



Budget Analysis of Administrative Institutions and Sector Policies in the Education Sector

Resource Center for Human Rights
Centrul de Resurse pentru Drepturile Omului (CReDO)
Al. Hajdeu 95 "A", CHISINAU, MD 2005, Moldova
(373 22) 212 816, fax (373 22) 225 257
CReDO@CReDO.md, www.CReDO.md

About CReDO

CReDO is a democracy and human rights nongovernmental organization that provides lobby and consultancy in the implementation of the democratic reform oriented policies. It provides knowledge and solutions in the framework of policy evaluation and assessment, policy management and implementation, developing relevant policy capacities needed to govern efficiently and effectively.

Specifically CReDO consultants provide:

- Cost-benefit analysis,
- Analysis of current policies,
- Analysis of public policy processes,
- Budgetary analysis,
- Institutional Analysis,
- Legislative analysis, regulatory impact analysis,
- Functional Analysis.

Among CReDO beneficiaries are international institutions, Moldovan Government and various beneficiary groups.

Executive Summary

The goal of the report is to make a budgetary analysis of educational policies. The results of the analysis will inform the reader on the efficiency in the use of public expenditures by public administrative institutions within the social sector areas and will foster a clear understanding of the priorities of social budgetary policies in relation to the main beneficiary groups.

The social sector includes the social, health care, and education areas. The budget analysis has 2 aspects: 1) analysis of administrative budgets of central public institutions from the sector and 2) analysis of budget policies regarding the main funding mechanisms and main beneficiary groups of social policies.

The report is structured in several chapters. The first chapter analyses the integral structure of social sector budgets and the main priorities in the education sector. The second chapter contains an analysis of administrative budgets of central executive institutions in the education area. The main budget mechanisms and main priorities of budget expenditures in the education area are analyzed in the third chapter. The Report contains inter-sector comparison.

The conclusions of the report are grouped in 3 categories: conclusions on the efficiency of administrative budget use, conclusions on the identification of priorities in budget funds appropriation, and conclusions on the effectiveness of budget funds use.

The report recommends streamlining the use of budget expenditures for administrative needs, the indirect expenditures for procurement of services and goods, especially at the level of university and vocational education.

Contents:

EXECUTIVE SUMMARY.....	1
1. INTRODUCTION	1
2. BUDGET POLICIES IN THE SOCIAL SECTOR: SOCIAL, EDUCATION, AND HEALTH CARE.....	2
2.1 Sector Budget Policies	2
2.2 Budget of Education Policies.....	3
3. ANALYSIS OF CENTRAL PUBLIC INSTITUTIONS' BUDGETS	8
3.1 Health Care Sector	8
3.2 Comparative Analysis	10
4. BUDGET PRIORITIES	14
4.1 Budget priorities by educational stages.....	14
5. CONCLUSIONS AND RECOMMENDATIONS.....	30
6. REFERENCES.....	31

1. Introduction

The budget policies are important in order to understand who and how much receives or benefits from the public funds. The budget policies are regarded as the main policy instruments. The budget analysis is necessary to ensure the transparency and accessibility for citizen to get to know the governance priorities.

The Report uses financial data from 2006-2007 and only in some cases uses expenditures planned for 2008. The information basis of the reports is the public and institutional reports, including financial data, in addition to the statistical data collected during the discussions and interviews with responsible persons from the social sector.

The Report does not analyze the overall social policies, as it would need to include the tax policies in the Report, together with the main beneficiary groups. At the same time, the Report does not review the efficiency and impact of budget policies on the beneficiary groups because this requires a separate exercise. The analysis of budget policies' impact claims the availability of statistical data with breakdown on main beneficiary groups before the consumption of budget policy benefits and their effect after their receipt. Although, the assessment exercise of social budget policy impact is difficult to separate from the social policies as a whole.

Abbreviations:

MSPFC – Ministry of Social Protection, Family and Child
NSIH – National Social Insurance House
RCMVE – Republican Council for Medical Vitality Expertise
MH – Ministry of Health
SMC – Sanitary Management Center
NHIC – National Health Insurance Company
NCHEA – National Council of Health Evaluation and Accreditation
SPCPM - Scientific and Practical Center of Preventive Medicine (CPM)
MA – Medicine Agency
SB – State Budget
SIB – Social Insurance Budget
MTEF – Mid Term Expenditure Framework
NDS – National Development Strategy
MEY – Ministry of Education and Youth
...

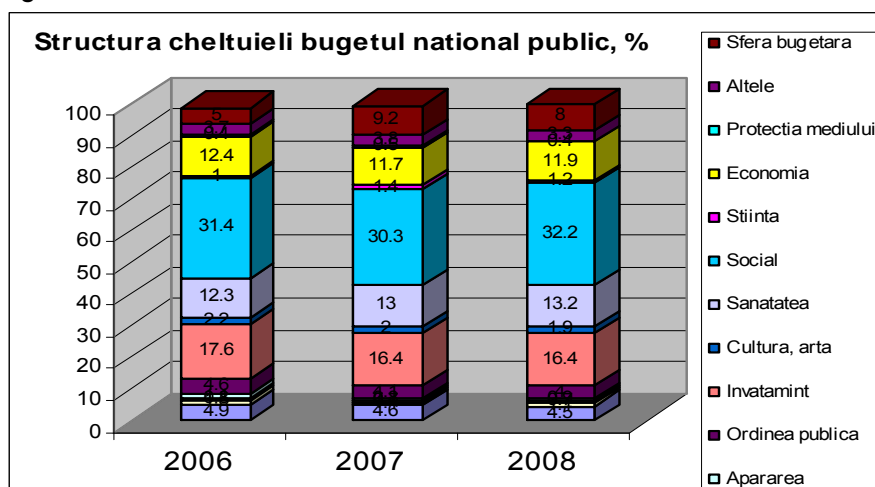
2. Budget Policies in the Social Sector: Social, Education, and Health Care

This Chapter analyzes the social sector budget macro-structure from a comparative perspective and from retrospective. The following 3 sections will present the analysis of budget structure and priorities from each area.

2.1 Sector Budget Policies

The social policies are a priority of public expenditures. The expenditures for social needs have a constant share of over 30% in the national public budget. The expenditures for health care account for 13%, and those for education – for 16% of the national public budget. The total value of social expenditures accounts for over 60% of the national public budget. This figure maintains its share over the last 3 years.

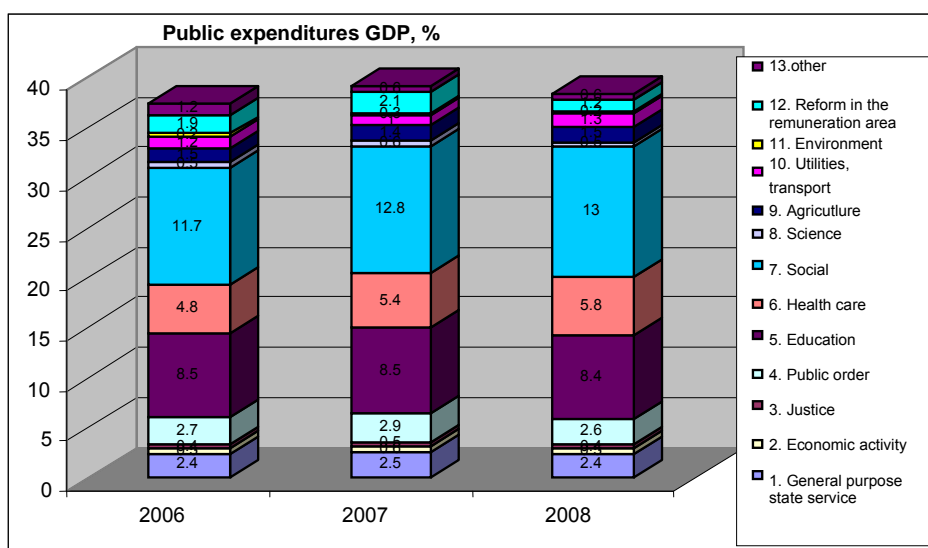
Figure 2.1



Source: MTEF 2008-10, 2009-11

The analysis of social expenditures structure in terms of Gross Domestic Product (GDP) reveals a similar situation. The expenditures for social sector account for 13%, for health care – almost 6%, and for education – a little over 8%. Totally, the social expenditures account for a little less than 30% of GDP.

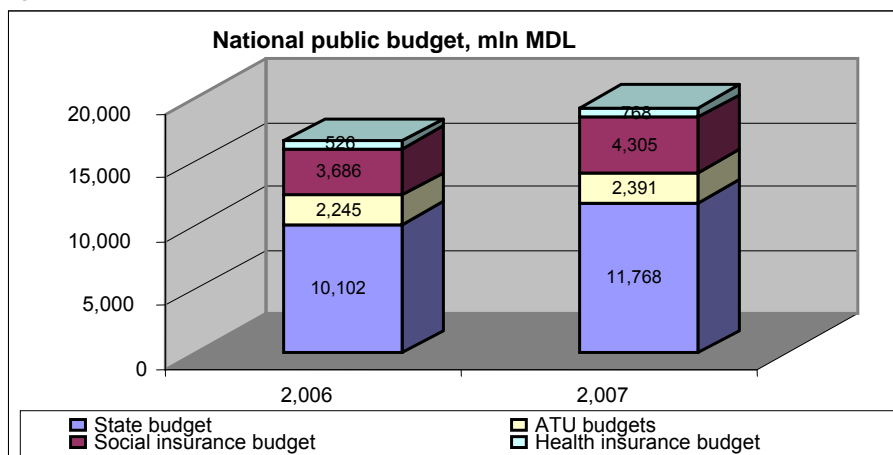
Figure 2.2



Source: MTEF 2008-10, 2009-11

The national public budget consists of 4 main budgets: State budget (revenues from taxes and fees), budget of local public authorities (ATU), social insurance budget, and health insurance budget. The relative share of budgets is obvious.

