, which is nevertheless higher than the national average of 4-5%. On the other hand if we look at the challenges and issues in education sector, there is a dire need to give due importance to the education and increase budget of those areas where enrolment ratio is significantly low.

The education sector in Pakistan is not only suffering from low financial allocations by the governments but there are many more issues which are affecting the overall quality of service delivery in public education sector. Budget allocation and commitment alone however cannot guarantee government execution of its policy level agenda. The ability to implement the budget expenditure is a crucial factor for actual delivery of the public services. The finding of the 2011 Public Financial Management Accountability Assessment (PEFA) on the budget of the education sector is unfortunately not encouraging.

Over the three year period from FY 2007-08 to FY 2009-10, education budget out-turn is graded “D” according PEFA benchmarks. In both FY 2008-09 and 2009-10, education sector under-spent by -26.4% and -28.1% respectively from its original budget estimates. This is shown in table 2.1. This significant under-utilization of the budget means not only that the initial budget estimates were probably overly ambitious, but also reflects on more fundamental issue i.e. absorption capacity within the district level education system. There are affiliated issues such as slow and erratic release of allocated funds from the provincial to district tiers and delays therein; inadequate budget planning/preparation process, and inefficiencies in utilization of budgets available for various capital/revenue expenditures.

² [tp://ec.europa.eu/europeaid/work/visibility/index_en.htm](http://ec.europa.eu/europeaid/work/visibility/index_en.htm)

³ PEFA grading “D” is actual expenditures deviating more than 15% of the original budget

Table 2.1: Variance between Education Budget and Actual Expenditures

	FY 2007-08	FY 2008-09	FY 2009-10
%Variance	-19.5%	-26.4%	-28.1%

Source: GoS Finance Department

The lack of accountability and transparency are two related factors hindering the overall progress of education sector. This allocation and expenditure is directly and indirectly associated with the quality of the education. At provincial level the budget comes from ministry of finance. PIFRA (Project to Improve Financial Reporting and Auditing) is responsible for the check on regulation of funds. These funds are allocated for province at the time of budget approval. Then at the set tenure the expenditure bills are submitted and next installment is requested. Similarly the process trickles down to districts and at lower administrative levels. From the general context if particularly seen, Government of Sindh needs a big support in implementing such a policy that helps in bringing public closer to their responsibilities of facilitation in educational process and financial transparency.

2.2. Budget Formulation

Budget formulation is a complex and lengthy process in Pakistan and people generally are not well aware of this process. This process starts usually in September of each year, it ends in June. New budget is presented for debate and approval in the respective legislative assembly and then published by the respective Finance Department. The approved budget amounts are then released for expenditures to ministries and line departments within the authorized limits.

In Pakistan, budget is prepared at three different tiers i.e. Federal, Provincial and the District. Almost similar process is followed for budget formulation at all levels. At federal level budget is prepared by Ministry of Finance (MoF) and approved by the national assembly. The federal government under National Finance Commission (NFC) allocates funds to the provinces. Each province makes its budget based on the federal allocation as well as its own revenue generation. Similarly, provinces have also established their Provincial Finance Commissions (PFCs)⁴ through which provinces allocate funds to district governments. Further districts prepare their own budget based on provincial allocation and their own resource generation, which is then approved by the respective district assembly⁵. The inter-tier flow of resources is usually through a one line budget transfer.

The last budget tier (District) has been effective under district government system until 2011, but unfortunately this system has been abolished. Consequently, the budget process has become more complicated at district level. During the study period (2009-10 to 2011-12) there was district government system in place, so study mainly discusses the budget making process of district government system.

2.3. Budget Preparation Cycle

At district level, budget making is the responsibility of District Coordination Officer (DCO)⁶ and consolidation by Executive District Officer (EDO) Finance and Planning (F&P) section. The district receives revenues from province through PFC and its own resources. On the basis of total consolidated district income, the distribution and allocation of revenues is decided at the district level. The EDO F&P invites the budget proposal from EDOs of different departments with the breakup of salary and non-salary. On the basis of these budget proposals, district budget is framed.

⁴ In all the finance commission, population is the most important indicator used in the award. A backwardness index is also used by three of the four provinces, and the two largest provinces (Punjab and Sindh) incorporate tax-effort provisions.

⁵ At the time of this study there are no district assemblies as the local government system 2001 is abolished to be replaced by a new system which is being formulated.

⁶ District Coordination Officer (DCO), as principal accounting officer, presents the budget in district assembly.

The Executive District Officer, Education (EDOE) of district compiles education budget of the district. The organogram of district education department is given in figure 2.1 and placed as annex. Under the supervision of EDOE, usually five District Officers (DOs) look after the different tasks of educational affairs. The primary education affairs are the responsibility of DO elementary. At each Taluka, one male and one female Assistant District Officer (elementary) are responsible for elementary education affairs. The elementary education comprises of classes from Katchi (prep) to class eight. The secondary education affairs of the district are headed by DO secondary and higher secondary.

2.4. The Annual Budgetary Processes

The annual budgetary process is started by issuing budget call letters by EDO F&P to different EDO of their departments. The similar letter is further issued by EDEO to their sub-ordinate DOs, which further trickles down to ADEO. The complete budgetary cycles of current and development budgets are given in annex by figure 2.2 and 2.3 respectively.

Under local govt system of 1979, the responsibility of issuing call letters lies with Finance Department of the province. In response of budget call letters respective heads and sub-heads of a department prepare their next year estimates on the prescribed formats through their Drawing and Disbursement officers (DDOs). The major budget classifications are salary/ non-salary, current account and development account. The non-salary current mainly comprises repair and maintenance and other operating expenses. The complete list of the budget heads are given in the annexes. Ideally, the salary estimates should be prepared based on actual working strength of employees and last drawn salary plus one basic increment. The non-salary current expenditures should be worked out based on the next year's anticipated needs. But in practice such considerations are hardly followed by respective offices in the targeted districts. Usually next year's budget estimates are prepared by adding a certain proportion in the previous budget.

Further, concerned offices do not regularly consult with school administration regarding their future needs. It is for that fact that if department proposes an extra ordinary increase, that will most likely be slashed down by at DEO F&P, or it may be that the concerned officials take the budgeting as for a granted exercise. At tehsil level budget estimates are prepared for primary schools that does not have sub classifications of pre-primary or separate for middle schools, but according to sub heads of the budget like salary, non-salary and further within non-salary, repair and maintenance and operating expenses.

The DO elementary and DO secondary consolidate elementary and secondary budgets of the district respectively. The total district education budget is compiled by EDEO and the same is sent to DO F&P. The consolidated estimates are reviewed by district budget and development committee chaired by DCO. The DO F&P revise the estimates based on the recommendation of the committee. Thus final budget is sent to the district assembly by DCO for debate and approval.

2.5 The Development Budget

The development budget at district is prepared at sector and sub-sector levels. Each sector provides with information on all development projects from all of its sub-sectors. The education sector, for example, provides information on all development projects across sub-sectors such as primary, secondary, technical, teacher and college education, scholarships, libraries, literacy & mass education, universities or higher education.

The development budget is finally consolidated by DO F&P. The DO F&P keeping in view resources prioritizes salaries, other current expenditures and development projects respectively. In parallel to district, province and federal also allocate budget for special development schemes in districts. The DCO office in district/Finance department of province allocate development budget without any prior consultation with the department. There are instances where sometimes funds have been allocated without any feasibility and PC-1, mainly for political motives of the local representatives. Such schemes are mainly MNAs, MPAs schemes and one of

special District Packages. After consolidating the estimates, DCO, as the principal accounting officer, presents the Annual Budget Statement (ABS) to district assembly for debate and approval of the budget. Within 2-4 days after the budget debate, any member can move a cut motion. After debate, once the finance bill receives the support of a simple majority of the members, the budget is approved by district Nazim (Mayor) on behalf of district assembly, and then it becomes the Finance Act for the fiscal year.

2.6 Budget Process of Education Reforms Programme (SERP)

In addition to budget allocation for education, one of the major components of provincial budget in Sindh is Education Reforms Program (SERP). The provincial government allocates funds for this initiative though the amount is then reimbursed by the World Bank on the basis actual expenditure, as per agreement between GoS and WB. An assignment account is reserved for such allocation.

The Reform Support Unit (RSU), a planning and monitoring agency, identifies needs of each district education department under defined budget heads, among those heads major heads are school rehabilitation (SR), girls' stipend, school management committee (SMC) fund, text books and school specific budget. The RSU consolidates budget against each specified budget head based on the selected criterion and sends to the World Bank for negotiation/consultation with provincial finance department. Based on the consultation, the revised budgeted amount is prepared and finally published in the provincial/district budget books. The proposed district amount is then through one line item transferred to each district. The DCO approves the release of SERP funds to the District Accounts Officer through EDO F&P and a copy of the letter is sent to the EDO Education. An illustrated budget flow is depicted in the figure 2.4

2.7 The release of the budget

The approved budget by district assembly is called as original budget. The assembly under certain circumstances releases supplementary grants, which is then added in original budget. After the adjustments of re-appropriation, supplementary grants and surrender, budget becomes as final budget. The DCO (principle accounting officer) approves the re-appropriation amount from one head to other and across different departments, whereas unspent amount by the department need to be surrendered by maximum 15th May of each year. Besides, district Nazim, in case of any emerging need, approves any budget cut in any specified head of account through a notification issued by DO F&P. Such amount is deducted from the original budget (a flow chart is given in the table 2.2.).

Table 2.2: Stages of Budget and Expenditure

Budget/Expenditure	Record Keeping/Publication	Offices Involved
Original Budget	Demand for Grants, Volume-I for current budget and Volume-II for development Budget.	Appropriation of Accounts (Book)
Re-appropriation (+)	Appropriation of Accounts (Book)	DO F&P/Finance Division/ District Account Office
Re-appropriation (-)	Appropriation of Accounts (Book)	DO F&P/Finance Division/ District Account Office
Supplementary Grant (+)	Supplementary Grant (Book)/ Appropriation of Accounts (Book)	DO F&P/Finance Division/ District Account Office
Surrender (-)	Appropriation of Accounts (Book)	Appropriation of Accounts (Book)
Final Budget	DO F&P/Finance Division	Appropriation of Accounts (Book)
Release	Appropriation of Accounts (Book)	DO F&P/Finance Division
Utilization	DDO/District Account Office	DDO/District Account Office
District Account Office Process expenditures	DDO/District Account Office	DDO/District Account Office
Final Payment to Venders/ DDOs	DDO/District Account Office	DDO/District Account Office
Reconciliation of Accounts	DDO/District Account Office	DDO/District Account Office
Appropriation of Accounts	Appropriation of Accounts (Book)	District account office/DO F&P/ District Nazim Office

Normally salary budget is released quarterly without delays, while for non-salary current and development budgets, head of the department need to write a letter for quarterly release, which usually takes times very long, leaving very little time within the fiscal year for departments to implement their development plans and spend the originally allocated amount.

Based on the released funds, respective DDOs submit bills against incurred expenditures to the District Accounts Office along with a verified list of documents. After scrutinizing, District Accounts Office approves and issues cheques in favor of the vender or DDO. The approved amount is transferred to venders/DDOs by crediting the Account IV of the District Government, which is maintained at State Bank of Pakistan (SBP). Similarly, for development schemes, the amount released to the executing agency (usually education works department

schemes, the amount released to the executing agency (usually education works department for education schemes). The payment procedure is same as of non-salary current payment. Most of the accounting records are manual but under the ongoing reforms of the accounting systems, these records are being increasingly computerized.

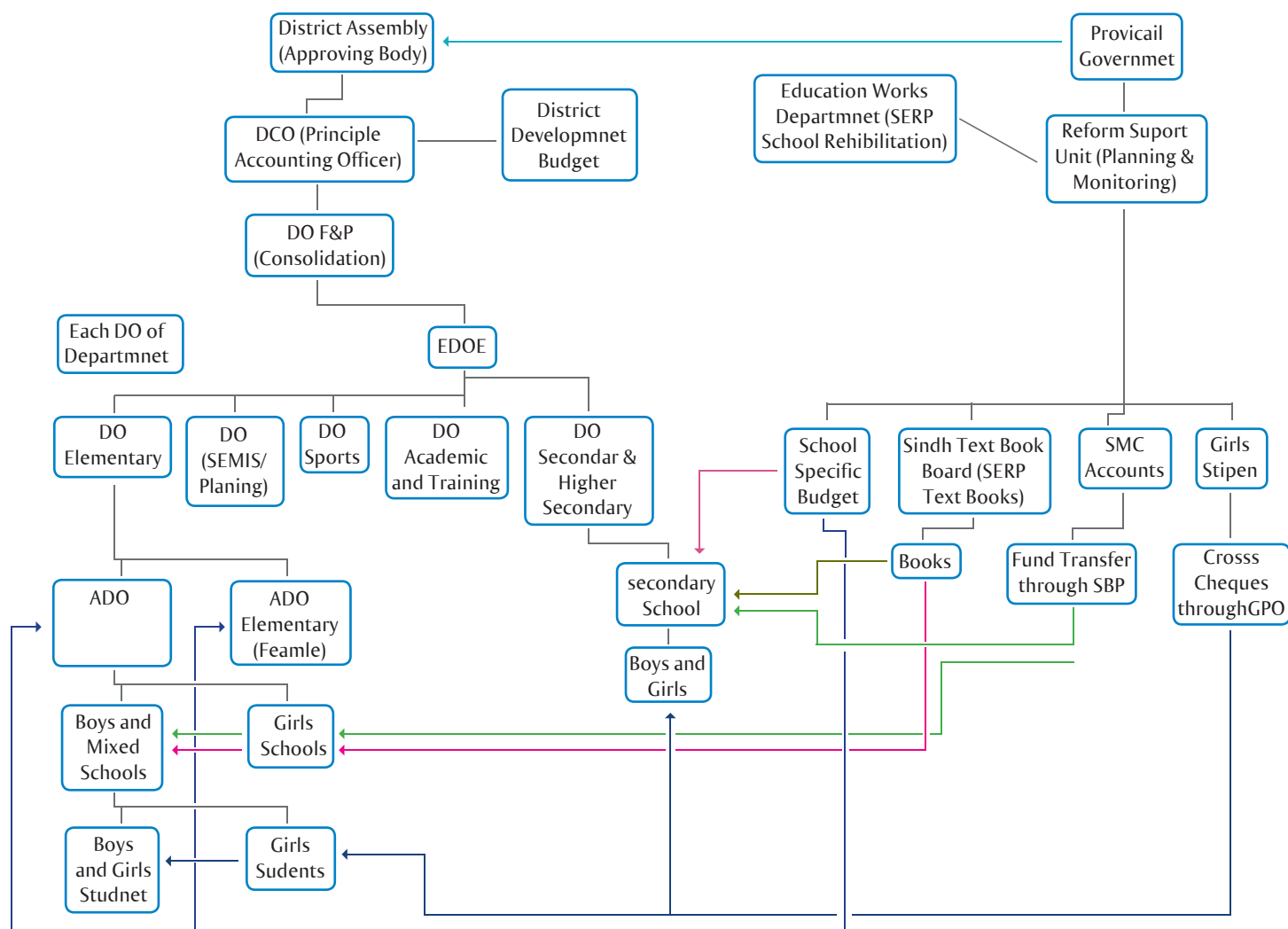
For the SERP budget allocation, although procedure is almost similar, but execution is mainly done through RSU. The RSU writes letter for release to Finance Department by informing DCO and EDOE, whereas Accountant General (AG) office makes payment to the venders by informing respective district account office and the DCO. The amount is debited for Account IV of district government.

