

Education Service Contracting In the Philippines

**Assessing public-private partnership in education
from the perspective of the marginalized sectors**

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CHAPTER I INTRODUCTION

Education has always been considered as an important national and human development indicator. The ability of government to provide quality basic education in an efficient and sustained manner is perceived to be a gauge of the country's economic robustness, political stability, and good governance practice. It is for these reasons that universal access to primary education has been declared by the United Nations (UN) as the second most critical development goal for the millennium. This declaration affirms the various UN world declarations on the right to education in the 1900s, more particularly the declaration of Education for All (EFA) in 1990.

For the past two decades, the Philippines pursued the achievement of EFA and the UN Millennium Development Goals (MDG). The government commenced the Decade of Education (1990-2000) with an overhauling of the entire education bureaucracy. Vast amount of resources, provided by the government and advanced by financial institutions, were pumped into the education system. Comprehensive, large scale programs were conceptualized and implemented using the multi-stakeholder approach. Various sectors joined the education revolution bandwagon. Despite all these efforts, the country continued to post dismal education statistics.

In 1994, the country's functional literacy rate was 83.8%. No significant increase was realized in this area in the next ten years. In 2008, functional literacy increased to 86.4%, improving slightly from the 2003 rating of 84.1% (FLEMMS, 2008). Although there was some improvement, the percentage was still off the mark vis-a-vis the "2015 target of 95%" (Guerrero, 2003).

The FLEMMS 2008 statistics also showed that in 1994, about 75.4% (32.2M out of 42.7M) of Filipinos 15 years old and above were able to complete elementary education. The number increased to around 77.50% (39.6M out of 51.1M) in 2003 and to 84.07% (49.6M out of 59M) in 2008. However, in terms of completion of basic education, data shows that only 30.4M (38%) of the 80M Filipinos (6 years old and above) have completed formal secondary schooling. The Alternative Learning System, for its part, was able to reach only a little over 1M learners (1.25%) in its literacy program from 2000-2008 (BALS Data, 2011). Putting these numbers together shows a gap of 48.6M (60.75%) in terms of the EFA goal of nationwide completion of basic education.

Limited economic capacity is unarguably the main reason for the low participation and completion rate in schooling. In fact, a majority of school-age children enrol in the public schools to avail of free education. Mass transfer of students from the private schools to the public schools was first experienced from 1987-1988 when the Free Public Secondary Education Act (RA 6655) was passed into law. A second wave of public school migration occurred in 1997 when the Asian financial crisis hit the country. This was again repeated during the economic downturn of 2003. The shift in enrolment resulted in overcrowded classrooms, which gave rise to the term "aisle students," referring to students accommodated beyond the classroom's full capacity.

By 2006, education expenditure of Filipino families has decreased from a low of 2.3% to an even lower 1.9% of the total family income (FLEMMS, 2008). With the overcrowded classrooms and minimal financial capacity of families, completion of basic education became a problem. In the elementary level, cohort survival rate was 75.4% and completion rate was 73.3% for SY2008-2009. In the secondary level, cohort survival and completion are even lower compared to the elementary schools. Most children stop schooling after finishing grade six. Based on an interview conducted with the National Education Testing and Research Center in 2010, there are approximately 1.4 million second year high school students around the country as compared to 2.2 million grade six students.

In terms of education provision, a 1:5 ratio exists between elementary and secondary schools. At present there are 40,763 elementary schools around the country. Of this number, 88.9% (equivalent to 36,234) are public schools and 11.1% (4,529) are private schools. In comparison to the number of elementary schools, there are only 7,683 secondary schools nationwide. About 57.6% (4,422) of these schools are run by the government. The remaining 42.4% (3,261) are privately-owned schools (DepEd website, 2011). Around 341,789 elementary and 126,141 secondary teachers are employed by the government (Caoli-Rodriguez, 2008). In the alternative learning system, DepEd employs 1,981 mobile teachers to reach out to over six million out-of-school youth as well as adult (BALS, 2011).

The seeming low capacity of government to provide its citizens with access to education is reflected in the amount of budget allocated to education. From 2002-2009, average annual increase in the education budget is 6.9%. Its share in the total national budget has been consistently below the 20% international benchmark. The highest it has reached is 11.87% in 2009. Percentage share of the education budget to Gross Domestic Product (GDP) has constantly fallen below the international benchmark of 6%, achieving only a 2.36% share in 2009. According to Caoli-Rodriguez (2008), the government shoulders 88.6% of elementary school expenses and 59.3% percent of high school expenses.

At present, the government has renewed its effort in reaching the MDG and EFA targets of 2015. For fiscal year 2011, Php207.27B was allocated for education. The amount is equivalent to 12.6% of the total national budget and 2.9% of the country's GDP. It is the highest allocation given to education in the last twenty years but still below the international benchmark. In 2012, the education budget is Php 238.76B which is 15.2 per cent higher than previous year. From this amount, at least Php5.8B has been earmarked for service contracting. For 2012, the amount reached to Php 6.3B. Stakeholders, particularly the private sector, are again being enjoined by the government to participate in ensuring that all children and youth are given access to quality education. The Aquino government has framed Public-Private Partnership (PPP) as a governance and development strategy tool, with Education Service Contracting (ESC) as its main vehicle for implementation.

The following review of literature provides a background of PPP in education, an overview of the different PPP strategies implemented in the Philippines, and a description of ESC in the formal education and alternative learning track.

Review of Literature

Public-Private Partnership (PPP) is defined as a formal, contract-based, risk-sharing relationship between the government and the private sector. The arrangement involves government's acquisition, and private sector provision, of a specified service with defined outcomes and time frame, implemented for the purpose of increasing public service coverage or to bring about a desired public policy outcome. (ADB, 2010; UNICEF, 2011, World Bank, 2009; Commission on UK Public-Private Partnerships, n.d.; Canadian Council for Public-Private Partnerships, n.d.; OECD Website, 2011)

PPP in the education sector takes several forms. A look into education privatization models (Bray and Lee, 2000; Belfield & Levin, 2002) and types of PPP (LaRocque, 2008) show four aspects of education governance where the private sector is encouraged to participate in: education delivery; education funding; infrastructure and ownership; and regulation, decision-making, and accountability.

Various forms of PPP has been tested and implemented in different countries. Grant schemes were implemented in, among other countries, Brazil, Botswana, China, and Ghana. Targetted scholarships were employed in countries such as Bangladesh, Brazil, Colombia, and Mozambique (Belfield & Levin, 2005). Experiments in voucher programs were conducted in Chile, Netherlands, Colombia, England, and the Czech Republic (UNICEF-EAPRO & ADB, 2011). Analysis of these programmes by Lee (2011) showed varying results and inconclusive evidence in terms of its impact, particularly among developing countries. Lee, however, believes that the studies show "promising trends of PPP" and include fundamental elements that are beneficial to the poor and can contribute to the successful implementation of PPP.

PPP in Education in the Philippines

PPP in the area of education has been practiced by the Philippine government since the 1980s. Two factors led to the application of this strategy. One is the need to accommodate the growing number of school-aged children. Two is the need to respond to the call for universal access to basic education.

At present, the government partners with the business sector, non-government organizations, private enterprises, privately-run education institutions, church-based organizations, and community-based organizations in the financing and delivery of education. The GASTPE law, ECCD law, Governance of Basic Education Act, ALS Program, Adopt-a-School Program, and the Brigada Eskwela Program include provisions for government partnership with these private institutions and organizations. This paper focuses on the Education Service Contracting (ESC) provision of the GASTPE law.

Government Assistance to Students and Teachers in Private Education (GASTPE)

Studies on the ESC component of GATPE have been undertaken prior to the passage of RA 6655. In 1981, Fund for Assistance to Private Education (FAPE) was commissioned by the Ministry of Education (MECS) to conduct a feasibility study on ESC. Pilot testing took place

from 1982-1983. In 1986, a Php5M budget was earmarked by MECS for ESC's initial implementation. Positive gains accrued during its implementation eventually led to the passage of GASTPE in June 1989 (FAPE, 2011). The law was amended on February 1998.

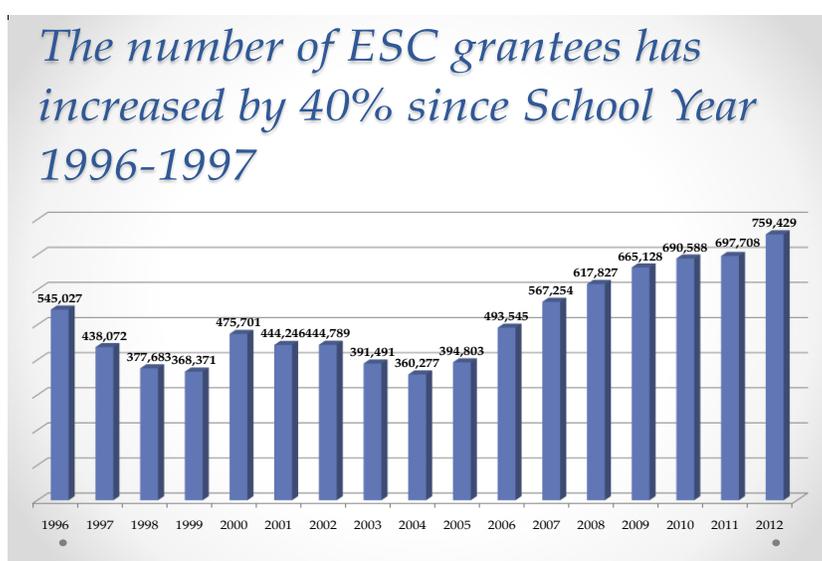
A recent policy guideline (DepEd Order 8, s. 2011) on GASTPE states that its primary objective is to "democratize and improve access to quality secondary education." It seeks to achieve this by providing assistance to "deserving elementary school graduates" who wish to pursue private schooling. In a separate document, FAPE (2011) qualifies that support from GASTPE is extended to "poor but deserving students." (p.7) This mechanism allows the public schools to reduce its class size to manageable levels and the recipient private schools to operate viably.