Figure 2.3



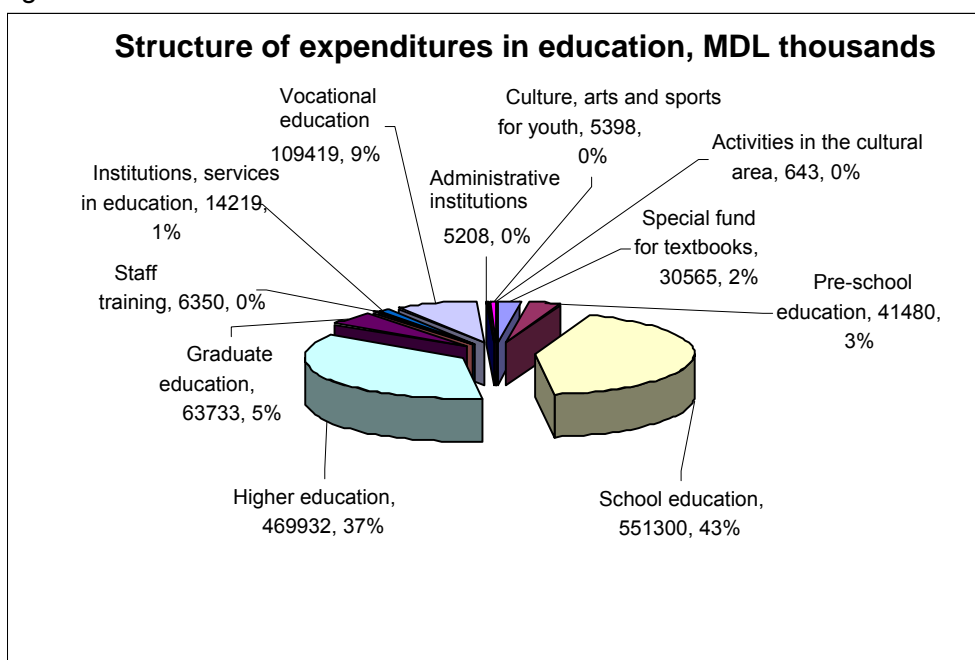
Source: MTEF 2008-10, 2009-11

2.2 Budget of Education Policies

There are 2 main funding sources in the education care area: the state budget (SB) and private sources of funding through investments or direct payments for educational services. The analysis of expenditures share in the area of education depends on the funding by education stages: pre-school education, school education (including the special one), vocational education, pre-university education (in colleges and universities).

The figure below shows that the greatest share is held by school education – 43% (or over MDL 550 million), together with the post-university education (5% or almost MDL 64 million) it equals the school education (42%). The second place in the ranking of expenditures is held by the university education – 37% (or almost MDL 470 million), the vocational education ranks the third - 9% (or MDL 109 million).

Figure 2.17

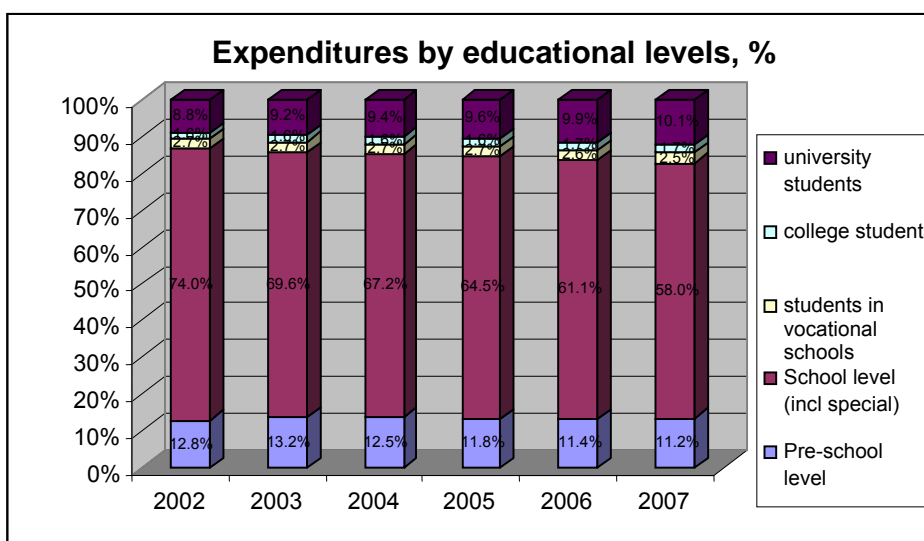


Source: Annual Budget 2006, 07, MTEF 2008-10, Statistical data of NBS 2005-07, author's calculations

The other expenditures account for less than 3%, including expenditures for youth and others.

During the last 5 years (from 2002), the expenditures for education increased from MDL 1.5 billion up to MDL 2.2 billion, over 25% of nominal increase of 5% per year.

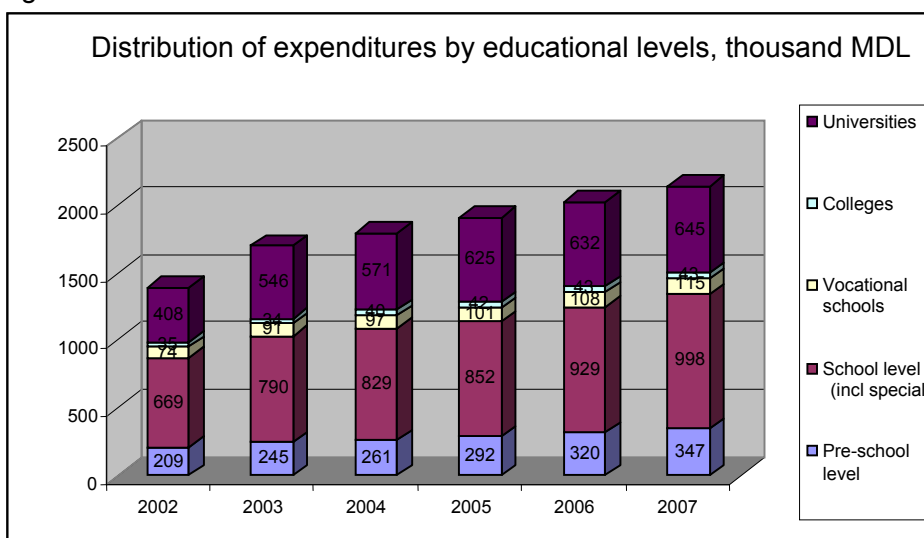
Figure 2.14



Source: Annual Budget 2006, 07, MTEF 2008-10, NBS data 2005-07, author's calculations

At the same time, the nominal increase of the budget is not equal for all educational stages. Although the expenditures for school education are increasing nominally, they are decreasing relatively in comparison with the other educational stages; during the past 5 years they decreased by 16%. Only the education for preschool education decreased during the last 5 years but only by 1%.

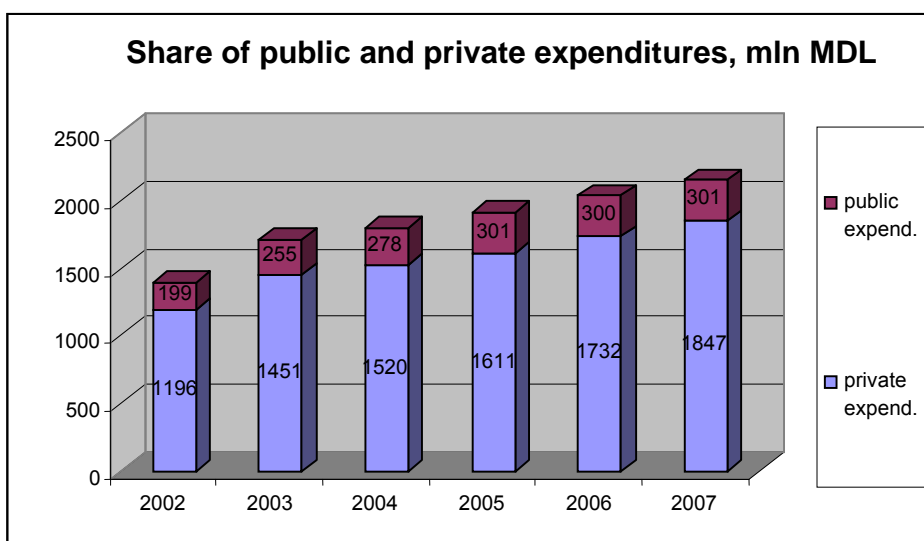
Figure 2.15



Source: Annual Budget 2006, 07, MTEF 2008-10, NBS data 2005 07, author's calculations

The analysis of public and private expenditures shows the proportional nominal increase of each component. The private expenditures amount now to over MDL 300 million, a nominal increase of MDL 100 million during 5 years, that is, MDL 20 million per year. The public expenditures increased by over MDL 600 million, or over MDL 100 million per year.

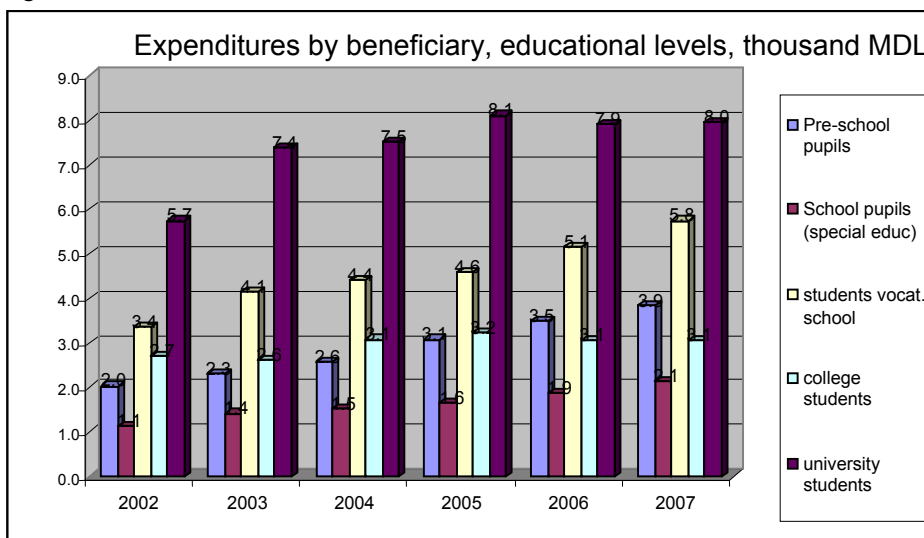
Figure 2.16



Source: Annual Budget 2006, 07, MTEF 2008-10, NBS data 2005-07, author's calculations

The figure below shows the breakdown of appropriations by beneficiaries for each educational level. The greatest allocation corresponds to university students, over MDL 8 million; the second place belongs to expenditures for students from vocational schools, continuously rising from MDL 3.4 thousand up to MDL 5.8 thousand in 2007. The expenditures for preschool pupils rank the third with MDL 3.9 thousand, with an increase from MDL 2.0 thousand in 2002. The students from colleges are provided almost MDL 3.0 thousand, while the pupils from schools are provided almost MDL 2.0 thousand.

Figure 2.17



Source: Annual Budget 2006, 07, MTEF 2008-10, NBS data 2005-07, author's calculations

Conclusions of the section on analysis of budget policies in the education area:

- the private expenditures account for almost 20% of all expenditures in the education area,

CReDO: Budget Analysis of Administrative Institutions and Sector Policies in the Education Sector.

- the expenditures for the education area increased step by step from MDL 1.5 billion in 2002 up to MDL 2.2 billion.

3. Analysis of Central Public Institutions' Budgets

The administrative budget expenditures will be analyzed in this chapter. This analysis will take into account the administrative costs of central executive public institutions. The significance of this analysis is the relative distribution of budget appropriations within the executive institutions. The economic analysis of distribution of expenditures for human resources, current expenditures or capital investments offers information and conclusions regarding the efficiency of budget funds use, identifies the main cost centres by economic budget lines.

