

PUBLIC-PRIVATE PARTNERSHIPS IN EDUCATION

Lessons Learned from the
Punjab Education Foundation

Allah Bakhsh Malik

The logo of the Asian Development Bank (ADB), consisting of the letters 'ADB' in a white serif font centered within a solid black square.

ADB

Public–Private Partnerships in Education

**Lessons Learned from the
Punjab Education Foundation**

Allah Bakhsh Malik

Asian Development Bank

©2010 Asian Development Bank

All rights reserved. Published 2010.
Printed in the Philippines.

ISBN 978-92-9092-078-6
Publication Stock No. RPT101591

Cataloging-In-Publication Data

Asian Development Bank

Public-private partnerships in education: lessons learned from the Punjab Education Foundation
Mandaluyong City, Philippines: Asian Development Bank, 2010.

1. Public-private partnership. 2. Education. 3. India. I. Asian Development Bank.

The views expressed in this publication are those of the author and do not necessarily reflect the views and policies of the Asian Development Bank (ADB) or its Board of Governors or the governments they represent.

ADB does not guarantee the accuracy of the data included in this publication and accepts no responsibility for any consequence of their use.

By making any designation of or reference to a particular territory or geographic area, or by using the term “country” in this document, ADB does not intend to make any judgments as to the legal or other status of any territory or area.

ADB encourages printing or copying information exclusively for personal and noncommercial use with proper acknowledgment of ADB. Users are restricted from reselling, redistributing, or creating derivative works for commercial purposes without the express, written consent of ADB.

Note:

In this report, “PRs” refers to Pakistan rupees.

Asian Development Bank
6 ADB Avenue, Mandaluyong City
1550 Metro Manila, Philippines
Tel +63 2 632 4444
Fax +63 2 636 2444
www.adb.org

For orders, please contact:
Department of External Relations
Fax +63 2 636 2648
adbpub@adb.org

CONTENTS

ABOUT THE AUTHOR	v
FOREWORD	vi
ACKNOWLEDGMENT	vii
EXECUTIVE SUMMARY	viii
INTRODUCTION	1
PUNJAB EDUCATION FOUNDATION	2
The Punjab Education Foundation Governance Structure	2
Functions of the Punjab Education Foundation	3
The Strategy of the Punjab Education Foundation	3
Programs of the Punjab Education Foundation	4
The Punjab Education Foundation Budget	4
Disbursement of Funds to Partner Schools	5
Human Resource Management	5
FOUNDATION-ASSISTED SCHOOLS	6
The Foundation-Assisted Schools Program	6
Foundation-Assisted Schools Selection Criteria	6
Foundation-Assisted Schools Operating Rules	7
Foundation-Assisted Schools Program Statistics	7
Impact of the Foundation-Assisted Schools Program on the Quality of Instruction	8
Third-Party Evaluation of the Foundation-Assisted Schools Program	9
Possible Improvements in the Operation of the Foundation-Assisted Schools Program	12
CONTINUOUS PROFESSIONAL DEVELOPMENT	16
The Continuous Professional Development Program	16
The School Leadership Development Program	18
Achievements of the Continuous Professional Development Program and School Leadership Development Program	18
TEACHING IN CLUSTERS	20
Teaching in Clusters by Subject Specialists	20
Achievements of the Teaching in Clusters by Subject Specialists Program	21
EDUCATION VOUCHER SCHEME	23
The Education Voucher Scheme	23
Selection Criteria for Education Voucher Scheme Partner Schools	23
Access to Information by Households	24
Disbursement Procedure	24
Income Distribution	24
Achievements of the Education Voucher Scheme	26
PUBLIC-PRIVATE PARTNERSHIPS IN EDUCATION: LESSONS LEARNED	27

Tables

Table 1: Annual Budget of the Punjab Education Foundation, 2004–2009	4
Table 2: Budgetary Allocation of the Punjab Education Foundation by Program	5
Table 3: Number of Students and Schools in Foundation-Assisted Schools, 2005–2009	7
Table 4: Results of the Quality Assurance Tests, 2006–2009	9
Table 5: Number of Teachers Trained through the Continuous Professional Development Program, 2005–2009	17
Table 6: Number of Principals and Vice Principals Trained through the School Leadership Development Program, 2007–2009	19
Table 7: Number of Subject Specialists Employed in Teaching in Clusters by Subject Specialists and Districts Covered, 2006–2008	22
Table 8: Number of Students Benefiting from the Education Voucher Scheme, 2006–2009	23

Figures

Figure 1: Distribution of Families Benefiting from the Education Voucher Scheme by Monthly Income	25
Figure 2: Distribution of the Occupations of Parents of Students Benefiting from the Education Voucher Scheme	25

ABOUT THE AUTHOR

Allah Bakhsh Malik, PhD, is an academic, researcher, senior manager, and economist. Mr. Malik earned a bachelor of arts in law from the University of the Punjab, in Pakistan, and a doctorate in development economics from Cambridge University, in England. He was a visiting scholar at the National Center for the Study of Privatization in Education at Columbia University's Teachers College, in New York, in 2006–2008.

He started his career with the Central Superior Services of Pakistan in 1985. He has worked at the grassroots level, leading community-driven development teams, and has held senior positions in the public and private sectors.

Mr. Malik is the author of eight books and regularly contributes to Pakistani and international journals. He is currently a visiting professor at Government College University, Iqra University, the Civil Services Academy, and the Aga Khan University Institute for Educational Development, all in Lahore, and at the National Institute of Management, National School of Public Policy, in Lahore and Karachi. He is also a consultant with an extensive domestic and international clientele.

His research interests include resource mobilization, educational management, social protection, economic management, strategic planning and policy formulation, public–private partnerships, women empowerment and sustainable development.

FOREWORD

Developing member countries face the twin challenges of increasing access to, and improving the quality of, education. Despite considerable progress in lifting enrollments at the primary education level, a number of countries are at risk of not achieving the universal primary education Millennium Development Goal (MDG) by 2015.

A number of governments have responded to these challenges by making greater use of the private sector and public–private partnerships (PPPs) as a means of improving both the financing and delivery of education. Research by the Asian Development Bank and the World Bank, among others, has documented the wide range of education PPP models in place in both developing and developed countries, including voucher and scholarship programs, the private management of public schools and post-secondary institutions, contracting with private providers for the delivery of educational services, public–private infrastructure partnerships and contracting with the private sector for the delivery of professional or ancillary services.

While PPPs are no panacea, they do offer governments a range of innovative mechanisms for expanding access to education, as well as for improving the quality and efficiency of education at all levels. In an MDG context, PPPs can particularly benefit countries that already have a significant private education sector, as they offer the prospect of rapid scaling up of delivery.

As Public–Private Partnerships in Education: Lessons Learned from the Punjab Education Foundation shows, turning the promise of PPPs into reality on the ground requires a supportive political environment, good program design, and effective implementation. Governments and development partners can draw many lessons from the Punjab Education Foundation’s experience with the introduction of its PPP programs in the education sector.



Norman LaRocque
Senior Education Specialist
Asian Development Bank

ACKNOWLEDGMENT

The author wishes to thank Norman LaRocque, senior education specialist of the Southeast Asia Department, for his time, views, and guidance in the preparation of this report.

Thanks are also due to Robert Hugh Davis, Ma. Priscila P. del Rosario, Leticia de Leon, Josef Ilumin, Anthony Victoria, Vicente Angeles, Rodel Bautista, and Joanne Gerber for valuable editorial and design assistance, and to Fatima Bautista for overall administrative support.

Any errors of fact or interpretation in the report are strictly the responsibility of the author.

EXECUTIVE SUMMARY

In Pakistan, it is the state's constitutional responsibility to provide free education up to the secondary level to all children. The state has been partially successful in providing access to education, but it has not been able to ensure the quality of education for many students—particularly those living in poor and underserved areas. Parents dissatisfied with the public school system have looked elsewhere for better education opportunities for their children. The less affluent among them have started turning to low-tuition private schools in urban and rural areas.

The Government of Pakistan alone cannot accomplish the gigantic task of providing quality education and meeting the targets of the Millennium Development Goals (MDGs) and Education for All (EFA). That is why the government now supports the use of public–private partnerships (PPPs) in its efforts to improve the equity and quality of the educational system. Evidence from the Punjab Education Foundation (PEF) indicates that the marriage between public and private institutions through PPPs has been extremely successful due to the combination of private-sector efficiency and public-sector funding. Indeed, the combination has resulted in better learning outcomes, fewer school dropouts, less absenteeism among teachers, and reduced truancy among students.

To achieve its goal of affordable quality education for the underprivileged, the PEF has undertaken a number of PPP initiatives, including the Foundation-Assisted Schools (FAS) program, the Continuous Professional Development Program (CPDP), the Teaching in Clusters by Subject Specialists (TICSS) program, and the Education Voucher Scheme (EVS).

FAS is the PEF's flagship program, providing financial assistance to private schools at the rate of PRs350 per month for each child enrolled under the program's auspices. FAS includes 1,337 schools in the province of Punjab, benefitting 529,210 students. The CPDP recognizes that it is not possible to raise the standard of education without qualified and competent teachers. Under this program, teachers at low-tuition private schools were given opportunities for ongoing professional development through cluster-based training aimed at improving pedagogical skills and subject area knowledge. More than 86,027 teachers were trained over the 2005–2009 period. The PEF has also introduced the School Leadership Development Program (SLDP) for the principals and vice principals of FAS partner schools and non-FAS schools to improve the managerial capability of private school heads and deputy heads. More than 12,000 principals and vice principals received training over the 2007–2009 period.

The TICSS program, launched in 2006, recognizes the importance of good teachers with sound subject knowledge. It also recognizes that low-tuition private schools cannot afford to hire good mentors and train their teachers because highly qualified mentors demand higher salaries than such schools can afford to pay. Under the TICSS program, graduates from the best universities in the province are hired at market-level salaries (e.g., PRs30,000–PRs35,000 versus PRs3,500–PRs6,000 for “standard” teachers) and deputed to low-tuition private schools in various urban and rural areas of the province.

In collaboration with the Teachers College, Columbia University, and the Open Society Institute, the PEF designed the EVS for residents of the slums (or *katchi abadies*) in the province. The EVS is meant to ensure freedom of choice, efficiency, equity, and social cohesion. A pilot project was started in 2006 in the urban slums of Sukhnehar, Lahore. As part of the EVS, the PEF delivered education vouchers in selected communities to all households with children 5–13 years of age. At the pilot stage, 1,053 households were given an opportunity to send their children to private schools of their choice. The voucher was redeemable against tuition payments for these schools.