Program components: There are currently three components of GASTPE, the Education Service Contracting Scheme (ESC), the Tuition Fee Supplement (TFS), and the Teacher Salary Subsidy (TSS). ESC is a program that seeks to lessen the class size of public high schools. The program accomplishes this by "contracting the excess capacities of private high schools" to accommodate students from low-income families who would have otherwise enrolled in the public high schools. TFS is a minimal tuition subsidy for students given in addition to ESC. The third component, TSS, was adopted during SY 2009-2010 to encourage teachers in private schools to continue serving in the private school system. The TFS and TSS components of GASTPE are not tackled in this study.

Program management: ESC, together with the other components of GASTPE, is managed by FAPE. FAPE was established through an Executive Order in 1968 to support private education in the Philippines. The FAPE Board consists of the Philippine Association of Colleges and Universities (PACU), Catholic Education Association of the Philippines (CEAP), and the Association of Christian Schools, Colleges and Universities (ACSCU). The DepED Secretary sits as Chairman of the Board. FAPE operation is supported by a trust fund "created by and between the Philippines and US governments under EO 156 s. 1986" (DepEd Order 8, 2011). It receives an administrative service fee, currently pegged at Php100/student-grantee, for the management of GASTPE. FAPE's role in the implementation of ESC consists of (1) certifying the participating private schools based on specified guidelines, (2) determining the allocation of ESC slots per school based on DepEd determined regional quotas, and (3) collating, reviewing, and forwarding the billing statements submitted by the participating private schools to the DepEd Central Office. In addition to these functions, FAPE provides in-service training for teachers and principals. Together with DepEd representatives, they also monitor the implementation of the program by the grant recipient private school.

A Regional Project Management Committee (RPCom) manages ESC implementation at the local level. In most instances, the RPM is lodged in private colleges and universities. It is composed of a chair, a coordinator, and an information technology (IT) person. In most cases, the President of the University where the RPM is lodged sits as regional chair of FAPE (Porio, 2010). The RPM is responsible for directly coordinating with the grant recipient private schools. They conduct the certification process and coordinate the school's submission of the billing statements to FAPE national office.

Program scope and coverage: ESC is implemented across all regions in the country and covers all Divisions under the Department of Education. The initial budget for ESC was close to Php354.57 million (SY 1996-1997). The budget covered 210,630 grantees across the country. As the years progressed, the budget amount and number of grantees steadily increased. In terms of percentage, however, the increases fluctuate. Substantial budget increase year on year occurred from SY1999-2000 to SY2000-2001 when it reached 60%, and from SY 2003-2004 to SY2004-2005, when it attained 77.6%. Budget increase was also significant, although on a lesser scale, between SY 2004-2005 and SY 2005-2006 (23%), and between SY 2006-2007 and SY 2007-2008 (38%). By SY 2010-2011, ESC budget has broken the Php3 billion mark. The amount covers 595,566 students in 3,178 schools across the country. For SY 2011-2012, budget allocation has been pegged at Php5.8 billion. This was further increased to Php6.3 billion for SY 2012-2013. UNICEF-EAPRO & ADB (2011) aver that GASTPE is “one of the largest educational service-delivery programmes in the world.”



Source: DepEd, 2012

Budget allocation per student is currently pegged at Php10,000.00 in the NCR and Php5,500.00 in all other regions in the country. All grants are given to first year students. Financial support is provided until the students reach 4th year high school, on condition that they enrol on a continuous basis (i.e. no dropping out). Grants are non-replaceable. Allocation per student is forfeited once the student drops-out. No other student may take the place of the grantee. Budget allocation for the grantee is automatically cancelled once the grantee drops-out from school.

Selection of recipient schools and targeting of student beneficiaries: Private schools are selected using a certification process. The RPM Committee coordinates and facilitates the process. In terms of targeting student beneficiaries, all graduating public elementary pupils are considered eligible for the program. As of 2011, eligible students are instructed to register directly with the participating private schools.

A screening committee composed of parent and teacher representatives is created within the school. Applicants are profiled according to Family, Individual, Community, and School (FISC) factors. (DepEd Order 8, 2011) Specific criteria for selecting students have not been specified. A World Bank study (2011), however, cited that criteria for selection include (1) the family's income level, (2) completion of six years of basic education, and (3) capacity of student to complete four years of high school without dropping out. No grade ceiling is required as long as the students pass.

Monitoring and impact assessment: Ideally, school visitation is conducted by FAPE and DepEd once a year. Assessment and evaluation is conducted every three years. In cases where schools are unable to comply with the certification standards and requirements, the schools are temporarily removed from the list of grantees. Schools are evaluated after a year and re-instated as grant recipients after due compliance.

Rationale and Purpose of the Study

This study has been undertaken in light of the PPP strategy currently employed by the government to address education concerns. First, the substantial allocation for ESC (Php6.3B) in the overall education budget warrants a closer look and assessment in terms of its cost-efficiency in delivering basic education. Second, the close association of the public-private partnership framework with the privatization framework necessitates not only a review of its mechanisms for implementation but how it is actually operationalized and executed in the field. This is important to determine whether equitable access to education is advanced through the program. The review also allows stakeholders to understand the nuances of the program and make more informed decisions and positions in their specific education advocacies. Third, the extent of the programs' implementation both in terms of scope (i.e. nationwide implementation) and duration (i.e. 10-15 years program span) deserve more attention in terms of appraising its impact on social cohesion and sensitivity to ethnic, gender, and socio-economic class.

PPP Assessment Frameworks

In many countries, studies such as Bullock and Thomas (1997), Rouse (1998), Filer & Meunich (2000), and Patrinos (2002) have been conducted to evaluate public-private partnership in education. In 2002, Belfield and Levin undertook a comprehensive review of the various "privatization programmes" implemented in the United States, South America, Europe, and Asia. The authors applied the evaluation framework proposed by Levin (2002) composed of 4 basic criteria, posed in the form of questions:

- (1) Will the reform give freedom of choice to those demanding education?
- (2) Will the reform be efficient (in terms of time and resources)?
- (3) Will the reform be equitable (i.e. fair to all students and their communities)?
- (4) Will the reform generate the social cohesion that an education system is expected to contribute to an effectively functioning society with common values and institutions?

Similarly, World Bank (n.d.) conducted an evaluation of voucher programs. The programs were assessed on four areas: (1) access (increase in enrolment rates), (2) quality

(improved education outcomes particularly of students coming from low-income families), (3) cost, and (4) equality.

In the Philippines, a study was performed in 1991 and 1994 by Jimenez, et al. and Lockheed and Jimenez, respectively. The studies assessed high school students' performance in the areas of Math, English, and Pilipino. Results revealed that private schools generally achieved better academic results at lower costs compared to public schools. This result is consistent with Woessmann's (2005) study, which showed positive correlation between private provision and indicators of quality education. In 2006, FAPE conducted a summative test to a randomly sampled 1st-4th year students. The results revealed that ESC grantees fared better than their counterpart in the public schools (Porio, 2011). However, no comprehensive study has yet been conducted based on the National Achievement Test (NAT) that demonstrates the positive impact of ESC on student achievement.

More recently, World Bank (2010) commissioned a study on ESC. The study provided a descriptive analysis of the program. This includes (1) its history and evolution, (2) coverage in terms of number of grantees and participating private schools, (3) regulatory framework, (4) financing and administration, and (5) profile and academic quality of private schools. The program was assessed in terms of cost-efficiency, equity, and quality. The study did not include an assessment of actual program implementation at the school level.

Research Objectives and Problem Statement

The objective of this research is to review and assess the implementation of the Education Service Contracting (ESC) under the GASTPE program. Assessment is focused on the programs' goal of increasing citizens' access to education, particularly the marginalized, excluded, and vulnerable sectors of society. Criteria for assessment are efficiency, equity, social cohesion, and sensitivity to ethnic, gender, and socio-economic status. Based on these criteria, the following research questions were formulated:

In terms of access to basic education of the marginalized, excluded, and vulnerable sector (MEVS), does the Education Service Contracting program:

1. promote **social cohesion** in terms of rationale, objectives, and strategies?
2. use government resources in an **efficient** manner?
3. address **equity** of access to education opportunities?
4. promote **sensitivity** to ethnic, gender, and socio-economic class?

