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Haiti

SCHOOL FINANCE

SABER DRAFT Country Report
2017

Policy Goals	Status
1. Ensuring basic conditions for learning There are minimum standards for physical learning conditions for new primary schools and minimum qualifications for primary and secondary teachers; learning goals do not exist neither for primary nor for secondary education.	Latent
2. Monitoring learning conditions and outcomes There are mechanisms to monitor learning conditions in schools. National standardized tests and international assessments are conducted regularly, but results are not used for decision-making.	Emerging
3. Overseeing service delivery There are mechanisms to verify the number of effective school days, but not to monitor timely distribution of textbooks and resources for infrastructure. Teacher absenteeism is monitored, but there are no penalties, and no substitute teachers are provided for short-term absences in the public sector.	Latent
4. Budgeting with adequate and transparent information The government prepares projections of the education budget, but it is developed without clear criteria or comprehensive breakdown. Budget information is not timely shared with sub-national levels. Key programs such as tuition waivers and school feeding financed directly by international organizations are off-budget.	Emerging
5. Providing more resources to students who need them With support from donors, the government provides more resources to socio-economically disadvantaged students such as tuition waivers and school feeding. Due to lack of public or publicly-subsidized schools, households spend a high share of their spending on education.	Latent
6. Managing resources efficiently There is a procurement framework for school construction. There is no policy to regularly update the personnel database. Education spending is externally audited, but results are not used to improve resource management, and there are no penalties for failed audits.	Emerging

Overview of SABER-School Finance

All education systems rely on financing to function, but the characteristics and actions of a successful school finance system are not always clear. Research has often failed to find a strong relationship between spending and learning outcomes in education, which leads some researchers and policy makers to question whether the amount of spending in education matters at all (Hanushek 1986). Among countries with similar levels of income, those that spend more on education do not necessarily score higher on international assessments such as the Program for International Student Assessment (PISA). Even within an education system, student achievement can vary substantially among localities that spend comparable amounts (Wagstaff & Wang 2011). The observation that learning outcomes are seemingly unrelated to spending levels supports the argument that how money is spent, not simply how much, matters in education finance.

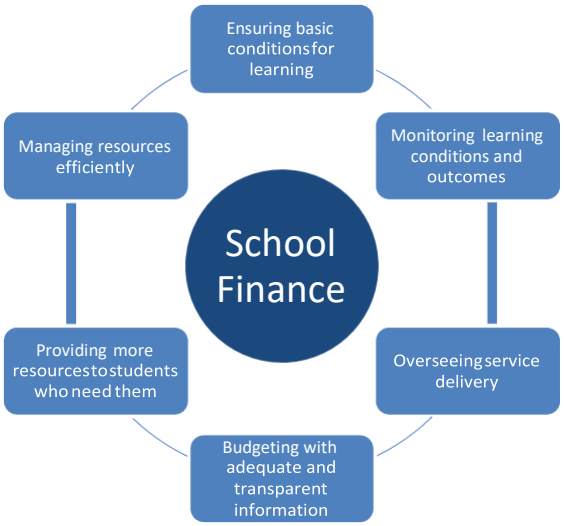
Although the availability of financial resources does not guarantee quality education, it is impossible to achieve this goal without adequate resources (Reschovsky & Imazeki 2001), which often come from public sources. Education spending comprises a large share of government budgets—particularly in low−income countries, where 18 percent of public expenditures, on average, is devoted to education (EdStats 2011). Governments are responsible for using these public funds in a way that promotes the highest possible learning levels, especially given the pressure placed on budgets by the global financial crisis and continuing economic volatility. Understanding how to use resources for education wisely should thus be a top priority for education policy makers.

The Systems Approach for Better Education Results (SABER)− School Finance informs this conversation with a focus on the policies that drive performance in a school finance system. It collects, analyzes, synthesizes, and disseminates comprehensive information on school finance policies in primary and secondary education across different education systems. Our goal is to enable policymakers to learn about how other countries address the same policy challenges related to school finance and thus, how to make well−informed policy choices that will lead to improved learning outcomes. To this end, SABER−School Finance's framework primarily examines education finance policies, relying on key informants and official document review to map out the policy landscape. In doing so, it provides new data that illuminates a key education area under the direct control of education policymakers. Where possible, SABER−School Finance also incorporates measures of policy implementation at the central level, although other larger−scale surveys at the local and school level would be necessary to do a full analysis of implementation.