The mechanism of school specific budget is a direct transfer to school DDO. But at this moment none of the primary school has Demand and Disbursement powers, so the amount is transferred in account of DDO elementary. On the grounds, study could not find a single school which has utilized school specific budget. The amount is lying in the DDOs account yet as reported by Education Officials of the respective district.

By the end of the year, after reconciliation of the expenditures from respective DDO, district account office publishes actual expenditure in 'Appropriation of account Book' of the district. After reporting and monitoring, the Auditor General reviews the financial performance and prepares the audit report. The audit report is then sent to district Public Accounts Committee (PAC) and District Assembly.

Post audit of the accounts is conducted by independent auditors. The audit reports are placed before the assembly and the Public Accounts Committee carries out deliberation on the reports. The committee, in accordance with the nature of each case, decides to hold the officials accountable for audit findings and may even order action including administrative or disciplinary action against officials.

Figure 2.4: Flow of Budget Cycle



2.8 Issues of Budget Making Process

a. General issues

- The budget formulation at the district is led by DCO. He has the authority to make changes in the budget estimates made by departments. Although priorities are laid down by the elected representatives of the districts but elected house usually reviews the proposals rather tentatively and with little contribution approves the budget estimates as these are presented. It leaves little space for civil society organizations to influence the budgeting process
- This role of elected representatives is further affected by the fact that most of the time it's the DCO who happens to exercise his discretion in re-appropriating the budget during the fiscal year. The financial reports do not provide information whether the appropriations earlier carried out by the legislature have been utilized for the same objectives for which they were sanctioned.
- The participation of the civil society in the budget processes is almost non-existent at any tier of government. Generally, important budgetary or economic policy decisions are taken by bureaucracy and multilateral financial institutions with no participation of civil society, academia and other important segments of the society.
- Mega educational development projects are initiated under political considerations without properly looking into the merits and demerits of such projects. In many cases projects are initiated without preparation of their feasibility report and PC-1.
- The new schemes, in many instances, are initiated at the cost of on-going incomplete schemes through budget re-allocation.

b. Specific Issues

- There are volumes of different publications on the budget and budgeting; however, these cannot be easily understood by an ordinarily educated person. Again, there is very limited public access to such reports, as there is no legal provision such as 'right to information' law that may bind the officials to share the information with public. Besides, there is no consolidated single report where all the sector specific budgetary information is available. In this context it is really hard for public at large to have confidence in the government's budgetary processes
- There are a number of government departments that are involved in the budget formulation process, but without proper coordination mechanism. During the in-depth interviews, most of DOs and ADOs were found to be unfamiliar with budget formulation process and basic budget terminology. They told that EDOE more often do not consult them in most of the education budgeting processes. The DO F&P do not release quarterly budget unless the concerned DDO writes formally through his/her departmental head. While there is nothing wrong as such in this formality but funds release takes ages just in the name of other formalities and sign offs.
- The primary schools are almost completely ignored in non-salary allocation, as primary schools have no demand and disbursement privileges, so in most of the cases non-salary budgets is utilized by ADEO office, hence large proportion of primary schools are deprived of basic facilities. It's been noticed that in many cases, ADEO office even do not pay for electricity bills of the schools. Consequently, most of the schools especially primary schools are either a defaulter of electricity debt or these are without electricity.
- The DDOs are preparing budgets on traditional old heads and do not try to include new heads because there is lengthy process to formally include new heads in the budget and most of the DDOs are unfamiliar with the process.
- Most of the budget utilization data and reporting was found to be done manually as DDOs had lack of capacity to understand budget software in the computer. The SAP software is not available at the offices of Education District offices.
- There is virtually no protocol on information sharing with sub-ordinate offices particularly on quarterly releases to the DDOs. It has been informed that district account officers inform the DDOs about their quarterly release of the budget usually during his /her visit to district account office.

➤ Although budgetary reforms have emphasized to submit quarterly expenditure statement and encourage spending equally across all the quarters but such procedure are not followed in letter and spirit. Most of the development funds are not released until well into the fiscal year; in worst cases such funds are not released until half of the fiscal year is lapsed. And as it coincides with mid-term budget re-appropriation time, so these already meagre funds are further revised downwards in view of remaining six months of the fiscal year.

3. Research Findings

3.1. Context

Sindh province is the second largest populous province of Pakistan. The capital of the province is Karachi, which is the largest city of Pakistan as well as the financial hub. Sindh has 42.4 million⁷ populations with an area of 140914 Sq. Km. The total number of schools in the province is 47,578 out of which primary schools are 43,089, middle and elementary schools are 2,554 and secondary schools are 1,639.

The total non-functional schools in the province are reported to be 5,229; out of which 4,913 are primary schools. Total 4.2 million students are studying in the schools, and of this around 3 million students are enrolled in primary schools. According to PSLM survey⁹ the literacy rate of the province is 59 percent, with breakup of 75% and 42% percent in urban and rural respectively. The PSLM survey further reported that Gross Enrollment Rate (GER) of the province is 59 percent and Net Enrollment Rate is 53 percent.

3.2. Matiari District

The provincial government gave Matiari the status of a district 2005. The estimated population¹⁰ of the district in 2010 is reported to be about 525,082. The district is situated in the center of the province having fertile land. Administratively, it comprises three Talukas (Sub-Divisions) namely; Matiari, Hala and Saeedabad and 19 union councils.

According to the RSU report (2011-12) the total number of government schools in the district are 990, with as many as 957 schools located in rural areas, while only 33 schools in relatively urban areas. The breakup of the total schools across different levels of the schools describes that 918 are primary schools, 38 are the middle schools, and 30 are secondary schools, while there are only 04 higher secondary schools in the district. There are 84 primary schools and 5 middle schools which are reportedly non-functional; while none of the secondary school is reported as non-functional.

The overall gender parity index¹¹ value of the district is 0.64. The parity value (0.67) is more equitable in primary education, whereas highest disparity (0.08) is higher secondary school level. The mean distance between a boy's primary school and a village is around 2 kilometers and distance goes up to 9 kilometers for a boys collage. The mean distance for girls' schools is 3km and 10km respectively.

The total number of teachers in primary/middle/elementary schools is 2,782; of this 551 are female teachers. Similarly, the number of teachers in secondary schools is 397 which include 113 female teachers. The total budgetary allocations for elementary education and secondary education stood at Rs. 769 million and Rs. 340 million respectively during the financial year 2011-12. Per child cost based on actual expenditure is calculated to be at Rs. 13,270 and Rs. 21,830 respectively.

⁷ Population Welfare Department, Government of Sindh

⁸ Annual School Census of RSU 2011-12

⁹ Pakistan Social Living Measurement Survey (PSLM) 2010-11, Government of Pakistan.

¹⁰ Pakistan is yet to hold a population census. Last was held in 1998.

¹¹ RSU, Statistical Bulletin, Annual School Census 2011-11

The total number of teachers in primary/middle/elementary schools is 2,782; of this 551 are female teachers. Similarly, the number of teachers in secondary schools is 397 which include 113 female teachers. The total budgetary allocations for elementary education and secondary education stood at Rs. 769 million and Rs. 340 million respectively during the financial year 2011-12. Per child cost based on actual expenditure is calculated to be at Rs. 13,270 and Rs. 21,830 respectively.

According to PSLM report (2010-11), literacy rate of Matiari district is 48 percent and the district is ranked 11th within province. The Gross Enrollment Rate (GER) and Net Enrollment Rate (NER) of the district at primary level are 79 percent and 49 percent respectively, whereas such statistics for secondary education are 34 percent and 6 percent respectively.

Recently, Alif Ailaan, an advocacy outfit on education, has conducted district ranking based on the available secondary data that shows that Matiari district's rank against educational score within province is 20, whereas rank against school score is 4. The table 3.1 shows various educational indicators for districts of Matiari and Tando Muhammad Khan.

3.3 Tando Muhammad Khan

Tando Muhammad Khan was given the status of a district in 2005 too. It is situated in the South of the province. This district is further divided into three talukas (sub-division) naming Tando Muhammad Khan, Bulari Shah Karim and Tando Ghulam Hyder. The educational rating of the district falls among the lowest ranked districts of the province, which is also seconded by recently published Alif Ailaan's district rankings report. The literacy rate of the district according to PSLM 2010-11, is 36 percent. The GER and NER of the district at primary level is 53 percent and 30 percent respectively. The same statistics for secondary education are 25 percent and 04 percent respectively.

According to annual school census 2011-12, the total number of government schools in the district is 1,055. **This includes 85 primary schools, 17 middle schools, 15 elementary schools, and 36 secondary schools. A massive number of schools i.e. 988 are located in rural areas, while remaining 97 are located in relatively urban areas.** The number of non-functional primary schools in the district is 88; there is a non-functional secondary school too, while none of the middle and elementary school is reported to be non-functional in the district.

Table 3.1: Educational Indicators of the Districts

	Matiari		Tando Muhammad Khan	
	Value	Ranking within Province	Value	Ranking within Province
GER Primary*	79	13/23	53	23/23
GER Secondary*	34	16/23	25	22/23
NER Primary*	49	14/23	30	23/23
NER Secondary*	6	17/23	4	20/23
Literacy*	48	11/23	36	22/23
Educational Score**	44.24	20/23	38.51	23/23
School Score**	62.41	4/23	40.14	15/23

Source: *Pakistan Social Living Measurement Survey (PSLM-2011-12), Government of Pakistan.

**AlifAilaan, Pakistan District Education Rankings 2013.

The total enrollment in the government primary schools stands at 44,943 children, while 766 children are enrolled in middle schools, 2,109 and 6,482 children are enrolled in elementary and secondary school respectively. The overall gender parity index¹³ value of the district is 0.58. The parity value (0.56) is more equitable in primary education, whereas highest disparity (0.20) is seen at higher secondary school level. The mean distance between a boy's primary school and a village is around 4 kilometers and distance goes up to 20 kilometers for a boys collage. The mean distance¹⁴ for girls' education institutes is 4 and 20 respectively.

¹³ RSU, Statistical Bulletin, Annual School Census 2011-11

¹⁴ Mouza Statistics 2008, Agricultural Census Organization, Government of Pakistan

The total number of teachers in primary/middle/elementary schools is 1,752 and among them 292 are female teachers. Similarly, the number of teachers in secondary schools is 219 which include 90 female teachers. The total budgetary allocations for elementary education and secondary education stood at Rs. 527 million and Rs. 245 million respectively during the financial year 2011-12. Per child cost at elementary and secondary levels based on actual expenditure is calculated to be as Rs. 10,739 and Rs. 30,375 respectively.

3.4. Quantitative Findings

3.4.1 District Budget at Glance

The table 3.2 shows the districts' overall total and education sector's budget with current and development breakups. In Matiari in 2011-12 the overall district budget stood at Rs. 2,082.58 million, while the education sector received Rs.1,132.25 million i.e. 54%. Similarly for the same year in Tando Muhammad Khan, the overall budget of the district was Rs. 1,481.35 million; of which education received Rs. 817.44 million i.e. 55%. The budgetary trend shows that at district level both current and development budgets increased during FY-2010-11 only to be cut down again in the subsequent year. Almost similar trend is observed in the districts' educational budget except for the current budget of district Matiari, where it has increased consistently. The main reason of low budgetary allocation in FY-2011-12 is reduction in provincial allocation to the district.

The percentage share of education budget in district Matiari was 63.02% during the FY-2009-10, but it reduced to 49% in the next year, whereas it jumped to 54% during the FY-2011-12. The education budget share for district Tando Muhammad Khan was around 46%; it kept increasing over the period and reached at around 55% in 2011-12.

It can be observed that during the FY-2011-12, the actual amount of overall district and education sector budgets were reduced, though the share of overall education budget got inflated. This shows that overall reduction in education budget is proportionally less than other departments of the district. The major reason of such trend in education budget is mainly for the fact that it caters for the staff salaries. So in case of any reduction in overall budget at district level would actually have to slash development and non-salary current expenditures, which is also reflected in development shares of education budget.

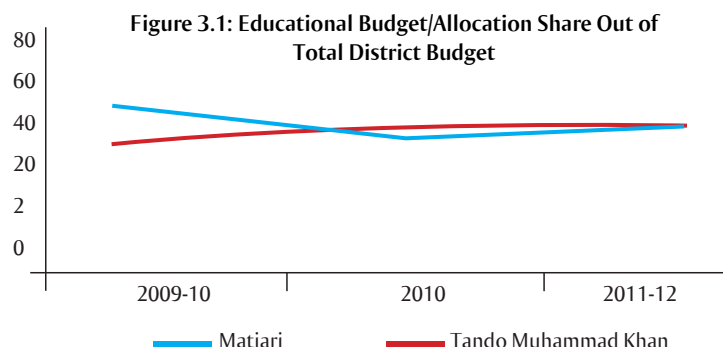
Table 3.2: District Budget at Glance

Matiari				Tando Muhammad Khan		
	2009-10	2010-11	2011-12	2009-10	2010-11	2011-12
Total District Budget (Rs Million)						
Current	1,194.98	1,989.83	1,892.77	1,145.91	1,433.92	1,266.97
Development	172.94	314.17	189.81	293.14	326.27	214.38
Total	1,367.92	2,304.00	2,082.58	1,439.05	1,760.19	1,481.35
District Education Budget (Rs Million)						
Current	743.83	997.57	1,113.05	541.08	816.89	753.07
Development	118.17	126.56	19.19	117.47	133.24	64.38
Total	862.00	1,124.13	1,132.25	658.55	950.13	817.44
Share of Education out of Total Budget (Percentages)						
Current	62.25	50.13	58.81	47.22	56.97	59.44
Development	68.33	40.28	10.11	40.07	40.84	30.03
Total	63.02	48.79	54.37	45.76	53.98	55.18

Source: District Appropriation Accounts (2009-10, 2010-11 and 2011-12)

The percentage share of education budget out of the districts' total budget allocation is shown in figure 3.1. The trend shows in district Matiari total education budget share was decreased in FY-2010-11, whereas it was increased in FY-2011-12, but in district Tando Muhammad Khan the share is ever increasing. The trend lines further show that during 2011-12, the education budget share is almost same in both districts i.e. around 55%.