Through the EVS, the PEF is now providing free quality education to 31,053 students (51.3% female) in 167 schools. The parity of male and female students was ensured by an awareness campaign directed at participating families and by an EVS policy that makes it mandatory for participating households to enroll all girls and boys within the prescribed age range. If a household admits its boys using an EVS voucher, but not its girls, its voucher becomes invalid.

The PEF's programs experienced a meteoric rise from 2005 to 2007, but their further growth was stalled for more than a year due to a changeover in the Punjab government. Furthermore, abrupt policy shifts caused by changes in the PEF management and Board of Directors also seriously affected the progress of the programs, and people started to raise questions about the transparency and accountability of the PEF's administration. In early 2009, there was a lot of public pressure regarding the efficacy and social acceptability of the PPPs sponsored by the PEF. As a result, there was another restructuring of the foundation, and funding became available again, making possible the resumption and expansion of PEF programs. Questions remained, however, about the ability of the PEF to function in the absence of a Board of Directors and a capable management selected by the Board. The solution lay in the observance of the rules established in the 2004 legislation. Indeed, by September 2009, appointments to the Board of Directors were completed and a new management was put in place. The organization should soon be back on track and able to resume its programs, which had slowed down. But this would take some time.

The PPP programs initiated by the PEF are making it possible for more poor children in Punjab to access quality education, and to stay in school longer. Projections are encouraging. The PEF has demonstrated that its programs are cost-effective, and that they are beginning to show results. Judging from their marks on the Quality Assurance Tests, the students at PEF-assisted schools have made remarkable academic progress. No wonder that the foundation's PPPs have been applauded by private schools; international donor agencies; and federal, provincial, and district governments.

The Punjab Education Foundation Act of 2004, passed by the Provincial Assembly of Punjab, mandated that the foundation encourage everyone with a stake in the educational system to participate in its PPPs, and that it provide funds for the expansion, improvement, and better management of private schools to make quality education available to the poor. It also mandated the PEF to provide technical assistance to private schools for the testing of innovative programs, with replication in mind. This mission was made possible via program development by the PEF and service delivery through the PPPs.

INTRODUCTION

In Pakistan, the provision of education is a constitutional responsibility of the state. The government has been partially successful in providing access to education to school-age children, but it was not necessarily a good education. Dissatisfied with the quality of instruction in the public school system, parents have sought better educational opportunities for their children elsewhere. Those who can afford it have sent their children to expensive elite schools in the cities, or, in rural areas, to fee-charging district public schools. The less affluent have started looking for private schools in urban and rural areas that charge lower tuitions. This trend has shown up in the statistics. In 2001, the proportion of private schools in Pakistan up to the secondary level was 21%.¹ By 2006, it stood at 33% (42% in Punjab).² If the pattern continues, expenditure for private education will exceed that for public education within the next 5 years.³

The Government of Pakistan alone cannot accomplish the gigantic task of providing quality education and meeting the targets of the Millennium Development Goals (MDGs) and Education for All (EFA). But policy makers are optimistic because they know they have a viable option in public–private partnerships (PPPs), the programs funded and operated through partnerships between government agencies and private companies.

Like many developing countries, Pakistan is facing myriad challenges in improving the equity and quality of its educational system. Among its population of 160 million people, more than 33% live below the poverty line. The overall literacy rate is 55%, 36% for females.⁴ Pakistan has 6.5 million school-age children who are not attending school, and 80% of them have never been to school.⁵ Of the 23 million children who attend school, 40% drop out before they reach Grade 4 (i.e., 9–11 years old), and 77% drop out before reaching Grade 10.⁶ Pakistan is at serious risk of not achieving its MDG and EFA targets by 2015. Moreover, the Gender Parity Index (GPI) of Pakistan was one of the lowest in the world in 2008 at 0.73, and the country ranked only 141st in the Human Development Index in 2007. Pakistan's poor performance on both of these critical human development indicators demonstrates the urgent need for an educational system that provides an affordable quality education to all.

For the reasons mentioned above, the government supports the involvement of private schools in improving the equity and quality of education in Pakistan. The record of the Punjab Education Foundation (PEF), an organization founded by the Provincial Assembly of Punjab to sponsor PPPs in education, shows that public and private institutions working together can be extremely successful due to a combination of private-sector efficiency and public-sector funding. Indeed, through PEF-sponsored partnerships, that combination has resulted in better learning outcomes, fewer dropouts, less absenteeism among teachers, and less truancy among students.

¹ Government of Pakistan. 2001. *The Pakistan Integrated Household Survey (PIHS)*. Islamabad.

² The National Education Census, 2006.

³ Malik, A.B. 2007. *The Freedom of Choice: Affordable Quality Education in Public–Private Partnership*. Lahore: Maqbool Academy.

⁴ UNESCO. 2007–2008. *Pakistan Economic Survey (2007–2008): Literacy Trends in Pakistan*. Compiled from the 1998 Population Census of Pakistan. Islamabad: UNESCO.

⁵ Government of Pakistan. 2007–2008. *Pakistan Economic Survey*. Islamabad.

⁶ Academy for Educational Planning and Management. 2006. *Provincial Reports on Grade Retention and Transition Patterns of Children and School Education 1995–1996 to 2004–2005*. Islamabad: Academy for Educational Planning and Management.

PUNJAB EDUCATION FOUNDATION

The Punjab Education Foundation Governance Structure

The PEF was established through the Punjab Education Foundation Act of 1991 by the Punjab Assembly.⁷ This legislation stipulated that the PEF would advance loans and grants to private entrepreneurs for the construction of schools as a way of promoting accessibility to education. Even after the passage of the Punjab Education Foundation Act of 2004, the PEF's mission remained broadly the same: support the efforts of private schools to provide education to the poor. There was nevertheless a major shift in how the program operated. First, the PEF's activities were broadened to include working with school administrators, teachers, and parents to improve the quality and accessibility of private school education. Second, there was a change as to who had the ultimate authority. While the PEF Act of 1991 gave the government control over PEF affairs—with the chief minister of the province serving as PEF chair and a senior provincial official as PEF managing director—the PEF Act of 2004 gave the entire control and management of the foundation to its own Board of Directors. Under the PEF Act of 2004, the Board appoints the managing director and other employees of the foundation and determines the terms and conditions of their employment. The restructured PEF was thus an autonomous body, with the executive and financial authority vested in its Board of Directors.

The Board consists of 15 directors, including the chair. The majority of directors are from the private sector, including representatives of nongovernment organizations (NGOs), philanthropists, technocrats, and academics. At least three of them are women. The remaining directors are ex-officio members of the Government of Punjab, i.e., secretaries of the departments of finance, education, literacy and non-formal basic education, social welfare, and planning and development, as well as the vice chancellor of the University of Education. The managing director of the PEF also serves as the secretary of the Board.⁸ The chair is elected by the Board from among the non-official directors for a term of 3 years, and is eligible for reelection.

The Board of Directors has established an independent monitoring and evaluation (M&E) system within the PEF. The head of the M&E team reports directly to the Board rather than to the management. The PEF is intended to be a flexible organization in which theory informs practice and vice versa. The M&E reports are closely examined, and suggestions contained therein do influence decision making, which takes place during regular meetings of the Board. In this way, revisions in policy guidelines based on M&E feedback serve as a constant source of improvements in program design and implementation.

To ensure transparency, internal and external auditors regularly audit the accounts. These auditors are from three statutory bodies. First, the government appoints an auditor. To conform with the law, the government appoints chartered accountants through a transparent competitive process. These chartered accountants present an annual report to the PEF's Finance Committee. After proper scrutiny by the committee, they present the report to the Board of Directors. Second, the Finance Committee, which is created by the Board of Directors, may inspect all the accounts of the foundation at any time. The Finance Committee reports directly to the Board of Directors. Third, the Auditor General of Pakistan (AGP), a constitutional body established under the 1973

⁷ The Punjab Education Foundation Act of 1991 (Act I of 1991).

⁸ Section 5 of The Punjab Education Foundation Act of 2004.

Constitution of Pakistan, regularly audits the accounts of the foundation. The AGP's reports are placed before the Public Accounts Committee, which was established by the Punjab Assembly.

Functions of the Punjab Education Foundation

Section 4 of the PEF Act of 2004 assigns a number of functions to the restructured foundation, including providing financial assistance for the establishment of educational institutions; providing incentives to students, teachers, and educational institutions; promoting public–private partnerships (PPP) in education; providing technical assistance to educational institutions for testing policy interventions and innovative programs for replication; ranking private educational institutions based on educational standards; and assisting educational institutions in capacity building.

Empowered by the PEF Act of 2004, the Board of Directors framed the PEF Rules (2005) and Regulations (2006), and the provincial government entered them into the *Official Gazette*. The Rules and Regulations empowered the Board of Directors of PEF to⁹

- (i) determine the direction and scope of activities of the foundation;
- (ii) review and approve annual plans, projects, grants, loans, donations, contributions, and technical assistance to partner organizations, NGOs, private educational institutions, and individuals;
- (iii) review, revise, and approve the annual budgets and all actual receipts and expenditures;
- (iv) acquire, borrow, and mortgage a property of the foundation, or any part thereof, or issue debt instruments or other securities;
- (v) delegate any of the PEF's powers to the managing director;
- (vi) determine human resource requirements, the salary structure, and incentives for the employees of the foundation;
- (vii) recruit, dismiss, appoint, transfer, and promote employees of the foundation;
- (viii) constitute financial, technical, advisory, and other committees as may be deemed necessary;
- (ix) raise funds through donations, grants, contributions, subscriptions, and other means;
- (x) receive funds from different sources to promote and encourage education in the province, and transfer savings in the form of net receipts to the endowment fund account of the foundation;
- (xi) design instruments, interventions, and development schemes in thematic and programmatic areas to promote and encourage education in the province of Punjab, and frame the criteria for the execution of such instruments, interventions, and development schemes; and
- (xii) develop criteria for the ranking of private educational institutions.