To describe the essential functions of an education finance system, SABER−School Finance collects information in five data collection areas: (i) School Conditions and Resources; (ii) Allocation Mechanisms; (iii) Revenue Sources; (iv) Education Spending; and (v) Fiscal Control and Capacity. These core areas follow resources for education throughout the complex funding cycle, although related activities do not always occur sequentially.

After identifying how a particular education finance system functions, SABER−School Finance determines the extent to which the system effectively provides resources so that all children can learn, using six policy goals widely shared across countries: (i) Ensuring basic conditions for learning; (ii) Monitoring learning conditions and outcomes; (iii) Overseeing service delivery; (iv) Budgeting with adequate and transparent information; (v) Providing more resources to students who need them; and (vi) Managing resources efficiently (see Figure 1). These policy goals reflect actionable ways that systems can follow to achieve the three well−known foundational concepts in school finance: adequacy, equity, and efficiency. Progress towards each of these goals is measured by policy levers, which are actions a government can take to improve its education finance system. This country report uses this framework to assess the education finance system in Haiti.

Figure 1. SABER-School Finance Framework



Education context in Haiti

Achieving universal primary education, increasing access to secondary, and improving quality remain as challenges for the Haitian education system. In 2010, Haiti was struck by a devastating earthquake that affected more than 4,500 schools of the nation's 15,000 primary schools and 1,500 secondary schools, and left nearly 200,000 children out of school (Reliefweb, 2010). Although primary net enrollment has increased over the last decade, from about 50-60 percent in the early 2000s to 70-80 percent in 2012, repetition and overage rates continue to be rampant (World Bank 2014). Children start primary school two years late on average, and fewer than 60 percent complete secondary education (Adelman et. al 2015). Additionally, learning outcomes are low. For example, 25 percent of sixth-graders and 28 percent of ninth-graders failed the national exams. Similarly, a nationally representative Early Grade Reading Assessment (EGRA) administered in 2016 found that 42 percent of students could not read a single word of Creole at the end of second grade.

Institutional context

The main law that governs the system is the Organic Law of the Ministry of Primary and Professional Education (hereinafter Ministry of Education) of 1989. This law establishes that the Ministry of Education is responsible for overseeing the education system, which is divided into four main levels: preschool (3-5 years old); primary (6-15 years old); secondary (16-18 years old) and tertiary or university (See Table 1). Only the first and second cycles of primary are compulsory.

Table 1: Structure of the pre-primary, primary and secondary education systems

Preschool		
Level/Cycle	Grade	Age
Levels	Small *(Petit)*	3 years
	Medium *(Moyen)*	4 years
	Big *(Grand)*	5 years
Primary		
First cycle	First *(Premier AF)*	6 years
	Second *(Deuxième AF)*	7 years
	Third *(Troisième AF)*	8 years
	Fourth *(Quatrième AF)*	9 years
Second cycle	Fifth *(Cinquième AF)*	10 years
	Sixth *(Sixième AF)*	11 years
Third cycle	Seventh *(Septième AF)*	12 years
	Eighth *(Huitième AF)*	13 years
	Ninth *(Neuvième AF)*	14 years
	Tenth *(Dixième AF)*	15 years
Secondary		
Levels	First *(Premier)*	16 years
	Second (*Deuxième)*	17 years
	Terminal *(Terminale)*	18 years

Source: Adapted from Ministry of National Education and Vocational Training (2007). *La Stratégie Nationale d'Action pour l'Education Pour Tous*. Port-au-Prince: MENFP.

The implementation of the law is governed by the Operational Plan (2010-2015), which the Ministry of Education is currently updating for the next ten-year period. It is expected that this new Operational Plan is also aligned with the 12 Priority Measures for the education sector approved by the government in 2014 and that it outlines concrete actions and activities to achieve them. The 12 Priority Measures describe the main actions that the government will pursue to improve the quality of education in Haiti.

Education financing system in Haiti

Due to limited public provision of education services, three quarters of primary and secondary students are enrolled in non-public schools. In Haiti, schools are very diverse and are run by the government, communities, religious groups, non-governmental organizations (NGOs), or for-profit institutions (see Tables 2 and 3). Public schools, consisting of 16 percent of primary and secondary schools serving 24 percent of students, do not charge fees to families. Non-public schools, on the other hand, usually require tuition fees that are paid either by households or through subsidies by religious organizations, NGOs or international organizations (see Table 4). Since public provision is not enough, many families opt for non-public schools, which serve 76 percent of primary school students and 73 percent of secondary students. In these schools, families not only pay tuition, but also other costs, such as transportation, books, and uniforms.