¹⁵ The provincial allocations to district Matiari were Rs. 1,851 million and Rs. 711 million during the fiscal year of 2010-11 and 2011-12 respectively, while such allocations to district Tando Muhammad Khan during the same period were Rs. 1,379 million and Rs. 515 million respectively.



The elementary education share fluctuates across district. In district Matiari this share is ever decreasing, whereas in district Tando Muhammad Khan this share was first increased in FY-2010-11 then decreased in the subsequent year. The fluctuations in elementary education are due to the development and SERP allocations.

Table 3.3: Education Budget/Allocation

	Matiari			Tando Muhammad Khan		
	2009-10	2010-11	2011-12	2009-10	2010-11	2011-12
Rs Million						
Total Education Budget	862.0	1,124.1	1,132.2	658.6	950.1	817.4
Elementary	611.8	784.2	769.4	429.2	639.4	527.1
Secondary	228.1	320.7	340.5	112.7	224.1	244.8
Total Elementary and Secondary	839.9	1,104.9	1,109.9	541.9	863.5	771.9
Percentages						
Share of Elementary	70.97	69.76	67.95	65.18	67.30	64.48
Share of Secondary	26.46	28.53	30.08	17.12	23.58	29.95
Share of Elementary and Secondary	97.43	98.29	98.03	82.29	90.88	94.43
District education Secretariat*	2.57	1.71	1.97	17.71	9.12	5.57

* This includes budget of EDOE and all other DO except elementary and secondary, as those budgets are taken in elementary and secondary budget

Source: District Appropriation Accounts (2009-10, 2010-11 and 2011-12)

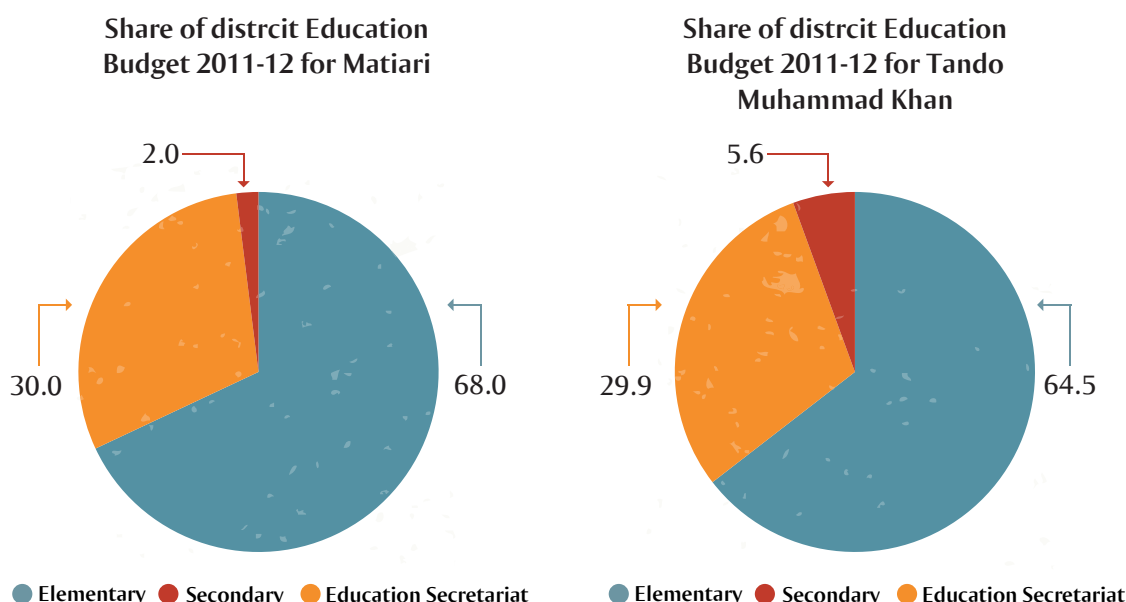
3.4.2 Budget and Expenditure

The data shows that most of the budget is allocated to primary, elementary and middle schools (these all schools are combined in elementary education budget). The elementary education budget allocation during the FY-2011-12 is reported as Rs. 769.4 million and Rs. 527.1 million for the districts Matiari and Tando Muhammad Khan respectively. During the same period, budgetary allocations for the secondary education stands at Rs. 340.5 million and Rs. 244.8 million respectively in these districts.

The budget share of secondary education during FY-2011-12 is around 30 percent for both the districts, whereas the shares of elementary education during the same period is 68 and 65 percent respectively in district Matiari and Tando Muhammad Khan respectively. The trend shows that secondary education share is ever increasing in both the districts. The reason for such a trend for secondary education is that it has been allocated only for current budget which mainly comprises staff salaries, which have been frequently increased by the government due to inflationary situation in the overall economy of the country.

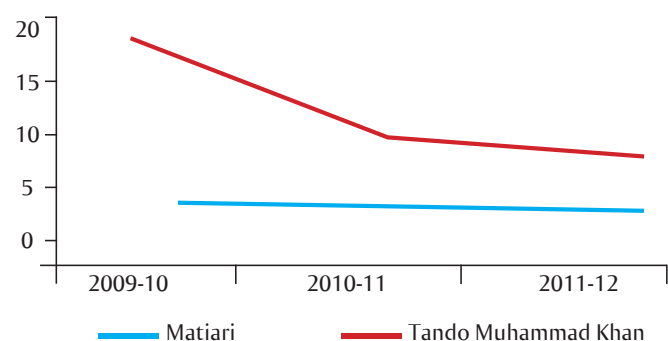
The comparison of districts' education budget allocation to elementary, secondary and education district education secretariat across the districts is shown by the pie charts 3.2 below. This shows secondary share is same across the district, while district Tando Muhammad Khan's district education secretariat eats up a higher share at the cost of primary education budget.

Graphs 3.2: Share of district Education Budget



The remaining percentage of district budget (after taking out elementary and secondary education budget) is allocated to district education secretariat. This includes staff salaries working in different offices of the education and operating and repair and maintenance of the offices. The trend of such percentage allocation is shown in the graph 3.3. Generally in district Matiari this percentage is hovering around 2 percent, whereas in district Tando Muhammad Khan this percentage is 5.57percent in FY-2011-12, which has dropped from 17.17% in FY-2009-10.

Figure 3.3: Budget Share of District Education Secretariat



The detail breakdown of the education budget is shown in the table 3.4 though major budget breakdowns fall under the current and development. Furthermore, the 'current' head of account is divided into salaries, operating expenses and repair and maintenance. The salaries budget is ever increasing for both elementary and secondary education in both the district except for elementary education during FY-2011-12 in district Tando Muhammad Khan.

A very little amount has been allocated for both operating, repair and maintenance expenditures. This is mainly because such expenditures are only allocated to the educational offices not to the schools particularly in elementary schools, whereas for secondary schools allocations for these costs are made but these are usually very small amounts. The main reason of non-allocation of such funds to primary schools is that primary schools have no demand and disbursement privileges. The only budget that caters for primary school repair and operating needs is the School Management Committee (SMC) fund provided under SERP by the World Bank.

During FGDs, it was learnt that school management and teachers' understanding of the budget was limited to the SMC budget only as other than SMC budget, primary school is not provided any other budget. The staff salaries are directly transferred into staff accounts by district treasury.

In terms of development budget, secondary schools are completely deprived off such allocation, except for what comes through SERP allocation. The SERP allocation is dedicated to primary education because its major allocation is for the elementary schools and there is no breakup of such amount for elementary and secondary education in district account books. For the development allocation elementary education is allocated around Rs. 50 million every year, whereas district Matiari was not allocated any development budget during FY-2011-12. The SERP allocation is ever-decreasing in district Matiari mainly due to non-utilization of previous allocation. On other hand in District Tando Muhammad Khan, SERP allocation was Rs. 60 million during FY-2009-10, which is increased to Rs. 84 million, but nothing was allocated in the subsequent year.

Based on the amount of budget in different heads, percentage shares have been calculated and reported in the following table 3.5. The major share of the total budget is allocated to the current budget for both elementary and secondary education but it varies across districts particularly at elementary education level.

Generally, it is observed that current budgetary allocation for elementary education in district Matiari is higher as compared to district Tando Muhammad Khan, but its share is ever increasing in both the district over the years. The reason of ever increasing proportion of current budget is at the cost of development budget, which is either decreasing or in some cases remains static but speed at which current budget is increasing it may end up leaving nothing for development budget in near future. Out of the current allocation almost all the budget is allocated to salaries, whereas very negligible budgetary allocations are left for operating and repair and maintenance. The comparison of development and SERP allocation shows that SERP allocates more funds to the schools as compared to district government allocation. However, there is no development budget allocation for secondary education in most of the cases.

Table 3.4: Budget/Allocations Details (Rs Million)

Matiari				Tando Muhammad Khan			
		2009-10	2010-11	2011-12	2009-10	2010-11	2011-12
Elementary							
1	Salaries	497.3	653.8	746.3	308.7	493.1	470.9
2	Operating Expenses	3.5	3.5	3.4	9.4	11.4	5.9
3	Repair and Maintenance	0.2	0.3	0.5	1.6	1.7	0.3
4	Total Current (1+2+3)	501.0	657.6	750.2	319.7	506.2	477.1
5	District Development	11.8	34.0	-	49.5	49.2	50.0
6	SERP	99.0	92.6	19.2	60.0	84.0	-
7	Total Budget (4+5+6)	611.8	784.2	769.4	429.2	639.4	527.1
Elementary							
1	Salaries	222.5	318.8	336.2	107.7	220.8	239.5
2	Operating Expenses	2.4	1.7	3.8	3.1	3.2	5.3
3	Repair and Maintenance	0.3	0.2	0.5	1.9	0.1	0
4	Total Current (1+2+3)	225.2	320.7	340.5	112.7	224.1	244.8
5	District Development	2.9	0	0	0	0	0
6	Total Budget (4+5)	228.1	320.7	340.5	112.7	224.1	244.8

Source: District Appropriation Accounts (2009-10, 2010-11 and 2011-12)

Table 3.5: Budget Allocation Share (Percentages)

		Matiari			Tando Muhammad Khan		
		2009-10	2010-11	2011-12	2009-10	2010-11	2011-12
Elementary							
1	Current Out of Total Budget	81.9	83.9	97.5	74.5	79.2	90.5
2	Development out of Total Budget	1.9	4.3	-	11.5	7.7	9.5
3	SERP Out of Total Budget	16.2	11.8	2.5	14.0	13.1	-
4	Total (1+2+3)	100.0	100.0	100.0	100.0	100.0	100.0
5	Salaries out of Current Budget	99.26	99.42	99.48	96.55	97.42	98.70
6	Operating Out of Current Budget	0.70	0.53	0.45	2.95	2.24	1.24
7	Repair and Maintenance out of Current Budget	0.04	0.05	0.07	0.50	0.34	0.06
8	Total (5+6+7)	100.00	100.00	100.00	100.00	100.00	100.00
Secondary							
1	Current Out of Total Budget	98.8	100.0	100.0	100.0	100.0	100.0
2	Development out of Total Budget	1.2	-	-	-	-	-
3	Total (1+2)	100.0	100.0	100.0	100.0	100.0	100.0
4	Salaries out of Current Budget	98.8	99.4	98.8	95.5	98.6	97.8
5	Operating Out of Current Budget	1.1	0.5	1.1	2.8	1.4	2.2
6	Repair and Maintenance out of Current Budget	0.1	0.1	0.1	1.7	0.0	-
7	Total (4+5+6)	100.0	100.0	100.0	100.0	100.0	100.0

Author's calculation based on figure provided in District Appropriation Accounts (2009-10, 2010-11 and 2011-12)

During the FY-2011-12, actual expenditures were reported only for the first four months as operationally with effect from 10th November 2011 district government system ceased to exist. In order to compare expenditures with other years, the salaries expenditures, which is always the biggest component of the budget, is multiplied by a factor of 3. The basic logic is salaries remains the same through the year, so multiplying them with constant factor gives a value approximately equal to annual expenditures.

For other heads, this factor could not be applied as in the first quarter of the year usually there occurs no expenditure in these heads, as these funds are hardly ever released before well into the fiscal year - so study dropped those

figures in the analysis. The data shows that total and salary expenditure is continuously increasing for both primary and secondary education across both the districts; in contrast the development expenditure doesn't have such a pattern. It can be observed that in some years, though current budget allocated was slashed down, but the actual expenditure doesn't seem to have decreased. It is for the fact that salaries have to be paid even if the original allocation was less than the requirement. The detail of expenditures against budgetary allocation is given in the table 3.6 below.

Table 3.6: Expenditure Details (Rs Million)

		Matiari			Tando Muhammad Khan		
		2009-10	2010-11	2011-12	2009-10	2010-11	2011-12
Elementary							
1	Salaries	493.7	702.5	844.3	307.7	428.4	513.5
2	Operating Expenses	3.2	3.2		9.4	7.5	
3	Repair and Maintenance	0.2	0.3		1.6	0.6	
4	Total Current (1+2+3)	497.0	706.0	844.3	318.8	436.6	513.5
5	District Development	11.8	21.4		49.5	15.2	
6	SERP	60.1	65.4		60.0	37.3	
7	Total Budget (4+5+6)	568.9	792.7	844.3	428.3	489.0	513.5
Secondary							
1	Salaries	204.1	286.8	343.6	106.5	162.7	196.9
2	Operating Expenses	1.7	1.4		3.1	1.7	
3	Repair and Maintenance	0.2	0.2		1.9	0.03	
4	Total Current (1+2+3)	206.0	288.4	343.6	111.5	164.5	196.9
5	District Development	2.4	0		0	0	
6	SERP	208.4	288.4	343.6	111.5	164.5	196.9

Source: District Appropriation Accounts (2009-10, 2010-11 and 2011-12)

3.4.3 Budget Utilization trends

Budget utilization means as to what extent the funds originally allocated in the budget could be spent by the end of the fiscal year, as shown in table 3.7. The salaries account, which is the biggest head of expenditure within school education department, is almost fully utilized or sometimes even exceeds the actual allocation, as has been mentioned before. This is more often possible for the fact that government has to announce raise in salaries at some point with in a running fiscal year for inflationary pressures or political expedience. It is also possible that sometime announced increase in salaries is higher than estimated increase. Yet another reason that sometimes contributes to overspend in salaries account is the omission of /ignorance on the part of budget formulators about new appointments of teachers throughout the fiscal year.