The Strategy of the Punjab Education Foundation

The Board of Directors formulated the strategy of the PEF, adopting a flexible approach. The foundation would help provide better education to the poor through the private sector by offering teacher training and professional development for private schools in less affluent areas, and by providing financial assistance to schoolchildren through vouchers given to households in the slum

⁹ The Punjab Education Foundation (Conduct of Business) Rules, 2005; the Punjab Education Foundation (Finance and Audit) Rules, 2005; the Punjab Education Foundation (Contract Appointment) Rules, 2005; the Punjab Education Foundation, Service Rules, 2005; and the Punjab Education Foundation Regulations, 2006.

areas. The PEF would also grant monetary rewards and financial assistance to schools with good track records, and would make a special effort to encourage the enrollment of female students. This strategy reflects the Board’s vision for the foundation: "To promote quality education through public–private partnership, encourage and support the efforts of the private sector through technical and financial assistance, innovate and develop new instruments to champion wider educational opportunities at affordable cost to the poor."¹⁰ The initiatives taken by the PEF have since won national and international acclaim.

Programs of the Punjab Education Foundation

The PEF operates a number of programs, all of which use PPPs to provide affordable high-quality education to children from among the poorest of the poor. These include the Foundation-Assisted Schools (FAS) program, Continuous Professional Development Program (CPDP), Teaching in Clusters by Subjects Specialists (TICSS) program, and the Education Voucher Scheme (EVS). These are discussed in detail in Sections 2 and 3.

The Punjab Education Foundation Budget

The Government of Punjab provides budgetary support for PEF programs as an integral part of its Annual Development Program (ADP). After restructuring the foundation, the government substantially increased the foundation’s budget. The increase in the PEF’s budget reflects the successful record of the foundation’s PPP initiatives, as well as the commitment of policy makers to these initiatives. Table 1 shows the phenomenal growth of the foundation’s budget from 2004 to 2009.

Table 1: Annual Budget of the Punjab Education Foundation, 2004–2009
(million PRs)

Year	Development ^a	Nondevelopment ^b	Total
2004	50	15	65
2005	50	15	65
2006	143	12	155
2007	342	13	355
2008	2,902	21	2,923
2009	3,076	24	3,100

PRs = Pakistan rupees.

^a “Development expenditure” comprises the costs budgeted in the Annual Development Program (ADP) and allocated to the programs of the Punjab Education Foundation, excluding salaries and contingency expenses.

^b “Nondevelopment expenditure” refers to staff salaries and miscellaneous or contingency expenses, including rent, logistics, daily travel allowances, stationery, furniture and fixtures, and others.

Source: Punjab Education Foundation, Finance Department. 2009.

As shown in Table 2, the bulk (90%) of the PEF development budget goes to the FAS program.

¹⁰ www.pef.edu.pk/about-pef-mission.html

Table 2: Budgetary Allocation of the Punjab Education Foundation by Program

PEF Program	Share of PEF Development Budget (%)
Foundation-Assisted Schols Program	90.0
Continuous Professional Development Program	4.5
Teaching in Clusters by Subject Specialists	2.5
Education Voucher Scheme	3.0

PEF = Punjab Education Foundation.

Source: Punjab Education Foundation, Finance Department. 2009.

Disbursement of Funds to Partner Schools

Disbursement of funds in the FAS program is made from PEF bank accounts through electronic transfers into the accounts of partner schools, held at branches of the Bank of Punjab throughout the province. Payments are made in a secure and transparent manner based on enrollments in the partner schools, which are monitored monthly by the foundation's M&E team. For CPDP, payments are made through crossed checks mailed to the official addresses of the partner schools. In the EVS, payments are made monthly using the same system as that of FAS. In the TICSS program, payments go to the accounts of subject specialists. There is no face-to-face interaction between the partner schools and the Finance Department of the PEF. Necessary arrangements have been made to ensure that there is no rent seeking or any other sort of exploitation. The system has worked quite well, and the PEF's honest handling of payments to partners has been verified through annual audit reports by the AGP and through third-party evaluation.

Human Resource Management

Human resource capital is an asset for any organization. The PEF has tried to engage people with top credentials and professional integrity, but the turnover of officers and staff is very high due to the demand for qualified staff in the job market. It offers continuous capacity building and professional development for its staff, including secondments or temporary job assignments at national and international organizations such as the United States Agency for International Development (USAID), Department for International Development (DFID) of the United Kingdom, United Nations Educational, Scientific and Cultural Organization (UNESCO), and United Nations Children's Fund (UNICEF). The foundation's staff has grown rapidly due to the increasing demand for its programs and the support of the Government of Punjab. There is a dire need, however, to enhance the benefits package for the foundation's employees to ensure their retention for longer durations. The PEF's Board of Directors is actively considering the matter.

FOUNDATION-ASSISTED SCHOOLS

The Foundation-Assisted Schools Program

The FAS program is the PEF's flagship program, providing financial assistance to private schools for each child enrolled under its auspices. The PEF has demonstrated that, through PPPs, quality education at the primary, middle, and secondary levels of private schools can be made available to poor children at a much lower cost than at the public school system. FAS's success has been primarily due to the financial, academic, and managerial support provided by the FAS partner schools, and to the continuous monitoring and evaluation of student learning outcomes, which is done in a transparent and accountable manner. Continued financial assistance from the PEF to an FAS partner school hinges on that school's performance on the Quality Assurance Test (QAT), administered in March and October of every year. The results of this collaboration between the PEF and its FAS partner schools have been better student achievement, reduction of the dropout rate to zero, and better attendance among teachers.

Foundation-Assisted Schools Selection Criteria

Through its FAS program, the PEF has demonstrated that:

- While it is the responsibility of the state to ensure free education for all children, it does not necessarily have to provide the service, i.e., funding of a service can be separated from its actual provision.
- Through PPPs, better-quality education can be provided to a child at significantly less cost than that in the public school system.
- Financial assistance on a per-enrolled-child basis through FAS is driven by considerations of equity, quality, and access to all.

The process for selecting schools is transparent. Advertisements inviting schools to apply for FAS partnerships are placed in leading national and local daily newspapers. The following criteria have been formulated for the selection of schools to participate in FAS:

- (i) Target schools cannot charge tuition of more than PRs350 per month (increased from PRs300 in 2008). Schools charging higher fees were subsequently allowed to join the FAS program by the Board of Directors in 2006.
- (ii) The schools must have an enrollment of at least 100 students at the time of application.
- (iii) Schools may be at the primary, middle, or secondary level.
- (iv) Preference is given to female educational institutions, so that the overall proportion of girls in FAS will be at least 50%.
- (v) Schools must be located in districts with the lowest literacy rates and the highest number of children not attending school.
- (vi) Apart from such criteria as school location (rural areas, urban slums) and adequate physical infrastructure, the schools' delivery of quality education is one of the most important requirements for qualifying for the FAS program.
- (vii) It is mandatory that secondary schools have science laboratories and a library.

Foundation-Assisted Schools Operating Rules

The PEF's Academic Development Unit administers QAT to two classes in every primary school and to three classes in every middle and secondary schools seeking acceptance into the FAS program. It is mandatory that two-thirds of the students pass the test with a grade of at least 40%. After a school joins the program, continued QAT testing serves as the chief factor to determine whether the school may continue its FAS partnership. For a partner school to qualify for a continuation of its FAS partnership, two-thirds of its students must score at least 40% on the QAT.

School fees paid by the FAS program are subject to change on an annual basis and are linked to the country's official inflation rate. Participating schools cannot charge their students any additional fees after entering into a partnership with FAS.

The PEF provides all parents with information about FAS through brochures, newspapers, radio, and television.

The number of students enrolled in partner schools is verified through surprise visits by the PEF's M&E teams.

Foundation-Assisted Schools Program Statistics

The FAS pilot program was launched in 2005 in 54 schools in five districts of Punjab, i.e., Bahawalpur, Chakwal, Khushab, Lahore, and Sialkot. The districts were representative of all 36 districts of the Punjab province in terms of literacy and the human development index as categorized in the Multiple Indicators Cluster Survey (2004). The schools were selected according to the criteria listed in Section 2.2. In 2006, the pilot program was increased to include 184 schools in 10 districts. In 2007, it was evaluated by the Punjab's Planning and Development Department and was rated as a successful intervention in terms of enrollment, retention, and learning outcomes. During a presentation to the chief minister of Punjab, it was decided that FAS should concentrate on the southern districts of Punjab, which have the lowest literacy rates and the highest concentrations of out-of-school children in the province. These districts are Bahawalnagar, Bahawalpur, Dera Ghazi Khan, Lodhran, Multan, Muzaffargarh, and Rajanpur. The FAS program, henceforth, focused on these seven districts, which now account for more than 90% of all students in the program. Table 3 shows the number of schools and students (male and female) participating in the FAS program from 2005 to 2009.

Table 3: Number of Students and Schools in Foundation-Assisted Schools, 2005–2009

Year	Number of Schools	Number of Students		
		Total	Male	Female
2005	54	8,573	4,321	4,252
2006	184	70,345	35,140	35,205
2007	678	256,456	128,100	128,356
2008	1,085	449,712	229,311	220,401
2009	1,337	529,210	267,107	262,103

Source: Foundation-Assisted Schools Department, Punjab Education Foundation. 2009.

There was a sharp rise in the number of schools and a meteoric rise in the number of students between 2005 and 2008. For starters, there was an increase of 720.5% in the number of students in 2006 compared to 2005. The increases continued every year: 264.6% in 2007, 75.4% in 2008,

and 17.7% in 2009. By 2008 the PEF, through the FAS program, supported 1,337 schools with 529,210 students.

The PEF is considering raising the bar for the QAT score that the two-thirds of students must earn so that a school can continue its partnership, and thus continue to receive funds beyond the initial 3-year period in the program. The PEF has also introduced incentives to enhance competition among schools and improve their performance. The best-performing school in each district receives a cash reward of PRs50,000, while five teachers in every school in which 90% or more of the students score at least 40% in the QAT receive PRs10,000 each.

As a result of the PPPs, which combine the financial and administrative support provided by the PEF with the academic leadership provided by the schools, the FAS has had the following salutary effects on schools, families, and students:

- (i) Because parents do not have to worry about paying school tuition, they have more disposable income. Schools have also been spared financial hardship. They no longer have to waste time and resources collecting tuitions, which were often delayed for months. They no longer suffer the loss of fees when students drop out because there are no dropouts (see item IV). Therefore, the schools are free to concentrate exclusively on providing the best education possible.
- (ii) Participating schools invest heavily in physical infrastructure to accommodate more students. This further enhances their revenue because, in the FAS model, the money follows the child and not the school. To further enhance their standards, and therefore attract more students, these schools have hired better-qualified teachers to complement existing faculty, thus improving not only the learning outcomes of the students but also the overall level of competence of the faculty.

