

Motivation

The Public Sector Finance and Management Law enacted in 2003 was meant to enhance transparency and efficiency of public spending and had important implications for the education sector.

Objectives

The government wanted to evaluate the results of the law and so a PETS was implemented to examine the structure of education funding and the actual distribution of resources across schools in Mongolia, to inform the education community in Mongolia on different channels that could reduce the observed regional disparities in educational outcomes, and to identify how to enhance the efficiency, the transparency, and the equity of the budget process at its different stages.

Main findings

PETS revealed that urban schools have higher pupil-per-teacher ratio. Rural schools are more likely to have a school dormitory and a larger share of pupils living in it. Lastly, PETS illustrated that students in rural schools obtained significantly lower test scores than those from urban schools. The data is consistent with a pattern where the more disadvantaged — and therefore lower-performing students — systematically fail to advance in their schooling and drop out at a younger age in the rural areas.

Absenteeism

Teachers were 3 times more likely to be absent on the day of the survey in rural schools than they were in urban schools. However, teacher vacancies are very common in rural schools and these vacancies may have been mistakenly counted as absent teachers.

Sample

118 schools in urban and rural areas

Sample design

The selection of the PETS sample followed different rules between three subsets of the population of Mongolian schools: (a) grade 1-4 schools only; (b) grade 1-8 or grade 1-10 schools with 20 students or less in 8th grade; and (c) grade 1-8 or grade 1-10 schools with more than 20 students in 8th grade.

(a) Grade 1-4 schools: out of a population of N=51 schools, n=10 were selected randomly.

(b) Grade 1-8 or grade 1-10 schools with 20 students or less in 8th grade: out of a population of N=17 schools, n=3 were selected at random.

(c) Grade 1-8 or grade 1-10 schools with more than 20 students in 8th grade: for this group, sample selection was done in three stages.

Out of a population of N=497, 111 schools were selected at random for the MEA sample.

At a later moment, it was decided to increase the total sample size of PETS from 110 to 120 schools.

Resources monitored

Review of the budget at 3 stages of the process: submission, approval, disbursement, and expenditure

Variable (including salaries), fixed and other costs

Data for FY 2004 and FY 2005

Contact

M. Caridad Araujo: Caraujo@worldbank.org

Main report

The World Bank (2006) “Public Financing Of Education In Mongolia: Equity And Efficiency Implications,” Report No.: 36979-MN, September.