



# Is it a fairer play? Effectiveness evaluation of China's funding mechanism for rural education

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# **Is it a fairer play?**

**- effectiveness evaluation of China's funding  
mechanism for rural education**

**Yiran Li**

A thesis in fulfilment of the requirements for the degree of  
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Yiran  
March 2015

## **Abstract**

It has been a decade since China launched its Expenditure-guaranteeing Mechanism (the New Mechanism) for rural compulsory education. With enormous amounts of investment being poured into school funding, the main issue has shifted from inadequacy to inefficient and ineffective use of funds. This research project examines the ways in which education is funded in a relatively wealthy county and evaluates their effectiveness against two sets of international theories: Atkinson et al's (2005) critique of main funding models and OECD's guideline to education equity (Field et al. 2007).

With a focus on county and school levels, the study combines three qualitative methods with a triangulated design. In the first stage of research, for the purpose of mapping the procedures and models of school funding, the study draws on data publicly available from various websites of the State, provincial, prefecture and county governments. The second stage of research features data collection through interviews, focus group discussions and a questionnaire survey. By communicating with officials from local education authorities and school principals and surveying school teachers, the study not only creates a more comprehensive portrait of the real-life practices in implementing the New Mechanism but also investigates perceived effectiveness of funding programs.

The study discovers that even in an area with arguably rich funding, there is considerable deficiency in meeting the needs of students with disadvantages. In particular, students with financial difficulties and students with disabilities are not fully covered by poverty relief assistance; meanwhile disabled children may have limited access to education. Moreover students with learning difficulties are a largely ignored group. The results also reveal that the active involvement of local governments in school funding may have worsened inequity as resources have not been rationally directed. Above two findings suggest that waste of resource coexists with insufficient funding. Another significant conclusion was reached by placing the New Mechanism in an international assessment framework. The examination clearly indicates that "teachers'

welfare” is a crucial part missing in China’s current efforts of promoting education equity.

## **List of Acronyms**

- GAPP: General Administration of Press and Publication
- LEA: Local Education Authority
- EB: Education Bureau
- OECD: Organisation for Economic Co-operation and Development
- MOE: Ministry of Education
- MOF: Ministry of Finance
- MOS: Ministry of Supervision
- NDRC: National Development and Reform Commission
- SFD: Students with financial difficulties
- SLD: Students with learning difficulties
- SSN: Students with special needs

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# Chapter 1: Introduction

This introductory chapter will firstly provide a background and the motivation of this study, integrated with a synopsis of the principal theoretical propositions. Research aims and questions will then be set out, with the justification for the research and statements of its contribution to the field of school funding evaluation. Critical terms will then be defined to set the scope of the study. The section will conclude with an overview of the structure of this thesis.

## 1.1 Background

Equity is a key concern of a wide range of disciplines in social sciences that involve political and economic studies. It has been theorised and statistically proven that a 'low-level equilibrium trap' exists, which causes persistent inequality across localities and perpetuating inequality through generations (Galor and Zeira 1993; McMahon 1999; Durlauf 2006; Wu et al. 2008; World Bank 2009; Knight, Li and Deng 2010). However some countries have demonstrated to be more successful in reducing the interrelationship between economy and education (Wößmann 2003, Atkinson et al. 2005, Burke 2007, Field et al. 2007, Levačić, 2008).

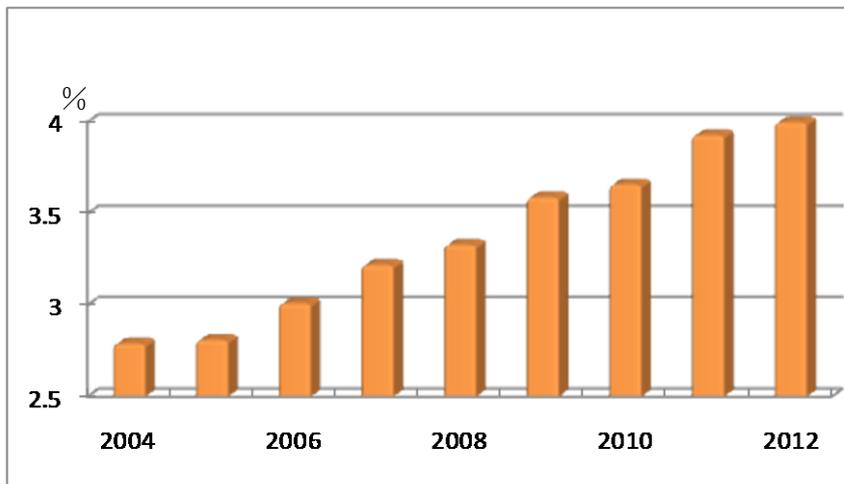
After decades of growth-oriented efforts, equity has now become the focus of China's education amelioration. The Law of Nine-year Compulsory Education came into effect in 1986, envisaging all children are entitled to nine years of basic education. But with its decentralised fiscal system, local governments at the county, township and village levels were made the main responsible bodies for financing rural education. Consequently, uneven local prosperity resulted in enlarged disparity in the accessibility and quality of basic education (Tsang and Ding 2005, Dollar 2007, Yang 2008, Knight et al. 2009).

The next major institutional change was in 1980s, known as 'education industrialisation', where schools, including providers of basic education, were encouraged to capitalise on education services so that they could be less dependent to governments. While making education more accessible for

segments of the population, this policy resulted in excessive charges imposed on households, larger spatial inequality and the education sector turned into “a field with serious issues” (Yang 2008, page not specified).

Since 2003, the commencement of the current wave of China’s education reform, the focus has been shifted to ‘equilibrium development’, particularly targeting the enlarging disparity between areas. Given that China’s poor are virtually all in or from rural areas (Adams 2009), in 2006, China embarked on what it referred to as the ‘Expenditure-guaranteeing Mechanism for Rural Compulsory Education’ (hereinafter to be shortened as ‘the New Mechanism’<sup>1</sup>) to ensure growing amounts of and more rationalised financial aids contributed by higher governments to basic schooling.

*Figure 1.1 Proportion of GDP invested into public spending on education*



Source: National Bureau of Statistics 2001-2012

As presented in Figure 1, there has been a substantial increase in education input from the State government. In 2012, the investment in education accounts for 4.28% of GDP, a milestone which China had been aiming at since 1993. Chinese authorities are also reporting significant strides in children’s attainment in basic education as reflected by enrolment rates (Table 1.1). For example, in

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<sup>1</sup> It is also translated as “Expenditure Security System” or “Funds Ensured System” in other literature.

2011, not only the vast majority of children completed lower secondary education, 88.62% of them continued with higher level of schooling.

*Table 1.1 Enrollment rates of school-age children and proportion of students entering into schools of higher grade – official statistics*

<b>Year</b>	<b>Net enrollment rate</b>	<b>Primary entering junior secondary schools</b>	<b>Junior entering senior secondary schools (%)</b>
<b>2003</b>	98.7%	97.9%	59.6%
<b>2004</b>	98.9%	98.1%	63.8%
<b>2005</b>	99.2%	98.4%	69.7%
<b>2006</b>	99.3%	100.0%	75.7%
<b>2007</b>	99.5%	99.9%	80.5%
<b>2008</b>	99.5%	99.7%	83.4%
<b>2009</b>	99.4%	99.1%	85.6%
<b>2010</b>	99.7%	100.1%	87.5%
<b>2011</b>	99.79%	100.1%	88.62%

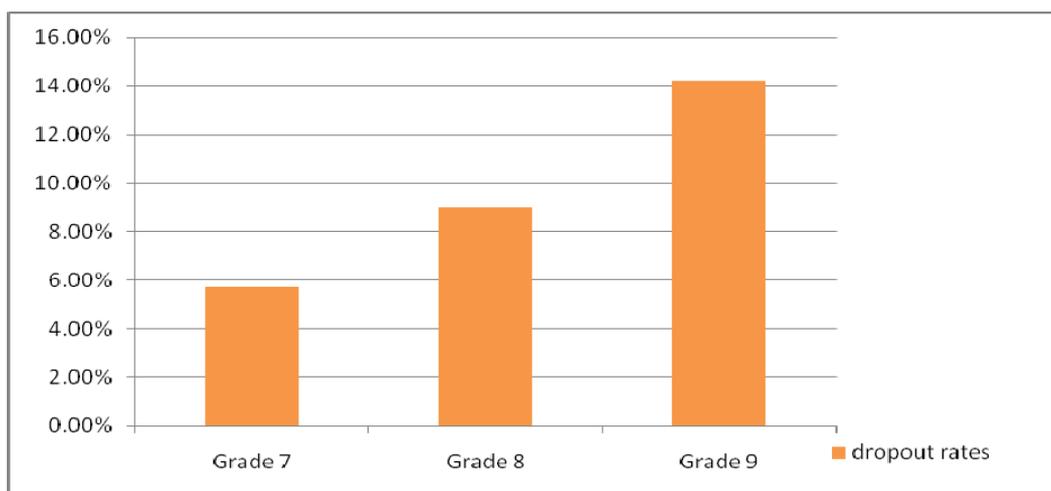
Source: National Reports on Educational Development Year 2003-2011

Note: Data on proportion of junior secondary school graduates entering into senior secondary schools includes those enrolled into technical schools.

However, independent research (Yi et al. 2011) reveals that schools in poor regions are still experiencing high dropout rates (Figure 1.2). In 2011, in the last grade of junior middle school alone, about 14% students of two provinces didn't complete. At the same time, the public in China are witnessing frequent media coverage on corruptions in the compulsory education sector since the New Mechanism. Infamous scandals include: local governments in Yunnan Province embezzled the appropriation from the Central Government and purchased pirate copies of textbooks for over 100,000 financially disadvantaged rural students in 2012 (Xinhua Net 2013). The next year, the same story repeated on

over 3 million rural pupils in Hunan Province (China Central Net Television 2013). These are only two of many examples of obvious inefficiency in the New Mechanism. Internationally, doubts have also been raised about the New Mechanism's effectiveness in improving education equity (UN 2013).