CHAPTER II METHOD

To address the research objectives identified, the case study approach was utilized. Five provinces across the country were chosen. Representation of the three main island groups – i.e. Luzon, Visayas, and Mindanao – and the three sectoral groups – i.e. Muslim, Christians, and Indigenous Peoples – were considered in the selection of communities. Because the study is primarily interested on the impact of the program on access to education of the MEVs, municipalities chosen were limited to 3rd and 4th classes. The classes refer to the average annual income of the municipality during the last three calendar years. 3rd class municipalities have an annual income range of PhP30M to PhP40M, and 4th class municipalities have an annual income range of PhP20M to PhP30M. To facilitate coordination, presence of partner NGOs and contacts within the Department of Education were also considered in the selection of municipalities.

Profile of Cases

Four provinces were included in the final study. These were Masbate province in Luzon; Northern Samar in the Visayas; Compostela Valley in Southern Mindanao; and Maguindanao in the Autonomous Region of Muslim Mindanao (ARMM). Masbate and Northern Samar are largely Christian communities. Compostela Valley is home to indigenous cultural communities. Maguindanao province is populated mostly by Muslims but indigenous groups are also present.

Municipalities

Six municipalities in the five selected provinces were chosen as focus of the study. Masbate City in Masbate province has a poverty incidence of 62.8%. The province's long history of political turfing is said to have contributed to the continued poverty of its residents. The fishing community of Mondragon in Northern Samar is located on the eastern edge of the Philippine archipelago. It is prone to typhoons and storm surges. Mawab and Maco are agricultural communities in Compostela Valley. Mining is also considered as a key industry. Pockets of armed conflict and tribal wars occur in these areas. Basic services rarely reach remote settlements. In Maguindanao, North Upi and Datu Piang are the two municipalities selected. Maguindanao, being the center of long-drawn armed conflict, has a poverty incidence of 55.1%. Table 1 shows the six municipalities and the education programs selected for each municipality.

Table 1: *Representation by regions and municipalities of the education programs*

Region	Luzon	Visayas	Mindanao		Total
Province	Masbate	Northern Samar	Compostela Valley	Maguindanao	
Private Secondary schools	4 th class: Masbate City (2 schools)	4 th class: Mondragon (1 school)	3 rd class: Mawab(1 school) Maco (1 school)	3 rd class Datu Piang (1 school) North Upi (1 school)	7 schools

Grant Recipients

Seven private secondary schools were identified in the six municipalities selected. There are two schools located in Masbate City and one school each for the municipalities of

Mondragon, Mawab, Maco, North Upi, and Datu Piang. In terms of sector representation, 3 schools cater to Christians, 3 for Indigenous Peoples (IPs), and 1 for Muslims.

Table 2: *Sector representation of the education programs*

Sector	Christian	Indigenous Peoples	Muslim
Private Secondary School	Masbate City Mondragon Mawab	Mawab North Upi	Datu Piang

Design and Participants

Mixed method was used in data gathering. For qualitative data, Key Informants Interview was conducted with DepEd officials at the national, regional, and division levels who are directly involved in the implementation of the program. The FAPE national director, representatives of the regional project management committees, and school administrators were also interviewed.

Focused Group Discussions with the teachers, parents, and students of private schools were conducted. Stratified sampling was used for the schools. Representatives from different year levels were gathered for the students and parents group. For the teachers, subject areas, year level taught, and number of teaching years in the school was used as basis for sampling (see Table 3 for summary).

For quantitative data, a survey was administered to the total population of ESC grantees in the 7 schools. Table 4 provides a summary of the number of survey respondents by year level.

Table 3: *List of interviewees and focused group discussion participants*

	KII	# of KIIs	FGD	# of FGDs
ESC	FAPE Director	1	Teachers	7
	FAPE Regional Rep	2	Students	7
	DepEd Regional Rep	1	Parents	7
	DepEd Division Rep	6		
	School Principal	7		
Total		17		21

Table 4: *Number of survey respondents by school*

Schools	1 st year	2 nd year	3 rd year	4 th year	Total # of respondents
Seminary (S1)	18	18	11	13	60
Masbate City (S2)	52	42	41	43	178
Mondragon (S3)	101	88	80	76	345
Mawab (S4)	55	50	57	61	223
Maco (S5)	41	34	37	19	131
Datu Piang (S6)	85	86	51	49	271
Upi School (S7)	51	49	49	58	207
Total	403	367	326	319	1,415

Measures

The four assessment criteria of social cohesion, efficiency, equity, and sensitivity were subjected to a construct validity test. Twenty-seven (27) experts were asked to define the four concepts in the context of education in the Philippines. Based on the outcome of the validation, the following indicators were used to operationalize the assessment criteria.

Social Cohesion

- There is common understanding of the objectives and implementing mechanisms of ESC
- ESC program provides focus and direction for the stakeholders
- There is sector representation
- There is involvement and partnership among stakeholders
- Program promotes input of resources by stakeholders

Efficient use of Government Resources

- Resources are allocated consistent with the countries education needs and priorities and aligned with education policies, goals, and strategies
- Resources are disbursed in a timely manner
- Resources are used for their intended purpose within the target time frame
- There is transparency and accountability in the allocation, disbursement, and use of resources

Equity of Access to Education Opportunities

- Program focuses on MEVS
- Program provides free education

Sensitivity to Ethnic, Gender, and Socio-economic Class

- Program recognizes and values the rights and differences of learners
- Program upholds rights and takes actions to meet learner needs
- There is pro-action towards the mainstreaming/inclusion of MEVS

Instruments and Procedure

Qualitative Data Gathering

The FGDs and KIIs conducted focused on social cohesion and efficient use of government resources. Questions dealt with understanding the program objectives, and the clarity and efficiency of the implementation and funding mechanisms.

The school heads and service providers took care of identifying the participants for the FGDs. Basis or guidelines for selection was provided by the researchers.

Quantitative Data Gathering

The survey instrument administered assessed equity of access and sensitivity to gender, ethnic, and socio-economic class. The survey instrument is a 45-item questionnaire consisting of 3 parts. The first part assessed school-aged children's access to education. Part 2 is a 4-point likert scale focused on sensitivity to gender and ethnicity. Part 3 dealt with demographics and socio-economic profile of the respondents.

The guided survey was pre-tested to 30 students in Masbate. Paper and pencil procedure was used both in the pre-test and actual conduct.

CHAPTER III RESULTS

This chapter presents the results of the study in two parts. The first part discusses the results of the interviews and focused group discussions. The second part focuses on the outcome of the survey administered to the student beneficiaries.

Qualitative Research

Results of the qualitative data is divided into the different components of the program namely, (1) rationale and objectives; (2) funding; (3) selection of recipient schools; (4) targeting of students; and (5) monitoring and evaluation.

Rationale and Objectives

There are four categories of responses in terms of what stakeholders perceive as the objectives of the GASTPE-ESC program: (1) decongestion of the public schools; (2) support for private schools; (3) financial assistance for education end-users composed of students, parents, and their families; and (4) access to private education.

Decongestion of public schools was mentioned by DepEd and two principals, and the perception of ESC as support to private schools and subsidy for teachers came from the principals and teachers. One of the principals admitted that the school is dependent on the subsidy of the government and that the subsidy helps in the survival of the school.

The perception of ESC as financial assistance for end-users cuts across various stakeholders. Interviewees and FGD participants generally perceived the poor as the target beneficiaries. Parents, teachers, and students consider the program as an opportunity for children of low-income families to study in the private school. There was one interviewee however, who perceived ESC as financial assistance to “willing and deserving students,” which means high-performing students who wish to study in the private schools.

In terms of the program rationale, one interviewee mentioned that it is the “government’s responsibility to educate” its citizens, therefore support for the private schools is necessary. Others believed that the program is a way to achieve education for all and a way for government to provide quality education. ESC as a form of public-private partnership was also mentioned.

Funding

Interviews with stakeholders dealt on several components of funding, namely, perception of stakeholders on fund source, fund allocation, fund sufficiency, and use of funds.

Fund source: In two of the FGDs conducted with parents, it was mentioned that the school provides orientation on ESC subsidies during the Parent-Teacher meetings. However, result of the FGDs show that not all of the parents are aware of the actual subsidy amount and the source of the ESC funding. Responses ranged from President of the Philippines, Department of Education, local government unit, and private benefactors of the school.

Fund allocation: In terms of fund allocation, one of DepEd's regional representatives shared that ESC allocation is based on the number of public schools and the population of school-aged children in a given area. Other DepEd interviewees appear to be not privy to this information. Reasons given are (1) the allocation is decided upon by the DepEd central office and the private schools, and (2) they are not provided with a copy of the division budget. In two instances, DepEd personnel admitted that they are aware of the ESC program but are not familiar with the details of its implementation.

Teachers, students, and parents likewise appear to have no clear understanding of the ESC budget allocation process. For the principals, responses vary. One of the principals shared that DepEd proposes the amount to the Department of Budget and Management based on the number of public school enrolment in the area vis-a-vis the school's total capacity. Another principal suggested that the allocation is computed based on current inflation rate. Still another suggested that budget is proposed by the school and approved by FAPE, through the regional committee. Baseline for allocation is the number of the schools' current beneficiaries. Addition to the existing allocation is said to be based on the list of first year enrollees that the schools submit to DepEd and FAPE. For another interviewee, the number of their fourth year graduates serves as basis for budget allocation. Finally, there are also perceptions by two of the principals that the allocation they get is based on the performance of the school and the quality of education they provide.