Salaries of teachers were raised from approximately PRs2,500 per month before the introduction of the FAS model to PRs6,500 in 2008, and they are being raised again to PRs8,500.

In Pakistan, more than 40% of students drop out of school by the time they reach Grade 4, but in FAS partner schools the dropout rate is zero. Whenever a student is absent, someone from the school administration visits the child's home to verify that the absence is not due to truancy. This follow-up is in the school's financial interest because the foundation's M&E team makes surprise visits to verify how many students are actually in the classroom and its reports will determine the size of payments from the FAS program.

Of the 529,210 students benefiting from the FAS program in 2009, 267,107 (50.5%) were males and 262,103 (49.5%) were females. The near-parity of these figures reflects the high priority that the FAS program has given to female education.

Impact of the Foundation-Assisted Schools Program on the Quality of Instruction

The PEF administers the QAT in March and October of every year in all the FAS partner schools. Two classes are tested in each elementary school and three classes in each middle and high school. The figures for each year in Table 4 are aggregates of the two QATs given in 2006, 2007, and 2008, as well as the one test given in March 2009.

Table 4: Results of the Quality Assurance Tests, 2006–2009

Year	Percentage of students scoring...						
	> 90%	> 80%	> 70%	> 60%	> 50%	> 40%	< 40%
2006	1.0	5.8	11.9	19.4	19.6	20.7	21.6
2007	1.3	8.4	9.6	19.9	19.7	24.7	16.5
2008	16.6	18.5	18.9	19.8	12.8	9.5	4.3
2009 ^a	17.6	18.7	19.3	16.8	13.5	9.8	4.3

^a Figures for 2009 do not include October tests.

Source: Academic Development Unit, Punjab Education Foundation, 2009.

As Table 4 shows, there have been

- (i) a continuous improvement in the percentage of students scoring more than 90% in the QATs—from about 1% in 2006 to over 17% in 2009, and
- (ii) a continuous decrease in the percentage of students scoring under 40%—from over 21% in 2006 to just over 4% in 2009.

Overall, the mean QAT score at FAS partner schools rose from 63% to 79% over the 4-year period. In general, girls outperformed boys on QATs. An analysis of QAT scores has shown that the 200 schools with mean scores in the 80%–90% range all have qualified math and science teachers. In fact, the high-performing schools have very high concentration (more than 95%) of university-trained teachers. In contrast, the schools with mean scores below the 40% threshold also shared a common trait: none of their teachers had any pre-employment training.

The FAS program also underwent a third-party evaluation (TPE) conducted by Innovative Development Strategies (IDS), an international firm based in Islamabad (Section 3.6). IDS tested 5,790 students from the seven selected districts, which comprised 2,617 Grade 4 pupils; 2,126 Grade 7 students; and 1,047 Grade 9 students. The IDS tests featured especially prepared questions covering four subjects: science, mathematics, Urdu, and English. They closely resembled the QATs to ensure comparability and to preclude any hidden biases.

The Grade 4 test scores indicate a fairly high level of educational achievement in all subjects, with an average score of 80% in all areas except English, for which the average score was 60%. The average scores for Grade 7 were generally lower for English, science, and mathematics (averaging 60% in all three subjects), and higher for Urdu (90%). The test scores for Grade 9 were best for Urdu (80%), followed by mathematics (70%), and then by science and English (50% for both).

Third-Party Evaluation of the Foundation-Assisted Schools Program

The PEF's decision to entrust the TPE of the FAS program to IDS¹¹ was the result of an open and transparent tendering process by the PEF in March 2007. IDS checked a sample of 40% of the FAS partner schools, administering its own tests to students at these schools. Moreover, IDS also

¹¹ Innovative Development Strategies. 2009. Third-Party Evaluation of the Punjab Education Foundation–Foundation-Assisted Schools Program, Islamabad.

reviewed the funding patterns and governance of the PEF, the transparency of PEF decision making, and the service delivery by the partner schools.

The overall finding from the study was that FAS had made significant progress in making quality education accessible to the poor, particularly from the slums across Punjab. According to the study, the FAS program has improved the quality of education for poor households across the board and for poor, rural, and slum households in particular. Findings also noted a marked improvement in the quality of education and that the program is addressing poor households. However, the study also noted that the PEF–FAS program is only a drop in the bucket considering the enormity of the education problem that it seeks to address. The problem of making quality education available to all, after all, is quite enormous. The PEF–FAS program is an important strategy that needs to be supported and strengthened, the study pointed out.¹²

Some key findings of the TPE of the FAS program are presented below.

- (i) The design and components of the program are well suited to the program objectives and represent a combination of best practice and adaptation to local needs.
- (ii) The school eligibility criteria are well thought out and disseminated appropriately. Given the size of the problem of low-quality education in the province, the program is making suitable choices based on the combined wisdom of its Board, and is managing to pursue an aggressive expansion plan. There is, however, a need to strengthen the human and material resources committed to the FAS program so as to accommodate its rapid expansion.
- (iii) The disbursement of funds is apparently being handled efficiently, in a transparent and credible manner with effective program controls. Although the IDS evaluation team did not find any evidence of financial or material misappropriations, there was an almost complete absence of modern accounting and financial management practices among the partner schools. This weakness needs to be addressed immediately through mandatory short-term accounting and financial management courses for school administrators.

The QATs are effective measures of the quality of instruction at the partner schools. Having the QATs given by an independent evaluation team supports the effectiveness, fairness, and reliability of the QAT process.

M&E procedures being used by the FAS program are nascent. They need to be strengthened and better integrated into program policy making and management.

The administration and management in partner schools have made a lot of progress in achieving a proper environment for teachers and students, lower teacher attrition, rapid increase in enrollment, and regular attendance of students.

Student learning outcomes have shown a marked improvement as measured through the QATs in terms of with-and-without and before-and-after comparisons.

Teacher salaries and working conditions have improved significantly. While it is difficult to assess the improvement in teaching interest or in teaching methods, there is a strong emphasis on training at FAS partner schools, and the outcomes in terms of student assessments indicate that better teaching is taking place.

¹² Innovative Development Strategies. Third-Party Evaluation, p. 60.

As a part of its evaluation, IDS also conducted interviews with teachers and parents of children in the program. Among its findings were the following:

- (i) Of the teachers interviewed, 34% said they were either dissatisfied or highly dissatisfied with their salaries, and a further 25.1% said their salaries were just okay.
- (ii) A higher percentage (45.8%) said they were either dissatisfied or highly dissatisfied with the fringe benefits, and 15.8% said the fringe benefits were just okay.
- (iii) The respondents' level of satisfaction with the school's mission and its ability to fulfill its mission was high.
- (iv) Teachers were generally either satisfied or highly satisfied with the evaluations of their performance and with the resources available to them for instruction. Teachers were also generally satisfied or highly satisfied with the school building and facilities, with slightly over 65% agreeing or strongly agreeing that the school had good physical facilities for learning.
- (v) A large percentage of teachers found the availability of computers and other technologies to be highly unsatisfactory (39.2%), unsatisfactory (11.3%), or just adequate (14.6%).
- (vi) Teachers seemed to be reasonably satisfied or highly satisfied with the school governance and leadership, and slightly over 65% agreed or strongly agreed that the school had sufficient financial resources. The teachers also agreed that the school was meeting student needs that could not have been addressed at other local schools.
- (vii) A significant proportion (64.4%) of teachers strongly agreed that class sizes were too large to allow them to meet every student's individual needs, although they generally agreed that the school provided appropriate special education service for students who required it.
- (viii) Just over 88% of respondents agreed or strongly agreed that the school's curriculum was satisfactory. Nearly 89% agreed or strongly agreed that parents were satisfied with the quality of instruction, and approximately the same percentage felt that teachers were sufficiently challenged to be effective.
- (ix) There was overwhelming agreement on the bright future of the school although 80.4% of respondents either agreed or strongly agreed that too many changes were occurring at the school. The teachers confirmed that the school had high expectations for the students and that there existed a community atmosphere at the school. Many also agreed that the students felt safe there. Finally, 72.6% of teachers agreed that parents were involved in academic affairs and other school activities.
- (x) Nearly 95% of parents rated the academic reputation of the school as important. The safety of their children at school, the educational philosophy of the school, the availability of good teachers, and the quality of instruction were also important factors in their choice of school.
- (xi) The inability to afford a preferred private school was an important factor in school choice for about 62% of the parents. Nearly 70% of them also rated as important the wishes of the child to attend a particular school, while only 31% said that their child's poor academic performance at the previous school was an important reason for choosing the present one.
- (xii) The convenient location of the school was judged to be an important factor in school choice by over 78% of the parents interviewed. Only 18.3% said that it was either not important or not at all important.

- (xiii) Parents were overwhelmingly in favor of sending their children to school, and over 80% of them felt that it was important that their children's school be involved in PEF educational reform. Nearly 72% of the parents rated the FAS provision of free education to be an important factor for them. Parents were overwhelmingly in favor of female education.

IDS also posed a number of questions about the parents' initial expectations regarding the effect of FAS reforms on the school, including any tangible and intangible benefits in creating an environment conducive to learning. The responses showed that the parents' initial expectations were being met across the board.

Possible Improvements in the Operation of the Foundation-Assisted Schools Program

Despite the program's success in delivering more and better quality education to children who were poorly served by the public school system, a number of changes could be made to improve its operation, as follows:¹³

***A priori* announcement of program objectives and goals for FAS**

The vision and objectives outlined by the PEF are comprehensive yet achievable. The process of achieving the vision and objectives could be made considerably more efficient from a management point of view by defining in advance a set of specific quantifiable goals and targets. The PEF, on a quarterly basis, should collect information on a small set of key monitoring indicators that are time-bound and transparent so that it can monitor the progress of attaining the specific goals and targets. The availability of a rich data set on the QATs is already more than halfway toward implementing this step. The QAT database should be expanded, however, to include additional information on key indicators. Expanding the QAT database to include variables that affect the physical learning environment as well as information on teachers should form the basis of an improved monitoring and self-evaluation process that will give a much better understanding of the progress of the FAS program

Catering to urban and rural disparities

The PEF has developed a very comprehensive procedure for selecting districts and schools for the FAS program, but the allocation of financial and technical support to every participating region and segment of society does not make differentiation between needs. Allocation of resources should be done based on need and performance. Need-based allocation, coupled with performance-based allocation, would ensure greater efficiency.