Table 2: Number of schools and students by type of school management at the primary level

Type of school	Public schools	Non-public	Total
Total students	688,869	2,200,681	2,889,550
Total schools	2,710	14,319	17,029
Non-religious	2,173	4,801	6,974
Faith-based	96	6,038	6134
Community-managed	107	2,585	2,692
Undefined	334	895	1,229

Source: Ministry of National Education and Professional Education (MENFP). 2015. *Statistical Yearbook (2013-2014)*. Port-Au-Prince: DPCE.

Table 3: Number of schools and students by type of school management at the secondary level

Type of school	Public schools	Non-public	Total
Total students	73,513	198,703	272,216
Total schools	260	4,585	4,845
Non-religious	240	2,440	2,680
Faith-based	5	1,688	1,693
Community-managed	0	367	367
Undefined	15	90	105

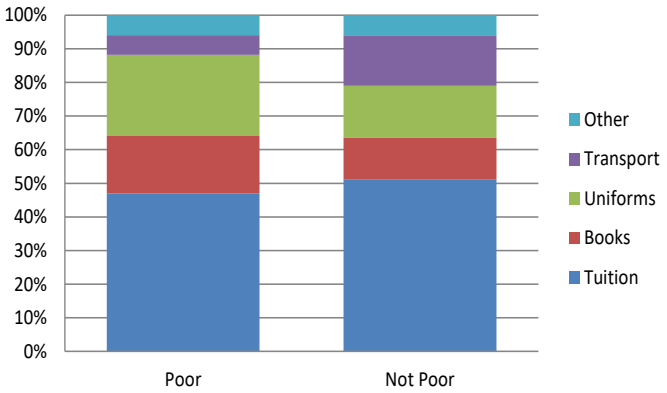
Source: Ministry of National Education and Professional Education (MENFP). 2015. *Statistical Yearbook (2013-2014).* Port-Au-Prince: DPCE.

Table 4: School classification by type of financing

School classification by type of financing		
Type of school	**Source of funding**	**Tuition and fees**
Public schools	100% from government budget	No tuition
Non-public schools	Funding comes from sources different than the government	Tuition and fees are charged
Publicly-subsidized	Subsidy by multilateral organizations through the government	Subsidized and some fees paid by parents
Privately-subsidized	Direct subsidy by religious organizations or NGOs	Subsidized and some fees paid by parents
For-profit	Parents	Parents

Source: Ministry of National Education and Professional Education (MENFP). 2015. *Statistical Yearbook (2013-2014).* Port-Au-Prince: DPCE.

Figure 2: Household education expenditures by socioeconomic status



Source: World Bank staff estimates using ECVMAS 2012.

Haiti's public education expenditures are low compared with those of other countries of the region. According to a World Bank report (2015), the government devotes only about 5 percent of GDP to the combined expenditures of education, health, and social protection. This is low compared with other countries from the region. For example, in 2013, Honduras and Belize invested 5.9 and 6.2 percent of GDP in education alone, respectively. Similarly, Barbados spent 6.7 percent on education in 2014 (EdStats 2017).

The government heavily relies on external donors to finance education. Sources of revenue include property income, and sales taxes (Decree Establishing the General Budget 2015-2016). However, tax collection efforts are limited, and historically, international actors such as the World Bank, UNESCO, Canada, the European Union, and the Inter-American Development Bank, among others, finance education activities in Haiti through projects, loans, and grants. After the earthquake of 2010, the international community strengthened its financial support to the Haitian education system. Financing provided by international donors has mostly focused on increasing enrollments at both primary and secondary education levels through joint-programs such as tuition-waivers, school feeding, and school construction. In 2016-2017, donor financing accounted for approximately 23 percent of the budget of the Ministry of Education (see Figure 3). In fact, domestic resources covered mostly operating costs while international funds financed more than half of the investment costs (see Figure 4). Nearly half of the investment financing comes from multilateral organizations such as the World Bank and the Inter-American Development Bank, and the other half from bilateral organizations, especially, from the Canadian government.