Although the responses vary, the explanations seem to be consistent with GASTPE's policy on allocation of ESC slots. According to DepEd Order 8 of 2011, grants allocated in a particular area or municipality are ideally proportional to the number of aisle students – i.e. overspill in the enrolment - in a public school. Data on the number of aisle students are determined by DepEd's Office of Planning Service. A participating private school is given a fixed allocation based on the number of their 1st year ESC grantees of the preceding school year. In areas where public schools are highly congested, additional slots are given to the private schools that performed well in the preceding year and were rated in their certification by FAPE as "above standard". The utilization of their ESC slots is also considered. The additional slots are determined by the Regional Program Committee of FAPE.

A FAPE Regional Committee member shared that a conference with school heads is called by FAPE at the regional level to present the allocation per school. However, one of the school principals interviewed stated that FAPE "does not say what the criteria are" in the allocation of ESC funds.

Fund sufficiency: Despite the seeming lack of information among teachers, students, and parents on the basis or bases for fund allocation, respondents at the school level are appreciative of the financial support given to them. Among the schools included in the study, 80%-90% of their students are ESC grantees. Understandably, school principals and teachers consider ESC as contributing largely to the sustenance and continued operation of their school. For the parents and students, the "scholarship" given to them helps a lot in reducing the cost of their children's schooling. It allows them to use their family's meagre income for the more basic needs of their family.

Fund disbursement: There are two main funding issues that emerged. One is the apparent gap in the budget allocation for NCR and the rest of the regions in the country. The second is the perceived delay in the release of funds to the schools. ESC funds are usually received by the school in two tranches. Release of funds appears to vary. In general though, the first tranche is received sometime in October and the second tranche in January. In one particular school, funds are released on a one-time basis. This happens between the month of October and January, depending on when they are able to complete and submit the requirements for the funds' release. According to FAPE, the schools are expected to submit the list of student beneficiaries before August 15.

Based on one FGD with students, their school sometimes have to collect money from them for operating expenses. The money is returned once the budget for ESC has been received. For one of the big schools, money for operating expenses is advanced to them by their parent school until the ESC funds arrive. Others take out loans in order to finance the operation of their schools.

Use of funds: ESC funds are used by the school for the salary of their teachers and for school improvements and other administrative expenses. School improvements include upgrade of science laboratories, technology and livelihood education rooms, classrooms, and libraries; purchase of equipment, books, and school supplies; and construction of pathways.

One of the DepEd Regional representatives clarified that ESC funds must be divided in the same manner as the school budget is divided: 70% for teachers' salary, 20% for miscellaneous and other operation expenses (MOOE), and 10% for capital outlay.

For school principals, six out of seven interviewees are aware as to how funds are used by the school. In the case of the school where the principal is not aware, funds are received and managed by their "parent" school, their school being only one of several school branches. Parents and teachers, however, are uncertain on how ESC funds are used.

Selection of Recipient School

According to a DepEd Regional representative, ESC recipient schools must be located near a red-coded public high school but this policy has not been strictly implemented. This policy was also mentioned in one of the schools in ARMM. Based on the 2011 memo of DepEd though, there was no mention of this criterion in the selection of recipient schools.

Based on the interview with school heads and teachers, private schools must be recognized by DepEd or possess a permit to operate from DepEd in order to be an ESC recipient. They must also have undergone the FAPE certification process. The process involves rating the school in various areas such as qualifications of faculty, number of personnel, quality of facilities, security, syllabus, school achievement, and others.

Targeting and Selection of Student Beneficiaries

Responses of school principals on the targeting of student beneficiaries were likewise varied. This was affirmed by one of the DepEd representatives who shared that "each school has its own targeting and selection criteria."

All students as beneficiaries: In one school, student enrollees are said to be very few so all are given ESC subsidy. The principal shared that when there are more students than the number of grants received by the school, a selection board composed of the principal, teachers, and parents are formed.

Poor and deserving students: In one of the recipient schools, an entrance exam is given to all ESC applicants. Students with grades no lower than 80 during their elementary schooling are preferred. In another school, an entrance exam is required but beneficiaries are chosen on a “first-come-first serve” basis, depending on who are able to submit requirements on time. The expressed rationale behind this selection process is that all the children in the community are poor [*lahat naman sila mahirap*].

Priority for “poor families” and the “poorest of the poor” were mentioned. Barangays are requested by the school to recommend students or issue certifications to determine the economic status of applicants. A screening committee composed of the school administrator, teachers, PTA representative, and a community leader is formed to assist in the selection of student beneficiaries.

“Aisle students”: One particular school reported giving primary importance to “students of red-coded public high schools.” Similar to the schools that target the poor, a certification from the Barangay is required and a screening committee is set-up by the school.

Elementary graduates of private schools: Although aware that ESC grantees should come from the public schools, one of the Principals interviewed shared that they also give grants to students coming from the private schools. The interviewee cited cases of private school students who are unable to settle their accounts in school. This was affirmed by one of the DepEd representatives who observed that although the program targets excess students of the public schools, there are instances when ESC grants are given to the existing students of the private schools.

Perception on the selection process: Asked how they feel about the process for the selection of beneficiaries, parents and student interviewed felt that the process was acceptable and that the requirements asked of them were reasonable. Two of the parent participants, however, shared that they hope that students coming from “poorer families” may also be given the opportunity to be ESC grantees. In the same breath, they also shared that, even with financial support from ESC, these children may not be able to sustain going to private schools because of financial constraints and the distance of the school from their residence.

Monitoring and Evaluation

Monitoring of schools is undertaken by FAPE. In some schools, DepEd participates in the monitoring process. For the other schools, DepEd representatives claimed that they have very little involvement in the program and that their participation in the monitoring of schools is not sought.

Role of Stakeholders

Two important roles of stakeholders emerge in the discussions. First is their financial contribution to education and second is their participation in the selection process.

Input of resources: Based on the policy of ESC, the school shall receive a government grant of PhP5,500.00 for every student beneficiary. The parents are expected to shoulder other costs such as the remaining portion of the tuition and miscellaneous fees; and the payment of books, school supplies, and other related expenses. Because many of the students are unable to pay these costs, some of the schools look for external funders, patrons, and donors to help support the students. On the other hand, there is one particular school where the students are requested to advance their tuition fees. The money is returned to them once ESC subsidies are received by the school.

Selection Committee: The role of parents and community members in the selection committee are not consistent across schools. Although these are specified in the policy guidelines, participation of stakeholders seem to differ depending on the beneficiary selection process adopted by the school. As such, the depth and extent of stakeholder awareness on the detail of the ESC program also vary across schools.

Survey Research

Results of the survey for 1,412 student beneficiaries across 7 schools were analyzed based on the following elements: (1) accessibility of schools; (2) access to grants by gender and ethnicity; (3) socio-economic status of beneficiaries; (4) openness to culture and religion; and (5) responsiveness to student needs.

Accessibility of ESC schools

For many ESC beneficiaries included in the survey, getting to school does not seem to pose a major problem. This is reflected in the number of students (average of 96%) who are able to reach school within 30 minutes, with majority of them (average of 76%) reaching their schools within 15 minutes (see Table 5). This data is corroborated by the fact that the percentage of students who attribute their tardiness to distance of school is very nil.

Travel to school: Taken as a whole, about 45% of the beneficiaries walk their way to school. Another 42% ride tricycles and motorcycles and about 9% take public transports such as buses and jeeps. On a per school basis, data reveal that a larger percentage of students from Samar (67%) and Upi (54%) walk to school, as compared to Datu Piang and Masbate where only a fifth of their students go to school on foot (see Table 6).

The significant number of children who walk to school may be due to the relative proximity of the school. This is particularly true in the case of the Seminary where students are housed in a dormitory. Preference for motorcycles and tricycles may be accounted to the difficulty in terrain, such as the case in Mawab and Maco, and the prevalence of this means of transport in the area, such as in Masbate ((77%) and Datu Piang (73%).

Table 5: Length of time students take to get to school

Schools	1-15 min	16-30 min	31-60 min	120 minutes	No response
Seminary (S1)	57%	3%	3%	2%	35%
Masbate City (S2)	83%	8%	-	-	9%
Mondragon (S3)	84%	10%	2%	1%	3%
Mawab (S4)	72%	22%	3%	-	3%
Maco (S5)	73%	21%	5%	-	1%
Datu Piang (S6)	71%	27%	2%	-	-
Upi School (S7)	77%	19%	4%	-	-
Average across schools	76%	17%	3%	-	4%

Table 6: Means by which student travel to school

Schools	By Foot	Bicycles	Tricycles/ Motorcycles	Bus and Jeeps	Cars and Vans
Seminary (S1)	50%	-	8%	5%	.2%
Masbate City (S2)	21%	-	77%	1%	.4%
Mondragon (S3)	67%	.1%	19%	13%	.1%
Mawab (S4)	48%	-	37%	14%	-
Maco (S5)	44%	-	21%	35%	-
Datu Piang (S6)	20%	8%	73%	1%	.3%
Upi School (S7)	54%	.8%	37%	-	.2%
Average across schools	45%	2%	42%	9%	-

Access to Grants

Male and Female Grantees: Not one of the schools included in the study identified equal opportunity for males and females as criteria for choosing ESC beneficiaries. As such, there is no clear pattern in terms of the number and percentage of male and female scholars across schools. Understandably, all scholars in the seminary are boys. Percent of male scholars is slightly higher in the school in Masbate City and in Maco. For the rest of the schools surveyed, percentage of female grantees is significantly higher than male grantees. This is particularly evident in Maguindanao where more than 60% of the beneficiaries are girls. Over-all, females make up 56% of the total number of beneficiaries in the 7 schools (see Table 7).

