



Policy Goals

Status

1. School Autonomy in Budget Planning and Approval

School funding is input-based but decentralized at the provincial and local government levels. Central funding accounts for 65 percent of total education funding, and provincial and local governments pay the remaining 35 percent. There is local control over the distribution of the budget to schools but assignments are highly unequal because budgets are input based within a framework of large differences in socioeconomic conditions between urban and rural areas and between provinces.

Emerging

2. School Autonomy in Personnel Management

Teachers are appointed and deployed by the provincial and local offices of the MES. The selection process is bureaucratic though schools have some influence over the supervision of their teachers. Provincial and district offices appoint principals and there is room for informal supervision of teacher and principals by parents.

Latent

3. Participation of the School Council in School Finance

Parents can play a significant role in raising additional funds for the school, but their contributions are not documented. Private donations can be highly unequal due to the great variation in poverty levels across provinces and between urban and rural areas. School Councils have some voice in the financial aspects of school management.

Emerging

4. Assessment of School and Student Performance

Although there are ongoing efforts to establish a system for student assessment, an assessment system is not yet in place. Student testing is limited to sporadic assessments by external agencies and participation in PISA.

Emerging

5. School Accountability

The Ministry of Education and Science produces statistical reports with limited content on statistics and almost no content on learning. The Kyrgyz Republic participates in PISA, but there is no system for informing parents and society about education sector performance.

Latent



Education in the Kyrgyz Republic

The Kyrgyz Republic is in a state of educational transition. Its process of reform is aimed at improving education quality by increasing the quality of its teachers, reducing inequity in education finance, and updating its curriculum and instructional materials. Improving school autonomy and accountability are two of the main recommendations made by recent analysis. Therefore, the benchmarking of these two issues is timely.

Budgetary autonomy is *emerging*; local governments are free to assign the budget to schools but lack mechanisms to improve budgetary efficiency and equity. Personnel autonomy is *latent*, with district-level offices of the Ministry of Education and Science being in charge of teacher selection under a central pay scale. The system does not allow for monetary incentives to retain good teachers or to link incentives to performance. Parent participation is *emerging*. Parents are active but have legal limitations on their participation. Parents can raise funds but have no legal authority over the school budget or school staffing decisions. Student assessment is *emerging*, since there is a nascent system for measuring learning outcomes and the country participates in PISA. However, there is no system for regular student assessment in place. Accountability is *latent*, since a policy for providing parents and society with regular information on system performance that would foster school accountability is not yet in place.

Education in the Kyrgyz Republic is regulated by the National Education Law of 1992, amended in 2003. Teachers and preschool education are managed under separate laws. The Government’s education strategy for 2007-2010 listed the following as its main goals: to pursue equal access to education; to update the content of educational and learning technologies; to improve education quality; to improve the effectiveness and efficiency of resource use, and to decentralize school management. Reform efforts are aimed at improving the curriculum, improving the content, design and availability of textbooks and to improve teacher quality.

The Kyrgyz education system suffered a financial shock after independence due to the economic collapse of the collective farm sector, leading to the closing of 70 percent of the pre-schools, especially in rural areas, and a 75 percent reduction in the number of pre-school students in the system (MES 2006). A 2003 household

survey listed the reasons for students not attending pre-school. In about 40 percent of the cases, children did not attend pre-school because of economic hardship; another 22 percent did not have a pre-school nearby, and another 22 percent could not get into a pre-school because it was full. As a result, the Government is trying to expand access to pre-schools, decentralize the delivery of education services, and expand training among parents to alleviate teacher shortages.

Teachers need better training and better salaries, especially those working in rural areas. Teacher salaries are too low to attract and retain better entrants to the teaching profession. Investing in better teachers is the cornerstone for improving education quality. Literacy is almost universal and parents make great efforts to educate their children. Primary enrollment rates are above 90 percent and the rate of transition to high school is 99 percent. However, poverty is a barrier to attendance in rural areas and among high school students, who increasingly leave school to start working.