A multifocal and multispectral mandate

The FAS vision, mission, and objectives are multifocal and multispectral in concept. For instance, the FAS program focuses on the primary, middle, and secondary levels in urban, suburban, and rural areas (including slum areas) across Punjab. The geographical range and variety of educational standards raise the question of whether FAS is spreading itself too thin and is risking to dissipate its efforts (input) and results (outputs). This has not happened so far, but given the

¹³ Innovative Development Strategies. Third-Party Evaluation, pp. 55–59.

program's rapid expansion, there could be a risk toward dissipation unless specific managerial changes are made.

The fiscal perspective

Achieving all the objectives of the program is likely to cost much more than what is currently spent by the PEF. The resources involved can be very extensive. How much more will be needed depends on the pace of expansion and the assumptions that govern financing. Data currently available from the FAS program do not refer to any long-term fiscal planning by the program management. Financial sustainability cannot be assured unless projections on recurrent and incremental costs are clearly specified and the required resources are ensured well in advance. This uncertainty about the program's financial sustainability could have drastic negative effects on the program's future viability.

Accountability procedures

In the FAS program, the only measure of output is the performance of schools as reflected in the QATs and in the reports of the FAS inspection team. For a more comprehensive system of accountability, there should be increased involvement of parents and the community. This will anchor the schools to the social fabric of their communities, foster a demand for education, and ensure that the education provided by the schools will offer maximum social benefits and reflect local priorities and values. In other parts of the world, cases in which authority and responsibility were shared with the parents and communities have produced encouraging results, including increased accountability and participation. The FAS program has developed rather rapidly, and the following should be noted:

- (i) QATs were originally adaptations of Bloom's Taxonomy.¹⁴
- (ii) QATs are not currently linked with international or national assessment systems. Hence, real performance cannot be judged against larger student populations.
- (iii) QAT results merely reflect the performance of the partner school. QAT scores should be further analyzed to discover the reasons for good or bad performances, so that the performance gap can be effectively addressed. A set of pertinent monitoring indicators could help substantiate the assessments.

Conduct of structured evaluations

In addition to a system of internal evaluations, more structured and comprehensive evaluations should be undertaken periodically. These comprehensive evaluations should be based on quantitative surveys and on qualitative instruments.

A community involvement plan

As earlier cited, community involvement is a major factor in providing social and institutional sustainability for any reform program. While community involvement is implicit in the FAS program, an explicit implementation plan would clarify and strengthen the community's role.

¹⁴ Bloom's Taxonomy is a classification of learning objectives. For more details, visit http://en.wikipedia.org/wiki/Bloom's_Taxonomy

Incorporating meals and child and maternal health support into the FAS program

By focusing on PPP, the FAS program has undoubtedly increased educational opportunities for out-of-school children. However, FAS should come out with a specific strategy to convince the poorest parents to send their children to school. Such a strategy could include interventions like school-based meals and school-based child and maternal health programs. These additions would help strengthen the overall reform process.

Strengthening FAS links with civil society organizations

For an ambitious reform program like FAS to have genuine sustainability in terms of institutional, financial, and social effectiveness, support of both government and nongovernment organizations (NGOs) is required. The PEF should reinforce its connections and leverage with other government agencies and relevant civil society organizations.

Program awareness and advocacy

FAS awareness and advocacy in communities generate a sense of ownership and social sustainability, thus contributing to the program's success. The existing FAS communications strategy is limited to its website, classified ads in newspapers, and occasional district-level meetings with concerned groups. The ongoing promotional seminars and public service announcements are essential, as they could be effective instruments for reaching the public.

Organizational structure

The current FAS organizational structure is simple in design, consisting of four major components under the aegis of the director: the communications section, the QAT section, the project section for phases I and II, and the project section for phases III and IV.

Each section is supported by project assistants. It is gratifying to witness this small organization's efficient management of such a large and expanding program. However, given the ambitious FAS plans and its rapid growth, one can only conclude that the PEF must systematically expand FAS core competencies to ensure institutional sustainability. The organization of the FAS program has evolved based on its present work flow. As the program expanded geographically, new officers were added to its sections based on some prior planned phasing. This practice has created some disconnect, and it could in time become detrimental to the program's efficiency as it grows. The entire FAS organization is housed at the PEF headquarters in Lahore, and there is little permanent physical presence in the districts. While this arrangement may be cost-effective for now, the volume and magnitude of work that will be generated by FAS's future expansion will require the decentralization of administrative and technical control.

School selection process

The existing school selection process is comprehensive and very diligently implemented in the field. The feedback from different groups with a stake in the educational system, especially the parents, clearly indicates that the PEF–FAS authorities are acting fairly. In some quarters, however, is a belief that the criteria and the implementation of the selection process are too stringent to be beneficial.

During the selection process, each applicant school is discreetly checked for the appropriateness of its physical infrastructure, quality of faculty, and performance of students other than those who

took the QATs. By and large, the standards at these schools have turned out to be quite satisfactory, even above average. As the program grows, however, the larger scale of its operations will need to be matched by a commensurate growth in its resources. Otherwise, there will be a telling effect on the quality of outcomes.

Distribution of funds

The policies and procedures for the disbursement of funds are well elaborated and appropriately structured, with procedural checks to guard against any misappropriation. During its survey, IDS conducted in-depth interviews with authorities involved in the FAS program regarding disbursement procedures. IDS also checked official files and records, and then cross-checked the information it gained with school authorities in the field. Out of 269 schools, not one reported any incident of financial misappropriation, nor did any school authority question the financial integrity of the FAS management. A significant proportion of schools were critical of the stringent funding procedures followed by the PEF authorities, although school authorities often averred that it was heartening to know that the FAS management was keeping a strict tab on the disbursement of funds, including incentives to high-performing schools. However, it is important to note that 90% of the schools do not maintain proper financial management procedures. There is an urgent need for short-duration management courses for school administrators, with a focus on the maintenance of school accounts.

M&E capability of the PEF

M&E is the quintessential core policy of any development organization for ensuring the achievement of its objectives. The present M&E section of the PEF is still in its formative stage, however, and the PEF's capability to conduct M&E work is limited. So the foundation focuses on conducting spot inspections to ensure that the schools strictly follow instructions. The PEF must expand its M&E procedures and provide a structure capable of scrutinizing on a regular basis the implementation and impact of the FAS program.

The QAT section currently functions under the director of FAS, but the QAT is an M&E function and should thus be part of the M&E section of the PEF. The conduct of QAT under the M&E section will make it more credible and will result in greater fairness, transparency, and efficiency.

M&E information has many potential uses, but the PEF will first have to systematize the way M&E is conducted and the way M&E-generated data are used. Systematization will ensure the regular flow of M&E information, which is important for ongoing management processes, such as the budget cycle, the management of PEF programs and projects, regular performance reports to the Board of Directors, and the fine-tuning of policies and directives by the Board of Directors. In particular, a properly institutionalized M&E department is needed to support

- (i) budgetary decision making for various program elements and expansion plans;
- (ii) performance gap analysis and program fine-tuning; and
- (iii) accountability supported by an M&E framework that builds relationships among schools, PEF management, and civil society.

CONTINUOUS PROFESSIONAL DEVELOPMENT

The Continuous Professional Development Program

It is not possible to raise the standard of education without qualified, motivated, and competent teachers, but the development of this human resource is a slow and continuing process. To ensure quality education, there has to be an optimal mix of institutional and governance arrangements in the public and private sectors for supporting effective teacher training and mentoring and for evaluating training methods using objectively verifiable indicators. All those involved in education, including policy makers, are aware that quality education will remain a remote possibility unless there is an upgrading of the subject area knowledge and pedagogical skills of teachers. Quality education arises from quality mentoring, quality curricula, resilient management, a good teaching–training environment, good governance, transparent processes, rigorous and candid monitoring and evaluation, and the integration of lessons learned into the system in a process of continuous improvement.

The Board of Directors formulated the strategy for human resource development, professional development, and capacity building for teachers in private schools that cater to less affluent households. The promotion of professional development for teachers at low-tuition private schools, which serve the marginalized sections of society, is also in line with the statutory requirements of the PEF Act of 2004. For the first time in Pakistan’s history, teachers at low-tuition private schools are given opportunities for ongoing professional development.

To ensure quality education, good mentoring is essential. The Continuous Professional Development Program (CPDP) aims to improve student learning outcomes in low-tuition private schools by providing effective mentoring to teachers. The CPDP is enhancing the effectiveness of teachers by developing their pedagogical skills and subject area knowledge through cluster-based training. There is irrefutable empirical evidence of a positive impact of CPDP on the learning outcomes of students, the ultimate beneficiaries of the intervention.

The premier academic institutions in Punjab—the Institute of Education and Research at the University of the Punjab, the Government College University, the Beaconhouse National University, and the Forman Christian College University—were engaged to train private school teachers. Leading NGOs in the field of professional development and capacity building (contracted through open and transparent competition) hired mentors selected by a special board constituted by the PEF. This selection board included subject specialists—teachers recruited by the PEF for their exceptional academic backgrounds, and well-respected chairs of departments in premier institutions in Lahore.

Under the auspices of the CPDP, cluster-based training (CBT) workshops took place at locations conveniently close to the homes of participating teachers. The PEF developed a 40-point checklist with prerequisites for conducting successful CBTs. Among them are

- (i) training needs assessments (TNA) of teachers participating in the CBT;
- (ii) adequate infrastructure at the host school for teacher-training, i.e., restrooms, drinking water facility, and emergency arrangements;
- (iii) coordination and collaboration among schools participating in the same clusters;
- (iv) geographical proximity and transportation for participating teachers;
- (v) materials outlining the curriculum being taught in participating schools;

- (vi) development of necessary materials for distribution to participants on the basis of the TNA;
- (vii) a decision made as to whether or not the training should be modular;
- (viii) proper rooms and furniture for lectures, discussions, and group workshops; and
- (ix) a group of 25–30 participants, which the PEF considers suitable based on stationery items, reference materials, manuals, modules, and training aids (including digital cameras, white boards, charts, and others), since for groups larger than 30, trainers find it difficult to give constructive personal attention or to use such approaches as learning by doing.

Table 5 shows the achievements of the CPDP from 2005 to 2009.

Table 5: Number of Teachers Trained through the Continuous Professional Development Program, 2005–2009

Year	Number of Teachers Trained		
	Total	Male	Female
2005	568	114	454
2006	9,976	1,995	7,981
2007	40,121	8,024	32,097
2008	19,736	3,947	15,789
2009 ^a	15,626	3,125	12,501
Total	86,027	17,205	68,822

^a Figures quoted only include results of the test taken in March 2009.