Application and selection mechanism: Using a 3-point scale with 1 being the highest, respondents were asked to rate the manner and process of acquiring scholarship in terms of their satisfaction to the following:

Process 1: number of requirements

Process 2: type of requirements

Process 3: number of days spent in applying for scholarship

Process 4: manner of choosing beneficiaries

Process 5: number of beneficiaries accepted

Table 7: *Percent of male and female beneficiaries by school*

School	Male Beneficiaries	Female Beneficiaries
Seminary (S1)	100%	0%
Masbate City (S2)	52%	48%
Mondragon (S3)	41%	59%
Mawab (S4)	45%	55%
Maco (S5)	52%	48%
Datu Piang (S6)	31%	69%
Upi School (S7)	37%	63%
Average across schools	44%	56%

Table 8: *Satisfaction rating by school on ESC application process*

	Process 1	Process 2	Process 3	Process 4	Process 5
Seminary (S1)	2.35	2.48	2.33	2.36	2.40
Masbate City (S2)	2.30	2.43	2.47	2.60	2.65
Mondragon (S3)	2.28	2.33	2.33	2.34	2.51
Mawab (S4)	1.45	1.57	1.63	1.38	1.42
Maco (S5)	1.57	1.70	1.83	1.49	1.51
Datu Piang (S6)	2.16	2.35	2.18	2.42	2.43
Upi School (S7)	2.28	2.45	2.31	2.59	2.70

1 = satisfied; 2 = median; 3 = not satisfied

Comparing the seven schools (see Table 8), beneficiaries coming from Mawab ($M = 1.49$) and Maco ($M = 1.62$) appear to be more satisfied with the application process as compared to the other schools. On the other hand, beneficiaries from Masbate City ($M = 2.49$) and Upi ($M = 2.47$) seem to be the least satisfied. Over-all, the beneficiaries across schools were neutral in their satisfaction rating of the ESC application process, with total mean scores ranging from 2.06 (number of requirements) to 2.23 (number of beneficiaries accepted).

Ethnicity: In terms of ethnicity, schools located in areas that are predominantly indigenous or Muslim tend to cater to these groups. However, this does not prevent them from accepting students coming from different sectors or cultural and religious affiliations. Result of the survey shows a healthy mix of student grantees with regard to ethnicity.

Ask whether they feel Muslims and children of indigenous origin are given equal opportunity in acquiring scholarship, students responded on the affirmative (89%). Consistent with this, beneficiaries in the largely IP community of Maco and Mawab also gave a high satisfaction rating to the manner of choosing beneficiaries. However, beneficiaries of the Muslim-populated Datu Piang did not seem as satisfied (see Table 8).

Reason for choosing school. When asked why respondents chose to enrol in their respective schools, no more than 10% of the respondents identified access to ESC scholarship as the reason. About 10% of students in Mawab mentioned the availability of scholarship, 2.3% in Maco, 1.7% in the Seminary school, and only 1 student in Maguindanao. In Masbate, not a single student mentioned ESC scholarship.

For most grantees, entry to a privately-operated (53.9%) and faith-based school (6%), accessibility of the school (21.4%), and knowing someone who works in the school (10.7%) were considered as the key factors in choosing their schools. Access to quality education (3.8%) and admission to the school where family members are currently studying or have graduated (3.3%) were also included in the list.

Socio-economic Profile of Grantees

In terms of socio-economic standing, the study purposively selected areas that are economically poor – i.e. 3rd to 4th class municipalities. In the survey, respondents were asked to identify access to basic needs. These include livelihood, type of housing and toilet facilities, water source, and access to electricity. Respondents were also asked whether their families own vehicles.

Livelihood: Beneficiaries in the Masbate schools have fathers whose livelihood is generally associated with stable and mid- to high-income sources. Close to 80% of the beneficiaries in the seminary and close to 60% of the grantees in the Christian school in Masbate have fathers who are businessmen, professionals, government employees, white-collared workers, and overseas workers. In contrast, most of the beneficiaries in the IP community of Mawab and Datu Piang have fathers whose livelihood is generally associated with unstable and/or low income sources. More than 50% of the grantees' fathers are farmers and fishermen, vendors, construction workers, and manual laborers. In Upi (45%) and Datu Piang (58%), a majority of the fathers are farmers and fishermen.

The mothers generally have the same sources of livelihood as the fathers. Majority of the beneficiaries in the Masbate schools (85% for the seminary and 48% for the Christian school) have mothers who are business persons, professionals, and government workers. In contrast, the mothers of ESC grantees in Maguindanao (50% for Datu Piang; 71% for Upi) and Compostela Valley (83% for Mawab; 60% for Maco) are mostly housewives, farmers and non-skilled workers. Tables 9 and 10 provide a summary of livelihood sources.

Housing: In terms of housing, respondents live in houses made of strong materials (52%) and predominantly strong materials (18%) such as wood, stone, cement, and bricks. About 20% live in houses that are made of light or predominantly light materials such as bamboo, nipa, and cogon. Only a small percentage of students (10%) live in houses made of temporary or predominantly temporary materials. A look into the data reveals that these are mostly students from Upi and Maco (see Table 11).

Toilet facilities: Consistent with the type of housing the families live in, a large percentage of the ESC grantees have access to toilets (95%). Of this number, 20% has functional water closets (i.e. able to use the toilet flush) whereas 43% need to use water buckets for flushing. Only around 10% of the families have to contend with makeshift toilets (i.e. holes in the ground). The remaining 27% of the respondents did not specify the type of toilets they have. Similar to housing, the ones who have no access to toilets and who make do with makeshift toilets come from Upi. Some of the students in Datu Piang also make use of makeshift toilets.