For the remaining budget accounts, actual expenditure could not exceed the actual allocation because of the formalities involved therein. It has also been observed that the repair and maintenance account for elementary education in district Matiari exceeded its original allocation for at least two consecutive years. Such an over-utilization may be understood for sometimes the government announces a budget cut when it goes through a mid-year budget review exercise , whereas the concerned offices may have already made their expenditures. For instance, the original budget for repair and maintenance during FY-2009-10 was Rs. 239,000, and then it was slashed down to Rs. 199,180 in December. But before such a decision is formally notified the offices down in the districts had already incurred the expenses of Rs. 229,593. The similar situation happened in the subsequent year .

Generally, it has been observed that salaries are over-utilized, whereas development expenditures are under-utilized. There are number of reasons for such under-utilization. These may include among things, mainly the lengthy release process for development funds as discussed in previous chapter. Once the funds are released from DO F&P, then DDO files actual expenditure invoices to district treasury/account offices, where again inordinate delays occur in final payments. During the FGDs, most of the DDOs and other officials pointed out that district treasury/account official more often than not create such delays through rampant use of red-tape unless they are given their cut from the invoiced bills.

As there is no DDO at elementary schools so school operating expenses are either not allocated or these are allocated in the account of ADEO, who seldom spend these allocations on the school repair and maintenance. During FGDs, it was highlighted that district elementary

offices do not even pay for school electricity bills, which results in schools are either defaulter of Electricity Company or the school are eventually rendered without electricity supply. One may very well imagine how so hard it must be students and teachers to continue educational activities in the notorious summers of Sindh without electricity and a running fan.

The study shows that the current budget allocation has been consistently increasing for both elementary and secondary education except for during 2011-12 in district Tando Muhammad Khan for elementary education. However, the reduction in the current budget does not mean that either salaries have been cut down or number of staff (teaching and non-teaching) reduced. If one analyzes the actual budget versus expenditure during these years, it comes to the fore that although the original budget allocation was somehow reduced but eventually the actual expenditure stands at overspent.

Table 3.7: Percentage of Budget Utilization

Matiari				Tando Muhammad Khan		
	2009-10	2010-11	2011-12	2009-10	2010-11	2011-12
Elementary						
1 Salaries	99.3	107.4	113.1	99.7	86.9	109.0
2 Operating Expenses	90.7	91.1		100.0	66.2	
3 Repair and Maintenance	115.3	104.6		100.0	36.6	
4 Total Current	99.2	107.4	112.5	99.7	86.2	107.6
5 District Development	100.0	62.9		100.0	30.8	
6 SERP	60.7	70.6		100.0	44.4	
7 Total Budget	93.0	101.1	109.7	99.8	76.5	97.4
Secondary						
1 Salaries	91.7	90.0	102.2	98.9	73.7	82.2
2 Operating Expenses	68.3	84.2		100.0	53.9	
3 Repair and Maintenance	89.4	94.0		100.0	60.0	
4 Total Current	91.5	89.9	100.9	98.9	73.4	80.4
5 District Development	83.2	NA*	NA*	NA*	NA*	NA*
6 Total Budget	91.3	89.9	100.9	98.9	73.4	80.4

* During these years budget is not allocated so percentages could not be computed

Author's calculation based on figure provided in District Appropriation Accounts (2009-10, 2010-11 and 2011-12)

In terms of development budget, though one sees an allocation in this head in both the districts in fiscal year 2010-11 but for the subsequent years unfortunately no budgetary allocations were made for secondary education in both the districts. Hence no comparative analysis could be presented for these years. The table 3.8 shows the percentage increases in budget.

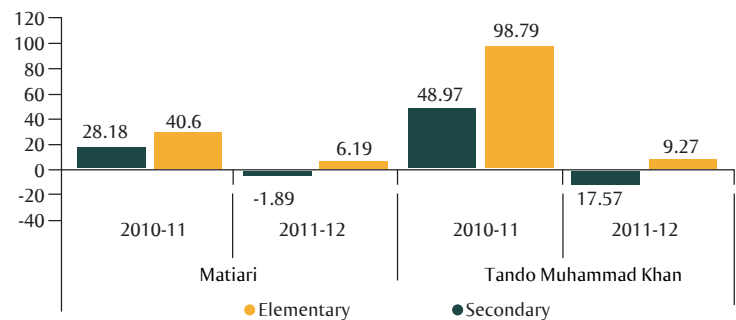
Table 3.8: Percentage Increase in Budget

	Matiari		Tando Muhammad Khan	
	2010-11	2011-12	2010-11	2011-12
Elementary				
Current	31.27	14.07	58.32	(5.75)
Development	14.22	(84.83)	21.67	(62.47)
Total	28.18	(1.89)	48.97	(17.57)
Secondary				
Current	42.37	6.19	98.76	9.27
Development	(100.00)	NA*	NA*	NA*
Total	40.60	6.19	98.76	9.27

* During these years budget was not allocated so percentages could not be computed Author's calculation based on figure provided in District Appropriation Accounts (2009-10, 2010-11 and 2011-12)

It has also been noticed that on the whole the growth in overall secondary education budget is significantly higher than in elementary education budget in both the districts. Secondly the budget growth rates are high during FY-2010-11 in both the districts, while in the subsequent year the growth rates are either slowed down or even became negative. The percentage change in total education budget is depicted in the graph 3.4.

Graph 3.4 Percentage Change in Education Budget



3.4.4 Average per child cost

In this budgetary analysis, the study has calculated per child cost for both elementary and secondary education on the basis of budget and expenditure incurred on salaries, operations and development schemes. The per child cost against budgeted amount means government aimed to spend a certain amount on each child, whereas per child cost against expenditures is what the government has actually spent each child in a year. The statistics shows that on average the government has spent Rs. 13,270 on each child in elementary education during FY-2011-12 in district Matiari, while in district Tando Muhammad Khan the same cost was Rs. 10,739. The similar cost calculated by other studies for district Rawalpindi at primary level was Rs. 8,263 in FY 2009-10 and for the same period in district Chakwal it was Rs. 8,448.05.

At secondary level for fiscal year 2011-12, government invested Rs. 21,830 and Rs. 30,375 in each student of district Matiari and Tando Muhammad Khan respectively. The education cost per student may not be calculated at school levels as primary schools are not allocated with a specific budget.

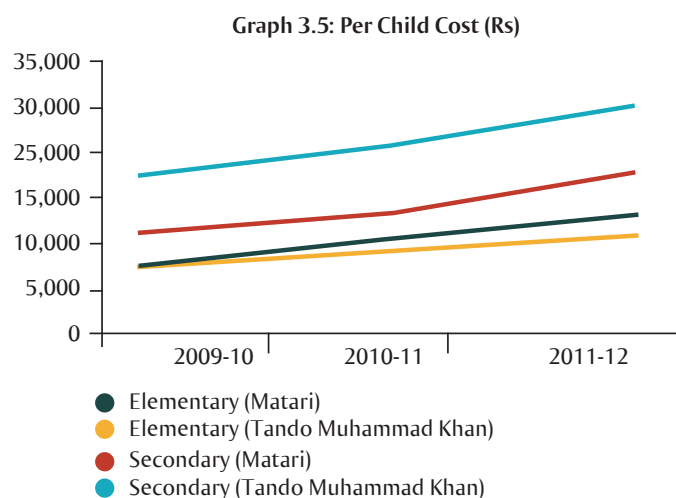
Table 3.9: Per Child Cost (In Rupees)

		Matiari			Tando Muhammad Khan		
		2009-10	2010-11	2011-12	2009-10	2010-11	2011-12
Elementary							
1	Current Budget	6,472	9,070	11,627	5,584	9,535	9,976
2	Development Budget	1,431	1,745	297	1,912	2,510	1,046
3	Total Budget (1+2)	7,903	10,815	11,924	7,496	12,045	11,022
4	Current Expenditure	6,422	9,736	13,085	5,567	8,224	10,739
5	Development Expenditure	928	1,197	185	1,912	988	-
6	Total Expenditure (4+5)	7,350	10,933	13,270	7,479	9,212	10,739
Secondary							
1	Current Budget	14,140	18,225	21,636	18,694	32,169	37,771
2	Development Budget	179	-	-	-	-	-
3	Total Budget (1+2)	14,319	18,225	21,636	18,694	32,169	37,771
4	Current Expenditure	12,931	16,392	21,830	18,492	23,614	30,375
5	Development Expenditure	149	-	-	-	-	-
6	Total Expenditure (4+5)	13,080	16,392	21,830	18,492	23,614	30,375

Author's calculation based on figure provided in District Appropriation Accounts and Annual School Censes Reports of Reform Support Unit (2009-10, 2010-11 and 2011-12)

The graph 3.5 shows the trend of per child cost. Few points can be noted from this analysis: per child cost has increased consistently over the years, which is mainly due to increase in the salaries; per child cost of elementary education is seen higher in district Matiari as compared to district Tando Muhammad Khan, whereas this cost at secondary education level is higher in district Tando Muhammad Khan as compared to district Matiari.

The reason of such trend can easily be understood from Student Teachers Ratio (STR), which is given in table 3.14. The STR of primary education is lower in Matiari, whereas STR of secondary education is lower in district Tando Muhammad Khan. This means higher number of primary teachers as compared to students in district Matiari; the same is true for district Tando Muhammad Khan at secondary education level. It might be at least partially for this reason that Matiari ranked better in primary education indicators than district Tando Muhammad Khan . 17



3.4.5 School Statistics and Trends

a. Number of Schools and budget per school

The number of schools and out of them non-functional schools of the district as per school budgetary allocation is summarized in table 3.10. The table shows that there existed a total of 956 and 1017 primary/elementary/middle schools in districts Matiari and Tando Muhammad Khan respectively during 2011-12. The total secondary schools were 30 and 36 in these districts respectively during the same fiscal year.

The school trend shows that number of both primary/elementary/Middle and secondary schools are decreasing over the study period. During the FGDs and IDIs, It was shared that under district government system the district Nazim (Mayor) had the powers to open a school. So exercising this authority, Nazim opened so many primary schools, more often, without any planning. Most of those schools were actually non-viable. In 2010, under Sindh Education Reforms Support Programme, a school consolidation policy was implemented in which non-viable schools had to be either closed down or merged with other school based on the enrollment and the distance between.

This eventually rendered the number of schools going downwards.

The average budget per school shows district Matiari is allocated Rs. 804,778 for each primary/elementary/middle school as compared to Rs. 518,259 for district Tando Muhammad Khan during the FY-2011-12. The similar average budgets for secondary schools are around Rs. 10 million and 6.8 million for district Matiari and Tando Muhammad Khan respectively.

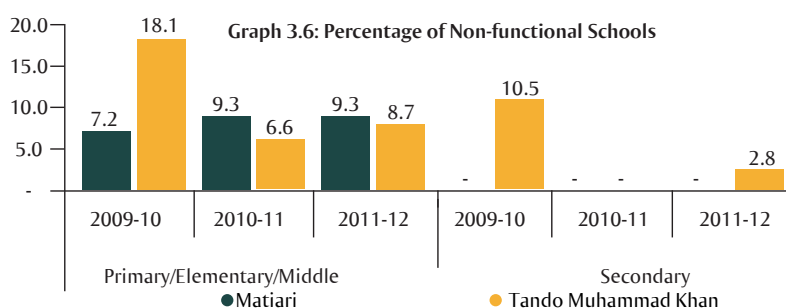
Generally, it is observed that per school allocation is higher in district Matiari than district Tando Muhammad Khan. This may be one the reasons that school score of district Matiari is far better than district Tando Muhammad Khan. This must be one of the reasons why Matiari has fared better than Tando Muhammad Khan in schools education ranking.

Table 3.10: Number of School, Their Status and Per School Budget Allocation (Rs)

		Matiari			Tando Muhammad Khan		
		2009-10	2010-11	2011-12	2009-10	2010-11	2011-12
Primary/Elementary/Middle							
1	Total Schools	1,019	992	956	1,111	1,017	1,017
2	Non-Functional Schools	73	92	89	201	67	88
3	Average Budget Per School	600,359	790,513	804,778	386,338	628,711	518,259
Secondary							
1	Total Schools	31	32	30	38	37	36
2	Non-Functional Schools				4		1
3	Average Budget Per School	7,357,862	10,021,546	11,351,064	2,966,481	6,055,642	6,800,913

Sources: Author's calculation based on figure provided in District Appropriation Accounts and Annual School Censes Reports of Reform Support Unit (2009-10, 2010-11 and 2011-12)

The graph 3.6 shows the percentage of non-functional schools. The bars show that there is not a single non-functional secondary school in district Matiari, while in district Tando Muhammad Khan the percentage of non-functional secondary schools was 10.5% during FY-2009-10, but this percentage has reduced to 2.8 during the year 2011-12. The percentage of non-functional elementary (primary/elementary/middle) schools was 18.1% during FY-2009-10 in district Matiari as compared to 7.2% in district Tando Muhammad Khan.



b. Enrollment Trends and per child budget

The enrollment trend across gender over the years is shown in the table 3.11. The total number of children enrolled in primary, elementary and middle, schools is 64,522 during the FY-2011-12 in district Matiari as compared to 47,818 children for the same levels in district Tando Muhammad Khan. The number of enrolled children in primary/elementary/middle schools is ever decreasing in both the districts.

In secondary schools, the total enrolment is 15,739 children in district Matiari during the FY-2011-12, whereas in district Tando Muhammad Khan total enrollment in similar schools in the same year is 6,842. The trend of secondary schools' enrollment shows that during the year 2010-11 enrollment was increased but it was reduced in the subsequent year. Such trend is observed in both the districts.

Table 3.11: Enrollment and Per Child Expenditure (Rs)

		Matiari			Tando Muhammad Khan		
		2009-10	2010-11	2011-12	2009-10	2010-11	2011-12
Primary/Elementary/Middle							
1	Boys	46,321	43,446	39,199	35,583	34,223	29,956
2	Girls	31,085	29,063	25,323	21,675	18,860	17,862
3	Total	77,406	72,509	64,522	57,258	53,083	47,818
4	Per Child Expenditure	7,350	10,933	13,270	7,479	9,212	10,739
Primary/Elementary/Middle							
1	Boys	10,169	11,262	10,292	3,743	3,564	3,611
2	Girls	5,761	6,334	5,447	2,287	3,401	2,871
3	Total	15,930	17,596	15,739	6,030	6,965	6,482
4	Per Child Expenditure	13,080	16,392	21,830	18,492	23,614	30,375

Sources: Author's calculation based on figure provided in District Appropriation Accounts and Annual School Censuses Reports of Reform Support Unit (2009-10, 2010-11 and 2011-12)

In this budgetary analysis, the study has calculated per child cost for both elementary and secondary education on the basis of budget and expenditure incurred on salaries, operations and development schemes. The per child cost against budgeted amount means government aimed to spend a certain amount on each child, whereas per child cost against expenditures is what the government has actually spent each child in a year. The statistics shows that on average the government has spent Rs. 13,270 on each child in elementary education during FY-2011-12 in district Matiari, while in district Tando Muhammad Khan the same cost was Rs. 10,739. The similar cost calculated by other studies for district Rawalpindi at primary level was Rs. 8,263 in FY 2009-10 and for the same period in district Chakwal it was Rs. 8,448.05.