3.1 Health Care Sector

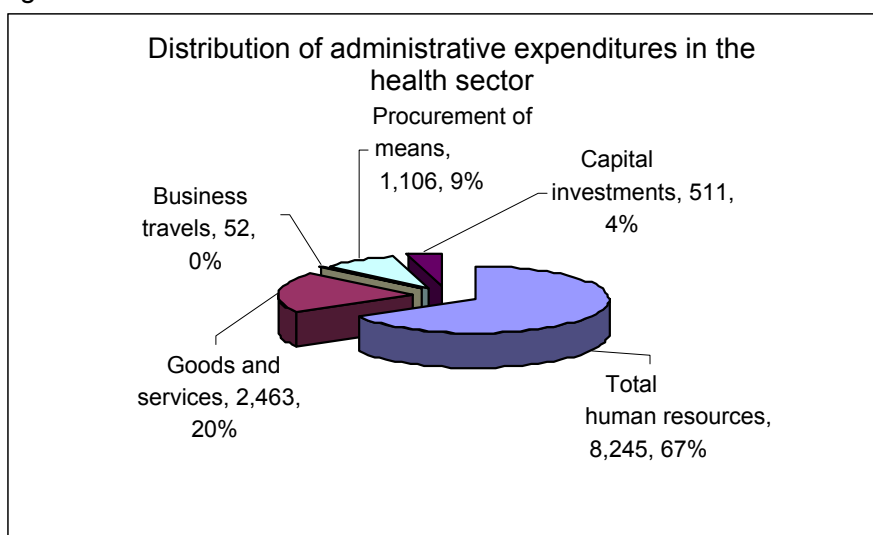
The health care sector consists of several central executive institutions:

- MEY – responsible for the development and coordination of policy implementation,
- AEA – Training of citizens and public officials
- CICTE – implementation of new information and communication technologies in education
- CAD – Accounting for a series of schools and public events
- IES – service and methodological support in this sector
- MCSS – sector support

The education area has a stronger institutional development than the social area. The administrative expenditures of health care institutions amount to almost MDL 2 million a year. The amount of expenditures in this area is comparable with that from the social area.

Almost 67% of administrative expenditures are designated for human resources, i.e. almost MDL 8 million, 20% belong to goods and services, or over MDL 2 million, and 13% rest with capital investments and procurements, or almost MDL 1.5 million.

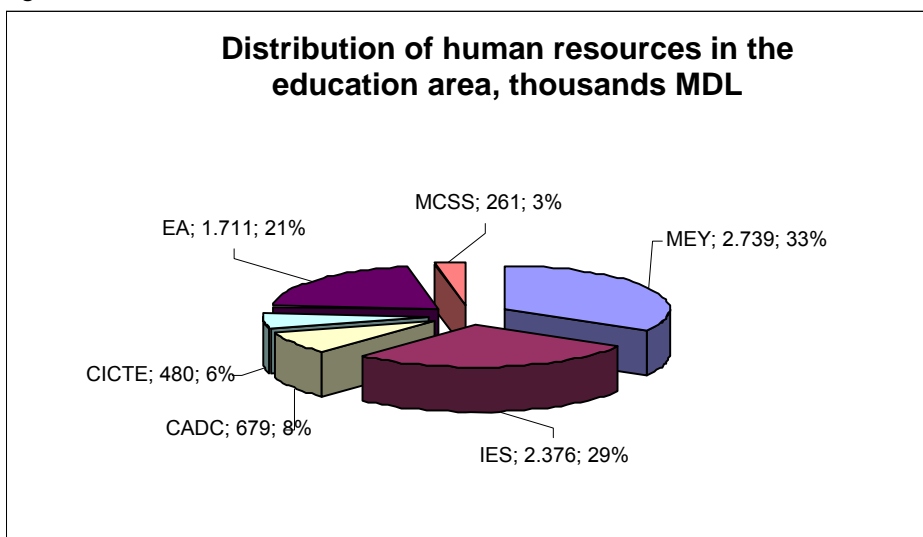
Figure 3.10



Source: MTEF 2008-10, administrative reports of the institutions under review, author's calculations

The total number of staff in the administrative institutions in the education area doesn't exceed 500 people, which is 2.5 times fewer than in the health care and social sector.

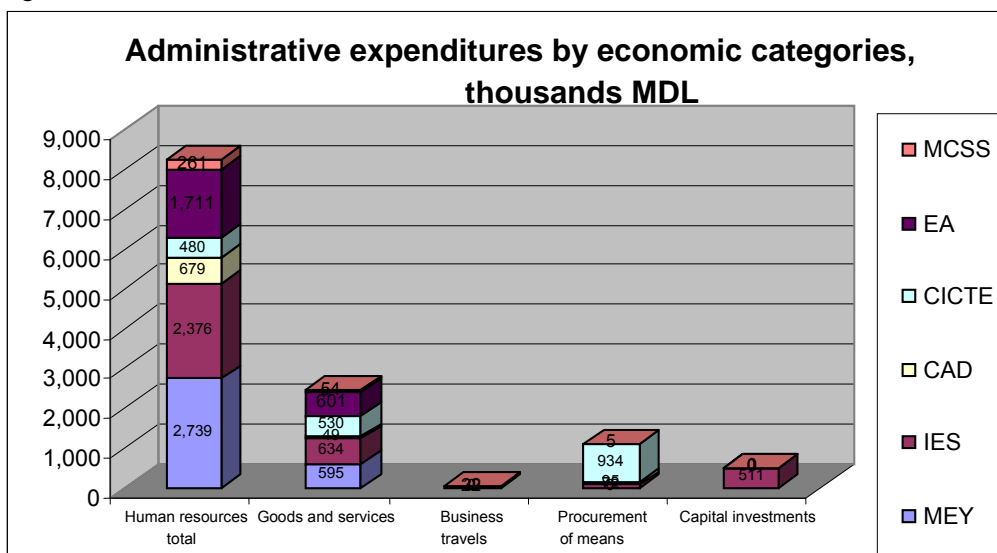
Figure 3.11



Source: MTEF 2008-10, administrative reports of the institutions under review, author's calculations

In the education sector there isn't any institution with a clear dominance, like in the health care and social sectors. The Educational Sciences Institute is the second biggest institution.

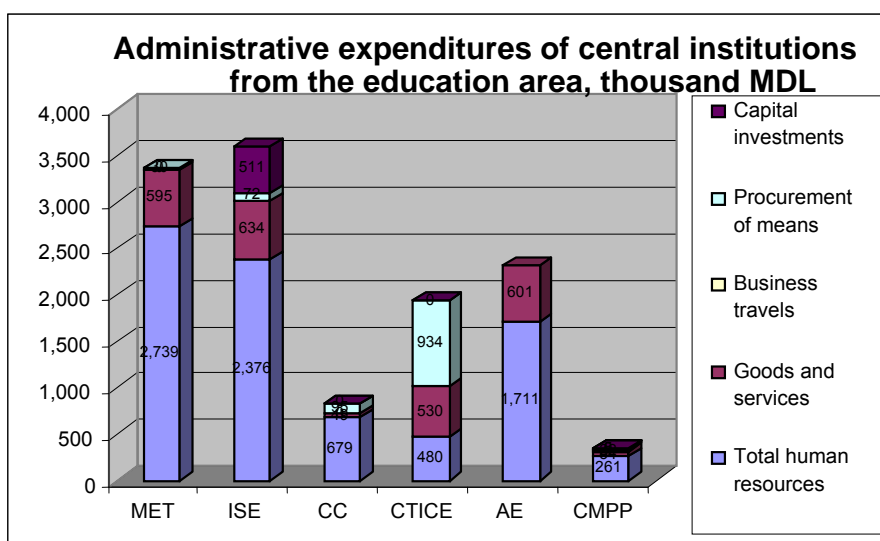
Figure 3.12



Source: MTEF 2008-10, administrative reports of the institutions under review, author's calculations

In the Figure below we analyze the administrative budgets of the institutions from this sector. MEY, IES, and subsequently EA, have the most important budgets and the highest number of employees in the education area.

Figure 3.13



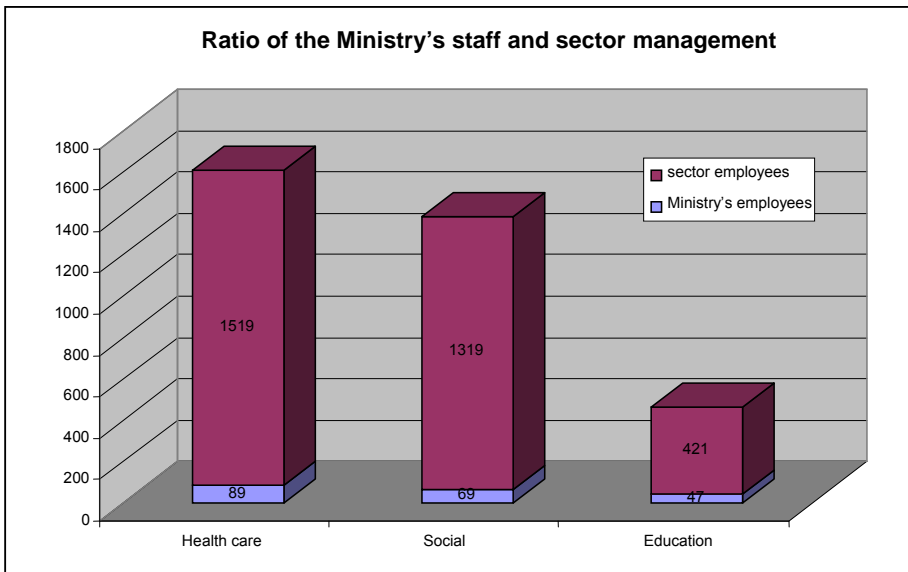
Source: MTEF 2008-10, administrative reports of the institutions under review, author's calculations

Conclusions of the section on the analysis of administrative budgets of institutions in the education area:

- efficiency and propriety of the use of the money appropriated for equipment purchase and payment for goods and services within MEY, IES, EA.
- introduction of the mandatory procedure of MEY notification about the administrative expenditures of the institutions from the education area.

3.2 Comparative Analysis

In this section we will perform some comparative analyses of administrative budgets from the envisaged areas.



From the figure below we determine that the number of administrative employees is the greatest within the social area (NSIH has the greatest share), and health care area comes next. The budget amounts have a similar relationship. From the ratio between budget amounts and the number of employees results that the salaries in the social area are higher, the absolute relationship being MDL 41 thousand a year for an employee in the social area and MDL 31 thousand a year for an employee in the health care area.