Source: Continuous Professional Development Department, Punjab Education Foundation. 2009.

The purpose of the CPDP is to promote quality education and better student learning outcomes in FAS-partner and non-partner private schools. Professional development through the CPDP is need-based and conveniently located near the schools where the teachers work. The CPDP is also a unique window of opportunity for female teachers, given that, in the socio-cultural milieu of Pakistan, it is exceedingly difficult for females to travel far from home to attend professional training sessions.

The PEF follows a 40-step preparation process prior to conducting a workshop. These steps include thorough consultations with everyone connected to the participating school cluster (a consortium of 8–10 schools). These consultations, along with the findings of the TNA, are the basis for the training syllabus for the intensive 6-day workshop. To assess the learning outcomes of the participants, the PEF administers tests before and after the workshop.

The quality of CPDP workshops is ensured primarily through rigorous M&E. New ideas and critiques generated by M&E are integrated into the design of future workshops. When planning workshops, the PEF also takes into account the opinions of prior participants, all of whom were given feedback questionnaires by the PEF at the end of their sessions.

Private schools contribute to CPDP sessions by sharing their resources, including buildings, facilities, and staff. This sharing allows for an optimal utilization of all available resources—human, physical, and cognitive—and thus drastically reduces the cost per participant. Moreover, the CPDP model has demonstrated a competitive edge over other programs in terms of assured clientele (due to lack of alternatives for teachers from private schools), service delivery mechanisms, and social recognition.

The School Leadership Development Program

More than 80% of the CPDP participants reported that their school administrators were not allowing them to apply the new teaching methods based on student comprehension. Instead, the schools were interested in rote learning so that their students could score high marks in the examinations conducted by the Punjab Examination Commission and by the boards of middle and secondary education in the province. Participants in the CBT often proposed in their feedback questionnaires that school administrators be made to appreciate the importance of giving their students a genuine understanding of their subject areas, rather than just teaching them through cramming and rote learning. As a result, the PEF considered it necessary to start the School Leadership Development Program (SLDP) for principals and vice principals of FAS partner schools and non-FAS schools.

The SLDP has met with huge success, and many principals and vice principals have since allowed their teachers to apply methods learned at CBT workshops. The following are some of the feedback from CPDP and SLDP workshop participants:

- (i) The CPDP participants preferred to have discussions with their students rather than rely on one-way lectures or monologues.
- (ii) The integration of feedback from CPDP participants into the design of forthcoming workshops is an ongoing process, leading to continuous improvement.
- (iii) Sometimes, highly experienced teachers at the primary, middle, and secondary levels found it difficult to understand the need for reinforcing their subject area knowledge. There was also the problem of conducting workshops with participants who had very different levels of experience. Some participants, including many who had attended other training sessions, felt that the participants should have been divided into groups based on their qualifications and professional experience. Because of the marked differences in the core competencies of the participants, the learning outcomes were sub-optimal. Participants with advanced-level knowledge of their subject areas were particularly disappointed. These critiques can be taken into account during future TNAs.
- (iv) The response of the private schools in rural areas has been enthusiastic. The interest of these participants has been impressive. It was observed, however, that the open-ended questions in pre- and post-workshop tests were difficult for the participants to complete within the allotted time. This time-management problem was mentioned in the feedback following three separate workshops. As a result, the Academic Development Unit staff removed the time limits for those questions.

Achievements of the Continuous Professional Development Program and School Leadership Development Program

The PEF trained 86,027 teachers from 2005 to 2009, including 17,205 male teachers (20%) and 68,822 female teachers (80%). The higher number of female teachers was primarily because far more female teachers work in private schools. Female teachers are usually more willing than male teachers to work for lower salaries, and for socio-cultural reasons they often prefer to work closer to home, while male teachers can commute longer distances and spend more time away from home. Furthermore, male teachers often have other job opportunities, while female teachers have limited options, generally restricted to education, health, and domestic service.

The SLDP has successfully developed the managerial capability of 12,014 heads and deputy heads of private schools from 2007 to 2009 (Table 6). The number of male heads and deputy heads of schools who have participated in the SLDP is 6,830 (56.9%), while the number of female heads and deputy heads is 5,184 (43.1%). The heads and deputy heads of private schools are generally the owners of their schools, hence, more of them are males.

Table 6: Number of Principals and Vice Principals Trained through the School Leadership Development Program, 2007–2009

Year	Number of Principals and Vice Principals Trained		
	Total	Male	Female
2007	4,072	2,100	1,972
2008	3,515	2,510	1,005
2009 ^a	4,427	2,220	2,207
Total	12,014	6,830	5,184

^a Figures quoted are updated to 1 October 2009.

Source: School Leadership Development Program, Punjab Education Foundation. 2009.

TEACHING IN CLUSTERS

Teaching in Clusters by Subject Specialists

Quality in education depends on the interaction between students and teachers. Without well-trained teachers, low-tuition private schools have little hope of improving the learning outcomes of their students. But well-qualified mentors demand higher salaries than these schools could pay. As a result, low-tuition private schools in rural, suburban, and urban areas have often failed to improve the quality of their instruction.

In response to this problem, the PEF started its Teaching in Clusters by Subject Specialists (TICSS) program in 2006. The “subject specialists” had degrees from the best universities in Punjab, as well as some teaching experience. The TICSS program hired them at market-level salaries to work in low-tuition private schools. Those who had earned their degrees with high marks could earn a monthly salary of between PRs30,000 and PRs35,000 to work at schools that paid their own teachers a meager monthly salary of PRs3,500–PRs6,000.

The TICSS program appears to have been a success. Subject specialists deputed to low-tuition private schools visited the schools two or three times a week to conduct classes. They ended up playing a catalytic role in lifting educational standards at these underachieving institutions. For one thing, they improved the academic performance of their students, raising the mean grade point average from 33% to 55% within the 3 years of the program’s operation. For another, they introduced innovative teaching methods to the full-time faculty.

The TICSS program was launched in 24 of the 36 districts of Punjab, benefiting more than 30,000 students in 150 schools. It could not be expanded to include all 36 districts because any further decision had to wait until a new national government was installed in late 2008. TICSS came to a standstill, however, and any continuation and expansion of the program will have to wait for a decision of the current government.

The subject specialists were scholars with sound academic backgrounds. The academic qualification required was generally a graduate degree, preferably a master's degree in education with a major in teaching the English language and/or literature, physics, chemistry, biology, mathematics, or any of the newly emerging scientific disciplines. Candidates with a master's degree in a subject area or other especially qualified candidates were also considered for subject specialist position at higher salaries. Subject specialists were required to have 2–3 years of teaching experience in a reputable institution, and they had to be residents of the district where they were posted.

A subject specialist received a 2-year contract but was on probation for the first 3–6 months. The TICSS partner school would submit a report on the subject specialist. This report would carry a great weight when the time came to decide whether or not he or she could continue in the program. But the determining factor was the performance of the subject specialist’s students on the QAT. After 1 year, the subject specialist would again be confirmed in his or her job contingent upon a satisfactory performance as reported by the partner school and by the M&E team from the PEF, and as reflected in the students’ QAT scores.

The PEF established the following rules and practices for the TICSS program:

- (i) The subject specialist would be deputed to teach only in middle or secondary schools, so as to better utilize his or her superior knowledge of a subject area.

- (ii) The subject specialist would be deployed in a cluster of two or three schools, located in a rural or urban area, where he or she would be required to teach at least five periods a day at each school and give homework assignments once a week.
- (iii) The subject specialist would give tests to his or her classes once a month, and would forward the results to the PEF's Academic Development Unit through the school administrators.
- (iv) Before the beginning of summer vacation, the subject specialist would devise a School Improvement Plan (SIP), and would be responsible for convincing the school administrators in his or her cluster to offer summer school classes for at least 20 days. During the summer school session, the subject specialist would regularly visit the schools to spend three or four class periods working with the weaker students. The subject specialist would also help his or her own pupils to complete their summer vacation homework.
- (v) As part of the SIP, the subject specialist would convince the administrators in his or her schools to hold a cluster-based teacher training program, and would work with the administrators to coordinate the program. Subject to the approval of the schools, and depending on his or her expertise, the subject specialist would serve as adviser to the schools' examination cells and would help junior teachers prepare tests for their classes.¹⁵
- (vi) The subject specialist would be obliged to accept any additional academic responsibilities assigned by the school administrators due to his or her superior qualifications and status among the teachers.
- (vii) The subject specialist would maintain a record of his or her daily activities at work, including a lesson planner clearly delineating his or her teaching methodology and syllabus.
- (viii) If the subject specialist's field is English, he or she would work closely with junior language teachers, guiding them and preparing their students for debates and essay contests within and between the cluster schools.

The subject specialists, under the auspices of TICSS, served as arms of the ADU. Aside from teaching in clusters of two or three schools, they helped the ADU teams to design tests for the assessment of FAS partner schools, and they carried out inspections to ensure the accuracy of FAS student enrollment lists. Subject specialists were part of the assessment and examination teams created by the PEF. They liaised with other experts and engaged in teacher training and professional development in public and private schools. They also developed resource bases for pedagogical methods and core subject knowledge for the benefit of private school teachers.

Achievements of the Teaching in Clusters by Subject Specialists Program

The TICSS program has been widely acclaimed in Pakistan and there has been an incessant demand from low-tuition private schools for an expansion of the program to higher school levels (e.g., secondary, higher secondary, and higher education) and for an increase in the number of subject specialists per school.

¹⁵ An examination cell in a school is a mechanism of a continuous system of assessment and evaluation of the students through class surprise tests and announced monthly, bimonthly, and quarterly tests.

The subject specialists helped a total of 30,000 students each year in all 24 districts in which they served. The TICSS program was not only beneficial but also proved to be cost-effective. The monitoring cost of TICSS was lower than that of other PEF initiatives because of the daily monitoring done by the administration of each participating school, and because of the good communication between the school administrators and the TICSS team at the PEF.

Table 7: Number of Subject Specialists Employed in Teaching in Clusters by Subject Specialists and Districts Covered, 2006–2008

Year	Number of Subject Specialists Employed		
	Total	Male	Female
2006	5	2	3
2007	55	23	32
2008	120	70	50
Total	180	95	85

Source: Teaching in Clusters by Subject Specialists Department, Punjab Education Foundation. 2009.