Table 9A: *Head of the Family – Source of Livelihood (mid-high income source)*

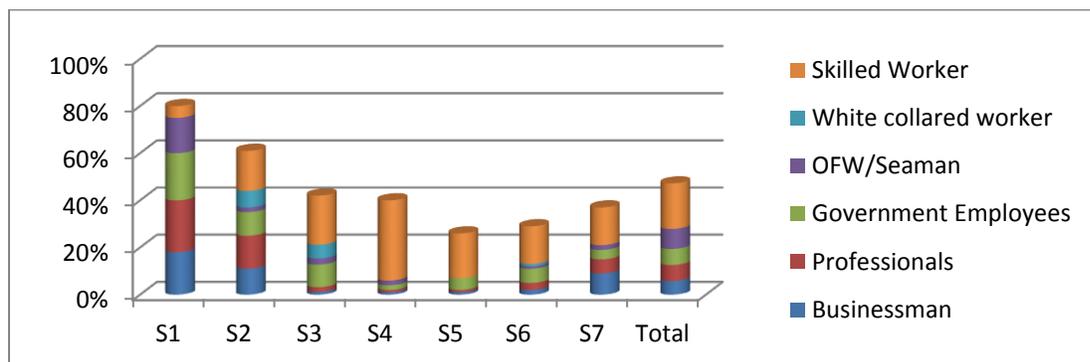


Table 9B: *Head of the Family – Source of Livelihood (low-no income source)*

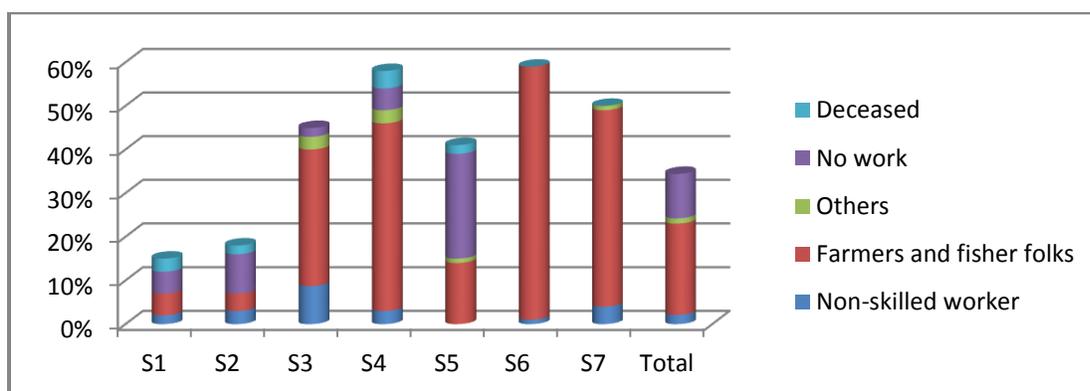


Table 10A: *Mother - Source of Livelihood (mid-high income source)*

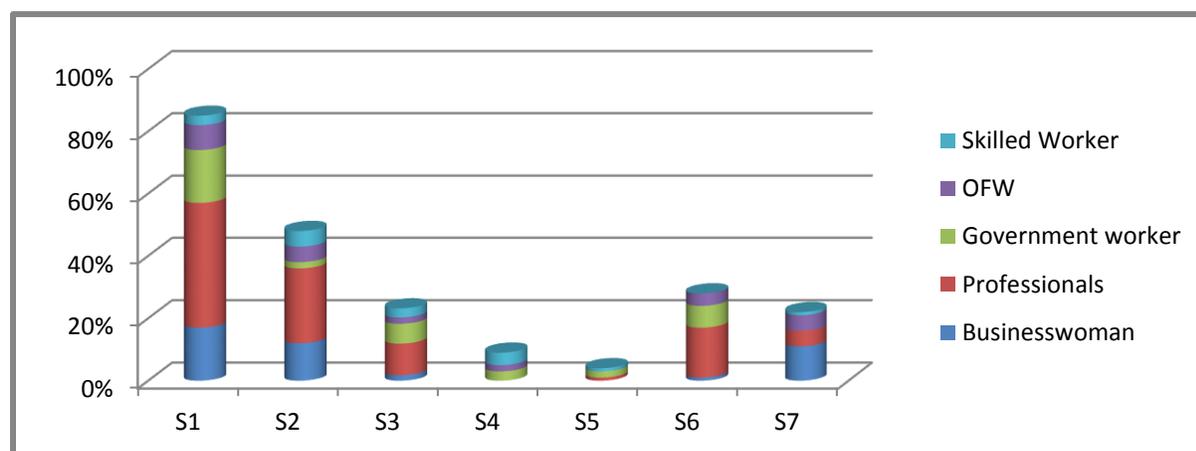
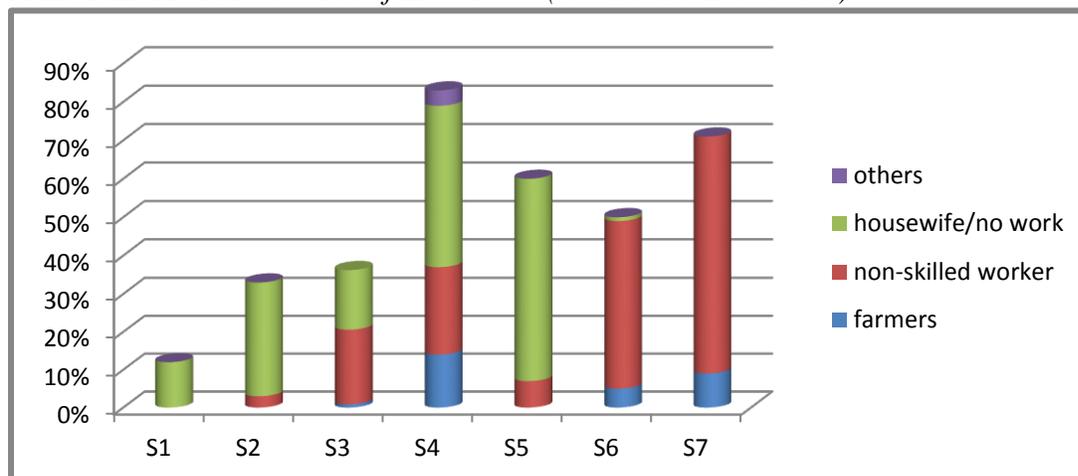
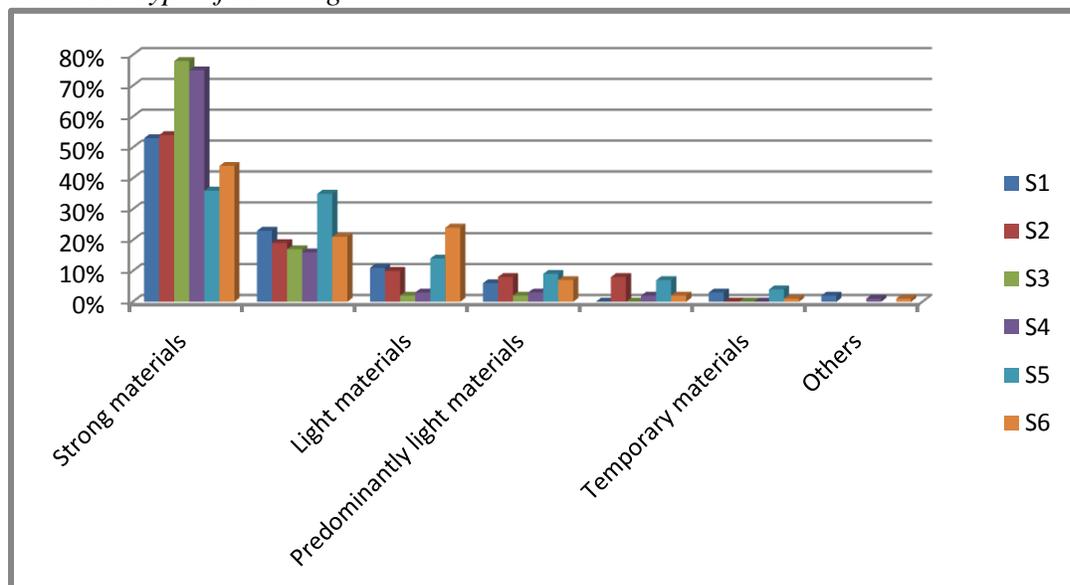


Table 10B: *Mother - Source of Livelihood (low-no income source)*Table 11: *Type of Housing*

Water source: Survey respondents were also asked to identify their sources of water. Of the 1,415 respondents, only 12% have access to the local water company. Close to 20% make use of water pumps and 22% get their water from deep wells. A significant percentage (44%) of ESC beneficiaries, particularly from Maco, gets their water from natural springs. The students of the seminary school in Masbate are generally the ones who have access to the local water company.

Access to electricity: In terms of access to electricity, more than 60% of families are connected with the local electric company. Around 35% rely on their neighbours, and close to

20% have no access. Consequently, around 64% of the families own television sets and 20% have KTVs. Majority of families (56%) also own radio sets.

Vehicles owned: More than a third of student grantees in Mawab own bikes and/or pedicabs, whereas in Maco, a third of the grantees own motorcycles and tricycles. For both schools, however, only a small percentage (7%) own jeeps, buses, cars, or vans.

For ESC grantees studying in the seminary, 95% own motorcycles and/or tricycles and 35% own bikes and/or pedicabs. About 20% of beneficiaries who own cars and/or vans, 8% owns jeeps and/or buses, and 4% owns trucks and/or motorboats.

Among student grantees in Mawab whose family own four-wheeled vehicles, 62.5% are owned by families who live in houses made of strong materials, 12.5% are owned by families living in predominantly strong housing materials, and the remaining 25% owned by families living in houses made of light materials. Similarly, majority of the two-wheeled vehicles (80%-100%) are owned by families living in houses made of strong or predominantly strong materials.

In Thompson school, jeeps are owned by families living in houses made of strong or predominantly strong materials. Similarly, majority of the bicycles (63%) and motorcycles (89%) are owned by families in the said category.

In St. Anthony, all vehicles, with the exception of motorcycles, are owned by families living in houses made of strong or predominantly strong materials.

Openness to Culture and Religion

Survey respondents were asked whether there were incidences when they felt inhibited or fearful to share their culture and religion to their classmates. They were also asked whether they were given opportunities to share their culture and religion. On a scale of four, with 1 being “always” and 4 as “never”, mean scores revealed that students sometimes ($m = 3.16$) feel inhibited or fearful to share their culture and religion. They also sometimes feel that there is no opportunity to share their culture with their classmates ($m = 3.21$).

Further data analysis using non-parametric test revealed that there is significant difference in male and female responses ($p < .01$). This means that female respondents feel less inhibited and fearful to share their culture and religion to their classmates. They also feel that opportunities to share their culture are less.

Similarly, inhibition and fear to share one’s culture and religion decreases as students progress in their year level ($p < .01$). This means that 4th year students feel less inhibited and fearful compared to their younger schoolmates.

Differences in responses of students across schools were also found to be significant. Students from Datu Piang ranked highest in terms of inhibition and fear to share one’s culture. This means that compared to students of other schools, they feel more inhibited and fearful. However, in terms of inhibition and fear to share one’s spiritual beliefs, the seminary school ranked highest. In contrast, the school in Mawab ranked lowest both in inhibition and fear to

share their cultural and religious beliefs. This signifies that ESC beneficiaries in Mawab are less inhibited and fearful to share their culture and religious beliefs.

When asked whether their teachers are interested to know more about their culture, respondents answered on the affirmative ($m = 2.62$). They also perceive their teachers as making an effort to integrate their culture to their lessons in class ($m = 2.31$).

Responsiveness to Student Needs

Survey respondents were asked whether their teachers inquire about students' absences and low grades. They were also asked whether they feel that they receive grades that are commensurate to the knowledge and skills they exhibit; and whether they are given fair recognition for their school performance.

Point-biserial correlation analysis show significant differences in student responses across schools, specifically on items on inquiry about absenteeism and receiving grades commensurate to knowledge and skills exhibited. Across year level, significant differences are present regarding inquiry on absenteeism, low grades, and fairness in terms of grade and recognition.

Non-parametric test reveals that compared to other schools, students from Mawab feel that their teachers inquire more often about the reason for their absences and low grades. Students from Mawab also perceive their teachers as helping them more often when they are having difficulty in their lessons. In contrast, students from Datu Piang feel that their teachers don't listen to them as often as students from other schools perceive their own teachers to be. They also ranked low in terms of their perception about their teachers inquiring about their grades and helping them when they are having difficulty in their lessons.

In general, as the students progress in terms of year level, teachers are perceived to exhibit less concern with regard to student grades and absenteeism. Similarly, compared to students in the lower year level, students in higher year level perceive that the grades they get are not commensurate to their demonstrated knowledge.