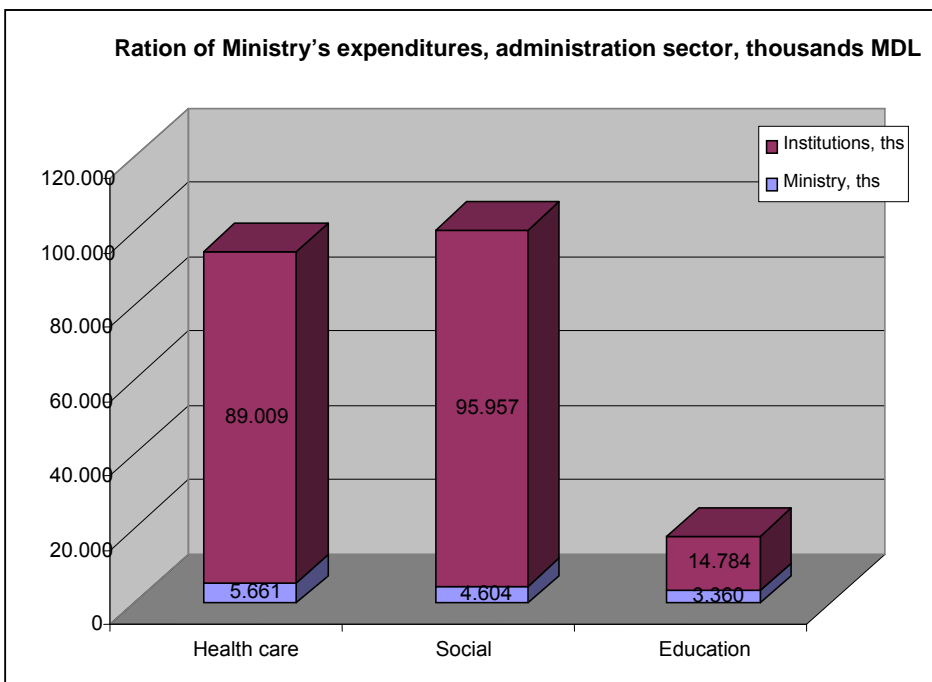
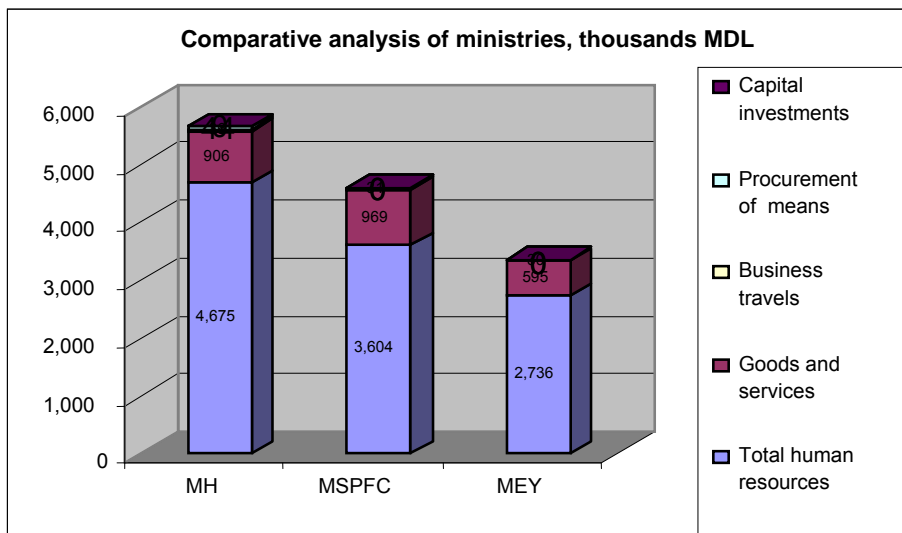


Figure 3.14

The comparative analysis of the situation per economic and financial lines within ministries reveals no major difference.

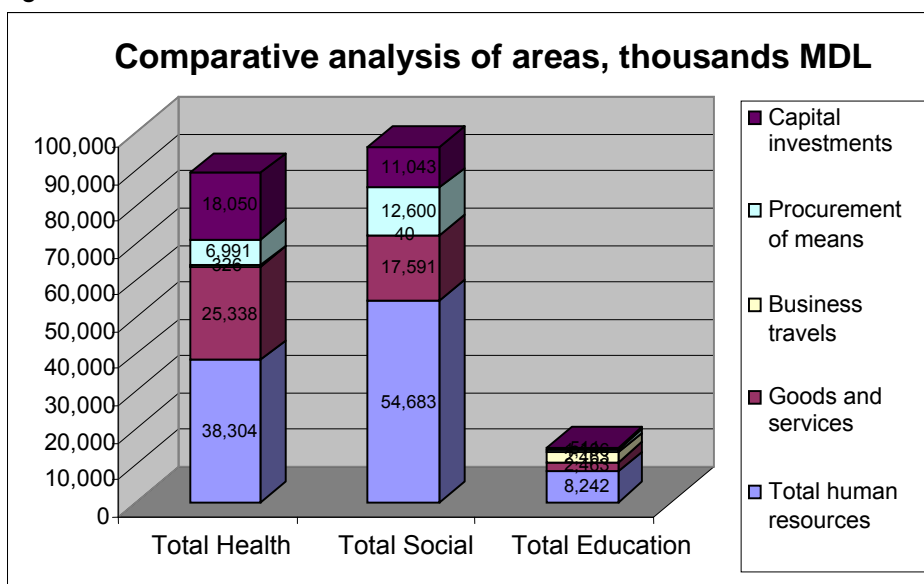
Figure 3.15



Source: MTEF 2008-10, administrative reports of the institutions under review, author's calculations

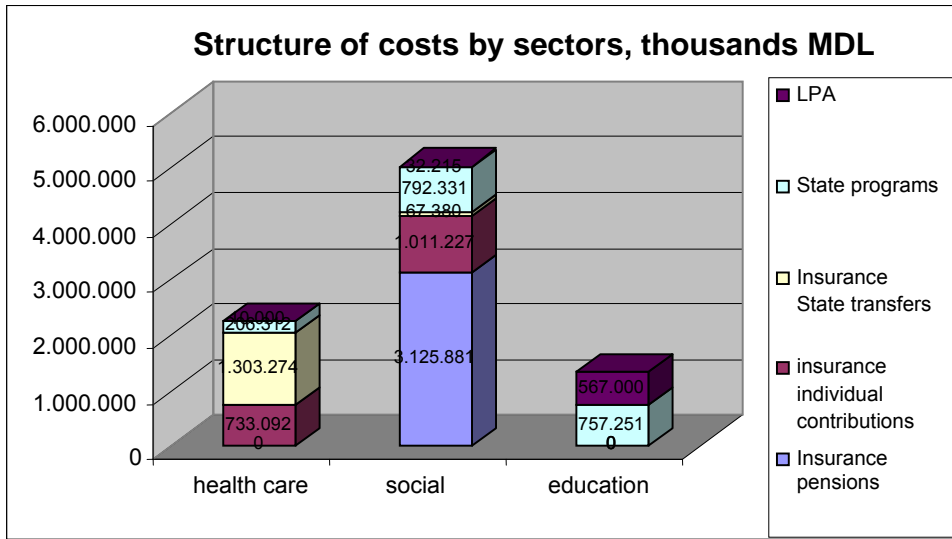
The analysis of economic and financial budgets in these areas reveals a comparable situation. The greatest administrative budget expenditures are recorded in the social area, the health care area comes next.

Figure 3.16



A useful comparison is offered by the relation and proportion of total expenditures per sector and the weight of administrative expenditures. The administrative expenditures account for 3% in the health care area and 2.2% in the social sector.

Figure 3.17



The health and social insurance systems account for the greatest portion of expenditures, i.e. over 80%. The direct expenditures through state programs are much lower.

The analysis of the information submitted reveals greater administrative costs in the social sector. The amounts paid for human resources are also higher in this sector.

4. Budget Priorities

In this Chapter we analyze the situation regarding the policy priorities in the education areas. The budget priorities are viewed, on one hand, as the totality of budget expenditure programs for beneficiary categories and groups, and on the other hand, as the prioritizing of budget expenditures for certain categories of beneficiaries. In the education area the budget priorities are targeted at the educational levels. This approach is in compliance with the policies on groups of beneficiaries and reflects the fundamentals of policy analysis with respect to the planned objectives. At the same time, the analysis we perform in this chapter is limited only to budget policies, i.e. treasury instruments of policies¹.

4.1 Budget priorities by educational stages

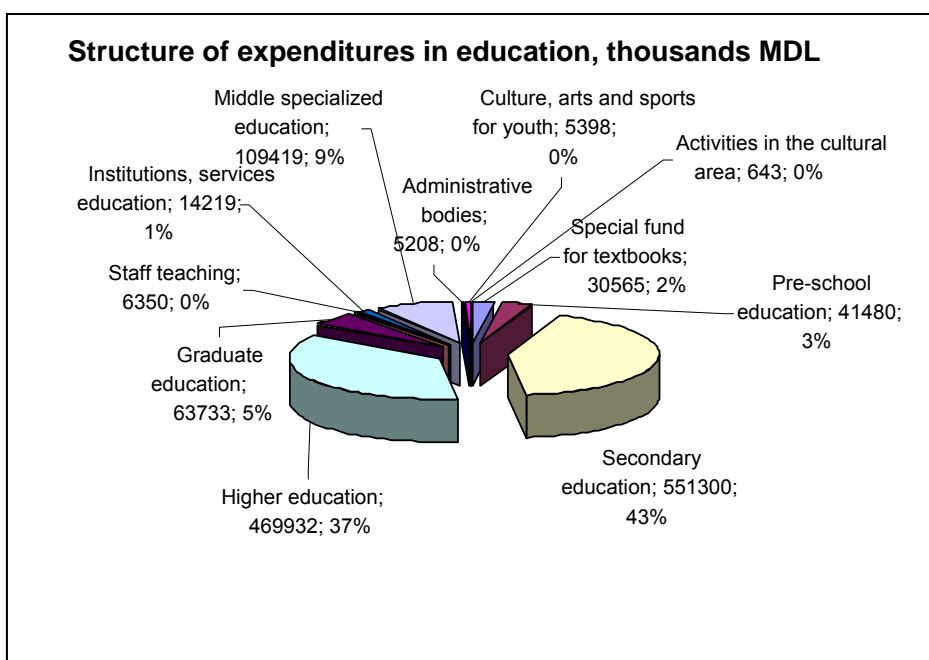
In this section, we will analyze the budget priorities in the education sector. In fact, we have just one funding tool in the education system, through the funding of different education stages.

Budget Priorities

The analysis of budget expenditures priorities is displayed in the following figure. The biggest expenditure share belongs to school education – 43% or MDL 550 million. The higher education ranks the second with 37% or MDL 470 million, and the vocational education is the third with 9% or MDL 110 million.