Figure 3: Domestic vs. External Financing (2016-2017 budget)

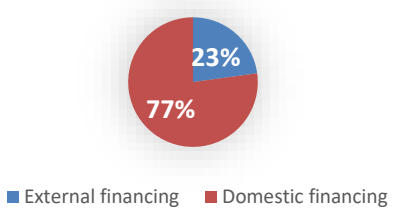
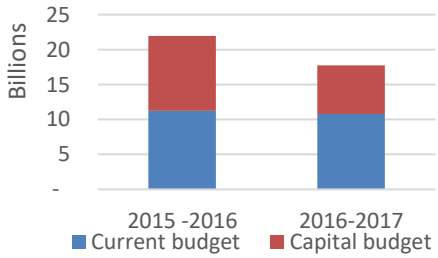


Figure 4: Current vs. Capital budget (2015-2016 actual / 2016-2017 budget)



Source: World Bank calculations based on BOOST database

Haiti's School Finance System Results

Goal 1: Ensuring basic conditions for learning

School finance systems should create an environment to support and promote learning for all students. To do so, successful education systems define minimum standards for inputs to ensure basic conditions for learning and provide adequate resources to meet the standards. Successful systems also set goals for students' learning outcomes. In these systems, standards for inputs and student learning outcomes drive the effective use of resources. SABER–School Finance uses two levers to assess progress in this goal: (1) Are there policies to provide basic inputs? and (2) Are there established learning goals?

(1) Haiti recently approved policies that established minimum standards for physical learning conditions for all new primary schools as well as minimum qualifications for teachers. In 2014, the Ministry of Education approved the Practical Guide for Conception and Creation of Primary Schools for both public and non-public primary schools. While it established infrastructure standards for new construction, including access to water, electricity, hygienic facilities, libraries, and anti-seismic conditions, it did not specify standards for existing facilities. Additionally, there is a policy that regulates the provision of textbooks and the availability of libraries for primary schools. However, when it comes to secondary schools, there is no policy governing either hard or soft learning conditions at all. In terms of human resources, the National Policy for the Education of Teachers and Principals (2015) requires a diploma from a Teacher Training School (*Écoles Normales Superior*) for primary teachers and a university degree for secondary teachers.

(2) In Haiti, there are no student learning goals. In the past, policies focused on increasing enrollments. Only recently, did the government approve 12 Priority Measures to improve the Haitian Education System (National Pact for Education Quality, 2016-2020). Although these measures aim at reforming the education sector and improving quality through teacher certifications, teacher trainings, school quality certifications, and new student evaluation measures, they do not set precise student learning goals.

Goal 2: Monitoring learning conditions and outcomes

Accurate information on learning conditions and outcomes is necessary for informed decision–making about spending. First, successful education systems document learning conditions and use these data to redirect resources to the neediest schools or to act in schools that are not providing the specified inputs (see Box 2 for an example from the United Kingdom). Data are particularly useful to encourage objective decision–making in challenging political economy environments. As more data become consistently available, policymakers are more likely to use them (Crouch 1997). Second, successful systems use student achievement data to identify schools in need of greater monetary and human resource investment to improve student performance. Hence, knowing which inputs are available will inform school finance policymakers about how funds are being used at the school level, and access to assessment results will show whether funds are being used effectively. SABER–School Finance uses two levers to assess progress in this goal: (1) Are there systems in place to monitor learning conditions? and (2) Are there systems in place to assess learning outcomes?

(1) Haiti collects information on learning conditions annually, including administrative school data. Since 2010, the Haitian government has conducted almost a yearly school census, which covers both public and non-public schools from preschool to secondary education across Haiti. The census also collects data on availability of textbooks, libraries, qualified teachers, computers, water, hygienic facilities, and electricity in schools (School Census 2013-2014). Data is collected mainly through interviews to school principals. The government and the international donor community use the data collected by the census to inform decision-making, especially to guide school construction plans.

However, the data is processed and disseminated with substantial delays, and the information is often of poor quality or incomplete, as no data quality checks exist in the process of data collection. Because the school census is collected via paper and in a completely voluntary manner, data is often incomplete and submitted very late. Limited capacity within the Ministry to process the data compounds these challenges, and most census results have not been made publicly available. In addition, schools do not have unique identifiers that are consistent across years, making it very difficult to track changes in individual school conditions over time.