Table 1. Kyrgyz school system structure

Age	Grade	Level of Education	
1-5	Pre-School	Pre-Primary	Professional-Technical Education
6-9	1-4	Primary	
10-14	5-9	Basic Secondary	
15-16	10-11	Complete Secondary	
17-18	13-14	Incomplete Higher Education	
19+	15+	Undergraduate and Graduate studies	

Source: UNESCO 2011

In 2005 total student enrollment was 1.6 million, of which about 425 thousand were enrolled in the four years of primary. The transition rate from 4th to 5th grade is universal. The net enrollment rate in lower secondary is about 90 percent and about 72 percent for higher secondary. Practically all of the 18 thousand primary school teachers are female, while of the 41 thousand teachers in secondary, about 80 percent are female and 20 percent are male.

Public expenditure on education:	
as % of GDP	6.2
as % of total government expenditure	24.7
Distribution of public expenditure per level (%) 2009:	
Pre-primary	7
Primary	55
Secondary	9
Tertiary	15
Other	13

Source: UNESCO Institute of Statistics. Percent for primary is estimated by default.

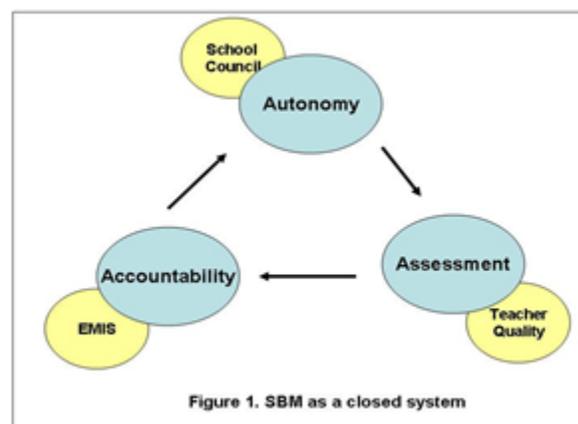
The Government is trying to implement a set of recommendations from World Bank and OECD studies. These recommendations are aimed at improving system accountability and incentives for results by: (i) strengthening school autonomy and accountability. School-based management needs to be implemented and school performance needs to be measured. The result of these efforts should be made public to foster system accountability; (ii) improving equity in education finance through better formula funding based on per student financing and a rationalization of the school network; and (iii) developing institutional capacity at the Ministry of Education and Science to improve policy design and implementation, performance monitoring, the enforcement and publication of quality standards and its capacity for statistical analysis and reporting.

The Kyrgyz Republic is implementing education reforms aimed at improving the quality and equity of public education. However, aligning school autonomy and accountability with the components of reform will require significant effort in the short and medium terms. Budgetary autonomy in primary schools is **emerging** since local governments are free to distribute the education budget among the schools in their jurisdiction, but lack the means to ensure that the budget meets the school needs or that the assignment is equitable. Principals can only manage non-salary expenditures paid by parent contributions; teacher payroll and the teacher's salary structure are managed at the provincial level. Autonomy in personnel management is **latent**. Teacher appointments and deployments are managed by district and provincial offices of the Ministry of Education and Science, using a central salary structure as a guide. As a result there is no room at the school level for establishing personnel incentives aimed at retaining the best teachers. Teacher salaries are so low that only those in need remain in the profession. Parent participation in school finance is

emerging. Parents raise funds for the school but have no formal role on school management. Parents do have voice at the school and local levels, but it is not formally recognized. Student assessment is **emerging**, as there is an incipient system for assessing learning outcomes. The country participates in PISA and it is using the results to define its strategy. Still, there is no system for regular school assessment in place yet. Accountability is **latent**, since there is no system in place for informing parents and society about education system performance.

The Case for School Autonomy and School Accountability

School autonomy and accountability are important components to ensure education quality. The transfer of core managerial responsibilities to schools promotes local accountability, helps reflect local priorities, values, and needs, and gives teachers the opportunity to establish a personal commitment to students and their parents (Fig. 1). Benchmarking and monitoring the indicators of school autonomy and accountability allows the Kyrgyz Republic for a rapid assessment of its education system, setting the stage for improving policy planning and implementation.