As shown in Table 7, of the 180 subject specialists selected by the PEF, 95 were male (52.8%) and 85 were female (47.2%). The PEF is an equal-opportunity employer, but female subject specialists were reluctant to work in remote places due to concerns about their security and social attitudes in rural areas. Therefore, the percentage of male subject specialists was higher. Also, the turnover of subject specialists was high because they tended to leave once they found better job opportunities in the major cities. Once a subject specialist left, the PEF had to start the process of selection all over again.

EDUCATION VOUCHER SCHEME

The Education Voucher Scheme

To ensure educational justice and avoid educational apartheid, the government must ensure that the poorest of the poor have equal access to quality education. Only then will future generations be able to escape from the vicious cycle of poverty and deprivation.

In collaboration with the Teachers College, Columbia University, and the Open Society Institute, the PEF designed the Education Voucher Scheme (EVS) for the slums (or *katchi abadies*) in the province of Punjab. The EVS aims to promote freedom of choice, efficiency, equity, and social cohesion. A pilot project was started in 2006 in the urban slums of Sukhnehar, Lahore, where a survey showed that all households were living below the poverty line. Through the EVS, the foundation would deliver education vouchers to every household with children 5–13 years of age. The vouchers would be redeemable against tuition payments at participating private schools. In the pilot stage, 1,053 households were given an opportunity to send their children to a private school of their choice.

The EVS makes its partner schools accountable to the parents rather than to the bureaucrats at the Ministry of Education. In the FAS program, every school principal has the choice of admitting a student or not. In the EVS, however, the decision regarding where a child attends school is up to the parents because they are the ones carrying the education voucher issued by the PEF. The partner schools are also accountable to the PEF: they are subject to periodic reviews of their student learning outcomes, additional private investments, and improvements in working conditions of the teachers.

Table 8 shows the number of schools and students participating in the EVS over 2006–2009.

Table 8: Number of Students Benefiting from the Education Voucher Scheme, 2006–2009

Year	Number of Schools	Number of Students		
		Total	Male	Female
2006	11	1,053	505	548
2007	35	5,000	2,465	2,535
2008	52	10,000	5,154	4,846
2009	69	15,000	7,014	7,986
Total^a	167	31,053	15,138	15,915

^a Figures quoted in the table are updated to 1 October 2009.

Source: Education Voucher Scheme, Punjab Education Foundation. 2009.

Selection Criteria for Education Voucher Scheme Partner Schools

The EVS provides an incentive to parents to send their children to school, and so it has become a source of competition among private schools seeking to join the program. When it comes to the selection of schools, the following criteria are applied across the board:

- (i) The fee paid by the PEF to EVS partner schools is PRs300 per child per month. Schools charging higher fees can also apply to the program, but they will not be paid more than PRs300, and they will not be entitled to charge the difference from students' families.
- (ii) Total school enrollment should be between 100 and 500 children.

- (iii) The school should have an adequate infrastructure and a good learning environment.
- (iv) EVS partner schools should be located within a half-kilometer radius of the residences of voucher holders. However, if the parents prefer a particular school that is farther away, the PEF will have no objection, provided that the school fulfills the EVS selection criteria.
- (v) The PEF advertises to stimulate the interest of potential partner schools. It then gives students at short-listed schools preliminary tests in selected subjects, and conducts physical inspections of these schools. PEF offices display a list of all the EVS partner schools so that parents may consult it and choose a school for their children.

Access to Information by Households

- (i) After the PEF spreads information about the EVS around a selected locale, the information is carried further by word of mouth. Dissemination by word of mouth can be very effective because densely populated urban slums are usually close-knit communities.
- (ii) PEF staffers also make door-to-door visits to see which areas are most in need. These visits also help to raise awareness about the EVS.
- (iii) Data about prospective families, generated as a result of door-to-door visits, are entered into a computer at the head office. These data will later prove useful in the process of printing computer-generated vouchers.

Disbursement Procedure

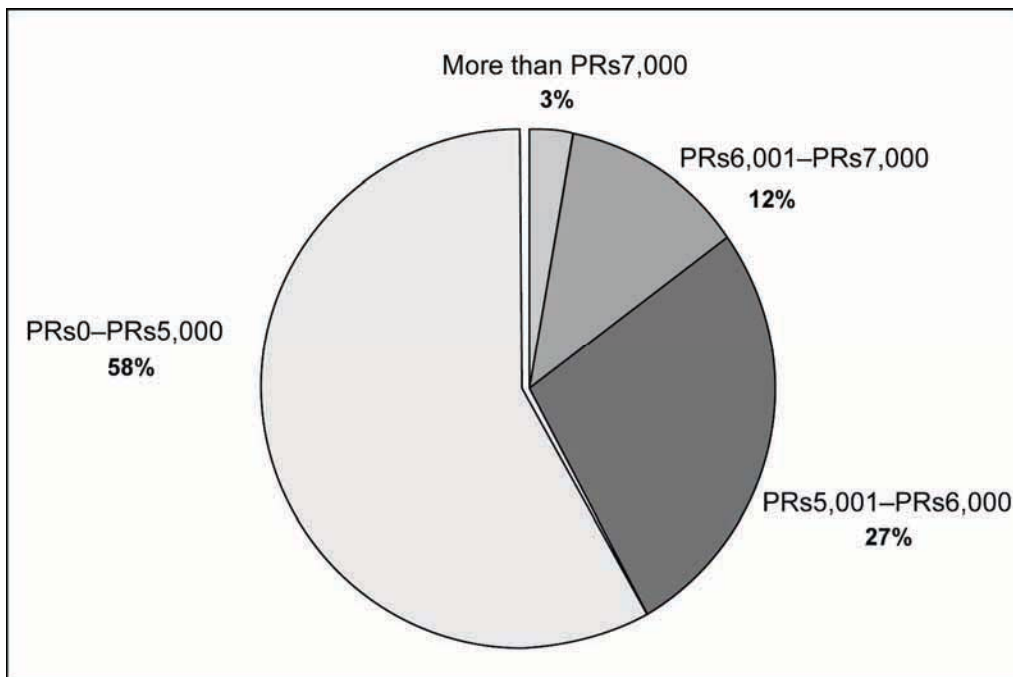
- (i) Selected families receive education vouchers every quarter at the local project office, which is situated within easy reach of families residing in the area.
- (ii) Parents carry these vouchers to the school of their choice and present them to the school administration.
- (iii) The school administration sends these vouchers to the PEF head office, which then issues instructions to the bank to transfer the corresponding payment to the school's account.

Income Distribution

The education vouchers are meant to be distributed to low-income households. The selected communities are those in which most families earn considerably less than the minimum wage and thus fall into the poor category. Barely 3% of the households participating in the EVS earn more than PRs7,000 per month, which is not enough to qualify them for even the lower-middle income bracket. These households are also considered to be low-income. In the selected communities, 58% of the population earns less than PRs5,000 per month, 27% earns PRs5,001–PRs6,000, and 12% earns PRs6,001–PRs7,000.

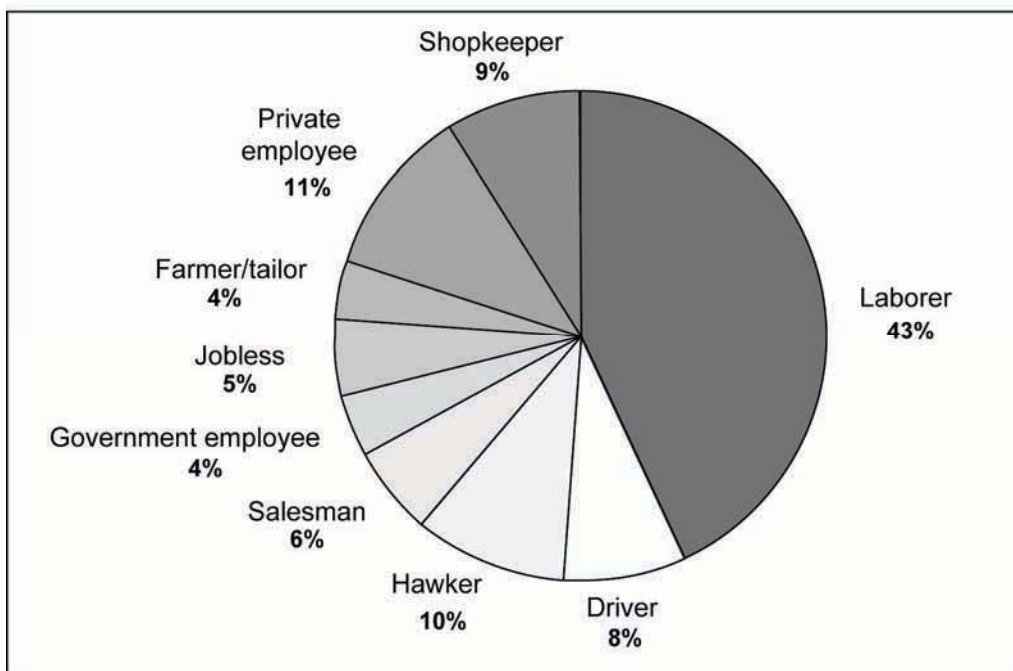
Income distribution can be easily explained by the type of work people in the communities do, a breakdown of which is shown in Figure 2. In 43% of the households participating in the EVS, the breadwinners earn daily wages as laborers; in 11%, they are household servants; and in most others, they are engaged in some other form of low-paying, unskilled labor. About 5% of them are unemployed. Household servants are generally women and young girls who work in comparatively affluent homes. They are paid much less than the males engaged in unskilled labor.

Figure 1: Distribution of Families Benefiting from the Education Voucher Scheme by Monthly Income (%)



Source: Education Voucher Scheme, Punjab Education Foundation. 2009.

Figure 2: Distribution of the Occupations of Parents of Students Benefiting from the Education Voucher Scheme (%)



Source: Education Voucher Scheme, Punjab Education Foundation. 2009.

Achievements of the Education Voucher Scheme

The EVS is providing free quality education to 31,053 students in 167 schools throughout the Punjab Province (Table 8). Below is a list of the ways in which the program has benefited students, parents, and the partner schools.