The Haitian Institute of Statistics and Informatics (IHSI) also periodically collects data at the household level, including primary and secondary attendance of disabled children and youth. Even though Haiti collects

disaggregated data that contributes to identifying disadvantaged students, including those with special needs, the government does not use it to inform decision-making on how to provide better learning conditions for disabled students. In addition, this type of data is only collected periodically depending on external financing—the most recent data currently comes from the 2012 household survey.

Box 2. Collection and use of school facility data in the United Kingdom

United Kingdom's Office for Standards in Education, Children's and Services and Skills (OFSTED)

In 2004, the United Kingdom incorporated analysis of school facility data into its school improvement framework. School inspections and self−evaluations were major components of this reform. The reform created the Office for Standards in Education, Children's Services and Skills (Ofsted) to monitor whether schools have met standards in learning outcomes, student well−being, school facilities, and other areas. The central level uses these data on inputs, intermediate outputs, and outcomes to monitor progress towards national targets and to inform the external inspection of individual schools by the national Ofsted inspectorates. Schools are also able to analyze their performance with RAISEonline, a tool that provides interactive analysis of school and student performance, as well as comparisons to peers.

Source: Adapted from Ofsted. (2011). "Who we are and what we do." Available online: http://www.ofsted.gov.uk.

(2) Haiti conducts regular student learning assessments, but results are not used for policy-making, and are limited to the few students that make it to the end of secondary. The National Bureau of State Exams (BUNEXE) within the Ministry of Education is responsible for conducting yearly standardized tests to measure student learning in 6th and 9th grades. These tests are applied to a representative sample of students and measure student competencies in French, Creole, Mathematics, History, Biology, Chemistry and English. Assessment results are disaggregated by subnational level, but not by school or student demographics. These results are made available for decision-makers, but are not used to inform policies, allocate resources, or disseminate across regional departments and schools to guide teaching and learning. Moreover, by the 6th grade, a large share of students have already dropped out, limiting the government's ability to use results from these exams to improve learning for all students.

In addition to the Ministry's efforts, the Early Grade Reading Examination (EGRA) and Early Grade Mathematics Examination (EGMA) have been conducted since 2007 by various organizations with support from the United States Agency for International Development (USAID) and the World Bank. In Haiti, international organizations such as Save the Children and Concern Worldwide have also performed student learning assessments but not on a regular basis and not on representative samples. Although international organizations are likely to continue sponsoring the administration of these standardized tests in the short- and medium-term, there is no policy in place to guarantee their long-term sustainability. The same happens with a student assessment carried out with the support of the Inter-American Development Bank for the 4th grade.

Goal 3: Overseeing service delivery

An efficient school finance system should confirm that financial resources are converted into adequate service delivery at the provider level, including how much time children spend in school, how timely the distribution of instructional materials (especially, textbooks) is, and how efficient school construction expenditures are. Otherwise, there is no guarantee that reported public expenditure on education even reaches schools and ensure teacher attendance, let alone that resources are used well to provide schooling. Research shows that increases in instructional time are linked to learning gains across subjects and settings and that having access to learning materials such as textbooks have better learning outcomes (Lavy 2010; Bellei 2009; Cerdan-Infantes & Vermeersch 2007; Labbé 2007; Leung 2005). So, it is imperative that school finance systems have mechanisms to measure the quality of service delivery at the school level. SABER−School Finance examines these mechanisms using two levers: (1) What mechanisms are in place to verify the availability of physical resources at schools? and (2) What mechanisms are in place to verify the availability of human resources in schools?

(1) Mechanisms to monitor physical resources and ensure their timely distribution are unclear in Haiti. Zone inspectors must visit schools quarterly to monitor the number of effective days, supervise schools' infrastructure conditions, and teaching practices. However, there are no mechanisms to collect information on the delivery of education services throughout the school year, such as the situation of textbooks inventories. Without an effective mechanism to verify the availability of textbooks at the beginning of the school year, the Ministry of Education is unable to ensure their timely distribution (see Box 3 for a good practice example).

Box 3: New procedure of textbook inventory in DC public schools

In Washington, DC, a new procedure for textbook inventory increased the share of public schools with textbooks at the start of the school year from less than half to almost all of schools through increasing staffing at the warehouse where books are stock and instituting a common electronic form for schools to submit order rapidly (Labbé 2007).