Source: Arcia and others, 2011.

School autonomy is a form of education decentralization in which school personnel are in charge of making most managerial decisions, frequently in partnerships with parents and the community. More local control helps create better conditions for improving student learning in a sustainable way, since it gives teachers and parents more opportunities for developing common goals, increased mutual commitment to student learning, and a more efficient use of scarce school resources. By allowing more local

control over school operations, school based management (SBM) fosters a new social contract between parents and teachers by improving communication and increasing local cooperation and local accountability. To be effective, school autonomy must function within a compatible set of incentives that take into account the education policies in the country, and the incentives for their implementation. Moreover, having more managerial responsibilities at the school level automatically implies that the school also has to be accountable to its local stakeholders and to national and local authorities. Still, the empirical evidence from education systems where schools enjoy managerial autonomy is that it has been beneficial for restoring the social contract between parents and the school, and that it has been instrumental in setting in motion policies aimed at improving student learning.

The experience from high performing countries—as measured by their performance in international tests such as PISA—indicates that:

- Education systems where schools had more autonomy over teaching content and student assessment tended to perform better on the PISA test
- Education systems where schools have more autonomy over resource allocation and that also publish test results performed better than schools with less autonomy
- Education systems in which many schools competed for students did not systematically get better PISA results
- Education systems with standardized student assessment tended to do better than those without standardized student assessment.
- PISA scores among schools with students from different social backgrounds differed less in education systems that use standardized student assessments than in systems that did not.

As of now, the empirical evidence from countries that have implemented school autonomy suggests that there is a set of policies and practices that are more effective in fostering managerial *autonomy*, the *assessment* of results, and the use of the assessment to promote *accountability*. Benchmarking policy intent for these variables can be very useful to any country interested in improving education system performance.

Kyrgyz Republic's Performance: A Summary of Results from the Benchmarking Exercise

There are five indicators of school autonomy and accountability that can help benchmark school autonomy and accountability:

1. School autonomy in budget planning and approval;
2. School autonomy in personnel management;
3. The participation of the school council in school finance;
4. The assessment of school and student performance; and
5. School accountability to stakeholders

Each of these indicators has a set of sub-indicator that make it possible to judge how far along each school is in the process of implementing each indicator. Each indicator and sub-indicator is scored on the basis of its status and the results classified as either *Latent*, *Emerging*, *Established*, or *Advanced*. A Latent score indicates that the policy behind the indicator is not yet in place. An Emerging score indicates that the implementation of the program or policy is in progress. An Established score indicates that the program or policy is in operation and meets the minimum standards. An Advanced score indicates that the program or policy is in operation and reflects best practice.

1. School autonomy in budget planning and approval is Emerging

The objective of this indicator is to determine the degree of autonomy that schools have in planning and managing their budgets and personnel. For policy intent the rubric makes clear which areas should be backed by laws, regulations, or official rules already in the public record. School autonomy in the planning and management of the school budget is considered desirable because it can increase the efficiency of financial resources, give schools more flexibility in budget management, and give parents the opportunity to have more voice on budget planning and execution.

School budgets are input based. In 2005, teacher and administrative salaries absorbed 95 percent of the school budget, leaving only 5 percent for operational expenditures, materials, and maintenance. Starting in 2006 the school budgets allowed 85 percent for salaries

and 15 percent for operation and maintenance expenses. To improve school financing, the Government has been experimenting with different financing and delivery programs (vouchers, contracting, funding formulas) since 2006.

Education funding has grown steadily, from 3.85 percent of GDP in 2001, to 6.2 percent of GDP in 2009. Moreover, from 2003 to 2010 the proportion of government expenditures assigned to education has also steadily increased. In 2005 education expenditures by the Government accounted to 20 percent of the budget; by 2009 this figure increased to 24.7 percent.