Concern for grades and being embarrassed in class are less experienced by the girls compared to boys. Compared to boys, girls also feel that the grades they get are commensurate to their demonstrated knowledge.

Over-all, student beneficiaries feel happy when they are in school ($m = 1.58$). Students coming from Upi ranked lowest, followed by the school in Mawab. The two schools in Masbate ranked highest. This means that students from Upi and Mawab feel happier when they are in school compared to the other students surveyed. The students in Masbate are the least happy among those surveyed.

CHAPTER IV DISCUSSION

This chapter examines the relevant findings of the study. Analysis is based on the four assessment criteria of efficiency, equity, sensitivity, and social cohesion. The significance of the study, limitations of the research and recommendations for future research are presented thereafter.

Social Cohesion

As stated in the policy guidelines of DepEd and the document released by FAPE in 2011, ESC is intended for students who are poor and deserving. Consequently, the schools are directed to recruit public school elementary graduates and to consider in their selection those children who are at-risk of dropping out. The schools are also instructed to form school committees that will be responsible for the profiling of students. The committee is supervised by the DepEd Education Supervisor and may be assisted by the Barangay Council.

Common understanding, focus and direction

Consistent with the guidelines, result of the study revealed that most stakeholders perceive the program as intended for the poor and deserving students, along with other concomitant objectives [i.e. support for private schools and teachers]. However, the process for targeting and selecting beneficiaries vary across schools, as can be seen from the responses of the Principal. Not all beneficiaries come from public elementary schools and the use of “deserving” student as criteria seem to conflict with other factors that need to be considered when targeting the poor. The role of the school committee is not highlighted in the selection process of some schools. DepEd Education Supervisors also appear to be left out in the beneficiary screening and review process.

Coordination between public and private schools

Allocation of ESC slots is based on the number of “aisle students” in the public schools (DepEd Memo 8, 2011). However, the process of identifying “aisle students” appears to be problematic. This is because, as shared by an interviewee, there are cases when public schools prefer to hold on to their “aisle” students in order to increase their operating budget, referred to as the Maintenance Operations and Other Expenditures (MOOE). Because the private schools are not provided by the public schools with a list of the aisle students, they are left with the dilemma of identifying ESC beneficiaries.

Fortunately, the DepEd Memo of 2011 responded to this concern by allowing public school elementary graduates to directly enrol in the ESC accredited private schools. Still, public and private schools are required to coordinate with each other to ensure that all ESC slots are properly filled up. At present, this selection and coordination mechanism has yet to be implemented consistently across participating schools.

Sector representation and involvement

One positive result of ESC is the involvement of various sectors such as private schools and universities, education end-users, FAPE, DepEd, and Barangay officials. FAPE’s

participation is crucial in that they provide a more efficient implementation of the program. However, DepEd's role in the program's implementation still needs to be maximized or used to its fullest. Apart from coordinating with the private schools and DepEd national office, FAPE should also effectively coordinate with DepEd at the regional and division level. This will allow better alignment and understanding of program objectives and create a more cohesive and standardized implementation of policies and guidelines.

The private schools included in the case study are non-profit in nature. They express their commitment to providing quality education and most are focused on servicing the poor and marginalized. Helping these schools through ESC benefits them, the government, and the students they support.

Input of resources

The implementation of GASTPE is premised on democratizing education access. By providing partial subsidy to public school students who have the willingness and capacity to study in the private schools, the government is able to provide a more conducive and quality education for those who are left in the public schools (DepEd Memo 8, 2011). At the same time, it can also be viewed as an efficient way of using government resources. Because of the "willingness and capacity" factor, the chances of beneficiaries dropping-out from school due to academic failure and financial constraints become lower.

On the other hand, providing only partial subsidy constrains the poorest of the poor from participating in the program. They are left with no choice but to stay in the public schools. Interview with some ESC beneficiaries reveal that a rift between public and private school students are present. This is partly because of the perception that more resources are available to the private schools and the beneficiaries of the GASTPE program as compared to the public schools.

Efficient use of government resources

Education, without doubt, is a top priority of the government. Allocating resources to education is therefore aligned with the nation's priorities. Furthermore, allocating resources to provide better education access to children and youth is consistent with the country's education policies and goals. A more pertinent question is whether ESC funds are used for their intended purpose, are released in a timely manner, and are managed in a transparent and accountable manner.

Funds reach the recipient schools

The ESC funds under the GASTPE program are directly disbursed by the Department of Budget and Management to the private school recipients. Private schools are given sufficient autonomy to decide how and where to use the funds. Given that there has been no concerns raised by the school representatives with regard to fund leakage and similar issues, it appears that direct fund disbursement is an efficient system employed by the government.

Disbursement time frame and school financial needs

The concern raised by the recipient schools has to do with the schedule of the release of funds, which occurs between the months of October to January. The school year in the Philippines starts June and ends in April and government fiscal year is January to December. Policy-wise, the time frame for the budget release is considered to be within the parameters of efficient fund disbursement on the side of the government. However, the private schools do not seem to see it that way.

The recipient schools included in the study are heavily dependent on GASTPE for financial support. As such, there are schools that are financially constrained during the first half of the school year when the budget is not yet released. Because of this, some of the schools are forced to take out loan from outside institutions or advance money from their students in order to finance their operations. In some schools, the teachers admit that they share in this burden by accepting lower than minimum wages.

Given that the program emphasizes partnership between the private and the public sector, the private schools interviewed are not raising an issue about their financial concerns. Nonetheless, there seems to be a need for these schools to find ways on how to further manage their operations efficiently. This is necessary in order to prevent potential negative impact on the performance of both teachers and students.

Transparency in the allocation, disbursement, and use of resources

Based on the program policy, mechanisms are provided at the national, regional, and school levels to inform stakeholders on the financial or budgetary aspect of ESC. Despite this, there still seems to be a lack of stakeholder knowledge on this aspect. It is interesting to note however, that even with the limited information that parents and students have, they don't seem bothered or apprehensive about it. They appear to be content with the knowledge that they are being supported by the government and the private school.

Based on the data gathered, the lack of transparency may be attributed to the apparent disinterest of the parents as well as the light regulations imposed on schools with regard to reporting of expenditures.

Equity of access to education opportunities

The ESC program is focused primarily on increasing access to quality education. Although the funds are directed to private schools, the poor are targeted as beneficiaries. This study sought to determine whether equity in access is achieved by giving priority to the marginalized, excluded, and vulnerable sectors (MEVS).

Freedom of Choice

One advantage of the program is that it provides the target beneficiaries the freedom to study in their school of choice. Survey outcome revealed that a significant number of beneficiaries (43.7%) chose to enroll in their respective schools because these are privately-operated schools. This may be indicative of the students' perception that private schools provide

the kind of education they seek. Chief among these would be the quality of learning and the presence of spiritual and moral formation, which were also identified as reasons for enrolling.

Accessibility (33.6%) of school was also one of the main reasons that surfaced. Studying in a school where other family members are enrolled or have graduated was likewise listed. This reflects a culture of loyalty to schools, a trait that is common among Filipinos.

Free education and focus on the marginalized

As has already been stated under social cohesion, the program only provides partial education subsidy to students. This has raised arguments on the issue of free basic education and equity in terms of targeting beneficiaries. While the program has effectively kept the poorest of the poor from participating, it has failed to keep those who have limited financial means from availing of the scholarship. As reflected in the socio-economic status of the grantees, there are current grantees that may not be necessarily poor. It is interesting to note that a very small percentage of the ESC grantees surveyed identified scholarship or access to ESC grants as a key reason for enrolling in their respective schools.

Socio-economic status of grantees. Studying in a school where other family members are enrolled or have graduated reflect a culture of loyalty to schools, a trait common among Filipinos. However, having family members as graduates of the same school may indicate that the ESC grantees belong to families who have the means to study in a private school. The presence of siblings in the same school further confirms that the family is capable of supporting the education of two or more children in a private school. Although it may be said that the siblings are subsidized under the ESC program, the family still shoulders a portion of the education cost.

Study shows that majority of the grantees' family live in houses made of strong or predominantly strong materials. Majority of them have access to basic needs such as decent toilets, water (although only very few have access to running water inside their homes), and access to electricity (60% have direct connections). A significant percentage (36%) of families own four-wheeled vehicles and 47% have motorcycles and tricycles.

These information seem to suggest presence of relatively well-off grantees, particularly in the seminary school in Masbate. Less financially-able grantees, on the other hand, seem to be more prevalent in Compostela Valley and Maguindanao.

Concern on grantee profile has also been raised by the World Bank study on GASTPE in 2011. Given this, it is suggested that a more effective monitoring of the beneficiary selection mechanism be put in place. On a long-term perspective, solutions for effectively providing free education to all must be developed by the government. Such solutions will ultimately respond to the issue of equity and social cohesion.

Quality of Education

From another perspective, DepEd argues that although the poorest are not able to avail of the ESC program, the decongestion of the public schools as a result of the program allows them to provide better quality education for the most marginalized. In effect, the program is able to

address equity on two fronts: First, increased equity between children of affluent families and ESC beneficiaries who are now studying in the private schools. Second, increased equity between the public and private school students as quality of education is improved in the public schools.