Figure 4.26

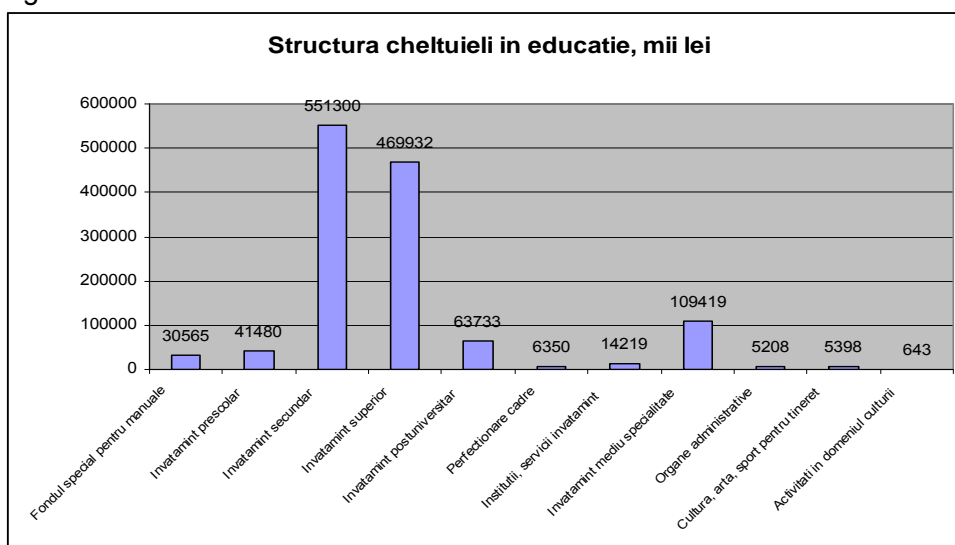
¹ Usually, the budget analysis should be supplemented with analysis of tax and information policies, institution functioning, and relevant information flow. Finally, there should be measured the impact of these policies on the groups of beneficiaries in terms of planned results.



Source: MTEF 2008-10, NBS data, author's calculations

The analysis of other expenditures shows that they account for less than 3% each.

Figure 4.27



Source: MTEF 2008-10, NBS data, author's calculations

We will consider further the expenditures in the education sector by educational levels.

Budget priorities by beneficiary category

In this section, we will analyze the budget expenditures for education that go to the following beneficiary groups:

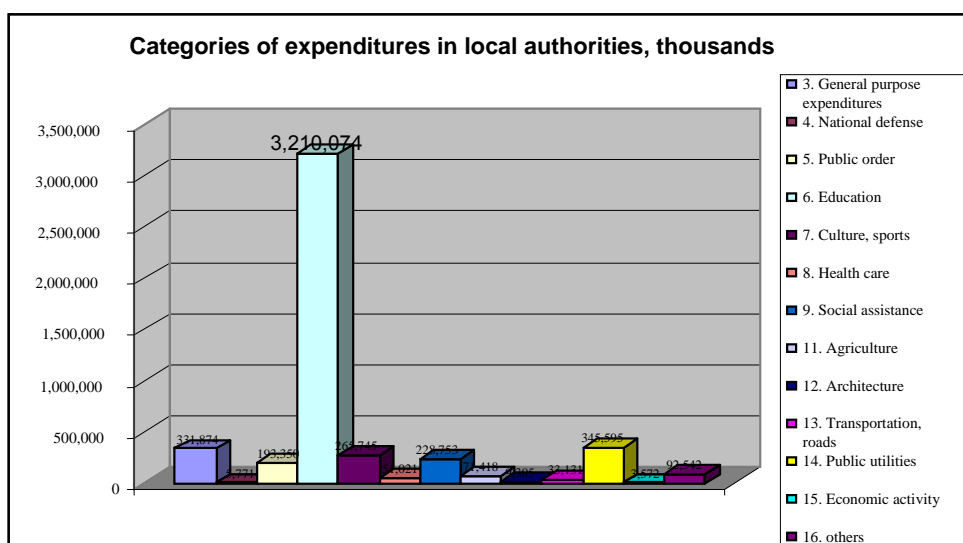
- preschool education,
- school education,

- special education (auxiliary and boarding schools),
- vocational education,
- university education,
- actions for youth.

Funding in the preschool and school area

The preschool and school education is funded by means of local public authorities. The local budgets consist of expenditures for education up to 65%; the weight of expenditures for social protection accounts for less than 10% as it is shown in the figure below. The figure below shows the cumulative expenditures for the consolidated budget of local public authorities.

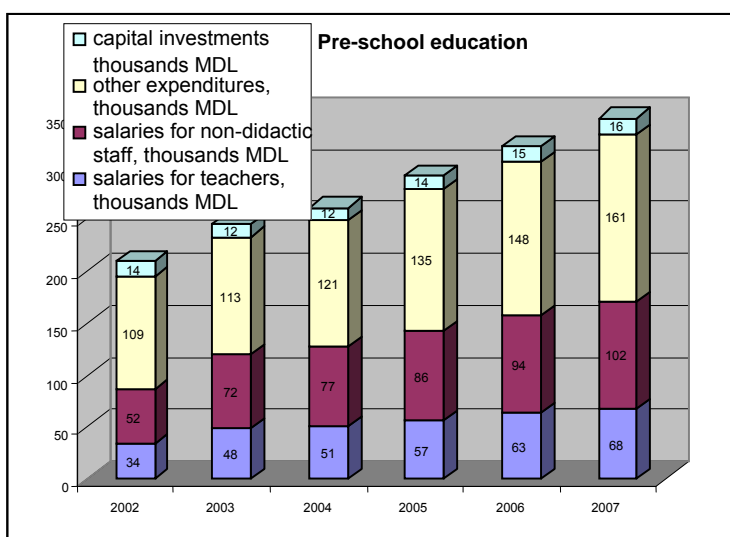
Figure 4.28



Preschool education

The expenditures for the preschool education increased continuously, amounting to MDL 200 million in 2002 and MDL 350 million in 2007.

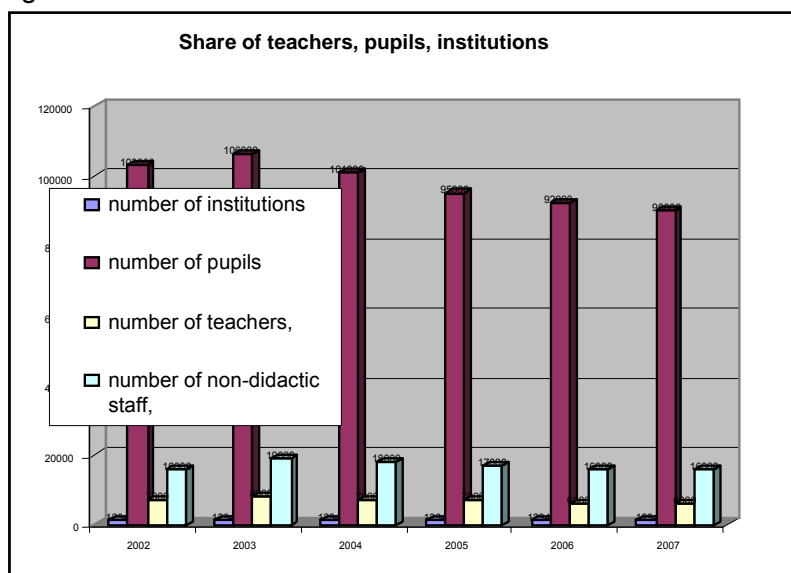
Figure 4.29



The analysis of cost structure shows that the salaries for teaching staff account for almost 20%, the salaries of non-teaching staff account for 30%, the cost of maintenance and utilities account for almost 50%, finally, the capital investment expenditures account for less than 1%.

The expenditures for teaching staff reach up to 45%. The following figure shows a gradual decrease of number of children in the preschool education. The number of institutions is stable, as the number of teachers. The ratio of pupils to teachers decreases continuously.

Figure 4.30



School education

The figure below shows the distribution of pupils by age. It can be noticed that the number of children will be decreasing.

Figure 4.31

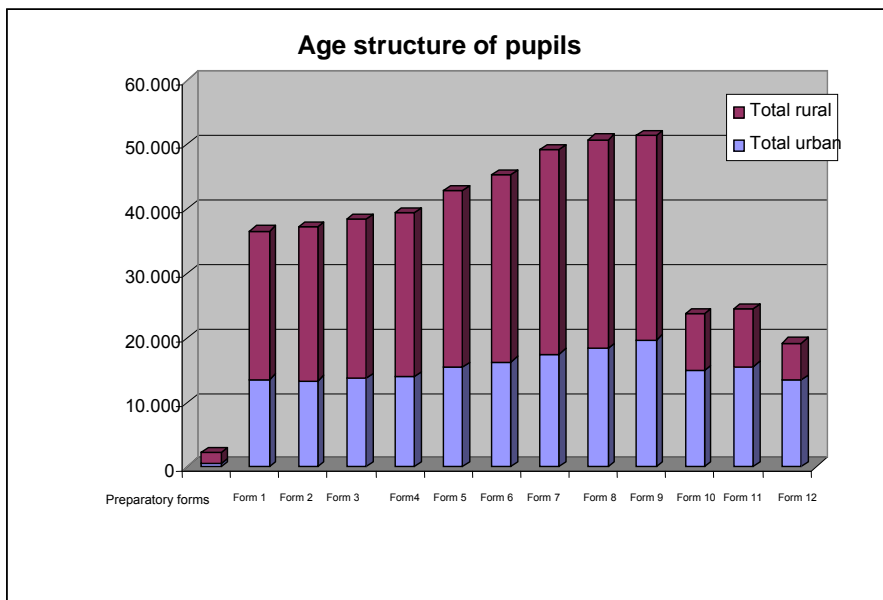


Figure 4.32

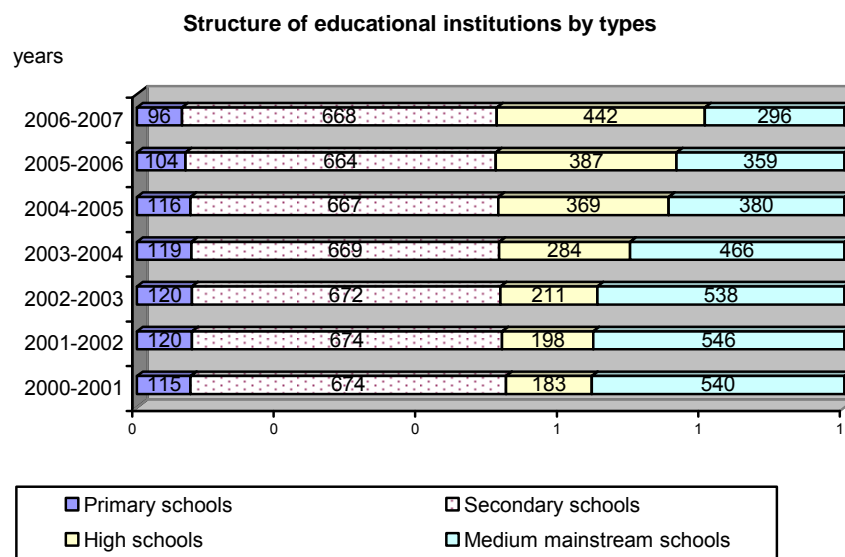


Figure 4.33²

² The number of pupils in Chisinau amounts to 90618 children.