- (i) The scores of EVS students on QATs clearly demonstrate the difference between EVS and non-EVS students. EVS students from low-income families with poor educational backgrounds tend to do as well as or better than students from middle-income families with better educational backgrounds. These encouraging results show that the conditions under which students live do not matter, provided that the students have the opportunity to study in a good learning environment. The results also bode well for the replication of the EVS model, which means that more students will be able to get a good education.
- (ii) Of the total number of students participating in the EVS program, 15,138 are males (48.7%) and 15,915 are females (51.3%). The parity between male and female students is ensured by an EVS policy that makes it mandatory for participating households to enroll both girls and boys. If a household enrolls its boys using an EVS voucher but not its girls, the voucher will no longer be valid. This condition, coupled with an awareness campaign, has persuaded parents to send both their boys and girls to school.
- (iii) The key benefit for the private schools participating in the EVS program has been increased enrollment. As the EVS meets the costs of needy students, more low-income parents start sending their children to EVS partner schools, and eventually more self-financed students are attracted to these schools. The overall increase in enrollment has been on average as high as 100%. This enhanced enrollment further improves the reputation of EVS partner schools, enabling them to grow even more.
- (iv) The facilities at EVS partner schools, particularly those charging fees lower than the voucher amount (PRs300 per month), have improved because administrators have been able to invest their surplus funds. The extra funds have also been used to raise teacher salaries and improve working conditions. (This has not been the case for schools charging more than PRs300 per month, however. For them, vouchers serve only to meet the costs of the additional students.)
- (v) As the EVS gives parents the right to choose, the parents acquire bargaining power over the school administrators. Once their children are admitted to a school, the parents can switch them to any other EVS partner school if they are not satisfied with their current school. And since the EVS selects schools within the same communities, such transfers are practical. In fact, during the formative years of the scheme, many parents exercised this right quite often, to the discomfort of the school administrators. For that reason, the PEF imposed a requirement that students must be in a school for at least six months before they can transfer to another school.
- (vi) The EVS has also had the effect of significantly reducing child labor: Boys who would have otherwise been employed in workshops and hotels and girls who would have been doing household chores were all busy studying at EVS partner schools.

PUBLIC–PRIVATE PARTNERSHIPS IN EDUCATION: LESSONS LEARNED

The PEF has known much success since it was revitalized in 2004. Its programs, particularly its flagship FAS program, have grown significantly since their inception. The FAS program alone has grown from just 54 schools and 8,573 students in 2005 to more than 1,300 schools and 529,000 students in 2009. Several lessons can be drawn from the PEF experience with public–private partnership (PPP) programs. First, when working within demand-based PPP programs, the private sector can be strongly pro-poor and can increase access to, and quality of, education while also enhancing gender equity. The PEF Act of 2004 mandated the foundation to encourage the participation in the PPPs of everyone who has a stake in the educational system; to provide funds for the expansion, improvement, and better management of private schools in the interest of offering quality education to the poor; and to provide technical assistance to low-tuition private schools for the testing of innovative programs, with replication in mind. This mission has been facilitated by the program development of the PEF and by service delivery through the PPPs.

The PEF programs, based on PPP model, seek to promote affordable quality education and better access to education in Punjab on a sustainable basis, making it possible for poor students to perform better and stay in school longer. Projections for these programs are encouraging. The PEF has demonstrated that its programs are cost-effective—economical and efficient in terms of service delivery mechanism. It has won wide approval from private schools; international donor agencies; and federal, provincial, and district governments. The synergy of the PPPs has started to pay dividends. Students at private institutions participating in PEF programs have shown remarkable progress, as measured by their scores in the QATs.

The PEF's flagship initiative, the FAS program, has shown that better and affordable quality education can be had at a lesser cost through PPPs. Participating private schools are now providing quality education in underprivileged urban, suburban, and remote rural areas. At the private schools selected by the FAS program, the students have on average scored higher in the QATs every year, with the proportion of students scoring over 90%—rising from about 1% to almost 18% in only 4 years. More startling, the dropout rate at FAS partner schools is now zero, an exemplary accomplishment considering that the overall dropout rate in Pakistan schools is 40% by Grade 4 and 77% by Grade 10.

For the first time in the country's history, teachers at low-tuition private schools have been given the opportunity to hone their professional skills. The CPDP is a cluster-based training initiative aimed at improving the teachers' pedagogical skills and understanding of their subject areas. The irrefutable evidence of dramatically improved learning outcomes among the students—the ultimate beneficiaries of the CPDP—has earned praise for the program.

To ensure a congenial atmosphere in schools conducive to learning, the SLDP promotes better private school management by training principals and vice principals in new teaching methods that stress a genuine understanding of subject matter by the students, in contrast to rote memorization. With over 24,000 participants so far, the SLDP has become a major factor in building more fruitful teacher–administrator relationships, which in turn have resulted in better quality instruction in private schools.

The EVS ensures educational justice for children dwelling in the urban slums of Punjab. Education for all, especially for slum dwellers, is the only bridge to economic progress and social

empowerment, and the only way for many children to escape from the vicious cycle of poverty and deprivation.

The EVS gives impoverished parents two advantages they never had before: choice and leverage. Parents have the right to pick their children's schools, and they can shift their children to any other EVS partner school if they are not satisfied with their initial choice. This right gives parents bargaining power with school administrators because if the children leave a school, the voucher funding leaves with them as well. The EVS also benefits the partner schools by enhancing their student enrollment and retention. By covering the school fees of needy students, the program has generated an increase in private school enrollment by an average of 100%.¹⁶

The TICSS has helped the proprietors of low-tuition private schools in rural and urban areas to benefit from the skills and knowledge of subject specialists, who are university graduates with outstanding academic records and 2–3 years of teaching experience. The TICSS program hires subject specialists at market salaries and then assigns them to low-tuition private schools, where they mentor the teachers and give students high-quality instruction in mathematics, English, biology, chemistry, and physics. The schools thus get the benefit of highly qualified staff that they could never afford on their own. As a result, the mean average rating of students at these schools increased from 33% to 55% in only 3 years. As is true for the other PEF programs, TICSS shows great promise.

While acknowledging the successes, it is important to highlight the lessons from the PEF's experience for other PPPs that might be contemplated in the education sector. These include:

1. The experience with the FAS program in particular shows that, despite capacity constraints, PPP programs offer a means to quickly expand access to education among the poor. The increase in the FAS program budget from just PRs65 million in 2004 to PRs3.1 billion in 2009, and the expansion of the program's coverage from just 8,573 students in 2005 to more than 529,000 students in 2009 provide ample evidence of the viability of PPPs. The PEF programs are replicable, cost-effective, and competitive. The partnerships create a win–win situation for the public and private sectors by creating programs in remote, often neglected rural areas and urban slums. The PEF programs have already been replicated in some federal territories by the national government and by four other provincial governments, with only slight changes in the methodology to accommodate indigenous and local requirements.
2. The PEF experience shows that overall governance and management are critical to the successful design and implementation of PPP programs. Despite the early successes, program growth ground to a halt in 2008 as a result of abrupt changes in the governance and management of the PEF, and as a result of a changeover in the national government. Moreover, people started raising eyebrows about the PEF's transparency and accountability.

Although the PEF Act of 2004 had granted complete administrative and financial autonomy to the PEF, the provincial government overruled the statutory authority of the PEF's Board of Directors and dismissed the board members. The new Board of Directors remained incomplete between 2007 and 2009. Meanwhile, the absence of a Board and of capable management staff constrained the organization's institutional capabilities, and the

¹⁶ Academy for Educational Planning and Management. 2006. Provincial Reports on Grade Retention and Transition Patterns of Children and School Education, 1995–1996 to 2004–2005.

methods used to appoint a new chair of the board and the other PEF senior officials contravened the PEF Act of 2004.

These departures from statutory norms seriously compromised the credibility of the PEF as an institution and the efficacy of the new management. Donor agencies distanced themselves from the PEF by stopping financial and technical assistance, thus damaging the capacity of the PEF officials to ensure service delivery and adversely affecting the fiscal health of the organization. Fortunately, public pressure arising from the success of the programs led to increased government funding and a further scaling-up of PEF initiatives.

The PPP programs of the PEF have the potential to promote quality education among the underprivileged sections of society at an affordable cost. But the main solution to PEF's woes is to ensure that the organization consistently operates according to the statutory requirements of the PEF Act of 2004. The Act discourages bureaucratization and compartmentalization of the foundation's programs, and it envisages transparency and accountability through institutional and constitutional mechanisms.

3. Capacity is critical to successful program implementation. This is particularly true in situations where programs are being scaled-up. The PEF faced high turnover and a lack of staff retention due to its inability to pay the staff at market rates. The experience with subject specialists under the TICSS program reinforces the importance of paying competitive wages as the latter played a critical role in ensuring that teachers hired under the TICSS program met a very high standard.
4. Finally, the effectiveness, affordability, and social acceptability of the PEF's programs have generated a great demand for them from the general public, elected representatives, district governments, civil society organizations, NGOs, print and broadcast media, and private schools. This demand weighs upon the political leadership of the province. The popularity of the PEF's PPP programs—underscored by heavy public pressure from teachers, students, parents, and communities—is the best hope for their survival. The government would have no option but to continue funding them. The main challenge for the PEF leadership, however, is to win back the lost confidence of international donors and agencies.

Public–Private Partnerships in Education Lessons Learned from the Punjab Education Foundation

Impoverished children living in the remote rural areas and urban slums of Pakistan are not well served by the country's struggling public school system. To provide an alternative, the provincial government of Punjab revitalized the Punjab Education Foundation (PEF), which works with private schools located in poor communities throughout the province. Through these public–private partnerships (PPPs), the PEF provides school funding, teacher training, and vouchers allowing needy children to attend participating private schools for free. As a result, students at these private schools have shown strong gains in academic assessment tests, and the foundation's programs have already been replicated elsewhere in the country.

This report examines a number of aspects of the PEF experience with the design and implementation of PPPs in the education sector. It begins by providing an overview of the governance structure of the PEF, and then outlines the design of, and trends in, its various programs, including the flagship Foundation Assisted Schools Program. The report concludes with a brief discussion of the lessons that can be drawn from the PEF's experience with education PPPs.

About the Asian Development Bank

ADB's vision is an Asia and Pacific region free of poverty. Its mission is to help its developing member countries substantially reduce poverty and improve the quality of life of their people. Despite the region's many successes, it remains home to two-thirds of the world's poor: 1.8 billion people who live on less than \$2 a day, with 903 million struggling on less than \$1.25 a day. ADB is committed to reducing poverty through inclusive economic growth, environmentally sustainable growth, and regional integration.

Based in Manila, ADB is owned by 67 members, including 48 from the region. Its main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance.

Asian Development Bank
6 ADB Avenue, Mandaluyong City
1550 Metro Manila, Philippines
www.adb.org
ISBN 978-92-9092-078-6
Publication Stock No. RPT101591



Printed in the Philippines