The education budget is moderately decentralized under a complicated system of budgetary management. The central government finances 65 percent of the school budget and the provincial and local governments finance the remaining 35 percent out of provincial and local revenues. Grants by category from the central government are sent directly to provincial and local governments, who are free to allocate these funds among the education institutions under their coverage (MES 2009). The central government assigns funds directly to universities and specialized schools; provincial governments fund vocational schools out of the provincial budget (using central grants and provincial revenues), while local governments fund primary and secondary schools out of the local budget (using central and provincial grants, and local revenues). Central grants to all levels of government are intended to fund teacher salaries for the most part.

The input-based nature of the budget allows for inequities in funding, where local governments in poor areas are underfunded. Rural areas have large numbers of small schools and per-student funding varies greatly among and within provinces. No accounting is done for compensating the negative effect of social variables. The result is a large gap in learning between rural and urban areas.

School autonomy in budget planning and approval is Emerging		
Indicator	Score	Justification
Legal authority over management of the operational budget	Emerging ●○○○	Legal management authority over the operational budget is at the regional or municipal levels
Legal authority over the management of teaching and non-teaching staff and teacher's salaries	Latent ●○○○	Legal management authority over teacher salaries is centralized
Legal authority to raise additional funds for the school	Established ●●●○	School principals can raise additional funds from the parents and the private sector and non governmental institutions.

2. School autonomy in personnel management is Latent

This indicator measures policy intent in the management of school personnel, which includes the principal, teachers, and non-teaching staff. Appointing and deploying teachers can be centralized at the level of the Ministry of Education or it can be the responsibility of regional or municipal governments. Only in completely decentralized education systems do schools have autonomy in teacher hiring and firing decisions. In centralized systems teachers are paid directly by the Ministry of Education or the Ministry of Finance under union or civil service agreements. As a result, in centralized systems schools have less influence over teacher performance because they have no financial leverage over teachers. Inversely, if a school negotiates teachers' salaries, as private schools routinely do, it may be able to motivate teachers directly with rewards for a job well done.

In Kyrgyz Republic teachers are recruited locally and hired centrally under a centralized pay scale that does not include any bonuses or rewards for good performance. Schools have little say over the choice of their teachers but can have a formal say over the transfer of non-performing teachers.

School autonomy in personnel management is Latent		
Indicator	Score	Justification
School autonomy in teacher appointment and deployment decisions	Latent ●○○○	District offices of the MES select teachers but the hiring and management is done at the central level.
School Council's role in teacher tenure or transfer	Emerging ●●○○	School Councils do not have a voice in school personnel appointments but have a voice over their performance.
Autonomy in the hiring and firing of principals	Emerging ●●○○	Principals are selected by the district offices of the MES and hired centrally. Supervision is done at the district level.

Participation of the School Council in School Finance is Emerging		
Indicator	Score	Justification
Participation of the School Council in budget preparation	Emerging ●●○○	School Council is to have a voice in the planning and preparation of the budget at the school level, but final responsibility falls on the school principal.
School Council's authority to approve the school budget	Emerging ●●○○	School Councils may be consulted but budget approval is done at the local government level.
Manual for the participation of the School Councils in school finances	Emerging ●●○○	There should be manuals regulating the procedures for expressing the Council's voice on budget issues.
Role of the School Council in budget implementation	Emerging ●●○○	Budget implementation is to be supervised at the municipal level. School Councils can only ask for accounts on additional funding from parents and other off-budget funds.
Use of the budget prepared with the School Council's participation	Latent ●○○○	Not applicable. Budgetary decisions are made at the national and sub-national levels

3. Participation of the school council in school finance is Emerging

The participation of the council in school administration is very important because it is where parents can exercise their real power as clients of the education system. If the council has to cosign payments, then it has purchasing power automatically. The use of an operational manual is extremely important in this area, since it allows Council members to adequately monitor school management performance, help the principal with cash flow decisions, and become a catalyst for seeking additional funds from the community. The use of detailed operation manuals by the School Council is also a good vehicle for increased accountability and for the institutionalization of autonomy.