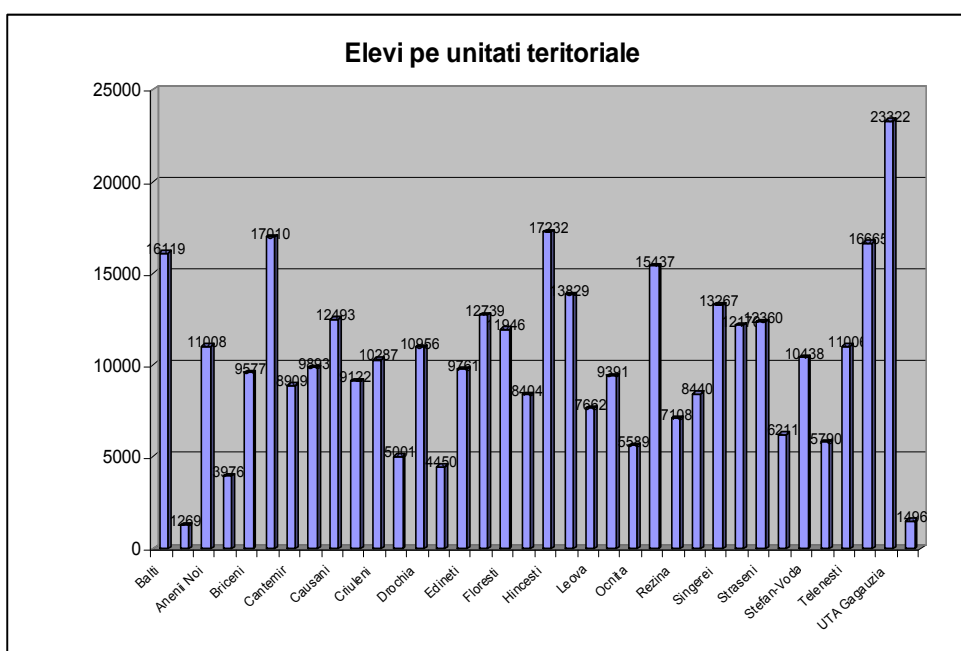
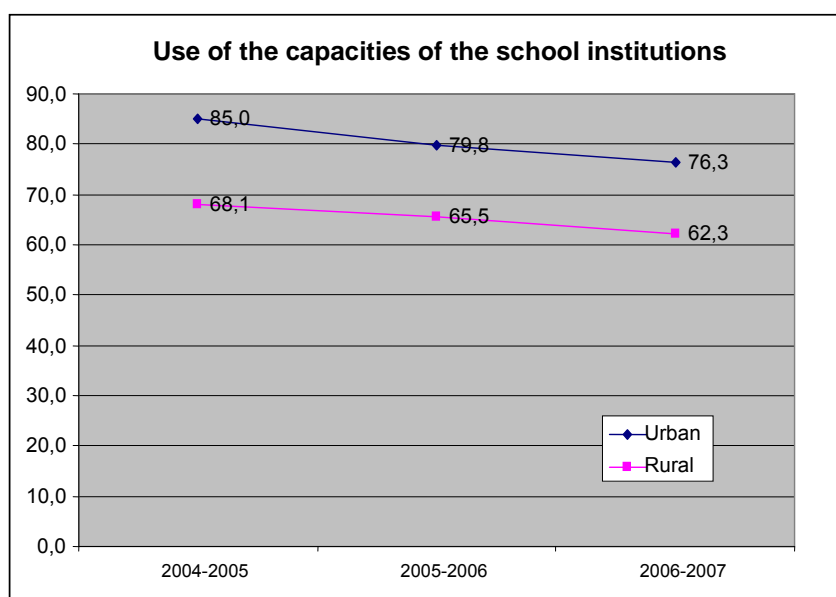


Figure 4.34

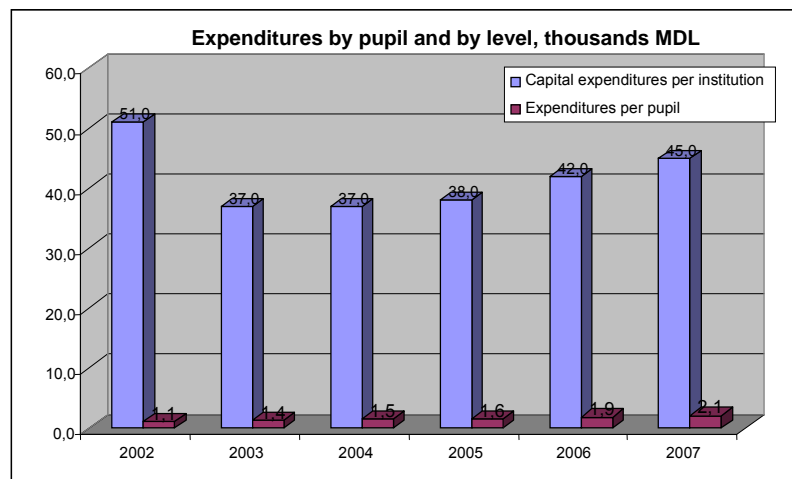


The number of pupils decreased in relation with the number of forms and project capacity of educational institutions. For instance, in 116 schools with a capacity up to 100 pupils, 12591 (on the average 14 pupils in a form) are studying at a project capacity of 30578 places; in 414 schools with a capacity from 101 to 200 pupils, 56355 pupils are taught (on the average 18 pupils in a form), while the overall project capacity amounts to 115501 places.

Nowadays, the pre-university education institutions from the republic have 730198 places for studies. The total number of pupils being 491482, the project capacity of the respective institutions

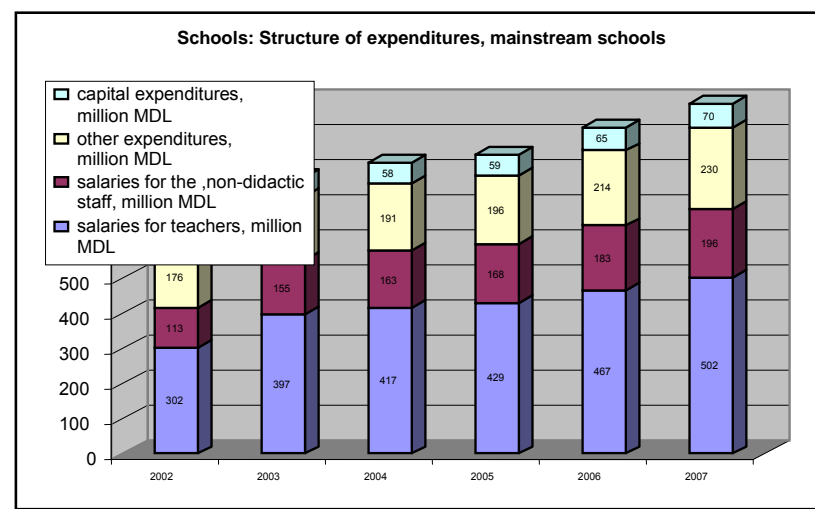
is used only at a level of 67.3%. In about one third rayons, the respective level goes down under 60%, and in Donduseni and Ocnita rayons the recorded levels are 45.0% and respectively 50.1%.

Figure 4.35



The expenditures for the preschool education increased continuously, amounting to MDL 700 million in 2002 and MDL 1 billion in 2007.

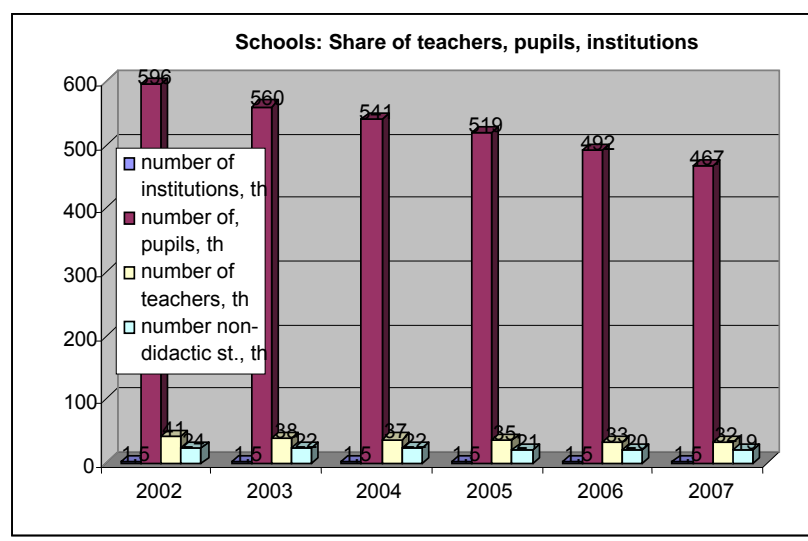
Figure 4.36



The analysis of cost structure shows that the salaries for teaching staff account for almost 50%, the salaries of non-teaching staff account for 20%, the cost of maintenance and utilities account for almost 25%, finally, the capital investment expenditures account for less than 5%.

The expenditures for teaching staff reach up to 70%. The following figure shows a gradual decrease of number of children in the school education. The number of institutions is stable, as the number of teachers. The ratio of pupils to teachers decreases continuously.

Figure 4.37



- The project capacity of pre-university education institutions fluctuated fundamentally, in limits of diminution or increase of number of educational units.
- The demographical decline of the school-aged population has serious influence over the educational system. The pupil body, decreasing by 22% during the past 7 years, generated an essential collapse in the rational use of educational facilities, the project capacity of educational institutions being used only at a level of 67.3%.
- Thus, the available material and financial resources are not used rationally.

Special education: Auxiliary boarding institutions for mentally disabled children

In 2006, there were 28 institutions providing protection for mentally disabled children, subordinated to MEY, funded from the central budget – 12 and from local budgets - 16, of which 4 institutions are funded from the budget of Chisinau municipality. The institutions for this beneficiary category have three ways of organizing protection for these children and the predominant way is the total institutionalization.

- 24 institutions provide integral care, residence, curricular and extracurricular education;
- 3 institutions provide residential care for 50% of children placed in the institution and curricular education for 100% of children;
- 1 institution provides curricular education and daily protection for all children.