Figure 1.2 Dropout rates in junior secondary schools - independent research



Source: Rural Education Action Program, Stanford University. The figures were based on a survey over 7,800 grades 7, 8 and 9 students from 46 randomly selected junior high schools in two provinces in North and Northwest China. (Yi et al. 2011)

## 1.2 Significance and purposes of the research

Not surprisingly, the New Mechanism has been under heated discussion since its launch. However a large amount of literature in this area has been limited to linear depictions of the policies (for example: Zhang 2006; Lv 2006; Mo and Lei 2007; D. Yang 2008; Li and Liu 2009; H. Yang 2009; D. Yang 2009). What these studies have missed is the detailed implementation process of these policies and the actual impact they have made to education equity.

Another common type of research on this topic is quantitative assessments with aggregate data, which heavily rely on official statistics (Sun et al. 2010, Yuan 2011). This approach may result in dubious claims given the independent nature of the data (Kipnis and Li 2010). The third usual focus of relevant research is the adequacy of funding. Numerous studies have been carried out in underdeveloped regions in China, which concluded that more investment is

required (Fan et al. 2011, Liu et al. 2012, Yu 2013, Tang et al. 2014). Although adequacy studies are undoubtedly significant, wealthy rural areas may offer more salient evidence of inefficient usage of funds.

There also seems to be a dearth of studies that assess the New Mechanism with an international yardstick that specifically theorised for school funding programs. Only a few scholars conducted preliminary discussion on applying assessment theories advanced by developed countries to China's education fiscal system (Shi 2010, Wu and Wang 2011). Nevertheless none of the proposed theories has been applied to a real-life case.

This brief examination of existing literature on the assessment, or rather, the lack of assessment of the New Mechanism, prompts the project's purposes and mirrors its significance.

The fundamental purpose of the research proposed is to evaluate if the New Mechanism has created a fairer educational system for rural students, particularly those in disadvantages. By doing so, I wish to fulfil goals or make contributions in the following aspects.

First, the study intends to explore the applicability of international standards in the evaluation of school funding programs and schemes in China. Scholars in OECD countries have theorised guidelines and benchmarks from trial and error (relevant literature is introduced in Chapter 2). By placing the New Mechanism under an international scope, I aim to conduct a diagnosis of the strengths and weaknesses of the system. This would potentially provide meaningful suggestions to future policies.

Apart from conceptual development, the research undertaken for the thesis also has an empirical object to compose a comprehensive portrait of how the fiscal system works and what extra supports are available to disadvantaged students under the New Mechanism.

Another empirical significance of this study is to give voice to front-line administrators, who work for grass-root levels of governments and put the school funding policies into practice. Among the small number of literature that studies perceived effectiveness of the New Mechanism (Liu et al. 2012, Yu 2013) teachers and parents are often invited to give their opinions. Those who enforce relevant policies have been a neglected group in research. I am interested in investigating their understanding and observation of the New Mechanism.

### **1.3 Research scope and definitions of key terms**

By defining the key terms of the study, this section specifies the boundary of the project at the outset. Its scope will be limited, first of all, through focusing on students who are categorised as ‘rural population’ due to the nature of their household or Hukou registration. As a result, they are eligible to receive monetary and/or policy supports in their ‘Compulsory Education’, which typically consists of six years of elementary and three years of lower secondary schooling. Secondly, the funding framework assessed by the project is referred to as the ‘Expenditure-guaranteeing Mechanism for Rural Compulsory Education’ (also known as ‘the New Mechanism’, in Chinese *农村义务教育经费保障机制 nongcun yiwu jiaoyu jingfei baozhang jizhi*). This definition is adopted from “Outline of China’s National Plan for Medium and Long-term Education Reform and Development 2010-2020” released by China’s central authorities (hereinafter referred to as the Outline). Other main concepts that are threaded throughout this thesis are the following:

1. ‘Public Expenditure Ensured’ (in Chinese *公用经费保障 gongyong jingfei baozhang*) regulates that the funding for rural compulsory education shall be shared between the central and local financial authorities so that basic requirements for school-running, education and teaching are guaranteed to be satisfied. ‘Public Expenditure’ covers academic duties and administration, teacher training, recreational and sport activities; overheads, business

traveling costs, equipment purchase and maintenance and building maintenance (Fan 2011). Local governments should follow the standards formulated by the state for per-student outlay and per-student fiscal allocation.

2. 'Two Waivers and One Subsidy' (in Chinese 两免一补 *liangmian yibu*) entails financially disadvantaged students should be exempt from textbook fees and miscellaneous charges. Upon application and approval they may also be granted accommodation subsidies for school boarding.
3. 'Education superintendent system' (in Chinese 教育督导制 *jiaoyu dudao zhi*) is the monitor system in the New Mechanism. It emphasises independent exercise of power as well as guidance by a contingent of professional school inspectors over administrative and academic supervision to compulsory education providers.
4. 'Vertical equity', which entails more investment for students with greater needs (Hawley Miles & Roza 2006), is one of the theoretical framework for effectiveness evaluation. As defined by Organisation for Economic Co-operation and Development (OECD) (Field et al. 2007), 'fairness' and 'inclusion' are the two dimensions of vertical equity. The former denotes resources to be directed by indicators of disadvantage or social need and the latter purports additional resources to be provided to students with learning difficulties. The OECD report 'Ten Steps to Equity in Education' provides a guideline for policy design, practice and resourcing (Field et al. 2007).
5. 'Effectiveness evaluation' conducted by this study assesses the New Mechanism in terms of resource allocation, more specifically, whether more resources have been directed to students with needs and consequently promoted education equity.

## 1.4 Research questions

As previously stated, the main purpose of the research is to evaluate the New Mechanism in relation to its efficacy on improving education equity. Therefore this thesis responds to two sets of empirical and theoretical questions. The first one broadly concerns: how the New Mechanism works, particularly at the frontline of rural education. It asks: What funding models are available in an area with relatively rich resourcing? What approaches of school funding are employed under the New Mechanism at county and sub-county levels? How does the monitor or accountability system work? What issues and challenges exist for the people who administer the process of funds application, approval and allocation? To what extent is the New Mechanism perceived effective by local administrators and school teachers?

The second central question is about evaluating the effectiveness of the New Mechanism with standards used in countries that have been proven to be relatively successful in promoting education equity. One of the purposes of the literature review in this thesis is to seek suitable theoretical frameworks or guidelines which set benchmarks for this evaluation. By measuring the policies and practices of the New Mechanism against the benchmarks, my study endeavors to address these inquiries: Are resources directed to students and regions with the greatest needs? Are funding processes transparent and standardised? Are funding schemes stable and continuous during students' period of compulsory education? What extra supports are available for children with disadvantages? How the disadvantaged are identified? Are the methods of identification appropriate and effective? To what extent are internationally employed standards applicable to China's educational system?

These two broad groups of research questions will be further developed following the literature review in Chapter 3.

## **1.5 Organisation of this thesis**

The thesis will be organised into the following five chapters. Chapter 1 introduces the motivation, aims, scope and broad inquiries of the research. Chapter 2, the literature review, explicates three key issues pertinent to the study: the causes and measurements of education inequality – which bring up the goals and features of the New Mechanism; existing literature on the evaluation of the New Mechanism and two theoretical frameworks under which my evaluation is conducted. Based on the literature review, research questions further unfold and are listed at the beginning of Chapter 3. This chapter then outlines the qualitative methods employed in field research, data collection and data analysis. Chapter 4 presents the process of analysis and reports results along with exemplars. Chapter 5 offers further explanations to the key findings, accompanied by a discussion of the limitations and implications of the research.

## Chapter 2: Literature Review

In four parts, this chapter starts with a historical overview of the theory and research literature on education inequity in China. Then it reviews the studies on the New Mechanism in terms of its goals, main features and limitations. This is followed by a critique of and comparison between various means of evaluating funding systems. The chapter concludes with a summary of what is known and unknown about the topic and contribution this study will make to the literature.

### 2.1 Education inequity in China and contributing factors

#### 2.1.1 Previous research on education inequity

Dating back several decades, the distribution of education services in China has been considered to continuously discriminate against the poor (Austin and Zhang, 1987; Hossain 1997; Yang 1999). When the issue is reviewed in the contemporary history of China, a general pattern is found since the commencement of economic reform: educational disparities are apparent between wealthier eastern regions and underdeveloped western regions, as well as between rural and urban areas. Prior to 2005, most research was based on aggregate data. For example, "Education in Contemporary China" (He 1996), one of the most influential academic works in China, points out that according to official statistics, by 1990, only 76% of rural counties had realised universal primary education (He 1996, cited by Connelly & Zheng 2003). A few international researchers started early attempts to use widely accepted statistical methods to analyse China's education disparity. For instance, Vinod, Wang and Fan (2000) calculate that from 1975 to 1990 educational Gini coefficient in China declined but still remained above 0.4<sup>2</sup>. In a more recent

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<sup>2</sup>Like other Gini coefficients, the Education Gini coefficients range from 0 (absolute equality) to 1 (absolute inequality) (Willmann and Schucher 2005). According to the UN standard, 0.4 is the alertness line level.

study, Tsang and Ding (2005) calculated resource utilisation disparities in compulsory education in China based on county-level nationwide data. They employed five measures of inequality<sup>3</sup>, all of which indicated, with a remarkable consistency, that a large degree of inequality in school spending existed in both primary and lower-secondary levels. One of their findings, which interest me most, is that the great majority of inequality resided 'within' urban and rural groups rather than 'between' these two groups. This is pertinent to my research, in which I take a microeconomics perspective and study the change of inequality at sub-county level.