In the Kyrgyz Republic schools allow parents to raise additional funds, especially since there is evidence that the budget is insufficient to provide better materials or to pay for regular school operations. Extra funding is voluntary and can be included in the school budget without negative consequences. The school council can ask parents to pay an obligatory fee. However, School Councils do not have a legal role in the school financial management. Its role is discretionary. Because statistical evidence is scant or unreported, there is little information about the amounts given by parents and the use of private funds in school operations.

4. Assessment of school and student performance is Emerging

School assessments can have a big impact on school performance because it forces parents and teachers to agree on scoring rules and ways to keep track of them. Measuring student assessment is another important way to determine if a school is effective in improving learning. A key aspect of school autonomy is the regular measurement of student learning, with the intent of using the results to inform parents and society, and to make adjustments to managerial and pedagogical practices. Without a regular assessment of learning outcomes school accountability is reduced and, with it, improving education quality becomes less certain.

All students take a standardized exit exam at the end of secondary school. Participation in annual standardized tests is voluntary at grades 9 and 11. The assessment of student learning using other standardized tests is sporadic (2002, 2007). The MES has a Center for the

Assessment of Education and Methodologies, which in 2006/07 conducted a survey, entitled the National Assessment of Educational Achievement of Students. Results of this survey indicated that more than 60 percent of students scored below the basic proficiency levels for math, reading, and language comprehension. Kyrgyzstan participates in PISA in 2006 and 2009. The PISA results for 2006 show that among 15 year olds, less than 14 percent were able to pass the minimum international standards for their age. Most of the problem lies in rural areas, where student test scores are about one-half of the test scores in urban areas.

5. School accountability to stakeholders is Latent

Accountability is at the heart of school-based management. The systemic connection between budgetary and personnel autonomy, parent participation in the financial and operational aspects of the school, and the measurement of learning outcomes are all aimed to reinforce accountability. Only by being accountable to parents can education quality be sustainable. The following indicators address the aspects of accountability that can be implemented within the framework of school-based management.

The culture of centralized decision making goes back to Soviet times and only after the political uprising of 2010 have communities begun to demand some accountability in education. There are several ongoing pilot programs that attempt to incorporate the community in school management but the long term impact of these efforts is still unknown. Even though the Government reports education statistics, there is considerable doubt about their reliability, especially in relations to teachers, their tenure and their performance.

School and student assessment is Emerging		
Indicator	Score	Justification
Existence and frequency of school and student assessments	Emerging ●○○○	Schools and students are to be assessed every few years using Ministry of Education criteria. Results are to be used internally. There are exit exams for secondary students.
Use of school assessments for making school adjustments	Emerging ●○○○	Ministry of Education must analyze school assessment results and send them to schools. Schools must use the results to make pedagogical and operational adjustments.
Frequency of standardized student assessments	Established ●●○○	There are assessments of student learning in all or in selected grades of primary and secondary school done every few years for all students in the country.
Use of student assessments for pedagogical and personnel adjustments	Latent ●○○○	Ministry of Education must analyze exit exams and sends the results to the schools. Schools must use the results to make pedagogical and operational adjustments.
Publication of school and student assessments	Latent ●○○○	Only student assessments are made public.

School accountability to stakeholders is Latent		
Indicator	Score	Justification
Guidelines for the use of school and student assessments by the School Council	Latent ●○○○	There are no guidelines. Assessments are only made available to the educational authorities and to school personnel
National or regional systems of educational assessments	Emerging ●○○○	Assessments are to be components of a national or sub-national system but there is no strategy for the use of the results
Comparisons of school and student performance reports	Emerging ●○○○	Comparisons are to be made among different types of schools, with different regions, and with previous years.
School Council authority to perform financial audits	Latent ●○○○	School Councils have no legal authority over the school financial affairs
Manual for the participation of the School Councils in school audits	Emerging ●○○○	There is a manual regulating the procedures for performing school audits by the central or municipal governments