Most of the school construction expenditure is currently financed by international organizations who provide funding to support school construction since the earthquake. However, there are no mechanisms in place to constantly monitor contractor's progress, especially in remote and rural areas, where school constructions tend to be delayed. School construction expenditures should be monitored throughout construction processes to hold the project's expenditures to the estimated budget and timeframe.

(2) By policy, teacher attendance is monitored in Haiti, but substitutes are only available for long-term absences. In Haiti, according to policy, each decentralized department reporting to the Ministry of Education has an inspectorate unit. Inspectors monitor teacher attendance through announced and unannounced visits (Governance Manual 2015; World Bank and Ministry of Education and Vocational Training 2016). Furthermore, principals also supervise their teachers and keep records on their attendance. However, there are no penalties for teacher absenteeism. There is no policy on substitute teachers for short-term absences, though there is one for long-term absences.

Goal 4: Budgeting with adequate and transparent information

Governments should provide guidelines for budget planning procedures and allocation criteria. Although the Ministry of Finance typically sets the overall allocation of resources for education in most countries, sound budget preparation requires participation from many actors in the school finance system, including central and subnational education authorities. Throughout the process, information is essential to develop a budget that reflects sector priorities and to communicate it to education stakeholders. International best practices suggest that budgets include economic, administrative, functional and programmatic budget classifications. A clear and rule-based funding method would help allocate resources strategically and transparently and make the education system accountable (Alonso & Sanchez 2011). Also, successful education finance systems report on what share of the previous year's budgeted resources was actually spent (outturn) and the amounts of revenue expected from various sources, and provide timely information to sub-national and local governments to allow for planning. SABER–School Finance uses two levers to assess progress in this policy goal: (1) Is information used to inform the budget process? and (2) Is the budget comprehensive and transparent?

(1) The budgeting process in Haiti could be improved by using more information. In Haiti, current and capital budgets are managed by different units within the Ministry of Education. The Studies and Programming Unit oversees the capital budget, which is classified by item and source of funding, whereas the Budget Service manages the current budget. The latter consolidates budget requests from all units, including technical and regional offices, and submits them to the Ministry of Finance. No policy is in place to determine which criteria should be considered while developing the education budget request. Budget negotiations and final approvals are based on the priorities established by the Ministry of Finance and donor funding availability.

The Ministry of Education develops five-year projections for education expenditures through its Operational Plan. These budget projections include current and capital expenditure for primary and secondary education, and are drafted taking into consideration financial commitments from international donor organizations. This allows predictability of funding over time (see Box 4 for a Korean example of Medium-Term Expenditure Framework).

Box 4. Success of the medium-term expenditure framework (MTEF) in Korea

After public finance reforms beginning in the mid–2000s, Korea has experienced success using an MTEF. The national fiscal management plan (NFMP) covers five years and is revised annually for all sectors, including education. To prepare the NFMP proposal, the cabinet first determines the total planned expenditure and provides expenditure ceilings to each sector. Lastly, each sector prepares a budget proposal that reflects policy priorities and budget ceilings. The NFMP has helped to create consensus building across sectors and maintain fiscal sustainability.

Source: Adapted from Jin, Yang–Hyun (2011). Korea's Experience with Medium–Term Expenditure Frameworks. Available online: http://blog-pfm.imf.org/

The national government finances the education system. Subnational and local governments do not generate revenues for the education sector. By policy, revenues from international organizations cannot be used to pay teacher salaries and/or extracurricular activities. These funds are invested mostly in school operations through tuition waiver programs and school feeding and in infrastructure improvements. As in most countries, teacher and other

personnel salaries still make up the bulk of the education budget, and teacher salary arrears remain a major challenge for the government.

(2) The education budget is not comprehensive. Haiti's education budget is categorized by administrative and economic classifications, but leaves out functional and programmatic classifications. It includes only some of the key financers such as the World Bank and UNESCO, but omits others such as the Inter-American Development Bank who have become increasingly relevant since the earthquake. Additionally, some crucial operational costs such as tuition waivers are off-budget. There is no mechanism to account for all current education expenditures (See Goal 5). Annual budget reports do not provide breakdown by source of funds at subnational, local and school levels. Policies mandate reports on the planned budget and its execution throughout the year, but these reports are only partially made available to the public through the website of the Ministry of Finance. This poses a challenge to the education system because there is no adequate information on budget planning or execution that clearly establishes how much is spent on education in Haiti.