More empirical studies to examine effectiveness of compulsory education were initiated as part of China's Tenth Five-Year Plan (2001-2005). Three of these studies attracted global attention. In 2004, a working group dispatched by China's central government gathered statistics in sixteen provinces and reported that only less than 30% of rural students have completed compulsory education and it has become a common practice for local governments to conceal high dropout rates (Xinhua Net 2005). In 2005, another working group whose examination covered seventeen rural lower secondary schools in six provinces reports a startling average attrition rate of 43% (Yang 2005), in spite of the avowed 2.62% national lower secondary dropout rate by State Ministry of Education (MoE 2006). In the same year, a report titled "To Narrow down the Gap: A Momentous Issue in Chinese Education Policy" (hereinafter referred to as "Narrow down the Gap") was published. This State mandated study suggests that gaps in education expenses have widened more than the economic developments between rich and poor areas. Table 2.1 illustrates that in 1995 per capital education spending in Eastern China was 3.71 times higher than that in Western China. Along with larger economic imbalance, the ratio increased to 3.88 in 2002. These figures also indicate that, education disparities 'within' provinces and cities deteriorated even faster than those between provinces and cities. (Yuan 2004, also see Xinhua Net 2005).

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<sup>3</sup>Five statistical measures include (1) the restricted range (2) the Federal Range Ratio (3) the coefficient of variation (4) the Gini coefficient and (5) the Theil index.

Table 2.1 The ratio of per capita consumption levels and education spending of Eastern to Western China from 1995 to 2002

Note: Cons levels = per capita consumption levels; Edu spending = education spending

	Eastern cities over western provinces		Urban over rural areas in eastern cities		Urban over rural areas in western provinces	
	Cons levels	Edu spending	Cons levels	Edu spending	Cons levels	Edu spending
<b>1995</b>	2.8	3.71	1.9	1.87	3.7	4.73
<b>2002</b>	3.73	3.88	2.34	2.97	3.82	5.8

Source: Xinhua Net (2005). Data were collected in three municipalities in the east and five provinces in the west regions.

“Narrow down the Gap” also published the result of a large-scale research on education investment conducted in Shandong Province. It suggests that Shandong features dramatic economic development with enlarging education disparities, which represents the national trend (Yuan 2004). This provides an empirical and theoretical support for the generalisability and transferability of the educational system in this province, which is a main reason for me to select Shandong for field research.

There has been a flurry of research conducted based on “Narrow down the Gap” since its release. Many references can be found that further quantify China’s education inequity and analyse the reasons of this inequity within political, economical and ideological contexts. Main contributing factors suggested by those studies are summarised in the next section. These analyses underpin the goals and features of the New Mechanism.

### 2.1.2 Previous and current inegalitarian policies

Given China’s political features, government policies tend to impose a substantial influence compared to many other countries. As the World Bank correctly observes:

To some extent this rise in inequality is the natural result of the market forces that have generated the strong growth; but to some

extent it is 'artificial' in the sense that various government policies exacerbate the tendencies toward higher inequality, rather than mitigate them. Increasing inequality could be halted, even reversed, by changing some of these policies.

(Dollar 2007, pp.6-7)

For over thirty years since the end of the Cultural Revolution, China's education has undergone tremendous transformation. China's governments have employed a number of controversial policies. Some features of these policies have long been criticised to exacerbate rather than mitigate inequality, the most controversial ones of which are summarised below.

First of all, the fundamental 'Nine-Year Compulsory Education Law'. When it was introduced in 1986, the central government set up a progressive implementation schedule which was heavily city-oriented. As listed below in Table 2.2 (Zhang et al. 2004), compulsory education was first and foremost carried out in relatively wealthier regions. The poorer a region was the less priority was given to its education services. The timeframe set for implementing education policies in the most impoverished areas was also much less specific and pressing.

Because of this schedule, underdeveloped regions could be ten years behind well-developed ones in education. This clearly illustrated the point argued by many scholars, such as Hossain (1997), Yang D. T. (1999), Yuan (2000) Yang (2000), Chen et al. (2010), that the majority of policies on public services in China were 'urban-biased'. According to Wu's (2007) calculation, from 1993-2005, every 1% increase in government's spending on education caused 0.8397% more urban-rural disparity in terms of primary school budgetary expenditure. On top of that, China applies national standardised teaching materials and syllabus that are based on academic competence of city students, which furthers the education deprivation of rural pupils (Yang 2000).

Table 2.2 Schedule for the implementation of 9-year Compulsory Education (CE)

Stage	Timeframe	Goal	Targeted localities
1	1994-1996	To realise universal CE among 40%-45% of total population	urban and well-developed rural regions
2	1997-1998	To realise universal CE among 60-65% of total population	Included medium developed regions
3	1999-2000	To realise universal CE among 85% of total population	More medium developed regions included, plus 5% population from poverty areas with relatively better conditions
4	2000-2007	To realise CE in most impoverished areas in Western China	Included 83 million populations in 372 counties

Source: Zhang et al. 2004

The second policy that had a tremendous impact on equity is ‘education industrialisation’. In the Eighth Five-Year Plan (1991-1995), China accelerated economic advances, along with its educational system undertaking a phase of ‘industrialisation’, namely commercialisation. Schools were encouraged to be self-reliant by gathering resources and gaining profits from the public. In 2002, the State Council released “Decision on Further Strengthening Basic Education Reform in Rural China”, which legitimised the marketisation of public education services (Yang 2008). Consequently, the affordability and accessibility of education were severely affected and households had to fend for themselves to a remarkable extent. According to a World Bank estimation, the share of educational expenditure in the household budget increased from 1.0 to 8.3 percent between 1988 and 2003 (Adams 2009).

The third policy that has aroused a considerable amount of arguments is the elementary school consolidation program, which entails closing small schools and teaching points in villages and expanding key-point schools in townships and county seats. The policy was officially enacted in 2001, and till 2010, the total number of primary schools in China dropped by 81.3% (Liu and Fang 2013). The impact of this policy has been critically reviewed with concerns including: it has compromised school access, resulted in extra costs for geographically disadvantaged families, caused rebounded dropout rates, contributed to enlarged inequality, and adversely affected primary pupils in terms of academic performance, psychological health and physical growth (Yang, D 2009; Liu 2010; Fan 2011; Chen et al. 2011; Yang 2013; Yang 2014). A very recent case study conducted in a typical underdeveloped Chinese village reveals that a large proportion of villagers' disposable income is oriented externally due to excessive spending on schooling, which severely hurts the village's economy as a whole (Zhong 2014).

### **2.1.3 Decentralised Fiscal system**

A most unique feature of China's fiscal system has been claimed to be another possible contributor to education inequality. China has long been widely known for its spatial unevenness in economic development. But its fiscal system is much more decentralised than OECD countries and middle-income countries, with over half of all expenditure taking place at the sub-provincial level (Dollar 2007). From Table 2.3 below, it can be seen that at the commencement of the Nine-year Compulsory Education Law, rural households were required to support schooling, as one of the "diverse channels for funding" (Hawkins 2000, p. 443). Prior to the New Mechanism, rural populations were imposed with heavier levy and charged with higher tuition fees.

How much decentralisation reforms have contributed to deterioration in rural-urban disparities still remains inconclusive. Some consider due to the fact that sub-provincial governments relied primarily on local resources to support public services, part of the load was inevitably shifted to households and turned basic

education into a heavy burden for families (Dollar and Hofman 2008). Some others portray a more complex picture with both benefits and side-effects from decentralisation (Hawkins 2000, Yuan 2004). However, in absolute term, the conscious retreating of the State from providing basic education is unjustified.

*Table 2.3 Institutional adjustments in rural education*

<b>Time</b>	<b>Management system</b>	<b>Funding mechanism</b>
<b>1985-2000</b>	State Gov't to provide guidelines; administration delegated to provincial, county and town levels.	Funding mainly on central allocation; rural residents taxed and charged for tuition fees.
<b>2001-2005</b>	State Gov't to provide guidelines; authority devolved to lower levels, mainly to county gov't.	County gov't to be main provider; special surcharges allowed; Provincial & central gov'ts might subsidise
<b>2006 onwards</b>	Each level finance authority to oversee its immediate lower level counterpart.	The New Mechanism: CE covered by public expenditure; Fiscal load shared between central and local gov'ts at a certain ratio on an item basis.

Source: Zhang et al. 2004, Hawkins 2000, CPC Central Committee and the State Council 2010.

In order to rectify this financial disproportion, the New Mechanism has seen an immense raise in central input to education. One of the intentions of this research is to investigate how the new fiscal structure works and how governments of different levels are now involved in school funding.

#### **2.1.4 Elitism in basic education**

Elitism is often seen as the opposite to equality, as the former belief holds that “certain persons or members of certain groups deserve favoured treatment by virtue of their superiority, as in intelligence, social standing, or wealth” (Collins

English Dictionary). The prevalent existence of ‘key-point’ primary and secondary schools in China is a strong evidence of elitism in its basic education.

Not only do governments tend to favour key-point schools in terms of funding and other education policies, but families also are eager to make ‘financial contribution or donation’ (known as ‘school-selecting fees’) to buy their children access to those schools (Kipnis 2010). Therefore elitist education results in irrational resource allocation and deteriorates inequity within an area (Yang 2000).

Consequently elitism in basic education leads to persistent ‘poverty trap’ discussed in Chapter 1. For example, a study shows that from 1978 to 2008 the proportion of students who came from peasants’ families and entered upper secondary schools in cities dropped dramatically (Wang 2009). Another consequence of elitist education is that the majority population are unsatisfied with accessibility of education. According to a recent UN report, a majority of urban residents (65.1%) were not satisfied with the allocation of educational and medical resources (UN 2013). Apart from evidence from aggregate data, empirical studies at sub-county levels also show that school funding from various sources “disproportionately benefit elite schools” (Kipnis 2010, p. 341).

Moreover, elite education may foster an ‘audit culture’, which could cause immense administrative and financial burden to schools. Kipnis (2008) depicts an audit inspection conducted in a primary school in Zouping County, Shandong Province. He reveals that a large amount of time, efforts and designated personnel are devoted to an auditing and competitive procedure, which was seen by teachers to be distracting, exhausting, confusing and a waste of resources.

Fully realising the adverse impacts of elitism in basic education, the New Mechanism clearly demands:

“Construction of standardized schools for compulsory education shall be promoted, and ... resources should be allotted in a

balanced manner. The teaching quality gap between schools shall be bridged in a down-to-earth way, and major efforts should be made to address the problem of parents choosing the best school for their children... No elite schools and classes shall be installed in compulsory education.”