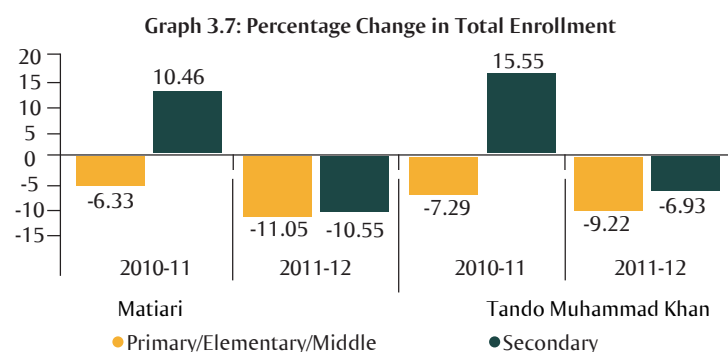
At secondary level for fiscal year 2011-12, government invested Rs. 21,830 and Rs. 30,375 in each student of district Matiari and Tando Muhammad Khan respectively. The education cost per student may not be calculated at school levels as primary schools are not allocated with a specific budget.

Table 3.12: Percentage Change in Enrollment

		Matiari		Tando Muhammad Khan	
		2010-11	2011-12	2010-11	2011-12
Primary/Elementary/Middle					
1	Boys	(6.21)	(9.78)	(3.82)	(12.47)
2	Girls	(6.50)	(12.87)	(12.99)	(5.29)
3	Total	(6.33)	(11.02)	(7.29)	9.92)
Secondary					
1	Boys	10.75	(8.61)	(4.78)	1.32
2	Girls	9.95	(14.00)	48.71	(15.58)
3	Total	10.46	(10.55)	15.51	(6.93)

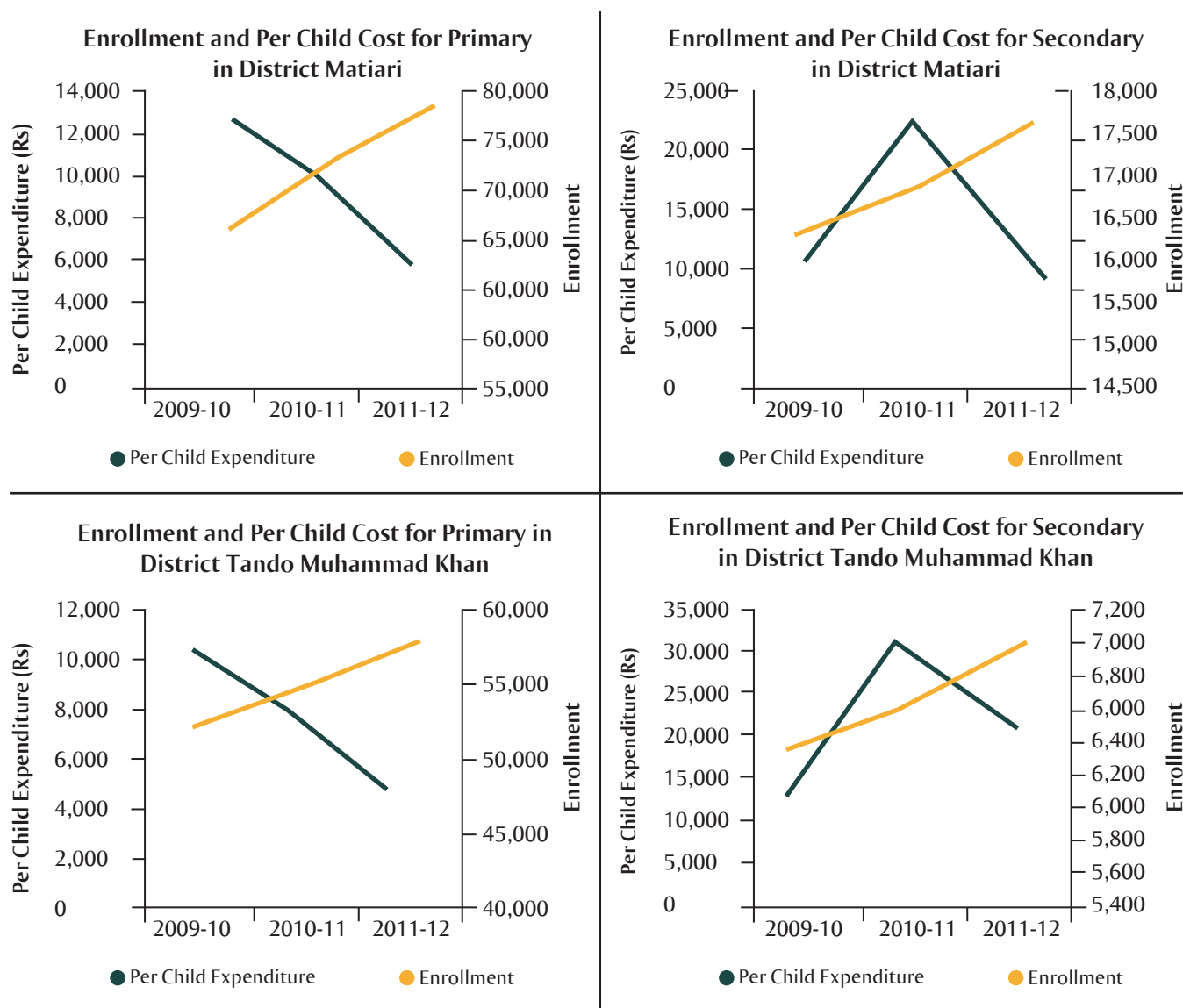
Sources: Author's calculation based on figure provided in District Appropriation Accounts and Annual School Censes Reports of Reform Support Unit (2009-10, 2010-11 and 2011-12)

The percentage change in total enrollment is depicted by graph 3.7. The graph shows that except for secondary enrollment during the year 2010-11, all other enrollments are negative. Among the negative numbers, the most prominent negative is 11.02% in elementary schools' enrollment in district Matiari during the FY-2011-12, followed by 10.55% in secondary school enrollment.



The link between total enrollment and per child cost is shown in panel of graph 3.8. The relationship shows very clearly at least for elementary education in both the districts that per child cost is increasing. As the enrollment has shown a decreasing trend, this may also have contributed to increase in per child cost. For the secondary education per child cost is increasing through the period, whereas enrollment is slightly fluctuating by first increasing and then decreasing in the subsequent year.

Graphs 3.8: Enrollment and Per Child Cost



C. Number of Schools and budget per school

The number of teachers in elementary (includes primary and middle) and secondary teachers are given in the table 3.13. There were 2,782 teachers dedicated to teach to primary, elementary and middle school students in district Matiari in 2011-12 as compared to 1,864 teachers in district Tando Muhammad Khan. The total number of secondary teachers was 510 during the year 2011-12 in district Matiari, and 309 in Tando Muhammad Khan.

The male teachers out-number female teachers. The share of secondary school teachers ranges between 14 to 17 percent of the total teachers at secondary and elementary levels.

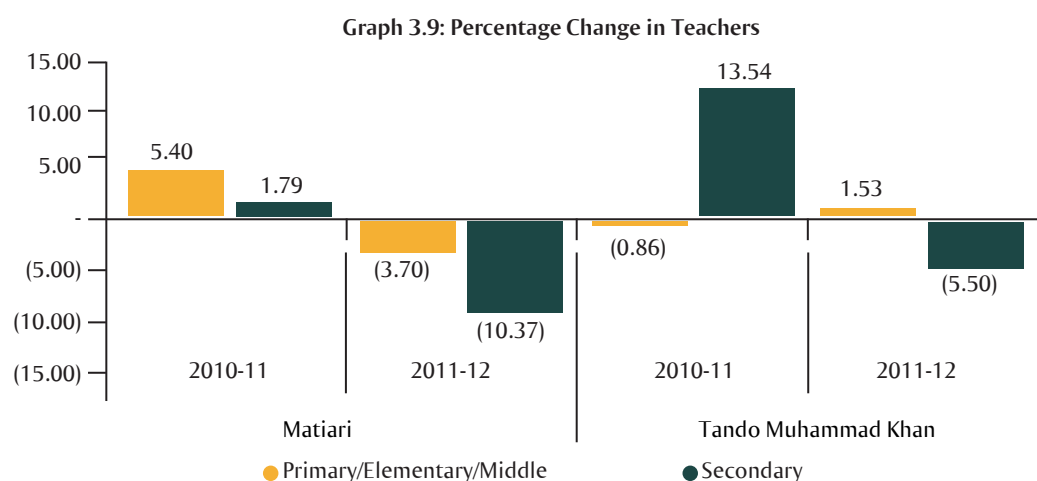
Table 3.13: Number of Teachers

		Matiari			Tando Muhammad Khan		
		2009-10	2010-11	2011-12	2009-10	2010-11	2011-12
Primary/Elementary/Middle							
1	Male	2,253	441	397	208	223	219
2	Female	488	128	113	80	104	90
3	Total	2,741	569	510	288	327	309
Secondary							
1	Male	419	2,333	2,231	1,523	1,535	1,572
2	Female	140	556	551	329	301	292
3	Total	559	2,889	2,782	1,852	1,836	1,864

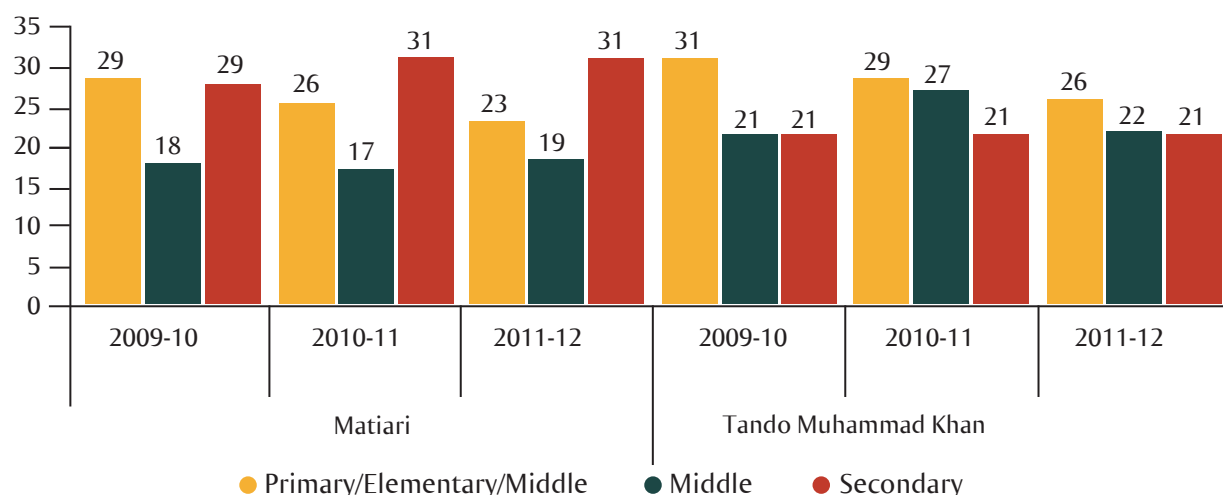
Sources: Author's calculation based on figure provided in Annual School Censes Reports of Reform Support Unit (2009-10, 2010-11 and 2011-12)

In terms of changes in number of teachers, the most favorable situation for both elementary and secondary education and across districts existed during the year 2010-11, whereas in the subsequent year it was somewhat negative. The possible reason behind such positive change during the year 2010-11 was that government had appointed new teachers that year. The next year no fresh appointment of teachers took place and the routine retirement of teachers must have caused this negative trend. The percentage change in total number of teachers is shown in the graph 3.9

The Student Teachers Ratio (STR) is shown in the graph 3.10. Here one can treat middle schools separately as in a middle school the allocated staff is at least nine that include Junior School Teachers (JSTs), language teacher, Art & Drawing teacher and a physical education instructor. On the other hand a significant number of primary schools is provided with only one teacher. The STR across type of schools shows that on average during the year 2011-12 in district Matiari, there was one teacher for 23 students in primary schools, 19 in middle, and 31 in the secondary schools. Similarly, these STR numbers for district Tando Muhammad Khan are 26, 22 and 21 respectively. The STR fluctuation across the years is mainly due to enrollment fluctuation, as the number of teachers is stable at large. The district comparison shows that STR in primary and middle schools is low in district Matiari as compared to district Tando Muhammad Khan, whereas this trend is seen exactly other way round in case of secondary schools across these districts.



Graph 3.10: Student Teachers Ratio



d. Missing Facilities and per school development budget

The meager allocation for development expenditure in school education has rendered the public education infrastructure into a battered and dilapidated state, especially in rural areas. Although the missing facilities in schools have reduced over the years, yet the situation is far from becoming satisfactory. The situation of missing facilities in the schools is illustrated in the table 3.15.

The district comparison shows district Matiari is far better in providing the basic facilities to its schools than is district Tando Muhammad Khan. The alarming situation is that around two third of primary, elementary and middle schools of district Tando Muhammad Khan are without electricity, around 39 percent of schools without a boundary wall, while around 9 percent of schools have unusable classrooms. Around 44 percent of schools are without toilet facility and 54 percent of schools without water facility.

These primary school statistics coincide with recently published Ailf Ailaan's school index wherein district Matiari is ranked 4th and district Tando Muhammad Khan is ranked 15th within the

province. The secondary schools are relatively better in provision of basic facilities, mainly because these schools have their own budget and are with financial demand and disbursement powers.

The average allocation per elementary (primary and middle) school during FY-2011-12 shows that Rs. 49,149 and Rs. 20,077 were allocated for districts Tando Muhammad Khan and Matiari respectively. However, this allocation was higher to district Matiari in 2009-10.

