

Content

1. INTRODUCTION	3
2. A FRAMEWORK FOR THE COMPARATIVE ANALYSIS OF SCHOOL FINANCIAL SYSTEMS	4
<i>Levels of decision making in the public sector for financial and resource allocation to schools</i>	5
Centralisation and Decentralisation	5
Methods for determining the amount of resources received by schools	6
B(FR) EL	7
<i>Level at which decisions on how to utilise school resources are made</i>	7
3 PRINCIPLES OR POLICY OBJECTIVES FOR SCHOOL FINANCE SYSTEMS	9
<i>Adequacy</i>	9
<i>Efficiency</i>	10
Application of efficiency concepts to education	11
<i>Equity</i>	13
<i>Transparency</i>	14
<i>Accountability</i>	14
4. THE EFFICIENCY AND EQUITY OF THE SCHOOL SYSTEM IN BOSNIA AND HERZEGOVINA ..	15
<i>Expenditure on general education</i>	15
<i>School size</i>	16
<i>Pupil- staff ratios and class size</i>	17
TOTAL FBiH	18
<i>Costs of general education</i>	18
<i>OECD 1999</i>	19
<i>Unit cost disparities between schools within the same jurisdiction</i>	20
How unit costs decline with size: RS primary schools	21
Variation of unit costs within size bands: RS primary schools	22
How unit costs decline with size: Tuzla Canton primary schools	22
Variation of unit costs within size bands: Tuzla primary schools	23
How unit costs decline with size: RS secondary schools	24
Variation of unit costs within school types: RS secondary schools	25
How unit costs decline with size: Tuzla secondary schools	27
Variation of unit costs within school types: Tuzla Canton secondary schools	27
Variation of unit costs within school types: Sarajevo Canton secondary schools	28
<i>Discrepancies between per student funding and actual funding</i>	29
<i>Interpretation</i>	33
<i>Conclusions with respect to the efficiency and equity of school financing in BiH</i>	34
5. DECENTRALISED SYSTEMS OF SCHOOL FINANCE AND EQUITY	36
6. LOCAL AUTHORITY ROLE IN SYSTEMS OF DELEGATED SCHOOL BUDGETS	37
7. DESIGNING THE SCHOOL FUNDING FORMULA	39
<i>Criteria for Evaluating a Funding Formula</i>	40
<i>A framework for analysing school funding formulae</i>	42
Identifying Formula Components	42
Component 1: The basic pupil allocation by grade level	43
Component 2: Curriculum enhancement	43
Component 3: Pupil specific factors: Special educational need	43
Component 4: School specific factors	44
Relating components to functions	44
Dimensions: making the components operational	45
Indicators: measuring the dimensions	46

8. FORMULA FUNDING OF SCHOOLS IN SELECTED EUROPEAN COUNTRIES	47
<i>Finland</i>	50
<i>Sweden</i>	52
The financing of local government.....	52
Formula funding of schools by municipalities.....	54
<i>The Netherlands</i>	57
The secondary funding formula.....	59
The primary school funding formula.....	59
<i>Denmark</i>	62
<i>England (UK)</i>	63
<i>Poland</i>	67
<i>Russian Federation</i>	69
<i>Hungary</i>	70
<i>European examples: summary</i>	71
DECENTRALISED SCHOOL FINANCING IN THE BiH CONTEXT: CONCLUSION	72
REFERENCES	75