From Analysis to Action: Policy Options for Kyrgyzstan

Kyrgyzstan is in need of education reform focused on improving education quality using self-sustaining policies. To that end, improving school autonomy and accountability would help the country implement the reforms faster. The results of the benchmarking of school autonomy and accountability indicate the following areas for change:

- a. Improve the assignment of school funds to **reinforce existing decentralization**. The distribution of funds by local governments needs a strong dose of educational equity at the central and local levels. External studies have recommended the use of per capita funding formulas that would include additional funding tied to indicators of poverty and for small rural schools. Also, the role of School Councils in mobilizing additional funding requires a formal recognition of parent associations in budget planning and supervision, and the reinforcement of school-based management practices.
- b. **Reinforce school authority on personnel management** to complement the Government's intention to improve teacher training and teacher salaries.
- c. Link teacher and school incentives to student performance. Formal recognition of personal incentives tied to performance needs to be explored at the school level in order to help retain good teachers.
- d. **Give School Councils a more formal role in school-based management** to reinforce their existing role in fundraising. School councils need to have more formal authority on managerial issues in order to be more effective in putting into place the incentives needed by the school to improve school quality.
- e. **Implement student assessment** on a regular basis to monitor system performance and foster system accountability. The willingness to participate in PISA is a good base on which to build a culture of measurement and reporting. Moreover, the results of national testing should be used as the base for monitoring internal performance and make the appropriate managerial and pedagogical adjustments.
- f. **Promote public access to information on school and student performance**. The creation and publication of regular reports on school and student performance should complement existing efforts at regularizing school and student assessments.

Acknowledgements

Gustavo Arcia, Consultant, and Harry Patrinos, Education Manager, HDNED, The World Bank, wrote this report. Dingyong Hou, of the Human Development Department, Europe and Central Asia Region, coordinated data collection and provided technical comments on the draft version of the report.

References

Ministry of Education, Science and Youth Policy (MES). 2007. *EFA Mid-Decade Assessment. Country Report*. Bishkek.

Ministry of Education, Science and Youth Policy (MES). 2006. "Education Development Strategy of the Kyrgyz Republic (2007-2010)." Bishkek.

UNESCO 2011. *World Data on Education 2010/11: Kyrgyz Republic*. Downloaded from http://www.ibe.unesco.org/fileadmin/user_upload/Publications/WDE/2010/pdf-versions/Kyrgyzstan.pdf

UNESCO. 2011a. "Education Profile: Kyrgyzstan." Downloaded from: http://stats.uis.unesco.org/unesco/TableViewer/document.aspx?ReportId=121&IF_Language=eng&BR_Country=4160&BR_Region=40505

United Nations. 2009. *The Second Periodic Progress Report on the Millennium Development Goals in the Kyrgyz Republic*. MDGs Progress Report, Bishkek.

World Bank. 2011. "Education Reform in the Kyrgyz Republic—Lessons from PISA." Europe and Central Asia Knowledge Brief No. 40., Washington DC.

The **Systems Approach for Better Education Results (SABER)** initiative produces comparative data and knowledge on education policies and institutions, with the aim of helping countries systematically strengthen their education systems. SABER evaluates the quality of education policies against evidence-based global standards, using new diagnostic tools and detailed policy data. The SABER country reports give all parties with a stake in educational results—from administrators, teachers, and parents to policymakers and business people—an accessible, objective snapshot showing how well the policies of their country's education system are oriented toward ensuring that all children and youth learn.

This report focuses specifically on policies in the area of School Autonomy and Accountability.

This work is a product of the staff of The World Bank with external contributions. The findings, interpretations, and conclusions expressed in this work do not necessarily reflect the views of The World Bank, its Board of Executive Directors, or the governments they represent. The World Bank does not guarantee the accuracy of the data included in this work. The boundaries, colors, denominations, and other information shown on any map in this work do not imply any judgment on the part of The World Bank concerning the legal status of any territory or the endorsement or acceptance of such boundaries.