(CPC Central Committee and the State Council 2010, p. 14)

My research will investigate if this policy has been practiced in real life. I will compare the funding models and procedures among schools with various ranking and popularity to examine if the New Mechanism has effectively discouraged school selection and achieved a more balanced provision of resources.

## **2.2 Existing evaluation of the New Mechanism**

There is a considerable amount of theoretical literature on evaluating the effects of the New Mechanism, from which the purposes of this study have been drawn. Soon after the launch of New Mechanism, the World Bank expressed high expectations for the mechanism’s potential in improving education equality and suggests that this goal can only be achieved through enhancing accountability of local governments (Dollar 2007). At the same time, the World Bank criticised China’s existing means of assessment benchmark - enrolment rates - as “naïve measurement” (Dollar 2007, p. 18). Eight years into the program, the public saw mixed reports on its achievement. On one hand, official statistics claim considerable improvements nationwide (see Table 1.1). On the other, research findings suggest the opposite. In 2012, Gan et al. (2012)<sup>4</sup> pointed out that large education gap remains between urban and rural regions.

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<sup>4</sup>The book by Gan et al. (2005), titled “Research Report of the China Household Finance Survey”, disseminates the findings of by far the most comprehensive research conducted in China. The research covered 8438 households in 25 provinces (or municipalities/regions), 80 counties and 320 communities.

Rich studies can be found in relation to analysing and evaluating the New Mechanism and several patterns can be identified by comparing existing studies. Firstly, many among them are limited to linear depictions of policies (Lv 2006; Zhang 2006; Mo and Lei 2007; D. Yang 2008; D. Yang 2009; Li and Liu 2009; Zhao et al. 2010). Secondly, most empirical studies focus on the sufficiency of education input in underdeveloped provinces (Liu et al. 2012, Wang and Chen 2012, Yu et al. 2013). All these scholars agreed that although national spending on compulsory education has increased significantly, more investment is still in need. Another common finding is teachers in those areas are generally underpaid and lack of proper professional development.

Although above studies provide a good understanding of rather up-to-date status of rural education funding system, they seem to mainly emphasise the adequacy side of the evaluation with a focus of disparity 'between' areas. Little has been discussed about whether the New Mechanism has brought about better equity 'within' areas. In comparison, my study emphasises the 'effective and efficiency' of school funding within an area, by researching in a relatively wealthy county.

There also seems to be a dearth of connection between empirical studies on the New Mechanism and international theoretical frameworks. Limited literature can be found on the discussion of measuring the New Mechanism with international standards. For example, Yuan (2011) adopts Benson's (1995) criteria, which are adequacy, equity and efficiency, to analyse China's education fiscal system as a whole, but Yuan admits that reliable evaluation is difficult to reach due to lack of data. Wu and Wang (2011) suggest that the performance of a system includes its achievements and benefits. They argue that five theories should be employed as the overarching framework to evaluate the New System, three of which I found consistent with the theoretic framework of this research. One is 'the Resource Scarcity Theory', which stresses rationalised allocation of resource. Second, '3Es (Economy, Efficiency, Effectiveness) in the New Public Management' and thirdly, 'Results-Based Management', both emphasise

outcomes rather than input of funding. Unfortunately, none of these theories have been practiced and tested in empirical studies

## **2.3 International theories in effectiveness evaluation of school funding**

### **2.3.1 Input versus output**

In the process of implementing the new system, one main means of evaluation is by measuring the input into education, where indices such as average per-student spending, student-teacher ratio, expenditure on teachers' wages are reported by schools and local governments and monitored by higher levels of bureaucratic agencies (State Council, 2005). The only index related to 'output' or 'outcomes' is enrolment rate, which, as indicated previously, is criticised as "naïve measurement" by the World Bank (Dollar 2007). Due to the lack of a reliable and transparent means of assessment, embezzlement and misappropriate usage of education funds are still very common. According to a report published by National Audit Office of PRC, this happened in 46 out of the 54 counties being audited (the People's Net 2008).

Many Chinese and international researchers also take the input approach in their assessment of education policies (Willmann and Schucher 2005, Wu 2007, Li and Liu 2009, Zhang 2006, D.Yang 2009). In particular, Wu (2007) and Willmann and Schucher (2005) argue that an output approach is impossible as there has never been a standardised achievement test in China's compulsory education, although they also admit that "the difficulty of taking this approach is that a high volume of input for schools doesn't necessarily yield high quality" (Willmann and Schucher 2005, p. 11)

However, international studies have repeatedly proven that significant investments made into education are at a high risk of low achievement. Many investigations conducted over decades have reached a similar conclusion that despite enormous expansion in education expenditure, little improvement can

be seen in pupils' performance (Hanushek 1997, Hanushek et al. 2002, Hanushek and Wößmann 2007, McKinsey and Company 2007, Leigh and Ryan 2008, Odden and Picus 2008).

With this realisation, a range of member countries of OECD, such as Australia, the United Kingdom and the United States, put jurisdictional emphasis on output assessment, where part of funding transfer is made conditional based on students' learning outcomes. As defined in an OECD report "School Accountability, Autonomy, Choice and the Level of Student Achievement: International Evidence from PISA 2003", accountability systems are those that "combine clear standards, external monitoring of results, and corresponding rewards and sanctions based on performance indicators" (Wößmann et al. 2007, p. 9).

A good example is set by Japan, where a Nationwide Academic Ability Assessment (NAAA) is now administered to students in the final year of primary education (11 - 12 years of age) and in the final year of lower secondary school (14 -15 years of age). The tests are designed in a comprehensive manner with the aim to attain an all-round understanding of basic education. Not only students' ability in reading, writing and maths is tested, their eagerness to learn and daily habits are also revealed by answering questions like length of study at home and whether they eat breakfast every morning. Test results are disclosed to students only and not publicised. Instead, information on the results is released to local governments and schools, based on which schools' position can be determined through comparison and then publicly announced (Andrews et al. 2007).

Australia is also a country which has developed relatively mature theories in the field of outcome-based educational assessment. Dowling (2007) concluded in one of his policy analysis and program evaluation papers that, different from the traditional approach of educational assessment, current emphasis on output measurement is a new phenomenon which can be traced to an evidence-based management philosophy. Although whether accountability systems should have penalties attached to them is still open to debate, "the continuing role of

standardised assessments in providing reliable information for a new education market is inevitable and justified.” (Dowling 2007, p. 8)

This leads to the second purpose of this study: from an output perspective, using international criteria or guidelines to analyse the strengths and weaknesses of the New Mechanism. By doing so, I aim at not only evaluating the effectiveness of the New Mechanism, but also analysing the reasons behind its (in)effectiveness.

### **2.3.2 Dimensions of Equity**

So what outcomes can be employed to indicate better equity in the evaluation of school funding programs? Many argue that the opportunities people face to rise above poverty as a result of education are the attributes to be equalised (Arneson 1989, Cohen 1989, Roemer 1993). This argument is based on human capital theory, which believes education can raise people’s capabilities to earn a better living (Schultz 1971). Some researchers emphasise equal treatment during the course of receiving education regardless of students’ differentials in capability and interests (Yang and Zhou 2003). Yet others see resources apportionment as the attributes to be equalised (Dworkin 1981). Similarly diversified, there are two broad conceptions on the equity of school funding, with horizontal equity stressing identical treatment of students whereas vertical equity entailing more investment for students with greater needs (Hawley Miles and Roza 2006).

In order to choose the most applicable theoretical frame, we need to review the fundamental goals of the New Mechanism, which is to safeguard equal access to and promote balanced development in compulsory education by allotting resources in a balanced manner (CPC Central Committee and the State Council 2010). Through comparing goals of the New Mechanism with the main philosophies mentioned above, this project has decided to evaluate the ‘vertical’ dimension of equity, which means assessing the rationalisation in resource distribution.

### 2.3.3 Drawing on Australia's experience in adoption of theories

Australia has long been standing in an output point of view in its educational policy analysis and program evaluation, with the philosophy that “education should be made more transparent in order to hold those responsible for it accountable thereby ultimately improving the service” (Dowling 2007, p. 1). Australia's most recent comprehensive review of funding of schools was conducted in 2011, with two heatedly discussed reports released: “Review of funding for schooling: final report” by David Gonski (2011) and “Assessment of current process for targeting of schools funding to disadvantaged students - A report prepared for The Review of Funding for Schooling Panel” by Adam Rorris et al. (2011). Despite of voices of disagreement, it was perceived by Adventist Schools Australia that the Review Panel “has delivered an intelligent, clearly articulated and transparent set of recommendations accompanied by a model for providing an appropriate level of funding to all Australian students, independent of whether they were being educated in the government or nongovernment sector” (Murdoch 2012, p. 1).

Admittedly, the reports are based on students' performance in internationally standardised achievement tests (PISA), which is not available in China. Nevertheless, the theoretical frameworks that underpin the reports are worthwhile to be experimented in measuring the merits and demerits of the New Mechanism.

The central consideration of the Review Panel of Australian school funding is the OECD report “No More Failures: Ten Steps to Equity in Education” (Field et al. 2007). As suggested in this report, vertical equity requires both *fairness* and *inclusion*. Rorris et al. (2011) interpreted the two dimensions as follows:

Fairness implies directing more resources to students according to indicators of disadvantage or social need, for example family poverty or immigrant status. Inclusion is addressed by providing additional resources to students with learning difficulties. (For

example, students with a physical disability or who are not literate in the language of instruction may be in this category.)

(Rorris et al. 2011, p. 108)

It is also worth noting that, policies that aim to address different aspects of vertical equity are shown to have different focuses. Indicators of community or group disadvantage tend to be used by governments which wish to improve *fairness*, while those concerning with *inclusion* measure individual disadvantage that may cause learning difficulties (Rorris et al 2011). Based on empirical experience in a range of OECD countries, it is suggested that a multi-pronged approach to reflect both fairness and inclusion should be undertaken in policy design and practices (Field et al. 2007).