In order to validate the achievement of these goals, it is important that systems are in place. These include mechanisms to (1) ensure that those who avail of the ESC program are still considered part of the poor and vulnerable sector; (2) increase access of the “poorest of the poor” in the public schools; and (3) determine impact of decongestion on the school achievement of those who remained in the public schools.

Access to School

School accessibility has always been a concern among the MEVs. According to the UNESCO Global Monitoring Report (AER & E-NET, 2010), close to 30% of school-aged children in the country are not in school. For those who continue to attend school, 1 out of 7 children have to walk for more than 5 kilometres in order to reach their school. This reality is one of the reasons by 20% of the poorest tend to have 5 years less education than their wealthy counterpart.

Accessibility of the school (33.6%) has been identified as one of the key reasons why the surveyed ESC beneficiaries enrolled in their respective schools. Based on the survey data, about 44% of the students walk their way to school. For a majority of them, the relative proximity of the school to their homes allows them to reach their school within 15 minutes. Although there are still some students who have to walk close to an hour to get to school, these cases are few.

Gender and ethnicity. Male and female access to the scholarship program differs across schools. Except for the seminary school, it appears that there are more female beneficiaries in the surveyed schools compared to males. Children of Muslim and indigenous origins also benefit from the program. Particularly noteworthy is the higher number of female ESC grantees in Maguindanao. Residents of this province are mostly of Muslim origin, and it is one of the provinces in the country where access to education of girls is relatively low.

To further improve equity in access, it is recommended that the program provides clearer policies and mechanism on gender and ethnicity, consistent with the country’s national policy framework.

Sensitivity to ethnic, gender, and socio-economic class

It has been mentioned that one of the reasons students chose to enrol in their respective schools is because it is a private school, and one of the predominant characteristic of a private school in the country is its “religious” component - i.e. it provides Catholic, Christian, or Islamic teachings/lessons. This characteristic was highlighted by some of the respondents when asked why they enrolled in their school.

Valuing rights and differences

Based on the survey outcome, it is interesting to note that students studying in an Islamic school felt more inhibited and fearful in sharing their culture to their classmates. Similarly, the students in the seminary school felt more inhibited and fearful to share their spiritual beliefs to their classmates. In contrast, the school catering to indigenous children felt the least inhibited and fearful in sharing their culture and spiritual beliefs.

Response to needs of learners

In terms of responsiveness to student needs, mean scores are relatively low. This denotes that schools are generally responsive to student needs. Teachers' concern towards students is significantly correlated with the students' happiness in school. This means that students feel happy to be in school when (1) teachers inquire about the reason for their absence in school and their low grades; (2) when teachers spend time to listen to students and help them when they have difficulty in their lessons; and (3) when they feel that the grades and recognition they receive are commensurate to the knowledge and skills they exhibit. Data on a per school basis, shows significant differences across schools in how students' perceive their school's responsiveness. Also, concern of teachers appears to lessen as students move up in their year level. Finally, girls appear to feel less embarrassed by their teachers compared to boys.

Conclusion and Recommendations

The research conclusions and recommendations were presented to DepED and FAPE and enriched by validation process with the schools.

1. GASTPE aims to decongest the public education system. With decreased class size, it is hoped that public schools are able to reach out to more students and provide better quality of education. However, an enabling situation where school administrators of both public and private schools work on the "decongestion" process is absent.

The national DepEd Planning Office allocates the number of ESC grantees per region but it does not have a monitoring system to verify whether private schools who were given ESC grantees are indeed near red-coded public schools. Similarly, there is no tracking mechanism to monitor whether ESC grantees are indeed "aisle students" from congested public schools. The RPCom is envisaged to perform this monitoring function. However, with the absence of specific guidelines and monitoring scheme, targeting of schools and students depended on the functionality of the RPCom and capabilities to manage of the DepEd regional office. This makes governance of GASTPE uneven across regions.

A study on the effectiveness of the ESC in decongesting the public schools should be conducted. This can only be done by establishing an information-monitoring system that will provide quantitative data on congestion and qualitative data on impact of decongestion on public school students' access and quality of learning.

2. Private schools with different financial statuses are given education service contracts. Some are mission or secular schools operating in remote areas; others are schools that collect relatively high tuition. For the latter schools, the ESC grant may comprise one-third or even one-fourth

only of the total tuition fee. Therefore, parents had to pay for the big remainder. A major question is whether these schools should be included in the GATSPE program. These schools may pass the criteria within a framework of decongestion but do not fit the access-to-education framework. The DepEd should review its aims for ESC, the framework and the selection criteria for schools.

3. The ESC has not been able to reach out to the poorest of the poor as it envisaged. Indeed, the DepEd and FAPE validated that there is disconnect between this articulated objective and the implementation of the ESC. The additional costs for parents --- tuition fee to augment the ESC subsidy given per student, textbooks and school uniform and materials are beyond reach for families with meagre income. Similarly, in private schools, students are more compelled to submit projects and participate in school activities compared to public schools where such activities may be optional.

Are there mechanisms instituted to support aisle students who may not have the financial capacity to shoulder part of the cost of studying in the private school communicated to stakeholders? In the validation forums, ESC schools said that the DepEd has introduced a new requirement, which is the submission of income tax return or a certification from the local government unit on capacity to pay, to ensure that ESC grantees are really in need of a subsidy (and who would otherwise study in a public school when there is no ESC). While this requirement is a start in targeting the poor, a study on the impact on access to education as facilitated by ESC grants should be in order.

Similarly, a monitoring of the drop-out and completion rate of ESC grantees nationwide should be done to scrutinize reasons for continuing (or not) education. This monitoring can give insights on how to improve continued access to education, especially of those coming from marginalized sectors such as the indigenous and Muslim students studying in Maco and Maguindanao respectively.

How can students at risk of dropping out in GASTPE schools be given access to government programs such as the Drop-Out Reduction Program (DORP)? Indeed, to make the ESC reach out to the poor, DepEd's affirmative action for marginalized learners, including those who are out-of-school, should be integrated in the strategies of GASTPE schools.

4. DepEd argued that ESC is a cost-efficient way of providing education to a large student population but the study found out that different stakeholders bear the burden for this "efficiency." Parents pay for tuition, miscellaneous fees and purchase textbooks and other materials that are otherwise provided free in public schools. Private schools take the risk of operating under extreme financial constraints, often times incurring debts before the release of their grants. Teachers contribute immensely by agreeing to lower than minimum wages amidst the teaching loads and multiple tasks they perform. In summary, the government passes on to parents and private schools/teachers the other costs of educating a high school student which could not be covered by the ESC grant.

GASTPE has witness radical budget increases in the past three years. The DepEd should study the impact of passing on the education costs to parents and private schools. The notion of

GASTPE as a cost-efficient strategy should be revealed. Also, a study on the long-term cost efficiency of increasing ESC compared to building its own high schools and hiring own teachers should be in order.

5. The protection of the rights and welfare of teachers is an urgent issue that should be addressed within the GASTPE. Private schools, especially those that are 80 to 90% dependent on ESC grants find it difficult to give a teacher salary mandated by law. Teachers are also not covered by insurance and health benefits. On the other hand, there are competent private school teachers, who through years of dedicated teaching, were able to develop their expertise. Unfortunately, some of them are not licensed teachers. ESC schools said that while they are not licenses, they are able to perform their duties well. Also, because of the constraint in budget, schools are not able to attract many licensed teachers who will agree with the low pay. These teachers prefer to apply in public schools or work abroad. Given this situation, the DepEd should be able to 1) ensure protection of teachers and 2) facilitate the professional development of current ESC teachers and provide guidelines to those who have yet to pursue their licensure examination.

6. FAPE performs quality assurance through 1) certification process 2) school monitoring 3) training for teachers 4) Conducting and/or supporting research designed to evaluate the effectiveness of the ESC program.

These inputs to quality should be validated by impact studies. For example, ESC students in the survey argued that the small class size and better interaction between teachers and students are key to their motivation to learn and quality of learning. A survey with students as well as time-series analysis of learning outcomes can do well to validate quality of learning through ESC schools.

7. Social cohesion and partnerships is weak in the ESC and these should be strengthened for program transparency and accountability as well as to enhance collaboration. There is a need for localized monitoring of implementation and use of funds involving stakeholders at the school, division and regional levels. Localized capability building and partnerships among stakeholders in “private” and public sector and all stakeholders to achieve EFA. Mechanisms for dialogue and consultations between public and private schools should be put in place.

8. GASTPE is a PPP strategy that dates back to the 1970s, even when the term PPP is not yet being used. Historically, the textbooks production is also done with private entities. In the past years, alternative education programs have also been delivered by non-government organizations in partnership with DepEd. The DepEd has also embarked on a recent PPP strategy for school building/classroom construction.

Given these varied PPP, the DepEd needs to articulate its overall PPP framework and strategies beyond its banner call for “Education for All, All for Education.” Education is a right as mandated by the 1987 Constitution and access to it by all Filipinos should not be compromised. Public-private partnerships should be crafted within this framework. The GASTPE in particular should be evaluated in terms of its long term impact in either promoting or hindering the right to education.

As education is a public good, different stakeholders must be consulted on the PPP framework and strategies and how it they can better serve education for all.

Private and social actors should be made to account to the funds they receive from DepEd by instituting transparency and accountability guidelines and mechanisms. There should also be enough safeguards to ensure that all PPPs serve the interest of the people's right to a public good such as education and not the business interest of private entities.