Policy establishes that intergovernmental transfers to regional units and reporting should take place on a quarterly basis. In Haiti, there is no policy to provide timely information to subnational and local governments. This may be because the Ministry of Education lacks financial resources to regularly transfer funds to regional departments. Transfers only occur on a case-by-case basis when there is a need to finance specific project or activity. These ad-hoc transfers may or may not be planned in the budget, and funds usually come from international organizations, in which case reports on fund execution are written to comply with donor requirements. In practice, when transfers do occur, it is unclear whether subnational and local governments receive timely information on the amount of funds that they will have to execute.

Goal 5: Providing more resources to students who need them

Promoting equity in financing of education is essential for several reasons. Access and the opportunity for success in education should not depend on a student's background. In many countries, however, socio−economic background, as well as other non−school factors, is the most important determinant of completion and learning by students (Glick & Sahn 2009; Filmer 2008; Patrinos & Psacharopoulos 1992). Additional resources in schools may compensate for disadvantaged backgrounds (Baker & Green 2008; Rivkin, et al. 2005). Efforts on the demand side to reduce fees may increase the opportunity for the poorest and girls to attend school (Kattan 2006). SABER−School Finance considers two policy levers that education systems can use to distribute funds according to students' needs: (1) Are more public resources available to students from disadvantaged backgrounds? and (2) Do payments for schooling represent a small share of income for low income families?

(1) The major government- and donor-financed tuition waiver programs use a self-targeting mechanism to support more disadvantaged students, but both programs are quickly phasing out. The government program, *Programme de Scolarisation Universelle Gratuite et Obligatoire* (PSUGO) and the donor-financed *Education Pour Tous* (EPT) program have both been in place for several years, providing a per-student tuition waiver for students to attend low-cost private schools. However, EPT will end in 2018 as donor financing phases out, and PSUGO, which in principle could have expanded to replace donors, stopped financing waivers in 2016 due to mounting program debts. A new program that would finance tuition congress and that will replace PSUGO is being designed and its funding come from the same that PSUGO was using.

The government, with support from the international community, has implemented programs to provide more funding to students from the most socio-economically disadvantaged backgrounds and for students with disabilities. To increase attendance, the government, supported by international organizations, developed a school feeding program that has successfully contributed to school attendance. The details of the program vary across implementing entities, but generally involve the provision of a hot midday meal. Although plans have been drafted to ensure that programs are sustainable over time, it is unclear whether Haiti will be able to maintain it when donor funding is not available. In addition, the Operational Plan 2010-2015 defines policies to expand access to education services for disabled children and youth, including how to improve school facilities to serve disabled students and providing adequate training to teachers on the basic principles of special education and differentiated instruction.

(2) A relatively higher proportion of students from poor families attend free public schools—40 percent, compared to only 22 percent of the non-poor—but the rest go to private schools that charge fees. Although public schools are free in Haiti, non-public schools charge various types of fees for tuition, matriculation, and assessments. The government does not regulate school fees. To help

disadvantaged children to attend school, in partnership with international organizations, the government has created tuition-waiver programs. However, even in cases where tuition waivers are available, families are expected to assume the costs of uniforms, meals, and other expenses, which is a considerable burden on poor households. Both the richest and the poorest households spend around 10 percent of their total annual income on education (IHSI 2012).

Goal 6: Managing resources efficiently

Experience in developing and developed countries has shown that providing resources is not enough to ensure good learning outcomes. Well−developed school finance systems also include governance arrangements that can hold all parties accountable for using resources efficiently for their intended purposes. First, it is essential to have competitive and transparent procurement procedures and monitoring mechanisms for capital investment. Second, as teachers' salaries account for the majority of education expenditures in many systems, it is necessary to maintain an updated personnel database and check it against the payroll database at least every other month throughout the year. Then, measures to hold actors accountable are necessary to ensure efficient use of public resources throughout the system (see Box 4 for the use of payroll). SABER−School Finance uses two policy levers to assess the efficiency of the expenditure process: (1) Are there systems in place to verify the use of educational resources? and (2) Are education expenditures audited?

(1) There is a procurement framework for school construction in place, but personnel and payroll databases can be improved. In line with best practices and multilateral organization's requirements, the legal framework for procurement makes open competition the default method of offering contracts in construction projects financed by multilateral organizations. In addition, opportunities to bid for contracts are publicly announced, and there is a defined process to submit and address complaints. In Haiti, the policy that mandates how often to update the personnel database hosted by the Ministry of Education is not clear. Additionally, it might be different from the one that the Ministry of Finance uses to transfer salaries directly to all teachers. Due to outdated databases, teachers do not get paid on time. This may be a cause for teacher absenteeism and lack of motivation.