Apart from the definition of education equity, OECD also offers a guideline in relation to policy design, practices and resourcing, against which the New Mechanism will be assessed against in this thesis. The guidelines are outlined by Rorris et al. (2011) as follows:

### Ten Steps to Equity in Education

#### **Design**

1. Limit early tracking and streaming and postpone academic selection.
2. Manage school choice so as to contain the risks to equity.
3. In upper secondary education, provide attractive alternatives, remove dead ends and prevent dropout.
4. Offer second chances to gain from education.

#### **Practices**

5. Identify and provide systematic help to those who fall behind at school and reduce year repetition.
6. Strengthen the links between school and home to help disadvantaged parents help their children to learn.
7. Respond to diversity and provide for the successful inclusion of migrants and minorities within main stream education.

## **Resourcing**

8. Provide strong education for all, giving priority to early childhood provision and basic schooling.
9. Direct resources to students and regions with the greatest needs.
10. Set concrete targets for more equity, particularly related to low school attainment and dropouts.

In a comparative study on South Africa's experience in promoting equitable basic education, Ding (2006) discussed how the country designed, implemented and redressed policies and hence students needing extra resources and care have better supported. This can be seen as an empirical proof of the applicability of OECD's guidelines in a developing country.

The second theoretical concept that stood out from Rorris et al's (2011) report was Atkinson et al.'s critique of three most widely employed funding models. Conducting evaluation studies on funding programs is challenging and there is "only limited analysis available on the strengths and weaknesses of different funding models or their impact on student outcomes" (Atkinson et al. 2005, cited by Rorris et al. 2011). As summarised by Atkinson et al. (2005), the wide range of funding approaches can be categorised into three main models: a) increasing the general allocation; b) funding centrally defined activities; and c) funding locally proposed projects or schemes.

Atkinson's critique of the advantages and disadvantages of the three funding models were also given a synopsis by Rorris et al. (2011) , which is summarised in Table 2.4.

Table 2.4 Critique of funding models for educational disadvantage

<b>Increasing the general allocation to schools</b>	
<b>Advantages</b>	<b>Disadvantages</b>
<p>1. More discretion given to school over usage of funds.</p> <p>2. Stigmatisation of students and families can be avoided as they are not directly targeted</p> <p>3. Building special needs funding into general funding can offer benefits of simplicity</p>	<p>1. Difficult to ensure funds are used for intended purposes</p> <p>2. Smaller central resources to disadvantaged students</p> <p>3. Weighting for different indicators may cause insufficient funding for schools' specific needs</p> <p>4. Compromised transparency</p>
<b>Funding for centrally defined activities</b>	
<b>Advantages</b>	<b>Disadvantages</b>
<p>1. Central control over usage of resources</p> <p>2. More transparency in how funding is determined and allocated</p> <p>3. May allow more precise targeting of resources</p>	<p>1. May give rise to expectations of greater equity that cannot be met</p> <p>2. Can be subject to frequent changes in central priorities</p> <p>3. Targeted funding may lack continuity and can impose high accountability costs on schools</p> <p>4. Risk that targeted funding diminishes resources for the schools' main budget</p>

<b>Funding for locally proposed projects or schemes</b>	
<b>Advantages</b>	<b>Disadvantages</b>
1. Allows for and encourages local identification of needs and program responses 2. Increased probability of targeting resources to those in greatest need 3. Can sharpen school thinking about priorities and strengthen partnerships with central authorities	1. Administrative and resource burden placed on schools 2. Complexity of proposal and accountability processes 3. Disadvantaged schools may have less capacity of developing proposals and managing local initiatives 4. Uncertainty about continuity of funding 5. Can lead to stigmatisation of students and families as programs are often highly visible

Note: Based on Atkinson et al. (2005), chapter 4, cited in Assessment of current process for targeting of schools funding to disadvantaged students (Rorris et al. 2011, p6)

Compared to OECD guidelines, which provides a more generic direction, Atkinson et al's (2005) analysis focuses on funding for disadvantaged students and considers the impact of funding programs could impose on them. Similar to many other economics, China uses a combination of these three models in its school funding practices (more details explicated in Chapter 4). Adopting Atkinson et al's (2005) critique in assessing China's funding models will provide a more specific perspective, targeting students with greater needs.

## **2.4 Conclusion**

This chapter of literature review builds on the concepts outlined in chapter one by examining different theoretical perspectives on China's educational system, analysing previous studies on the New Mechanism as well as selecting international theories for a new perspective evaluation. The purpose of these discussions is to contextualise the research questions, clarify important

definitions and to develop a conceptual framework as the basis for the empirical investigations undertaken in this study.

Through this review I identified three crucial gaps in current literature that this study aims to address and potentially make contribution to. First and foremost, there is a lack of assessment of the New Mechanism under an internationally verified theoretical frame. Secondly, further investigation is needed to evaluate if the New Mechanism has positive or negative impact on inequity 'within' areas, which is a more salient issue than inequity 'between' areas. In particular, the investigation needs to be narrowed down to county and sub-county levels. Third, compared to the amount of quantitative research, only a limited number of qualitative studies have been conducted to seek perceived effectiveness of the New Mechanism. Revolving these gaps, in next chapter, research questions will be detailed and the selection of research methods will be discussed in order to achieve the aims of the study.

## Chapter 3: Research Design

Building on the conceptualisation of the New Mechanism in previous chapters, this chapter discusses the research strategy and instruments utilised in the project. After identifying the current research gaps and restating the research questions, I then explain the research paradigm for my selection of research methods. This is followed by a detailed account of sampling approach, along with the organisational background and the socioeconomic status of the fieldwork setting.

Data were collected via the triangulation of three means: (1) online official documents, (2) semi-structured one-on-one interviews and focus groups with local education authority (LEA) officials and school managers and (3) a questionnaire survey with thirty-three teachers from two schools. The majority of this chapter focuses on the research design of each method, with a critique of their pros and cons at the end.

### 3.1 Reiteration of problems and research questions

The discussion in Chapter 2 has identified four major gaps in the literature in relation to evaluating the effectiveness of the New Mechanism:

1. Compared to the large amount of quantitative studies with aggregate data, insufficient attention has been paid to the perception of the administrators who implement the New Mechanism at the most basic level of administration.
2. Although it has been identified that larger disparities exist *within* areas than between areas and it is particularly the case in country regions, little research has been done on internal inequality at county and sub-county levels. Similarly, the changes brought by the New Mechanism in relation to education inequality *within* a county have never been studied.
3. Even among the research with a county-level focus, most assesses the adequacy of input rather than the efficiency or effectiveness of resource

allocation. In addition, little literature can be found on the effectiveness of the New Mechanism in reducing elitism in basic education.

4. The evaluation standards used by researchers have been based on theory rather than empirical evidence. Experience from OECD countries can provide a useful theoretical framework for effectiveness evaluation. In particular, the New Mechanism can be assessed if it satisfies 'vertical equity' i.e. both 'fairness' and 'inclusion'. The funding models may also be analysed based on Atkinson et al.'s (2005) critique.

I thus proposed two broad groupings of research questions in an attempt to address those gaps. Each of these questions has a subset of related questions.

*Question 1: What funding models are employed under the New Mechanism at county and sub-county levels?*

- 1) What are the sources of funding?
- 2) What are the procedures of application, approval and allocation in major funding programs?
- 3) What are the methods to identify students' needs?
- 4) What specific supports are available for children with disabilities, children from migrant workers' families and students with learning difficulties?
- 5) What accountability processes are available for demonstrating effectiveness?
- 6) How does the superintendent system work under the New Mechanism?
- 7) What are the issues identified by the administrator who practice funding policies?
- 8) What are the issues identified by the teachers who have daily contact with students with disadvantages?

*Question 2: To what extent is the New Mechanism effective measured with international standards?*

- 1) Are resources directed to students and regions with the greatest needs?
- 2) Are funding processes transparent and standardised?

- 3) Are funding schemes stable and continuous during students' period of compulsory education?
- 4) Are students with academic difficulties properly identified and systematically helped to prevent dropout and to reduce year repetition?
- 5) Are children of migrant workers equally treated in funding schemes?
- 6) Are children with disabilities given sufficient access to education and supports for learning?
- 7) What are the advantages and disadvantages of the funding models? Do they fit in Atkinson et al.'s (2005) critique?
- 8) Does the New Mechanism satisfy 'vertical equity'?
- 9) What are the key issues of the New Mechanism according to Atkinson et al.'s (2005) and OECD's (Field et al. 2007) theories?
- 10) To what extent are these frameworks applicable to China's rural education system?

The above questions are closely related to not only government policies on but also the everyday administration of school funding, I therefore selected document analysis to form a map of all the funding patterns existing in Zouping County, Shandong Province, including different school recurrent, capital and targeted funding models. Interviews and questionnaires, on the other hand, are powerful tools for understanding perceived successfulness and practical issues of the funding mechanism. A detailed justification of selection of research methods can be found in Section 3.2. As my study focuses on efficiency and effectiveness, instead of adequacy of funding, an economically well-developed county was chosen. A fuller explanation of site selection is in Section 3.3.

## **3.2 Selection of research methods**

### **3.2.1 Quantitative or qualitative methodology**

As shown in Chapter 2, most evaluation studies on China's current school funding system have utilised quantitative approaches, based on aggregate *input*

data such as average per-student spending and student-teacher ratio. Evaluation from an *output* perspective, which is common among OECD countries including Australia, is considered impossible as China has never implemented any standardised achievement tests. I have found this to be true in the course of the fieldwork in Zouping County. My initial research plan of comparing students' test scores by age cohort had to be abandoned because of the lack of standardisation in the tests used in the sector of compulsory education across the County. A good case in point is the testing system in the school which provides basic education to disabled children in Zouping. The pupils do not take any achievement tests that are comparable to other schools; the only learning indicators are the periodical quizzes designed by class teachers. Because of its high attrition rate, the school does not even record attainment or enrolment rates. Given these constraints, I decided to use qualitative data to evaluate the New Mechanism.

As pointed out by Sarah Tracy (2012), the use of qualitative data offers many benefits:

Qualitative research can uncover salient issues that can later be studied using more structure methods. Field research may lead to close and trusting relationships that encourage a level of disclosure unparalleled in self-reports or snapshot examinations of a scene. (It offers more than a snapshot – provides understanding of a sustained process and honors participants' local meanings.