Table 3.15: Percentage of Schools Without Facilities and Per School Budget (Rs)

Matiari				Tando Muhammad Khan			
		2009-10	2010-11	2011-12	2009-10	2010-11	2011-12
Elementary							
1	Boundary Wall	25.32	24.09	18.24	54.10	47.29	39.23
2	Building	6.48	5.65	2.20	17.73	14.85	9.29
3	Electricity	46.91	30.53	16.90	96.28	78.69	67.26
4	Toilet	18.25	19.21	16.56	47.79	46.45	44.52
5	Water	71.05	32.86	33.44	58.96	42.64	54.31
6	Per School Development Budget	108,735	127,578	20,077	98,563	131,009	49,164
Secondary							
1	Boundary Wall	9.68	6.25	13.79	31.58	21.62	13.89
2	Building	-	-	-	13.16	-	-
3	Electricity	3.33		3.45	57.14	37.50	9.09
4	Toilet	6.45	6.25	6.90	36.84	27.03	16.67
5	Water	12.90	3.13	3.45	42.11	24.32	5.56
6	Per School Development Budget	91,935	-	-	-	-	-

Sources: Author's calculation based on figure provided in District Appropriation Accounts and Annual School Censes Reports of Reform Support Unit (2009-10, 2010-11 and 2011-12)

3.4.6 Intra District Comparative analysis

For intra district comparison, the study has analyzed some of the school indicators and school facilities for each Taluka of the districts. The student enrollment shows that most of the elementary student of the districts are enrolled usually in district headquarter Taluka, which also happen to be most populated and urban within their respective districts. As most of the student population is located in these relatively urban Talukas, one may notice a reciprocally large number of teachers in these areas.

In district Matiari the STR ranges from 20 to 28; it is most favorable in Taluka Hala and least favorable in Taluka Matiari. Similarly, STR in district Tando Muhammad Khan ranges from 22 to 29. The most favorable STR is observed in Taluka Tando Muhammad Khan, while the least in Taluka Bulri Shah Karim. While there is a reciprocal

proportionality in between number of students and teachers, the situation on ground also suggested that teachers prefer to be posted around urban locations and that education administrators find it difficult to resist political pressures to follow the teacher rationalization principle across rural and urban schools.

Table 3.16: Different School Indicators of Primary/Elementary/Middle Schools

		Matiari			Tando Muhammad Khan		
		Matiari	Hala	Saeedabad	Tando Muhammad Khan	Tando Ghulam Hyder	Bulri Shah Karim
1	Enrollment (No)	26,65	20,314	17,554	19,304	12,703	15,811
2	Teachers (No)	956	1,022	804	864	455	545
3	Student Teachers Ratio	28	20	22	22	28	29
4	Total Budget (Rs. Millions)	278.38	466.67		235.16	108.78	125.21
5	Per Child Cost (Rs.)	10,444	12,324		12,182	8,563	7,919

Mean Distance between a Primary School and a Village (KMs)*

1	Boys Schools	6	5	7	7	16	12
2	Girls Schools	3	-	8	4	14	16

* Mouza Statistics 2008, Agricultural Census Organization, Government of Pakistan

Although majority of the secondary schools are either boys or girls but a few are mixed too. Where there are mixed schools the budget has been allocated to DO Male secondary. So these statistics may carefully be read. The enrollment figures show that there is more gender disparity in district Matiari as compared to district Tando Muhammad Khan. Similar disparity is also found in number of teachers. It shows that in district Matiari there is one male teacher against 26 boy students, but one female teacher for 48 girl students. The similar statistics for district Tando Muhammad Khan are 16 and 32 respectively. The per child cost shows that almost double amount is allocated to boys secondary education as compared to girls education.

Table 3.17: Different School Indicators of Secondary Schools

	Boys	Girls	Boys	Girls
Enrollment (No)	10,292	5,447	3,611	2,871
Teachers (No)	397	113	219	90
Student Teachers Ratio	26	48	16	32
Total Budget (Rs. Millions)	252.210	81.189	176.304	63.048
Per Child Cost (Rs.)	24,505	14,905	48,824	21,960
Mean Distance Between School and Village (KMs)*	6	7	14	17

* Mouza Statistics 2008, Agricultural Census Organization, Government of Pakistan

The non-provision of basic school facilities at the level of primary schools of the districts shows disparity across Talukas. In district Matiari a higher number of primary schools of Saeedabad Taluka are with missing school facilities, whereas schools of Talukas Hala and Matiari are relatively better. A high number of primary schools of Taluka Matiari are equipped with boundary walls and toilets. In contrast, in Taluka Hala one finds fewer schools without roofs, electricity and water. In district Tando Muhammad Khan, the Taluka of TMK looks better in terms of being equipped with basic school facilities as compared to rest of the two Talukas of the district.

Table 3.18: Percentage of Missing Facilities in Primary/Elementary/Middle Schools

		Matiari			Tando Muhammad Khan		
		Matiari	Hala	Saeedabad	Tando Muhammad Khan	Tando Ghulam Hyder	Bulri Shah Karim
1	Boundary Wall	10.65	19.28	28.04	25.18	42.60	46.44
2	Building	1.88	0.89	3.62	6.34	7.89	12.69
3	Electricity	18.04	11.44	19.40	38.64	79.35	75.50
4	Toilet	15.18	15.63	19.19	35.53	48.77	47.35
5	Water	36.78	24.66	35.42	32.00	68.75	58.31

Table 3.19: Percentage of Missing Facilities in Secondary Schools

		Matiari			Tando Muhammad Khan		
		Matiari	Hala	Saeedabad	Tando Muhammad Khan	Tando Ghulam Hyder	Bulri Shah Karim
1	Boundary Wall	-	20.00	20.00	13.33	-	25.00
2	Building	-	-	-	-	-	-
3	Electricity	11.11	-	-	-	14.29	20.00
4	Toilet	-	10.00	10.00	6.67	11.11	33.33
5	Water	11.11	-	-	-	11.11	8.33

3.5 Qualitative Findings

The qualitative findings are based on the stakeholders' perception, which are collected through application of usual techniques of qualitative research, as mentioned in the first chapter of the report. The stakeholders' perception is thematically categorized under following nine themes:

Theme No.1:

Preparation, release and utilization of your school specific budget (who, why, how, in what ways, give examples, etc)?

As has been noted in previous sections, there was no school specific budget in the primary schools of districts Matiari and Tando Mohammad Khan. The teaching staff only knew about SMC budget and contingency budget. All the head teachers complained that the SMC budget and contingency budgets were insufficient to carry out routine school activities. To add complication to it, the allocation of these funds in various heads wasn't clear to the staff and they were not in a position to decide how to utilize these funds properly. Utilization of contingency budget required DDO powers which many head teachers did not have. This further aggravates the problem as the head teachers can't make use of available funds without such powers.

Though schools in Matiari district have received SMC and contingency funds, some of the surveyed schools in Tando Mohammad Khan did not receive any funds for the last two years. Schools were already in a dilapidated conditions, and due to unavailability of funds, no repair work was possible. These school structures pose serious threat to the innocent lives of students. Most of the primary schools surveyed in Tando Mohammad Khan were without electricity, safe drinking water and functional washrooms.

Theme No.2:

Issue in preparation, release and utilization of your school specific budget?

No Education Staff has received training in budget preparation except hands on in both the districts. Budgets are usually prepared by the head masters and clerks in high schools. In most of the instances, schools do not get the required budget as education department ignores their recommendations and finalize budgets on its own for all the schools in their jurisdiction. Even though the SMC and contingency budgets are already insufficient, these are not released in a timely manner too.

This further creates difficulties in carrying out routine repair works and providing basic facilities like drinking water and wash rooms at the school level.

All the participants suggested that there should be a needful school specific budget with well defined different heads of expenditure, along with SMC and contingency budgets.

Theme No.3:

Recommendations in preparation, release and utilization of school specific budget

Almost all of the respondents recommended that the education department should invite all the head masters and organize an annual meeting to discuss budget matters at the time of preparation. Some even saw how important it could be if SMC's are also invited to assist in developing school budgets. Since head masters know what problems their schools face, they can best inform the

department about how much budget may be required and how to utilize it. So pressing was this felt to delegate all schools with DDO powers to formulate and utilize budget for their respective schools. This will also help remove the notorious delays in release of funds; it will certainly result in timely and better upkeep of the schools too.

Theme No.4:

Opinion on current heads of school budget and any addition/deletion

It has been found that not only the budget needs to increase for school education and development but the expense heads also need to be increased and defined. Some of the participants suggested for a specific budget for school ecology, safe drinking water and toilets for girls schools. Participants also shared that after 2010 floods, many schools were used by flood IDPs which resulted in

loss of /damage to structure and furniture. The education department should have conducted an assessment of those affected schools and released extra funds for their repair and renovation. IDP used schools were in bad condition and students did not have adequate furniture to sit and study.

Theme No.5:

Opinion on current heads of school budget and any addition/deletion

Teachers of both the districts were unanimous on increase in the current budget. Most of the primary schools in receive Rs 22,000 annually as SMC fund. They said that since there are no other funds specific to school, this amount was really insufficient. In some schools, drinking water is reportedly purchased from the market for Rs 100 per day. The annual SMC budget is not sufficient even to purchase water for the whole year. They said poor condition of schools is one of the main reasons that people don't have motivation to send their children to school. Many parents are afraid of dilapidated conditions of school buildings.

According to one of the group members:

"How can we renovate schools?" asked a head teacher. "We need to build boundary walls, new rooms, repair washrooms, buy new furniture, and buy instruments for labs. There are so many things to be done. But we do not have funds. And this is why you see our school in a dilapidated state."

Theme No.6:

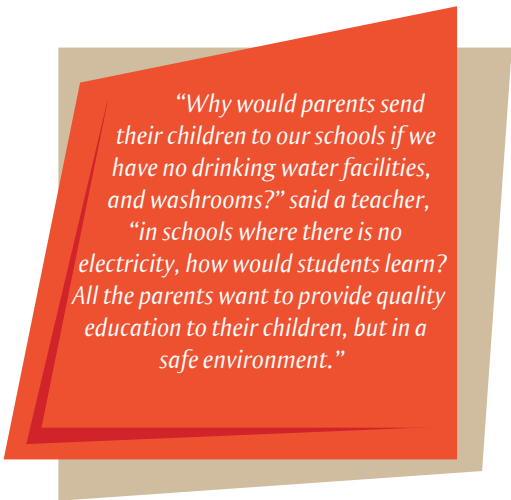
How enrolment can be increased, or dropout rate can be reduced?

Teachers described various reasons for drop out ratio. District Tando Mohammad Khan had a higher drop out ratio as education infrastructure was much poorer than district Matiari. Since Tando Mohammad Khan is mainly a rural area, teachers are hired from other local towns who do not regularly attend schools. In certain cases, there is only one teacher in a school. If the teacher gets sick or goes on leave for any reason, the school remains closed.

Teacher attendance has been the most significant reason for low enrolment and student drop out. As compared to urban schools, those in rural areas were more often non-functional. Teachers from towns rarely attend to rural schools to teach children, which increases the burden on available local teachers.

According to informants drop out ratio of girls is also higher in district Tando Mohammad Khan. This is mainly because of lack of middle schools or high schools in the area. Few participants also shared that parents do not allow their daughters to study in far off schools. But even in areas, where middle schools for girls are available, drop out ratio of girls is still high because parents marry off their daughters at an early age.

Some group members also shared that network of private schools had also spread in rural areas. Due to poor infrastructure of public schools and poor education, parents prefer to educate their children in private schools. One of the respondents said:



"Why would parents send their children to our schools if we have no drinking water facilities, and washrooms?" said a teacher, "in schools where there is no electricity, how would students learn? All the parents want to provide quality education to their children, but in a safe environment."

In order to regain trust of the community and parents to increase the enrolment of students, the government has to address all these issues. To them, first of all the government should increase school budget, ensure teachers attendance, provide trainings to the staff, provide all the basic facilities like electricity, water, washrooms and etc so that parents and students are attracted to schools.

Theme No.7:

How enrolment can be increased, or dropout rate can be reduced?

Only a few teachers in district Matiari found to have received some in-service training. But none of the teachers in Tando Mohammad Khan received such trainings. Most of the teachers in both the districts weren't aware of recent trends and techniques in education and are teaching the way they themselves were taught decades ago.

The absence of teachers also affects the quality of education and students do not learn what they should during their class. Some teachers suggested that it would be better if local people are recruited as teachers instead of people from remote areas. Local teachers are accessible and community people can use social pressure to ensure their attendance.

Theme No.8:

Role of supervisor and relevant educational offices

Almost all the participants expressed dissatisfaction with the role of education supervisors and education offices. They said that they do not receive any support from education department. Supervisors rarely, if ever, visit schools; this keeps the bureaucracy above him/her virtually ignorant on the state of schools at grassroots and remote rural areas.

Some group members also shared that network of private schools had also spread in rural areas. Due to poor infrastructure of public schools and poor education, parents prefer to educate their children in private schools. One of the respondents said:

Theme No.9:

Theme No.9: Role and participation of community in the School affairs

It was found that communities have hardly been involved in schools affairs nor have they seemed interested in matters related to school. Though parents visit schools on some complaints from the teachers about their children, but they were not aware of how important it was to improve the condition of schools.

Yet it was found that some communities were very conscious about education such as a couple of communities in district Matiari. One community had donated six computers to the school to provide computer education to their children. Another community in Matiari Taluka regularly held meetings with school staff. But overall, the role of communities has not been tapped as per the potential.

4.

Key Findings, Recommendations and Conclusion

4.1 Key Quantitative Findings

- ✓ During the study, it has been observed that more than 50% of the district budget is allocated for educational affairs of the district, of which most of the budget is used to pay salaries and an alarmingly little amount of budget is left for the development.
- ✓ Around two-third of the district education budget is allocated to elementary education and remaining to the secondary education. District Matiari has allocated more budget shares for both elementary and secondary education as compared with district Tando Muhammad Khan at the cost of education secretariat's share. Approximately 2 to 3 percent budget is spared for education secretariat in district Matiari as compared 6 to 8 percent in district Tando Muhammad Khan.
- ✓ The percentage share of development budget for elementary education is more in district Tando Muhammad Khan, whereas secondary education component in both districts has completely been ignored.
- ✓ A low parentage of budget is allocated for operations and particularly office repair and maintenance, that's why most of the offices have no office equipment and virtually no budget field monitoring of the schools.
- ✓ The utilization of salary budget is always full or sometimes it even exceeds its actual allocation. The development and non-salary current accounts though already low have remained under-utilized for delays in release of funds.
- ✓ The massive development cuts are observed during 2011-12 in both the districts. For instance 84% and 62% budget cuts are observed in the districts of Matiari and Tando Muhammad Khan respectively.
- ✓ Per child cost during the year 2011-12 of elementary education in district Matiari is Rs. 13,270 as compared to Rs. 10,739 for district Tando Muhammad Khan, whereas such costs for secondary education is Rs. 21,830 and Rs. 30,375 respectively. This is mainly due to student teachers ratio; better STR seems to have direct relation with per child cost.
- ✓ Number of schools somewhat similar in both the districts, while enrolment is much higher in district Matiari than district Tando Muhammad Khan. The similar trend is observed for number of teachers.
- ✓ The provision of basic school facilities is far better in district Matiari than Tando Muhammad Khan.
- ✓ During the recurrent floods in 2010 and 2011 in Sindh, both the districts were affected by flood, yet there were no exceptional allocations for repairs and renovation of the schools in these districts. As these districts are relatively new districts for these came into existence in 2005 only, yet not allocations have ever been made to construct offices of education administrators at district and Taluka levels. Eventually most of the office have occupied a part of schools.
- ✓ The SERP under its school rehabilitation program, built a number of washrooms in the schools, but no appointment was made for the janitorial staff by district government which has caused these toilets to be dysfunctional for absence of regular maintenance.