(2) In Haiti, external audits are in place, but internal auditing systems do not exist. By policy, the Haiti's Superior Court of Auditors and Administrative Disputes carries out yearly audits. No penalties exist in case of failed audits. Also, audit results are not taken into account in decision-making.

Summary and Policy Options for Haiti

Haiti has developed useful policies in several important areas related to school financing along the painstaking recovery process after the devastating earthquake in 2010, and more recently the devastating effects of Hurricane Matthew in October 2016. However, school financing mechanisms can be strengthened to improve adequacy, equity, and efficiency. Recommendations to guide Haiti on how to achieve SABER-School Finance policy goals may be found below.

Box 5. Main Findings

School Finance Policy Goals	Progress
1. Ensuring basic conditions for learning	Latent
2. Monitoring learning conditions and outcomes	Emerging
3. Overseeing service delivery	Latent
4. Budgeting with adequate and transparent information	Emerging
5. Providing more resources to students who need them	Latent
6. Managing resources efficiently	Emerging

Goal 1: Ensuring basic conditions for learning

Haiti has minimum standards for basic physical learning conditions and teacher qualifications. However, the physical standards regulate only the construction of new primary schools. It is important that the government develops a regulation that also covers existing schools as well as secondary schools to ensure safety and minimum learning conditions. Haiti does not set performance goals for student learning either at primary or secondary level. It is essential to set learning goals, such as proficiency scores, to track progress.

Goal 2: Monitoring learning conditions and outcomes

Haiti has made some progress towards achieving this goal. By applying a regular school census, the Ministry of Education can monitor whether schools provide adequate conditions for learning and comply with the policies mentioned in Policy Goal 1. However, the quality and speed of data collection, processing, and dissemination could be

improved substantially; some successful experiences on this are available in the country through the EPT program.

In addition, although Haiti conducts student learning assessments, their results are not used to inform decision-making. Results should be made widely available to schools, families and students in simplified formats to increase the accountability of the system, and to improve the quality of education through strengthening school management and planning.

Goal 3: Overseeing service delivery

Although the central government mandates that zone inspectors quarterly visit schools to monitor schools' infrastructure conditions, the number of effective days, and teacher attendance, among others, monitoring results are not necessarily used to improve the quality of service delivery. In order to tackle this situation, the government should move towards establishing a clear and specific quality assurance framework linked to consequences for both public and private schools that also clarifies the roles of supervisors and regional offices in monitoring schools in the non-public sector.

Goal 4: Budgeting with adequate and transparent information

With support from the international donor community, the government prepares five-year projections for education budget. However, it is developed without clear allocation criteria or comprehensive budget classifications. Since some of the major donor-funded programs are off-budget and directly go to schools, it is difficult to track total education expenditures. It is essential to develop a more comprehensive budget and a database that records all education expenditures coming from both internal and external sources and along with more detailed breakdown. The budget could include education expenditures from the essential programs such as tuition waivers and school feeding. In addition, the central government should inform the newly created subnational governments timely about potential future intergovernmental transfers.

Goal 5: Providing more resources to students who need them

Given that the public education system is limited and many parents send their children to expensive non-public schools, households in Haiti spend a high share of their spending on education. Under this circumstance, the tuition waiver and school feeding programs that assign more resources to the most vulnerable students in Haiti have proven to successfully increase student attendance. The weakness of these programs is their high dependence on resources from the international donor community. As international support may decline in the future, the government will need to develop a medium-term plan to institutionalize them and make them sustainable, possibly with further targeting to the most vulnerable.

Goal 6: Managing resources efficiently

Although the government has developed a procurement framework for school construction following requests by international donors, the management of other resources can be improved. First, the Ministry of Education needs to regularly update the personnel database, which should be linked with the payroll database of the Ministry of Finance to ensure timely and transparent salary payments. In addition, despite the existence of external financial audits, their results are not used to improve the efficiency and effectiveness of education spending. The education system would greatly benefit from better planning on how to use audit results to improve the management of resources. Internal auditing would allow for detailed financial monitoring within the Ministry of Education and an increased ability to identify areas of improvement.

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This report focuses specifically on policies in the area of **School Finance**.

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