Figure 4.38

INSTITUTION	On food lists
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Cahul, Vulcanesti	25
Cahul, Crihana Veche	109
Hincești, Sarata Galbena	108
Leova, Sarata Noua	122
Rezina	171
Telenesti	127
Floresti, Marculesti	117
Donduseni, Visoca	96
Taraclia, Corteni	145
Gagauzia ATU, Congaz	138
Ocnita, Grinauti	100
Causeni, Tocuz	98
Ștefan Voda, Popeasca	153
Drochia, Tarigrad	106
Falesti, Albinetul Vechi	57
Riscani, Costesti	78
Singerei, Razalai	77
Falesti, Socii Noi	59
Balti	92
Anenii Noi, Bulboaca	138
Straseni	120
Chisinau, school no 5	110
Chisinau, school no 6	95
Chisinau, school no 7	93
Chisinau, school no 9	113
Calarasi	85
Nisporeni	91
Ungheni, Sculeni	100
TOTAL	2 943

In 28 institutions for mentally disabled children at the date of the study 2923 children were present, that is 89.55% of the total number of children according to the food lists – 3264, but the number of interviewed children is 3260. According with the data from school registers, the total number of children on January 1, 2006 was 3369 children, of which 1980 boys and 1389 girls. 2923 children are on the food lists.

Figure 4.39

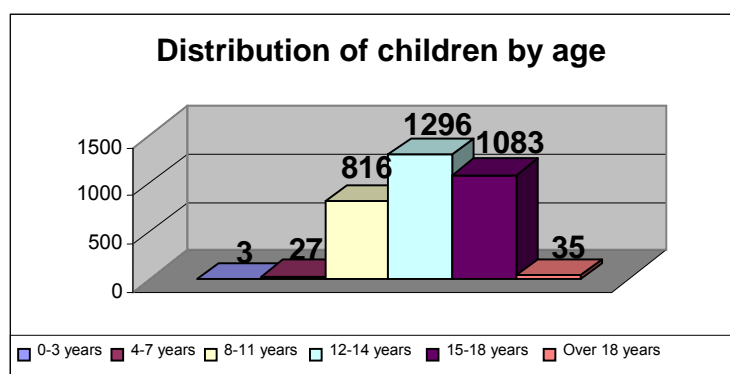
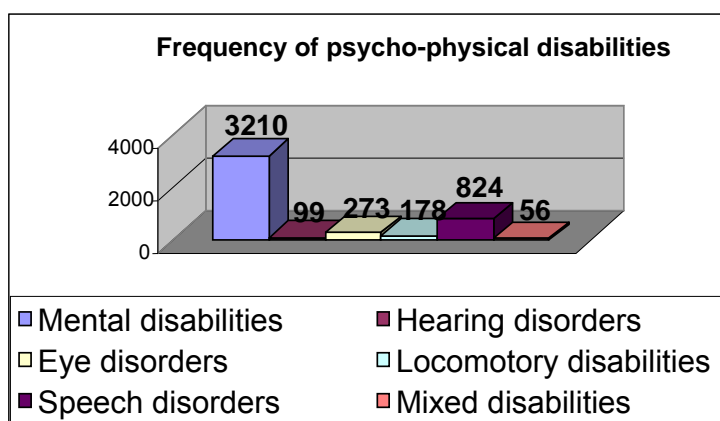


Figure 4.40



The analysis of the total annual budget and allocated state budget shows significant discrepancies in its distribution. The results proved that the total budget is different for different schools, varying from MDL 937.3 thousands to MDL 3310 thousands, with the State budget ranging from MDL 937.3 thousands to MDL 2925.1 thousands. Calculating the budget per child per year, focused on the expenditures for the number of days/child/year in the institution, we found that the child maintenance costs are very different in different institutions, ranging from MDL 12779 to MDL 51234. The budget per child per year, allocated from the State budget, ranges from MDL 14762 to MDL 48137.

We analyzed the maintenance costs of mentally disabled children in 28 institutions, and found that it averages at MDL 55388 thousand.

Boarding schools for orphans and children without parental care

The boarding schools for orphans and children without parental care provide care, residence and general education for this group of beneficiaries. These institutions have the following beneficiaries: orphans, children with the statute of orphans, children from vulnerable families, one-parent families, families with many children, families with marital and health problems, who are aged between 3 and 16 years.

In 2006 there were 21 institutions for the protection of orphans and children without parental care, subordinated to the MEY, funded from the central budget – 15, from the local budget – 6 institutions. The collected data show that the institutions for this beneficiary category have two ways of organizing protection for these children and the predominant way is the total institutionalization:

- 18 institutions provide integral care, residence, curricular and extracurricular education;
- 3 institutions provide residential care and curricular education. They have access to the curricular education in the community school (children's homes - Ceroleuca, Donduseni, Cupcui, Leova and Chisinau no 10).

The boarding schools are located in buildings built according to a standard design for educational institutions – 12, in buildings adjusted for this purpose – 9 institutions.

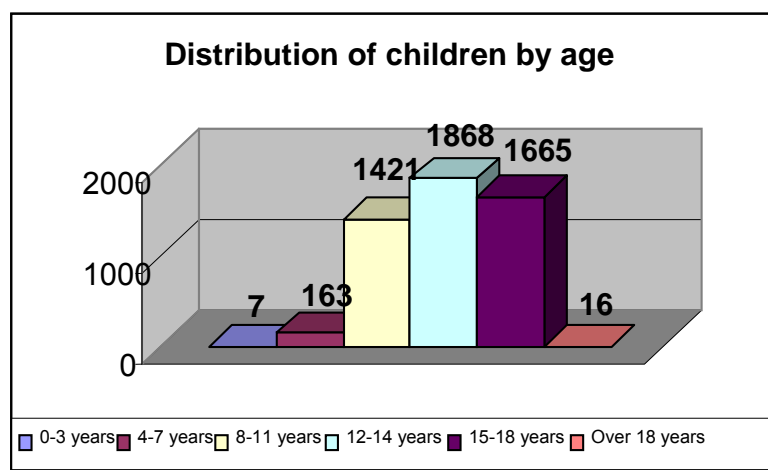
In accordance with the data from school registers, on January 1, 2006 there were 5465 children, of which 3092 boys and 2373 girls.

Figure 4.41

<i>INSTITUTION</i>	No of children on food lists
Donduseni, Cernoleuca	47
Leova, Cupcui	57
Bender	216
Falesti	217
Edinet, Cupcini	94
Telenesti, Cazanesti	260
Hincesti, Carpineni	335
Balti	326
Straseni	548
Orhei	311
Leova	414
Ungheni	241
Floresti, Vascauti	279
Floresti, Napadova	128
Ceadir Lunga	200
Chisinau, no 1	105
Chisinau, no 2	417
Chisinau, no 3	190
Chisinau, no 10	86
Chisinau, no 23	125
Cahul	140
Total	4736

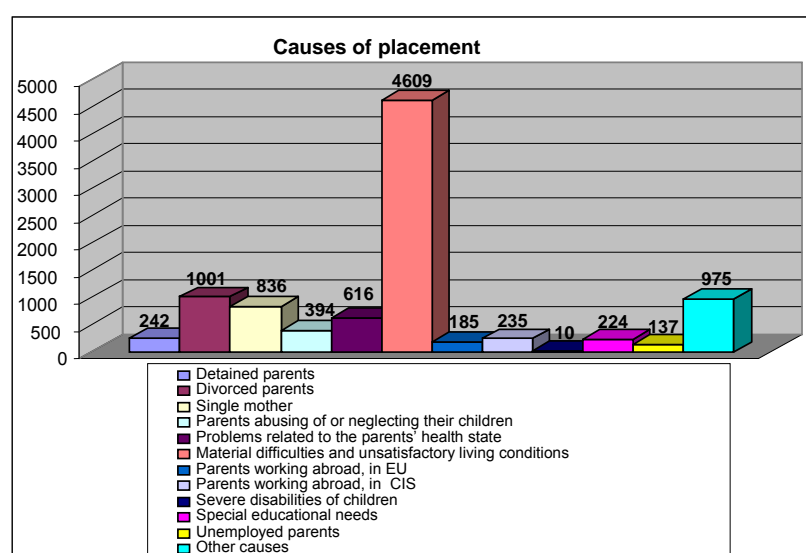
Most of the children are aged between 12 and 14 years.

Figure 4.42



As revealed in the figure below, most of the children have mental retards and unsatisfactory living conditions.

Figure 4.43

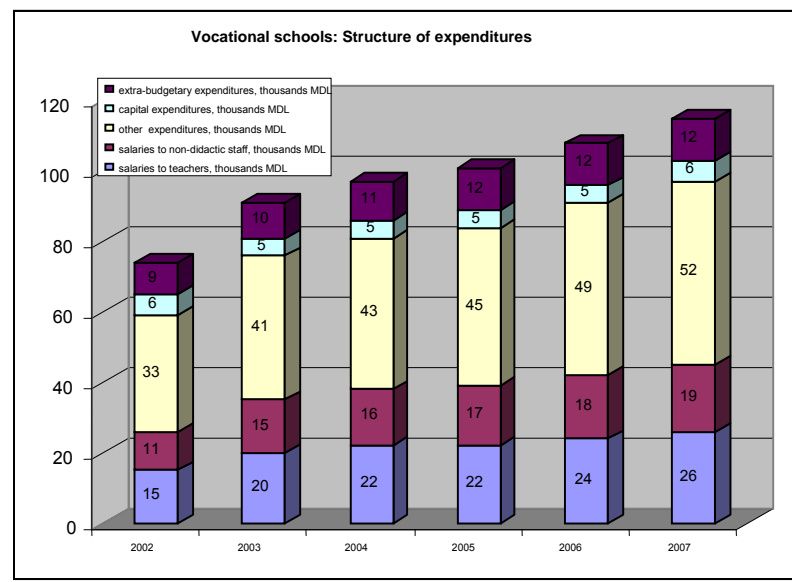


The total budget for these institutions is MDL 82311.7 thousands. The analysis of the total annual budget and the State budget reveals huge differences among institutions, ranging from MDL 11155.5 thousands to MDL 8339.8 thousands. The indicators that characterize the costs per child are informative and have a significant value. The total annual budget per child in the institutions for orphans and children without parental care, is MDL 25726. The annual costs for one child in the residential institution no 1 of Chisinau municipality is MDL 17.323, whereas in another institutions of the same type from Chisinau municipality (no 3) – MDL 49693.

vocational education

The expenditures for vocational education increased continuously, amounting to MDL 70 million in 2002 and MDL 110 million in 2007.