Tracy (2012, p. 5)

Qualitative research in evaluation of the New Mechanism is rare. Recently, Liu et al. (2012) and Yu et al. (2013) employed questionnaires and interviews to investigate the extent of satisfaction of parents, teachers and school principals to the implementation of the New Mechanism. However, their research was designed around adequacy of input rather than equity or improvement on

students' performance, which is the focus of my questionnaire and interview questions.

### **3.2.2 Research paradigm and choice of methods**

This study adopts a post-positivist (Denzin 1978) point of view in relation to the choice of research methods. Post-positivist researchers make use of methodological triangulation, which entails multiple types and sources of data, as well as diverse methods of collection and theoretical frames (Denzin 1978). This is considered worthwhile by practitioners of this paradigm as one of their key concerns is the reliability and formal generalisability of their studies (Tracy 2012).

Reflecting the characteristics of a post-positivist researcher, and as discussed in Chapters 1 and 2, two theoretical frames have been chosen to guide this study: OECD's "Ten Steps to Equity in Education" (Field et al. 2007) and Atkinson et al's (2005) analysis of main funding models. This study demonstrates methodological triangulation by drawing up a set of research instruments for data collection, including document analysis, interviews, focus groups, and a questionnaire. The study made use of three major sources of data: (1) virtual reports and documentation on various websites of educational governments, (2) informant interviews and focus groups and (3) questionnaires.

#### **Documentary materials**

Prior to contacting informants in fieldwork, I conducted a review of all the public documents on the local policies and implementation of the New Mechanism on the websites of LEAs in Shandong Province, Binzhou City and Zouping County. This approach serves four purposes. First of all, analysing public documents helped me to discern key issues with Zouping's school funding system and to formulate questionnaire and interview questions. Secondly, it provided background information on Zouping's education system, so I became familiar with the County's hierarchies and basic facts. Thirdly, it informed my choice of

participant sampling criteria (see next section). Finally, this type of publicly accessible information communicates externally espoused values and image of LEAs, which can be compared and contrasted with the data gathered in fieldwork about the actual practices (Deetz, Tracy & Simpson 2000, cited by Tracy 2012).

### **Interviews and focus groups**

The interviews and focus groups were focused on stakeholder assessments of the allocation process and effects of funding modalities. They were also an opportunity for me to invite suggestions to alternative funding options.

Interviews were conducted with officials from LEAs and school principals while focus groups included lower level school administrators who are more directly involved in the implementation of funding programs.

### **Questionnaires**

Questionnaires were distributed to school teachers whose students were beneficiaries of funding schemes under the New Mechanism. They were asked for information on the programs and interventions targeting the disadvantaged, the numbers of students receiving funds and whether and how funding programs are evaluated.

## **3.3 Choice of research setting and participants**

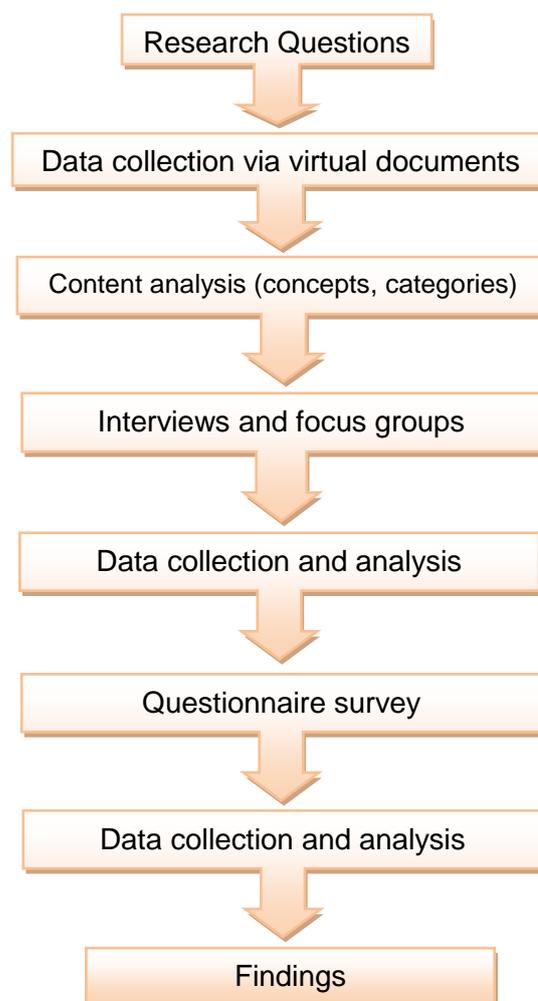
### **3.3.1 Rationale of sampling**

The fieldwork site, organisations and participants were selected through purposive sampling strategy employed in sequential manner and a maximum variation approach. The priori for selection were based on research questions and derived from theoretical analysis of public documents. Three parameters were required to be satisfied by the research setting: it enjoys sufficient access to funds for the purpose of studying 'equity' rather than adequacy; it provides as wide a variation as possible in terms of the dimension of interest (Patton 1990 and Palys 2008, cited by Bryman 2012) in order to investigate the inequity 'within' an area; it includes participants that are 'designers' of local funding

policies under the overarching New Mechanism and front-line ‘implementers’ of the funding programs.

From the sampling and fieldwork process outlined below in Figure 3.1, it can be seen that document analysis helped me with the selection of the fieldwork site. After identifying Shandong Province as a local economy that can represent the national trend in the literature review (see Section 2.1.1), I further narrowed my research scale down to Zouping County based on the information gathered from online documents that released by Shandong education authorities.

*Figure 3.1 The process of research and purposive sampling*



### 3.3.2 The site for field research

The geographic field of my study is Zouping County, located in Shandong Province, eastern China, with a population of 725, 266 in 13 townships<sup>5</sup>. The County accommodates 53 primary<sup>6</sup> and 20 lower secondary schools<sup>7</sup> (Zouping.gov.cn 2015). The County is considered appropriate for the research for two main considerations. First and foremost, Zouping can be seen a microcosm of China, in terms of rapid industrialisation, large social disparity and underdeveloped education services. Similar to its higher level administration entity Shandong Province, Zouping has been witnessing significant industrial development in the recent two decades. For over five years, Shandong has ranked in the Nation's Top 3 Provinces in terms of GDP and Zouping has ranked in the Nation's Top 50 Counties (people.com.cn 2013). Nevertheless based on the latest national poverty threshold, Shandong is the home of over 8 million people in need of poverty alleviation. Also, according to the figures in the China Statistical Yearbook, in terms of the percentage of GDP spent on education in each of the provinces, Shandong has long been among the bottom five (agri.gov.cn 2013). Secondly, Zouping has a relatively liberal environment for academic studies compared to many other lower level governments (Zouping.gov.cn 2014). It was among the first sites made accessible to American researchers in 1987. In addition, thanks to the experience of residing in Zouping two decades ago, I am able to understand its local dialect, which was a great help for me during focus group discussions and to gain permission to closed settings.

The organisations from which potential participants were recruited include the LEAs of county and township levels as well as primary and lower secondary schools. In the Department of Education (DoE) of Zouping County, interviews were conducted with Deputy Secretary and Deputy Director of Superintendent

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<sup>5</sup>Figures are for Year 2008.

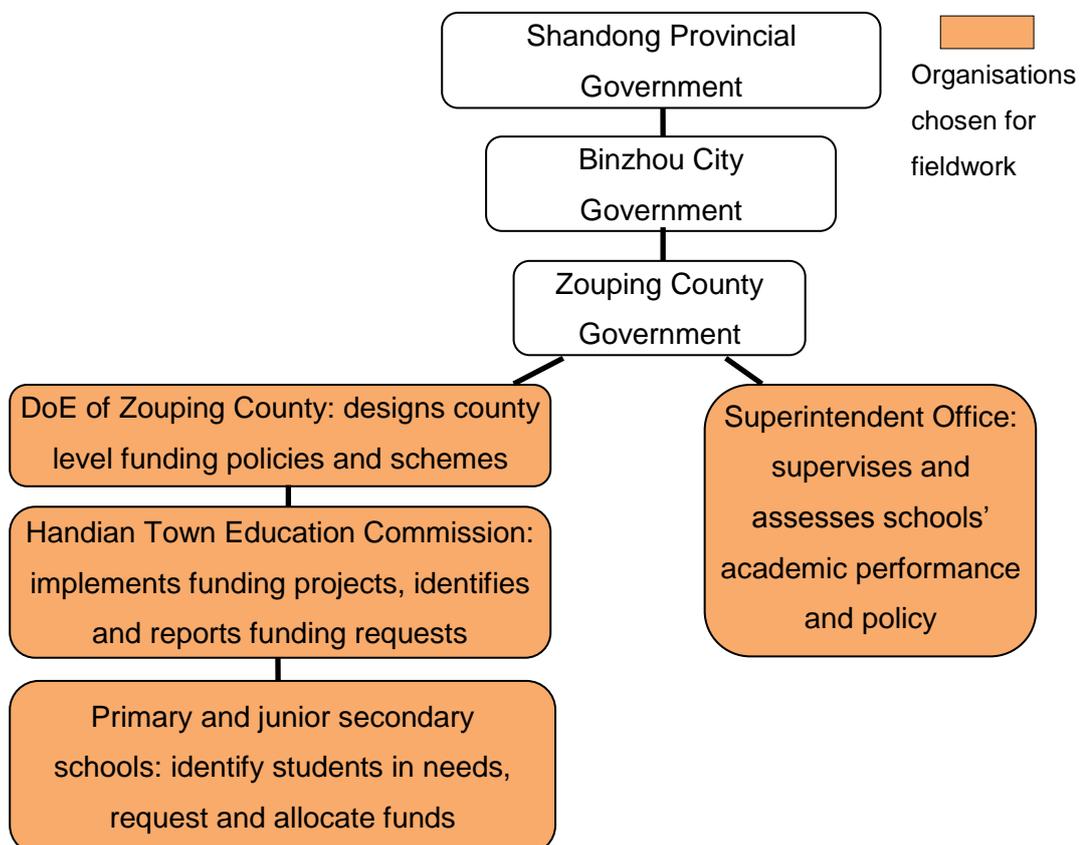
<sup>6</sup> The number of primary schools dropped from 64 in 2013 since the commencement of this study to 53 in 2015.