4.2 Key Qualitative Findings

- ✓ The budget formulation process at district level doesn't include elementary schools. Only a few key administrative personnel at district education secretariat are involved in formulating annual budget.
- ✓ Some of the stakeholders of school education, especially the community, SMC's, school staff and even school administration are not fully aware of the annual budget formulation and utilization processes.
- ✓ Frequent and politically motivated transfers and postings of headmaster of high schools primary schools being without DDO powers results not only in under-spent but also renders the schools infrastructure dilapidated.
- ✓ There is need of capacity building of DDO (Drawing and Disbursement Officers) about how to formulate budget to utilize it in an efficient manner.
- ✓ There is a need to develop School Improvement Plans (SIP) at school level where all the educational needs of a specific school should be identified along with the financial resources required.
- ✓ Currently there is mechanism of annual audits done by the district audit departments. However; the findings of audit reports are not available for general public.
- ✓ The poor condition of schools is one of the main reasons that people don't have motivation to send their children to school. Many parents are afraid of dilapidated conditions of school buildings. Lack stability in system of local governments seems to have taken its toll on the overall management of education as well among other sectors. The officers are hardly familiar with the details of a system and then a change in overall governance system happens that brings the situation back to square one in terms of bureaucracy's ability to work smoothly.

5. Recommendations

- ✓ The budgetary processes should be simple and all the budget allocations keep in view the school level requirements. The priorities should be identified at school level and district education officer should recommend finalize allocations in consultation with stakeholders.
- ✓ In the prevailing system there is hardly any significant coordination among different offices. It is recommended that district education officer should be the focal person for the educational matters of the district.
- ✓ Findings of the assessment can be instrumental for local civil society groups including the Bar Associations, Press Club, NGOs in a local demand generation and informed activism for reform in the education sector financing and transparent resource management at district level.
- ✓ The findings are indicative of public spending patterns district level, which is also reflective of how the situation may be across the province; therefore these findings should be linked to the policy feedback. This should lead to positive engagement with the stake holders at local and provincial levels for stimulating improved policy options.
- ✓ The lack of proper maintenance of official records and non-provision of such official data draw attention towards need for improving and maintaining up-dated official databases. The databases should not only be up-dated regularly and efficiently but should also be utilized for informed decision making. To accomplish this task it is also pertinent to advocate for legislation on peoples' right to information.

- ✓ The finance department should revise the budget preparation framework which must include SMC's and highlight the role and responsibilities of each department/individual. The department of education should organize quarterly open house workshop on budget situation and expenditure situation so that those issues then form the advocacy agenda for civil society organizations.
- ✓ The extensive home work should be done by all stakeholders by developing multi-year budgets keeping the long term priorities identified in the education sector plan.
- ✓ Address the decreasing trend of development sector budget in district education departments of both the districts with particular emphasis on district Tando Muhammad Khan as the situation over there is relatively desperate. The development budget should be allocated separately to the secondary schools. .
- ✓ Although the schools have been developed but no provision of operating budget has resulted in poor maintenance of the schools in terms of water and sanitation, hygiene, and electricity. The particular emphasis should be given to district TMK.

6. Conclusion

The research study in hand has reviewed and analyzed elementary and secondary budget and expenditure analysis of three fiscal years i.e. 2009-10, 2010-11, and 2011-12. Besides this, the analysis study also conducted stakeholders' perception survey regarding the budget making process and its gaps. Finally, these findings have been corroborated with schools statistics. This comprehensive analysis concludes that current budget formulation process is quite complicated, non-participatory and public at large is not aware of the process.

Wider gap is identified in allocation and utilization of the development budget in the districts. As mentioned before this is for a number of possible factors such as inordinate delays in fund disbursement for red-tape, capacity of the officials, fear of audit and frequent transfers and postings of the officers. In such a situation even a very well deserved increase in development budget may not help. It is important to initially reform the funds flow mechanism within the government. It is imperative to make schools a center of district education budgeting coupled with simplified, yet intelligent and fast track funds management processes at district level. Equally important is to have meticulous coordination mechanism among different yet relevant offices.

The study also found that pattern of allocation of budget in target districts remained varied irrespective of the specific needs of the district so it can be concluded that current budget formulation process is top-down and unable to incorporate requirements from the grassroots.

If compared with district Matiari, particularly in development and other non-salary current budget, Tando Muhammad Khan was allocated lesser budget over the years this study has covered. This lesser allocation might be one of the important reasons of poor school index ranking and low enrollment in the district.

Budgetary trend shows incremental trend of budget allocation to education sector but major portion goes to salaries than to development account. The developmental allocations need immediate action to increase it and the civil society organizations must make it the top advocacy agenda with the government.

ANNEXES

Figure 2.1: Organogram of Executive District Office Education

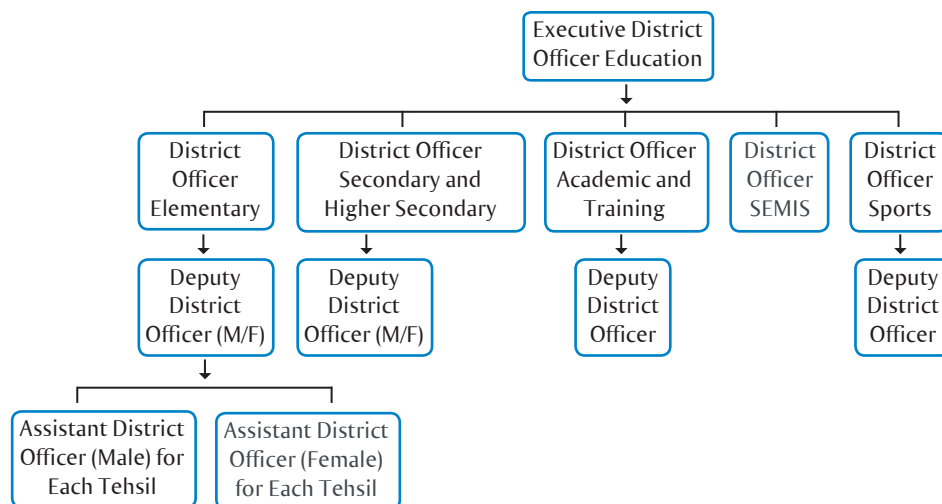
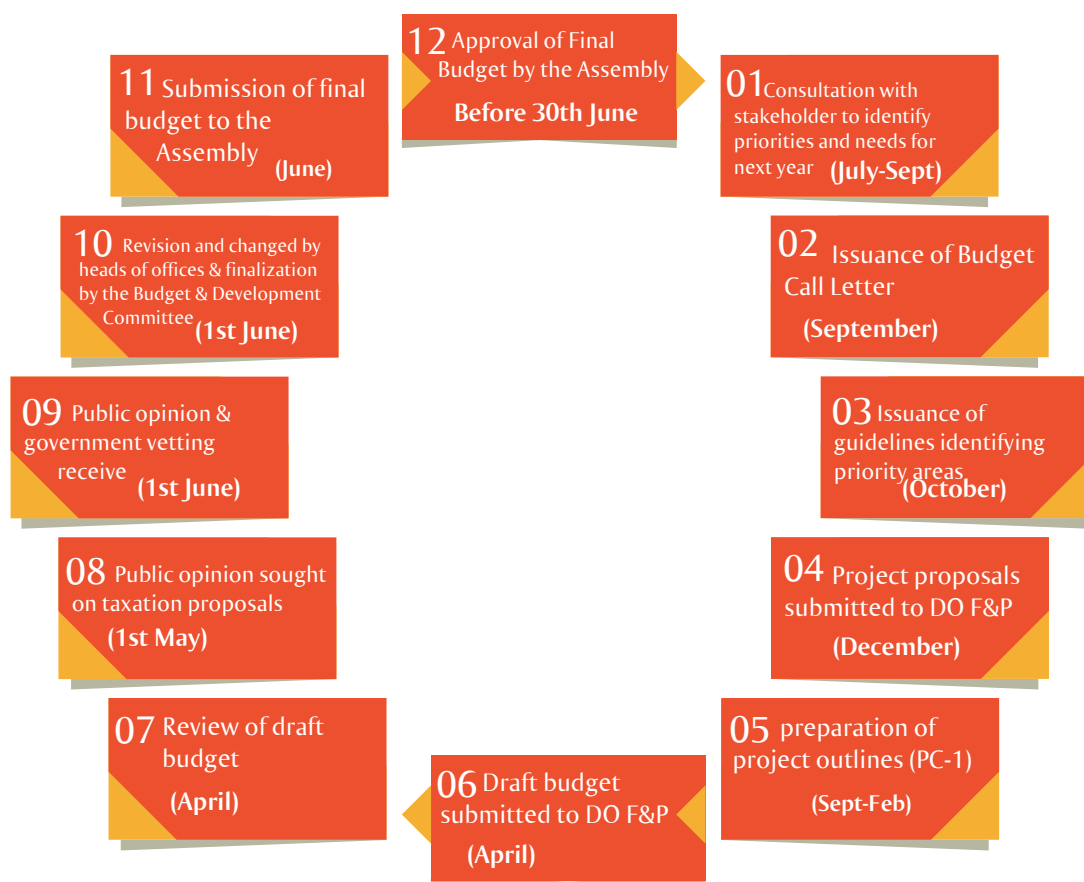


Figure 2.2: Current Budget Process



Figure 2.2: Current Budget Process



Classification of Budget Heads

Major Head	Description
Salary	A01101-BASIC PAY
Salary	A01151-BASIC PAY OTHER STAFF
Salary	A01152-PERSONAL PAY
Salary	A01202-HOUSE RENT ALLOWANCE
Salary	A01203-CONVEYANCE ALLOWANCE
Salary	A01205-DEARNESS ALLOWANCE
Salary	A01207-WASHING ALLOWANCE
Salary	A01209-SPECIAL ADDITIONAL ALLOWANCE
Salary	A0120D-INTEGRATED ALLOWANCE
Salary	A0120P-ADHOC RELIEF 2009
Salary	A0120X-AD - HOC ALLOWANCE - 2010
Salary	A01217-MEDICAL ALLOWANCE
Salary	A0121A-AD - HOC ALLOWANCE - 2011
Salary	A01226-COMPUTER ALLOWANCE
Salary	A01238-CHARGE ALLOWANCE
Salary	A01244-ADHOC RELIEF
Salary	A01254-ANAESTHESIA ALLOWANCE
Salary	A01258-PRESIDENT/PM/PARLIAMENT HOUSE ALLOWANC
Salary	A01262-SPECIAL RELIEF ALLOWANCE
Salary	A01265-CASH HANDLING ALLOWANCE
Salary	A01270-OTHER
Salary	A01277-CONTINGENT PAID STAFF
Salary	A01289-TEACHING ALLOWANCE
Salary	A01299-OTHERS
Salary	A01156-PAY OF CONTRACT STAFF
Salary	A01208-DRESS ALLOWANCE
Salary	A0120Q-FIXED DAILY ALLOWANCE
Salary	A01239-SPECIAL ALLOWANCE
Salary	A01251-MESS ALLOWANCE
Salary	A01253-SCIENCE TEACHING ALLOWANCE
Salary	A01260-RATION ALLOWANCE
Salary	A01273-HONORARIA
Salary	A01274-MEDICAL CHARGES
Salary	A01278-LEAVE SALARY
Salary	A01102-PERSONAL PAY
Salary	A01233-UNATTRACTIVE AREA ALLOWANCE
Salary	A01224-ENTERTAINMENT ALLOWANCE
Salary	A01225-INSTRUCTION ALLOWANCE
Salary	A01256-SPECIAL ADHOC RELIEF ALLOWANCE
Salary	A01242-CONSOLIDATION TRAVELLING ALLOWANCE
Salary	A01282-SESSION ALLOWANCE
Salary	A01264-TECHNICAL ALLOWANCE
Salary	A01221-ACCREDITATION ALLOWANCE
Salary	A01247-NAB ALLOWANCE
Salary	A01266-DISTURBANCE ALLOWANCE
Salary	A01276-OUTFIT ALLOWANCE
Salary	A01290-LAND REVENUE COLLECTOR'S ALLOWANCE
Salary	A01170-OTHERS
Salary	A01206-LOCAL COMPENSATORY ALLOWANCE

Salary	A012AE-INTEGRATED ALLOWANCE
Salary	A01201-SENIOR POST ALLOWANCE
Salary	A01252-NON PRACTISING ALLOWANCE
Salary	A01271-OVERTIME ALLOWANCE
Salary	A01105-QUALIFICATION PAY
Salary	A0120N-SPECIAL ALLOWANCES @ 20% OF BASIC PAY
Salary	A01211-HILL ALLOWANCE
Salary	A01219-FOREIGN ALLOWANCE
Salary	A01229-SPECIAL COMPENSATORY ALLOWANCE
Salary	A01236-DEPUTATION ALLOWANCE
Non-Salary (Operating)	A03201-POSTAGE AND TELEGRAPH
Non-Salary (Operating)	A03202-TELEPHONE AND TRUNK CALL
Non-Salary (Operating)	A03303-ELECTRICITY
Non-Salary (Operating)	A03304-HOT AND COLD WEATHER CHARGES
Non-Salary (Operating)	A03805-TRAVELLING ALLOWANCE
Non-Salary (Operating)	A03807-P.O.L CHARGES A.PLANES H.COPTORS S.CAR
Non-Salary (Operating)	A03809-CNG CHARGES (GOVT)
Non-Salary (Operating)	A03901-STATIONERY
Non-Salary (Operating)	A03902-PRINTING AND PUBLICATION
Non-Salary (Operating)	A03905-NEWSPAPERS PERIODICALS AND BOOKS
Non-Salary (Operating)	A03906-UNIFORMS AND PROTECTIVE CLOTHING
Non-Salary (Operating)	A03970-OTHERS
Non-Salary (Operating)	A05270-TO OTHERS
Non-Salary (Operating)	A03204-ELECTRONIC COMMUNICATION
Non-Salary (Operating)	A03302-WATER
Non-Salary (Operating)	A03407-RATES AND TAXES
Non-Salary (Operating)	A03808-CONVEYANCE CHARGES
Non-Salary (Operating)	A03907-ADVERTISING & PUBLICITY
Non-Salary (Operating)	A03918-EXHIBITIONS FAIRS AND OTHER NATIONAL C
Non-Salary (Operating)	A03205-COURIER AND PILOT SERVICE
Non-Salary (Operating)	A03301-GAS
Non-Salary (Operating)	A03903-CONFERENCE/SEMINARS/WORKSHOPS/ SYMPOSI
Non-Salary (Operating)	A03406-ROYALTIES
Non-Salary (Operating)	A05216-FIN. ASSIS. TO THE FAMILIES OF G. SERV
Non-Salary (Operating)	A03937-REFRESHER/RECURRENT COURSES OF PILOTS
Non-Salary (Operating)	A04114-SUPERANNUATION ENCASHMENT OF L.P.R
Non-Salary (Operating)	A03270-OTHERS
Non-Salary (Operating)	A07460-OTHER SAVINGS ACCOUNTS
Non-Salary (Operating)	A03402-RENT FOR OFFICE BUILDING
Non-Salary (Operating)	A09201-HARDWARE
Non-Salary (Repair and Maintenance)	A09601-PLANT AND MACHINERY
Non-Salary (Repair and Maintenance)	A09701-FURNITURE AND FIXTURES
Non-Salary (Repair and Maintenance)	A13001-TRANSPORT
Non-Salary (Repair and Maintenance)	A13101-MACHINERY AND EQUIPMENT
Non-Salary (Repair and Maintenance)	A13201-FURNITURE AND FIXTURE
Non-Salary (Repair and Maintenance)	A13701-HARDWARE
Non-Salary (Repair and Maintenance)	A13702-SOFTWARE
Non-Salary (Repair and Maintenance)	A09202-SOFTWARE
Non-Salary (Repair and Maintenance)	A09203-I.T. EQUIPMENT
Non-Salary (Repair and Maintenance)	A10101-DOMESTIC DIRECT
Non-Salary (Repair and Maintenance)	A13370-OTHERS
Non-Salary (Repair and Maintenance)	A09501-TRANSPORT

Research Tools

Tehsil Level Data Collection Questionnaire

(To be filled by District Researcher)
Assistant Education Office

The required data in this questionnaire will mainly be collected from ADOE office (Elementary), but in some cases you even may visit other government offices to acquire the relevant data.