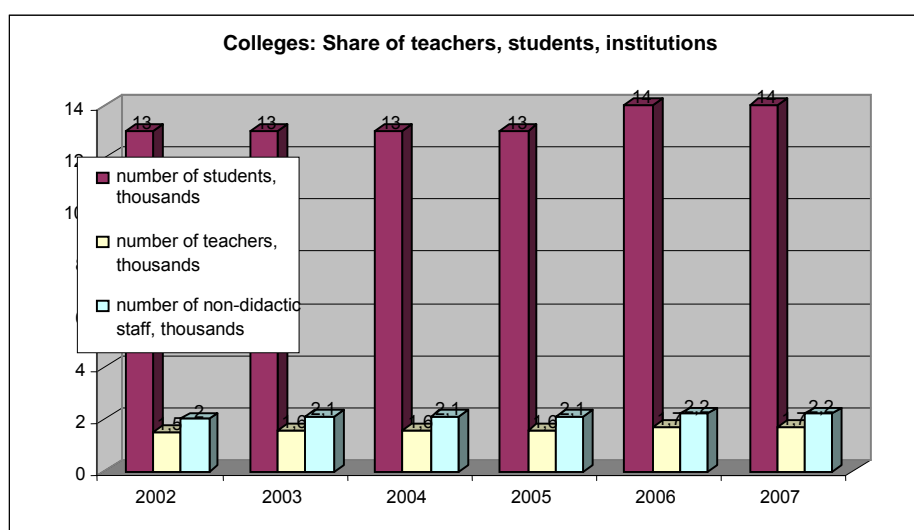
Figure 4.44



The analysis of cost structure shows that the salaries for teaching staff account for almost 20%, the salaries of non-teaching staff account for 20%, the cost of maintenance and utilities account for almost 50%, finally, the capital investment expenditures account for less than 5%. The private expenditures account for 10% of all expenditures for this level.

The expenditures for teaching staff reach up to 50%. The following figure shows a gradual decrease of number of children in the vocational education. The number of institutions is stable, as the number of teachers. The ration of pupils to teachers decreases continuously.

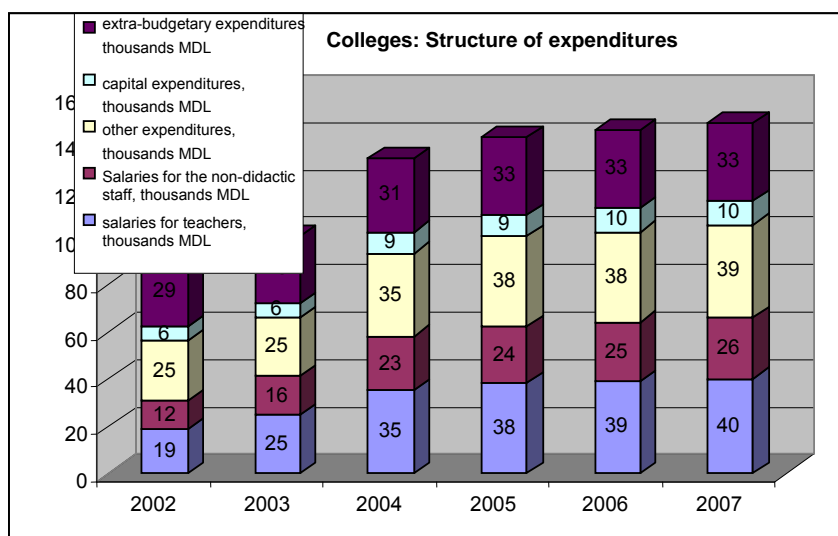
Figure 4.45



Education in colleges

The expenditures for the college education increased continuously, amounting to MDL 90 million in 2002 and MDL 150 million in 2007.

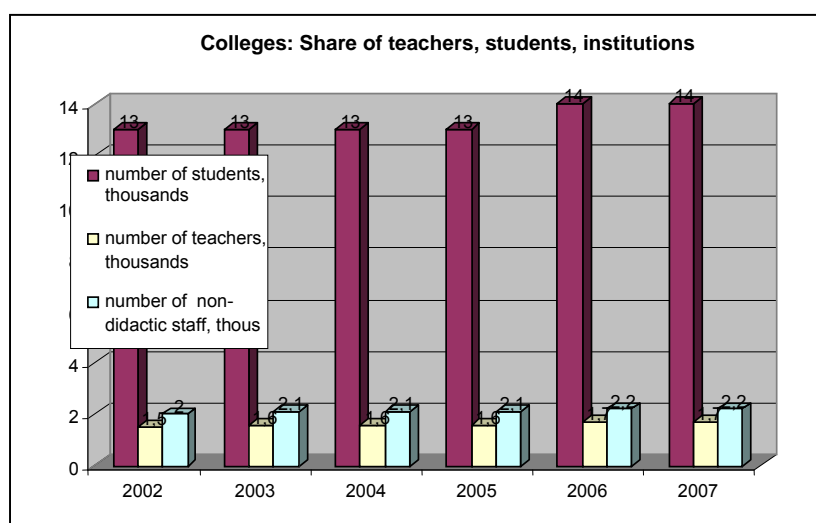
Figure 4.46



The analysis of cost structure shows that the salaries for teaching staff account for almost 30%, the salaries of non-teaching staff account for 20%, the cost of maintenance and utilities account for almost 25%, finally, the capital investment expenditures account for less than 10%. The private expenditures account for 25% of all expenditures at this level.

The expenditures for teaching staff reach up to 50%. The following figure shows a gradual increase of number of students in the college education. The number of institutions has slightly increased. The ratio of students to teachers increases continuously.

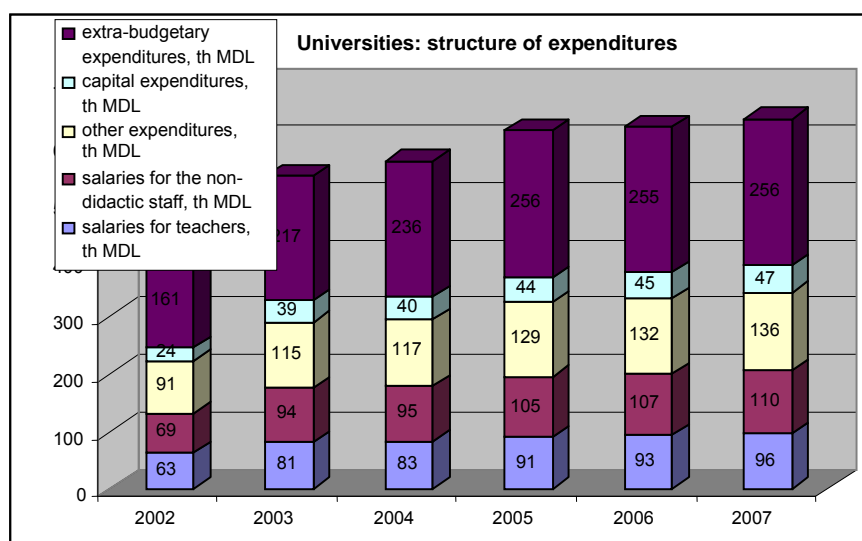
Figure 4.47



University education

The expenditures for the university education increased continuously, amounting to MDL 400 million in 2002 and MDL 600 million in 2007.

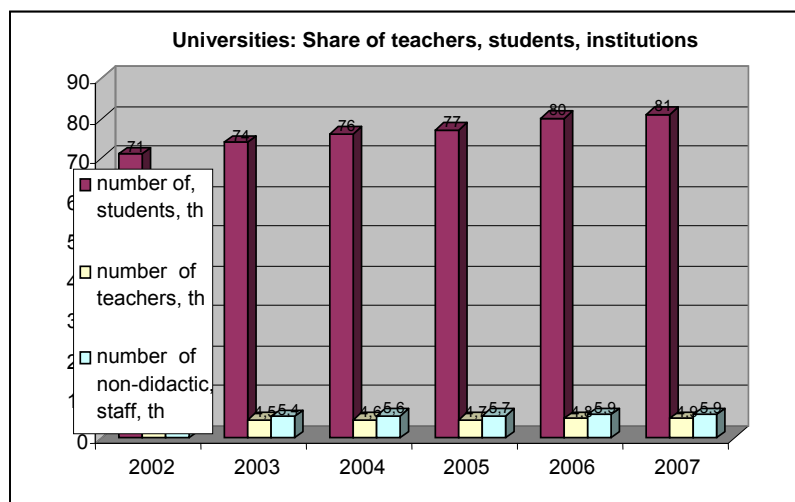
Figure 4.48



The analysis of cost structure shows that the salaries for teaching staff account for almost 15%, the salaries of non-teaching staff account for 20%, the cost of maintenance and utilities account for almost 25%, finally, the capital investment expenditures account for less than 10%. The private expenditures account for 30% of all expenditures at this level.

The expenditures for teaching staff account up to 35%. The following figure shows a gradual increase of number of students in the university education. The number of institutions has slightly increased. The ratio of students to teachers increases continuously.

Figure 4.49



Conclusions regarding the budgetary policies in the education area:

- the analysis of education area by educational levels reveals a diminution of the number of beneficiaries in the preschool and school education,
- there is a continuous increase in the number of beneficiaries in the vocational, college and university education,
- the allocations for teaching staff are under 30% in the college and university education,
- the private contribution is important, ranging from 5% in the vocational education to 25% in universities.
- the ration of students to teachers is decreasing in the school and pre-school education, and is increasing in the vocational, college and university education.
- the costs per capita per beneficiary are significant (MDL 8000 for universities), therefore it is crucially important that this money is used efficiently,
- the increase of total expenditures and per capita expenditures don't generate a similar increase of the quality of educational services.

5. Conclusions and Recommendations

The information about budget expenditures related to the administrative institutions and policy expenditures is not directly available for the society. This information needs identification, systematizing, and presentation in this format, where a significant effort is necessary. This way, the authorities should issue reports and make available more information for the public in order to create a better image of the budgets and the way they are used.

Conclusions of the section on analysis of budget policies in the education area:

- the private expenditures account for almost 20% of all expenditures in the education area,
- the expenditures for the education area increased step by step from MDL 1.5 billion in 2002 up to MDL 2.2 billion.

Conclusions of the section on analysis of administrative budgets of institutions in the education area:

- efficiency and propriety of the use of the money appropriated for equipment purchase and payment for goods and services within MEY, IES, and EA
- introduction of the mandatory procedure of MEY notification about the administrative expenditures of the institutions from the education area.

Conclusions regarding the budgetary policies in the education area:

- the analysis of education area by educational levels reveals a diminution of the number of beneficiaries in the preschool and school education,
- there is a continuous increase in the number of beneficiaries in the vocational, college and university education,
- the allocations for teaching staff are under 30% in the college and university education,
- the private contribution is important, ranging from 5% in the vocational education to 25% in universities,
- the ratio of students to teachers is decreasing in the school and pre-school education, and is increasing in the vocational, college and university education,
- the costs per capita per beneficiary are significant (MDL 8000 for universities), therefore it is crucially important that this money is used efficiently,
- the increase of total expenditures and per capita expenditures don't generate a similar increase of the quality of educational services.

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