

**Motivation**

Despite increased budgetary allocations in the social sectors, social outcomes had not met expectations. The hypothesis that some of the allocated funds were not reaching their destinations was considered to be a possible cause of the low social outcomes.

**Objectives**

In order to investigate this discrepancy, a PETS was carried out to track public resources to local service providers at different levels in order to assess leakages.

**Main findings**

Despite the poor record keeping at schools 60% of principals indicated that they reconcile budget allocations with amounts spent so far, while 75% are aware of remaining funds. The percentage is significantly higher for urban (75% and 88% respectively) than rural areas (56% and 71%) and for regions with a better infrastructure. However, these responses have to be qualified by own observations such as the lack of receipts and order forms kept at schools that certainly reduces the ability to make any follow ups.

**Leakage**

No proof for leakages was found, this is mainly owed to incomplete or non-existing records at various levels that made a comparison of information received from different levels difficult. Few receipts for the provision of stationery were found, at schools and at regional offices.

**Absenteeism**

Almost 35% of teachers and 61% of principals were absent for at least a day during the month of June 2003 because of official duties. In addition, 19% of teachers did not attend to classes during the same period because of personal matters. This is particularly a problem at rural schools where 21% of teachers were absent due to personal matters and 41% due to official duties. The figures for urban schools are considerably lower – 12% and 18% respectively

**Other findings**

- Delays are observed in the supply of books at the school level.
- Mismatch between MOE textbooks catalogue and available books.

**Sample**

113 public and private primary and secondary schools.

**Sample design**

- Convenient sample of regions (7 out of 13)
- Random sample of schools within regions

**Resources monitored**

- Non-wage recurrent expenditures (textbooks, stationery), contributions of parents to the School Development Fund (SDF)
- Data for 2002-03
- 5 units (central government, regions, schools, school board, students)

**Recommendations**

- A systematic filing system to follow up on orders placed and ensure that they receive materials and supplies according to their allocations. In order for regional offices to control allocations and deliveries to schools and to verify school complaints about non-deliveries of material and equipment, the accuracy of records at most regional offices needs to be strengthened.
- To ensure that financial resources – especially from the SDF - are used for the intended purposes, proper auditing procedures need to be put in place and monitored by regional offices.
- Teachers and school board members should be trained in taking stock and compiling inventories of the equipment at schools.
- To improve the efficiency and effectiveness of budget allocations it is recommended that the use of resources is regularly monitored and evaluated.

**Implementation problems**

- The amounts allocated to regional offices by the ministry correspond to the amounts recorded at regional offices as their income from central government. However, it was not possible to compare the use of funds at these two levels since the general ledger at the ministry did not allow for a regional break down and not all financial information – for instance supplies by the central government store – was included in the general ledger.
- Records are usually poor and the filing system differs between regions.

**Main report**

Schade, Klaus and Erwin Naimhwaka (2004) "Public Expenditure Tracking Survey (PETS) and Quantitative Delivery Survey (QSDS): The Education Sector," The Namibian Economic Policy Research Unit, August.