Instructions: This questionnaire is not a survey questionnaire, so do not fill it, in an interview manner. You first understand the questions and then find the appropriate office for the data source. First you get this data in your own notebook, then think is it logical and consistent (if you have more than one source of the same data) then write those figures.

- A01 Name of Tehsil _____
- A02 Name of District _____
- A03 Name of ADO _____
- A04 ADO Office is _____

- 1 Male
2 Female

- A05 Name District Researcher _____

- A06 Please mention number of teachers, who are on the official pay roll.

	2012-13		2011-12		2010-11	
	Male	Female	Male	Female	Male	Female
Primary Schools						
Middle Schools (6 to 8 classes)						

- A07 Please mention, number of school buildings

	2012-13			2011-12			2010-11		
	Boys	Girls	Mixed	Boys	Girls	Mixed	Boy	Girls	Mixed
Primary Schools									
Middle Schools (6 to 8 classes)									

A08 Please mention the student enrollment (as per the record of ADO office)

	Government schools					
	2012-13		2011-12		2010-11	
	Girls	Boys	Girls	Boys	Girls	Boys
Kachi						
Grade-1						
Grade-2						
Grade-3						
Grade-4						
Grade-5						
Grade-6						
Grade-7						
Grade-8						

A09 In which month does ADO office start preparing budget documents?

A10 In which month does ADO office usually gets the approved budgeted amount?

A11 After getting the budgeted amount, in which month do they start spending it?

A12 Does ADO office also prepare development budget?

- 1 Yes
- 2 No

A13 Please mention the amount of proposed and actual amount of the budget (Here proposed means the amount that ADO office has sent to their higher authorities and the actual means what ADO has got amount in the budget)

	2012-13		2011-12		2010-11	
	Proposed	Actual	Proposed	Actual	Proposed	Actual
Development						
Non Development						

A14 Is there any funding you get from different donors/NGO to support for the schools?

- 1 Yes
- 2 No
- 3 Don't Know

A15 If yes then please specify the amount that ADO office got (in actual) and out of which how much amount utilized.

S. No	Name of Agency and program (if any)	2012-13		2011-12		2010-11	
1		Actual	Utilized	Actual	Utilized	Actual	Utilized
2							
3							
4							
5							
6							
7							
8							

Note: Add other rows if needed.

A16 Do you support financially or facilitate to community school/ Madarasa Schools/Private School?

- 1 Yes
- 2 No
- 3 Don't Know

A17 Please mentioned amount of budget of ADO Office in rupees

Budget Head	2012-13			2011-12			2010-2011		
	Allocated	Re-appropriated	Utilized	Allocated	Re-appropriated	Utilized	Allocated	Re-appropriated	Utilized
Non Development									
Teaching Staff Salaries									
Teaching Staff Other Allowances									
School Non Teaching Salaries and Allowances									
Administrative staff salaries									
Administrative staff Allowances									
Non Salaries recurrent education spending									
Total Non salary recurrent expenditures									
Text book material cost									
Rent to community schools									
Girls Stipend									
Any other Child based incentive									
Teacher in service Training Cost									
Contribution to communities									
Development									
New school construction and provision of Furniture									
Rehabilitation of existing schools, provision of furniture									
Repair and maintenance of building									

A18 Name of the officers/Officials with designation, who has provided the above information (more than one is possible)

- Name _____ Designation _____
- Name _____ Designation _____
- Name _____ Designation _____
- Name _____ Designation _____

District Level Data Entry Format

(To be filled by District Researcher)

District Education Office

The required data in this questionnaire will mainly be collected from DO office (Elementary and Secondary), but in some cases you even may visit other government offices to acquire the relevant data. You have to fill separate questionnaire for DO elementary and DO Secondary. Write NA in those spaces which are not relevant to a particular DO office.

Instructions: This questionnaire is not a survey questionnaire, so do not fill it, in an interview manner. You first understand the questions and then find the appropriate office for the data source. First you get this data in your own notebook, then think is it logical and consistent (if you have more than one source of the same data) then write those figures.

C01 Name of District _____
C02 Name of DO _____
C03 DO Office is _____

3 Elementary

4 Secondary

C04 Name District Researcher _____
C05 Please mention number of teachers, who are on the official pay roll.

	2012-13		2011-12		2010-11	
	Male	Female	Male	Female	Male	Female
Elementary Schools						
Higher Secondary						

C06 Please mention, number of school buildings

	2012-13			2011-12			2010-11		
	Boys	Girls	Mixed	Boys	Girls	Mixed	Boy	Girls	Mixed
Elementary Schools									
Higher Secondary									

C07 Please mention the student enrollment (as per the record of DO office)

	Government schools					
	2012-13		2011-12		2010-11	
	Girls	Boys	Girls	Boys	Girls	Boys
Kachi						
Grade-1						
Grade-2						
Grade-3						
Grade-4						
Grade-5						
Grade-6						
Grade-7						
Grade-8						
Grade-9						
Grade-10						

C08 In which month does DO office start preparing budget documents?

C09 In which month does DO office usually gets the approved budgeted amount?

C10 After getting the budgeted amount, in which month do they start spending it?

C11 Does DO office also prepare development budget?

3 Yes

4 No

C12 Please mention the amount of proposed and actual amount of the budget (Here proposed means the amount that DO office has sent to their higher authorities and the actual means what DO has got amount in the budget)

	2012-13		2011-12		2010-11	
	Proposed	Actual	Proposed	Actual	Proposed	Actual
Development						
Non Development						

Is there any funding you get from different donors/NGO to support for the schools?

- 4 Yes
- 5 No
- 6 Don't Know

C14 If yes then please specify the amount that DO office got (in actual) and out of which how much amount utilized.

S. No	Name of Agency and program (if any)	2012-13		2011-12		2010-11	
1		Actual	Utilized	Actual	Utilized	Actual	Utilized
2							
3							
4							
5							
6							
7							

Note: Add other rows if needed.

C15 Do you support financially or facilitate to community school/ Madarasa Schools/Private School?

- 4 Yes
- 5 No
- 6 Don't Know

C16 Please mentioned amount of budget of DO Office in rupees

Budget Head	2012-13			2011-12			2010-2011		
	Allocated	Re-appropriated	Utilized	Allocated	Re-appropriated	Utilized	Allocated	Re-appropriated	Utilized
Non Development									
Teaching Staff Salaries									
Teaching Staff Other Allowances									
School Non Teaching Salaries and Allowances									
Administrative staff salaries									
Administrative staff Allowances									
Non Salaries recurrent education spending									
Total Non salary recurrent expenditures									
Text book material cost									
Rent to community schools									
Girls Stipend									
Any other Child based incentive									
Teacher in service Training Cost									
Contribution to communities									
Development									
New school construction and provision of Furniture									
Rehabilitation of existing schools, provision of furniture									
Repair and maintenance of building									

C17 Name of the officers/Officials with designation, who has provided the above information (more than one is possible)

Name _____ Designation _____

Name _____ Designation _____

Name _____ Designation _____

Name _____ Designation _____

Interview questionnaire from SDOE

(To be filled by District Researcher)

Instructions: The information in this questionnaire will be taken from SDOE in an interview manner.

Consent Form

Sir, I am representing Ilm Ideas, which is conducting a research on trends of budget allocation, re-appropriation and utilization at taluka and district level. Your feedback will help to understand the issues in budget making process, bottlenecks and your suggestions will help us in formulation of a better research document.

This interview may last about 20 minutes. The information obtained through this survey will be kept confidential and will be presented in a general report without any identification. Before beginning with the Inter-Personal Interview, please confirm if you agree to be part of this research study and share your experiences and opinions.

1 Yes

2 No

B01 Name of Tehsil _____

B02 Name of District _____

B03 Name of ADO _____

B04 ADO Office is

1 Male

2 Female _____

B05 Name District Researcher _____

B07 Do you perceive that there are any loopholes/shortcomings/gaps/discrepancies in the budget making process?



B08 Is there any non-utilization of your annual budget? (Development/Non Development)

- 1 Yes
- 2 No

B09 Do you always get the same amount of budget that you propose?

- 1 Yes exactly
- 2 More than proposed
- 3 Less than proposed

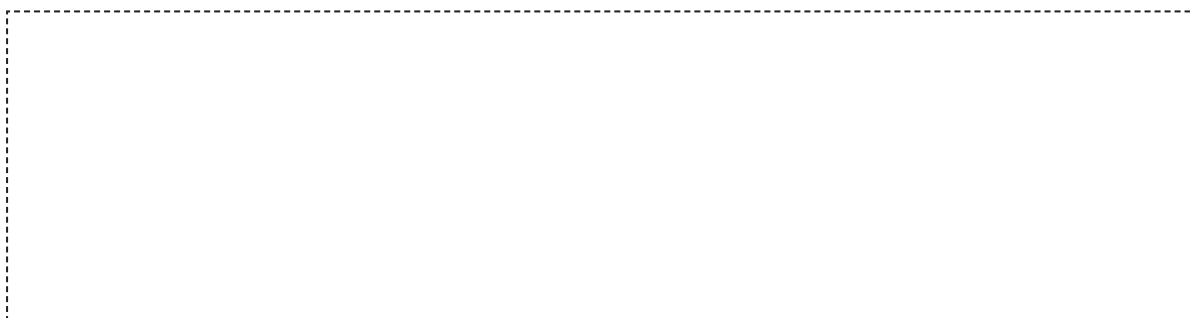
B10 Do you get any funding from different donors/NGO to support for the schools?

- 1 Yes
- 2 No

B11 Do you allocate separate budget to each school?

- 1 Yes
- 2 No

B12 If yes how do you allocate/distribute money to each school?



B13 How do you comment on the response of District Education office towards your office?

B14 How do you describe the role of Tehsil ADO in budget making process?

B15 Is there any role of Head Master, SMC or School supervisor in the budget making process?

- 1 Yes
- 2 No

B16 If yes then can you please elaborate the roles?

B17 Do communities or local persons know about the budget making process or is there any mechanism to involve or inform them about the process?

B18 List at least three most difficult issues in budget making process and utilization

1. _____
2. _____
3. _____

B19 Do you understand that budgeting processes have flaws?

- 1 Yes
- 2 No

B20 If yes then please elaborate

B21 How do you suggest that budget making and utilization process can be improved?

B22 It is usually observed that there are delays in budget processes and utilizations. What are the likely reasons in budget delays?

B23 Is there any political influence in budget making and utilization?

B24 Additional Comments by the officer

This space is for researcher's comments/observations and additional notes. Please be very systemic in writing comments then observation and then notes. Be very precise. Take as much space as you can.

D24 Comments

D25 Observations

D26 Additional information/notes

Focus Group Discussions with School Management Committees (SMCs)

Exploring budgetary issues, challenges and recommendations at school level

(Research Participants: SMC members and 1-2 students)

Estimated Time: 02 hour

Note

- ✓ The tool has identified questions as broad themes to guide the process. The sequence and nature of probing can shift according to the overall flow of discussions. Examples of probes have also been provided for exploring further or exploring specific dimensions related to the question – however, as a rule of thumb, the following question types as probes are useful – why, how, in what ways, give examples, etc.

- ✓ The questions will be preceded by the initial introductions, following the ethical protocols and creating a comfortable, friendly environment.

- ✓ The questions may get modified depending on the initial data analysis of other sources of data.

Methodology

- ✓ 24 FGDs are proposed to be conducted at Matiari and Tando Muhammad Khan, four in each taluka
- ✓ The minimum participants in each FGD should be 10 and maximum 12

S.No	FGD Group	Venue of FGD	Moderator & Note taker of FGD	Participants Invitation responsibility	Participants profile	No of participants	Date of FGD
1							
2							
3							
4							
5							
6							
7							
8							

Guidelines

B23 Is there any political influence in budget making and utilization?

- ✓ FDG is an art and tact best performed when you stay respectful, open and in a deep listening mode.
- ✓ Please ensure that no body monopolizes the discussion.
- ✓ Use a venue which is peaceful, comfortable with moderate temperature and without many distractions.
- ✓ Please, do not include any person in FDG whose presence is threatening for others and can hinder equitable contribution from all participants.

Questions for Discussion

1. Preparation, release and utilization of your school specific budget (who, why, how, in what ways, give examples, etc)?
2. Issues in preparation, release and utilization of your school specific budget?
3. Recommendations in preparation, release and utilization of your school specific budget?
4. Opinion on current heads of school budget and any addition/deletion?
5. Opinion on current budget of school and their suggestion for increase in %?
6. Role of SMC in advocacy on increase in budget of TMK and Matiari?
7. Role of SMC in budget tracking exercise at school or UC level?
8. How enrolment can be increased, or dropout rate can be reduced
9. Quality of education provided in the school
10. Teachers' attendance and attitude for imparting the education
11. Role of supervisor and relevant educational offices
12. Role and participation of community in the school affairs
13. Others issues pertaining to the school





Contact

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