<sup>7</sup> This includes one lower secondary section in a higher secondary school.

Office. In Handian Town Education Commission, I interviewed its Head of Department and one of the office managers.

Four schools were selected by virtue of their social characteristics to reveal variation. School Y is located in the county seat and is designated as the ‘key-point’ school for the County. Y provides secondary education, with its junior high sector belonging to compulsory education and accommodating forty classes with 50-60 students in each class. L and X (in Handian Town) are two lower secondary schools of average popularity with 700 and 1600 enrolled students respectively in 2012. T is the only compulsory education provider to disabled children in the County, with 127 enrolments in 2013. The schools are selected purposefully as they are considered elite, mediocre and less favoured by locals. The principals of all four schools were interviewed and two focus groups were organised with administrative officers from these schools. The initial sample of interviews and focus groups provided the basis for the fifty questionnaire respondents who are teaching staff from schools X and L.

Figure 3.2 Participants’ organisations, duties and hierarchical relationships



The organisations from which the participants were recruited, functions of their employers in relation to school funding and the hierarchical relationships are summarised above in Figure 3.2<sup>8</sup>.

### **3.4 Data collection and analysis**

This section describes in detail the process of data gathering and the techniques adopted for data analysis. As previously stated, sources of data include: (1) publicly accessible virtual reports and documentation, (2) interviews and focus groups, (3) questionnaires. Another source where data were sought after but proved to be of little value is (4) archival collections of LEAs. Each source of data is now to be described in turn, with highlights of respective limitations and strengths.

#### **3.4.1 Review of virtual documents**

##### **Sampling media and dates**

Prior to going to the field, I undertook a review of documents on the school funding system under the New Mechanism, across major government websites. As presented in Table 3.1, the official websites comprised policy making, administrative and supervising agencies through all levels of governments.

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<sup>8</sup>Facts were gathered from various local government websites including People's Government of Shandong Province ([www.shandong.gov.cn](http://www.shandong.gov.cn) accessed in October 2013), Binzhou of China ([www.binzhou.gov.cn](http://www.binzhou.gov.cn) accessed in 2013), Zouping Publicity ([www.zpxc.gov.cn](http://www.zpxc.gov.cn) accessed in December 2014), Zouping Government Website ([www.zouping.gov.cn](http://www.zouping.gov.cn) accessed in December 2014) and Zouping Education ([www.zpjy.net](http://www.zpjy.net) accessed in October 2013).

Table 3.1 Official websites for review of virtual reports on the New Mechanism

State	Provincial	Prefecture	County
Ministry of Education <a href="http://www.moe.edu.cn/">www.moe.edu.cn/</a>	Shandong Province Gov't <a href="http://www.shandong.gov.cn">www.shandong.gov.cn</a>	Binzhou City Gov't <a href="http://www.binzhou.gov.cn">www.binzhou.gov.cn</a>	Zouping County Gov't <a href="http://www.zouping.gov.cn">www.zouping.gov.cn</a>
Ministry of Finance <a href="http://www.mof.gov.cn">www.mof.gov.cn</a>	Shandong Provincial DoE <a href="http://www.sdedu.gov.cn">www.sdedu.gov.cn</a>	Binzhou DoE <a href="http://www.sdbzedu.gov.cn">www.sdbzedu.gov.cn</a>	Zouping Publicity <a href="http://www.zpxc.gov.cn">www.zpxc.gov.cn</a>
National Audit Office <a href="http://www.audit.gov.cn">www.audit.gov.cn</a>	Education Supervision <a href="http://www.jydd.gov.cn">www.jydd.gov.cn</a>	Education Supervision <a href="http://www.bzjydd.org">www.bzjydd.org</a>	Zouping DoE <a href="http://www.zpjy.net">www.zpjy.net</a>
National Audit Office <a href="http://www.audit.gov.cn">www.audit.gov.cn</a>			
China Education Economic Information Net <a href="http://www.ggbzb.cee.edu.cn/index.jsp">http://www.ggbzb.cee.edu.cn/index.jsp</a>			

The vast majority of articles and reports that were focused upon were published from 2003 onwards, the commencement of the latest educational reform towards 'equilibrium development' (Yang 2008). Year 2003 was the very beginning of the promotion of education equity in China so that the shift in policy making on school funding could be detected. The documents review completed in August 2013, immediately before the start of the fieldwork.

The technique of qualitative content analysis was employed to the analysis of documents and texts. Given that this study focuses on school funding system at the county level, official documents by State, provincial and prefecture governments mainly served as a background research for me to better understand overarching policies. Unless such a document specifically reports on school funding programs in Zouping County, it was not included in content

analysis. Yet from this background research categories and keywords for coding emerged.

## Coding

Based on research questions and drawn upon the information from online documents released by higher level governments, I designed a coding schedule (Table 3.2) to indicate analysis dimensions.

*Table 3.2 Coding schedule for funding programs reported with four examples*

Program name	Time	Funding model	Type of school receiving funds	Beneficiaries of funding	Amount
1. Public Expenditure	2005	General increase	Primary & lower secondary	All students	P- ¥82/s/y; LS- ¥117/s/y
2 Public Expenditure	2006	General increase	Primary & lower secondary	All students	
3 Two Waivers and One Stipend	2006	Central defined	Primary & lower secondary	All students	P- ¥165/s/y; LS- ¥665/s/y;
4 Living allowances	2006	Locally funded	School for special education	Children with disabilities	¥50/s/y

This organisation of data was efficient in rationalising messy reality and reducing a great amount of data to incorporated thematic extracts. In the data analysis chapter, the final product of coding will be presented in a different form, which further facilitates argument.

### 3.4.2 Semi-structured interviews and focus groups

#### A brief contextulisation

Five one-on-one interviews and two focus groups were administered, all of which were designed in a semi-structured qualitative model. Interviews were conducted with four LEA upper level officials and three school principals. Focus groups were organised in between interviews, with attendees including LEA upper level officials (two of whom had been interviewed), lower level administrators and school principals (some were also individually interviewed). The schedule and informants for one-on-one and focus groups interviews are shown in Table 3.3.

*Table 3.3 Schedule and informants for interviews*

Time	Activity	Setting	Informant(s)
<b>23 Sept 2013</b>	One-on-one interview	Reception , Office building of Zouping County Government	Head of Superintendent Office
<b>26 Sept 2013</b>	One-on-one interview	Principal's office at the school	Principal of School Y
<b>26 Sept 2013</b>	Focus group	An eatery near the school	Principal of School Y and 3 lower level administrator of DoE of Zouping Couty
<b>10 Oct 2013 Morning</b>	One-on-one interview	The Deputy Secretary's office, Office building of Zouping County Government	Deputy Secretary of DoE Zouping County
<b>10 Oct 2013 Lunch</b>	Focus group	A restaurant 20-minute drive away from Handian Town	Deputy Secretary of DoE Zouping County; Head of DoE Handian Town; Director of Office, DoE Handian Town; 3 lower level administrators of DoE Handian Town; Principal of School X.

<b>10 Oct 2013 Afternoon</b>	One-on-one interview	Principal's office	Principal of School L
<b>12 Nov 2013</b>	One-on-one interview and observation	Principal's office and classroom of grade 3.	Principal of School T

As indicated in the table, I initially approached the potential participants with a top-down channel, by firstly visiting the highest LEA office in the County. Negotiating access was a rather difficult process, as the officials seemed to be occupied by endless meetings. It took repeated visits to obtain an opportunity to meet the Head of Superintendent Office in person, and yet the interview was brief and took place at the reception rather than in his office. I therefore tried a bottom-up strategy, approaching a school principal via an employer of the school and then asked the principal to introduce me to various officials of LEAs.

All one-on-one interviews were conducted in a formal setting, mostly at the informant's office. The interviewees were asked to talk about their work involving funds application and/or allocation; their perception of the existing funding system and their suggestions for improvements. Questions were asked following fairly specific interview guides, with variations made on the spot when interesting points were picked up. The inventory of issues covered in the interview guides evolved based on previous interviewees' information and the discussions were deepened from administrative enquiries towards the participants' appraisal of the mechanism. Appendices 3 and 4 show the complete list of questions, to the government officials and the school principals respectively.

Audio recording of the conversations were not allowed, so I took notes during the interviews. Thanks to the note-taking technique I developed as a professional interpreter in Australia, I was able to use shorthand and mnemonic codes to take down information in an efficient and less obtrusive manner. For easier reference of interviewees in this thesis, I numbered them in the Table 3.4.

*Table 3.4 Interviewee reference numbers and institutional background of participants*

<b>Interviewee No.</b>	<b>Participant(s)</b>	<b>Belonging institution</b>
In. 1	Head of Superintendent Office	Zouping County
In. 2	Principal of School Y	Under direct administration of the County
In. 3	Deputy Secretary of Department of Education	Zouping County
In. 4	Head of Education Bureau	Handian Town
In. 5	Director of Office at Education Bureau	Handian Town
In. 6	Principal of School L	Gaoxin District <sup>9</sup>
In. 7	Principal of School T (School of Special Education)	Under direct administration of the County
Group 1	In.2 and 3 administrators from DoE	Zouping County
Group 2	In. 2, In. 3, In. 4, 3 administrators from EB and Principal of School X	Zouping County and Handian Town

### **Interview questions and ethical considerations**

The interview guide for the LEA officials consists of three parts: (1) introduction of the investigator, the project, the interview process etc. (2) questions about the interviewee's work duties in the New Mechanism, (3) questions on the issues identified by the investigator and an optional (4) the interviewee's appraisal to the system. The rationale for making part (4) optional is that in rural China, officials tend to be politically sensitive and avoid direct comments on existing policies (Tsai, 2010). Although I had gained permission from the Deputy Secretary of Department of Education of Zouping County to conduct the research, asking straightforward questions in this regard may be considered blunt, which will discourage participants' willingness to contribute and therefore compromise data quality.

The interview guide for the school principals include: (1) induction; (2) questions regarding procedures of applying for, receiving and distributing/utilisation of funds; (3) questions on the issues discerned by the investigator and an optional; and (4) satisfaction to this funding system and suggestion for improvements. Similar ethical consideration applied. Furthermore, at the end of each interview session, I expressed invitation to the interviewees for focus group discussions.

<sup>9</sup> Gaoxin District is hierarchically parallel to Handian Town, both of which are under Zouping County.

Fortunately, not only most of them agreed to attend, some warm-heartedly introduced me to other potential participants that worked for the New Mechanism.

Focus group interviews were less structured in comparison to one-on-one interviews. Rather than leading the discussion, I stepped aside to observe participants expressing their opinions more freely. Questions asked were more probing and valuable insights were obtained in the cases where participants challenged each other. The participants of focus groups were recruited through the interviewees of higher power in the organisations and conducted over two lunch sessions. Major issues of existing school funding system were discussed, such as adequacy, efficiency and accountability. In comparison with one-on-one interviews, focus groups were in a more relaxing setting and the informants had a great deal of leeway in how to reply. The participants also had the chance to interact and argue over disagreements, where additional issues were often raised. Such an informal style was not in accordance with my original plan, but it offered me the opportunity to be an 'active participant' (Spradley 1980) <sup>10</sup> and gain tacit knowledge<sup>11</sup> of the scene. Note-taking was considered unnatural and unwelcomed under this circumstance. Therefore most record of raw observations and reflections were made immediately after the completion of each session.

Raw records were organised and more detailed accounts were written up into field notes after each fieldwork session and the notes were later rearranged in chronological order. Field notes included not only the informants' answers, but also analytic reflections that related to research questions of the study, such as my interpretations of information given and further questions. Apart from field notes, I also kept a separate journal for personal annotations.

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<sup>10</sup> Active participant refers to fieldworkers who seek to become active members engaging in a range of culture activities, "not merely to gain acceptance, but to more fully learn the culture rules for behaviour" (Spradley 1980:60, cited by Tracy 2012:109)

<sup>11</sup> "Tacit knowledge is cultural knowledge that is never explicitly articulated but is reveals through subtleties of shared culture meaning." (Tracy 2012:119)

## Data analysis

Based on the field notes, I adopted The Framework approach to thematic analysis of data collected in interviews and focus groups. Developed at the National Centre for Social Research in the UK, the Framework approach employs a matrix to organise data and display an index of central themes and subthemes (Bryman 2012). Specific steps included: (1) identifying themes and subthemes via a thorough reading and rereading of the field notes; (2) organising data into core themes; and (3) displaying data in terms of subthemes within the matrix and for each case (Bryman 2012). One chart of matrix focuses on one motif and the question number is quoted to indicate where the fragment of data comes from. In an example illustrated below (Figure 3.3), I considered two dimensions in a particular theme analysis process: a) subthemes covered by this theme, and b) responses by certain interviewees.

I have chosen the Framework matrix for thematic analysis due to two considerations. Firstly, compared to coding, this approach emphasises interpretation; secondly the link between themes and cases are clearly retained after the data is organised and reduced. As the social research training provider NatCen puts it, “the analytical process is systematic, comprehensive and transparent” (NatCen 2012). Although it was a labour-intensive and time-consuming process, with this method I rearranged interviewees’ responses in a way which highlighted themes and provided easy-to-find evidence for arguments.

*Figure 3.3 An example of the Framework approach to thematic analysis*

Chart 1- Core theme: Eligibility for ‘One Stipend’

<b>Subthemes</b>	Family income threshold	Quota in the school	Application approval	Frequency of application
<b>Cases</b>				
Interviewee 2 Principal of School Y	There is no limits on families’ income for the children to apply for subsidy (Q11)	10% of students in a school can apply	We also publicise the applications so other people	‘Students need to apply every semester and go through the

		(Q12)	can express disagreement (Q12)	approval process every time they apply.'(Q12)
Interviewee 7 Principal of School T	Not necessary to verify income, I am quite sure that families with a disabled child are financially difficult. We distribute allowances in form of cash to students' families. (Q11)	Only 10% students can apply (Q12)		'Students only need to apply once with the school and it is valid until their graduation.' (Q12)

### 3.4.3 Self-administered questionnaire

Following the completion of interviews and focus groups, two schools X and T were selected for a survey using self-administered questionnaire. Based on information gathered from the focus groups, X and T are considered representative of school funding situations of the County for the following reasons: (1) both X and T are not elite schools so they do not enjoy privileges in funding; (2) students in X are from a mix social economic status (SES) background; (3) T is the only basic education provider to children with disabilities and therefore represents the effects of funding for this particular group.

#### Data collection and analysis

The questionnaire was designed for teaching staff whose students are beneficiaries of funding for centrally defined and locally proposed schemes. The purpose of this study was clearly stated in the Participant Information Statement for Questionnaire Respondents (see Appendix 1), which also give respondents instructions for completing and submitting the questionnaire (i.e., respondents were to seal finished questionnaires in an envelope and deposit them in the school's suggestion box).

The questionnaire was developed specifically to address the research questions in relation to teachers' perception about the equity, efficiency and evaluation system of funds distribution. Except for three baseline questions and one question regarding request of research results, the questionnaire mainly consists of questions about teachers' personal assessment of and suggestions for the funding schemes. The questionnaire was developed in Chinese to ensure respondents' comprehension and translated to English for the purpose of this thesis. In addition, a pilot study was conducted on a sample of five school administrators who assisted with distribution of the questionnaires and five Chinese native speakers who have basic knowledge about but not involved in education system in China. These pre-tests were to ensure clarity of wording and question items; therefore these responses were not included in the research dataset.

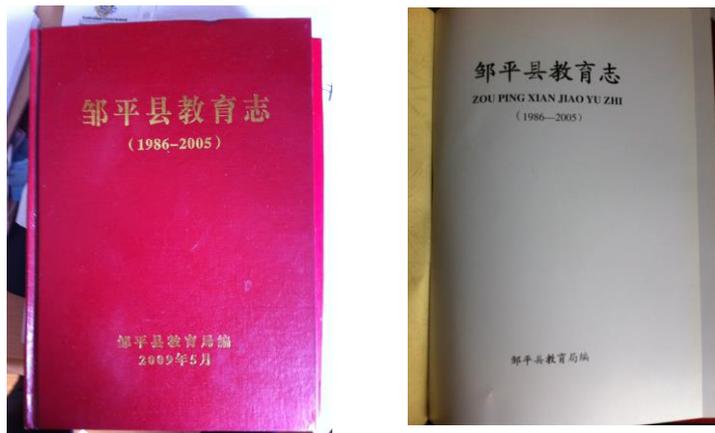
The questionnaire was designed in a probing and more qualitative style, with 50% of the items being open questions and three of which suggesting contemplation. For example, if the answer to a question is 'Yes', the respondent would be required to elaborate; if the answer is 'No', the respondent would be directed to another question item. This design aims at leading respondents to answer questions that are more salient to them. For the same purpose, the survey did not take the Likert scale model (i.e. 1=strongly disagree; 5=strongly agree). Although the Likert scale format is commonly used to assess stakeholder perceptual scales in similar research territory (for example Liu, Wang & Zhang 2012; Yu, He & Ma 2013), it also bears the risk of being perceived as boring (Bryman 2012).

Because the survey included both closed and open questions, questionnaire responses were analysed in a combined method of quantitative and thematic analysis. Pre-coding was applied to closed questions and post-coding to open questions.

#### **3.4.4 Review of archival collections**

During the fieldwork from September to November 2013, a search of ethnographic literature produced by the LEAs was conducted in Zouping local library and schools' archives. Most archival documentation was classified confidential and I was grateful to be granted access to some of it. Disappointingly, the search did not provide as rich a source of information as anticipated because of the lack of recent data. "Education Chronicles of Zouping County" is a case in point. The latest edition was issued in May 2009, two to three years after the commencement of the New Mechanism; however it only reports on educational data and events from 1986 to 2005 (as shown in Figure 3.4).

*Figure 3.4 Cover pages of Education Chronicles of Zouping County*



### **3.5 Strengths and limitations of the research methods**

Document analysis is an unobtrusive method of research which provided me with not only overall knowledge on the New Mechanism but also a more local picture of what funding programs exist in the field. I therefore was well-informed when designing interview and questionnaire questions. I was also able to understand and talk their 'jargon' when communicating with the participants to obtain more valuable information. Official documents are usually seen as

authentic compared to data from private sources (Bryman 2012). But government websites represent interests of the authority and therefore have always been criticised for being biased and lacking in credibility (Bryman 2012). However, the biases and espoused values these documents reveal would be potentially illuminating when compared with how policies are actually practiced.

The interweaving of focus groups data complements the shortcomings of the individual interviews. During the course of the field research, I found that the interviews were conducted in a rather formal environment, where the interviewees may take a diplomatic stance and answer on behalf of the authority; whereas participants in the focus group felt more comfortable in opening up and talking about their dissatisfactions in depth. But at the same time, the fieldworker has more control over one-on-one interviews than over focus groups. I was allowed more interaction with the interviewees, by asking probing questions and expanding on certain ideas. Questioning in a focus group was more difficult as participants were prone to interact among themselves: discussing off the topic, talking over each other and telling inside jokes that I did not understand. Therefore, instead of being a moderator, I sometimes turned into an observer, learning about tacit knowledge. As a result of the rapport built through these focus groups, I obtained permission to conduct my questionnaire survey with teachers of two schools.

Self-administered questionnaire surveys are cost and time effective, in comparison to interviews. This method can easily reach a larger scale of participants and eliminate interviewer effects (Bryman 2012). By asking school administrators to assist with distributing the questionnaire, I avoided the risk of low response, as teachers took the survey more seriously. However during the process of data analysis, I found more questions could have been included in the questionnaire to generate more data to form baseline indicators.

## **Summary**

In this chapter, I described the methods adopted and reasons for the selection. The rationale for choosing qualitative over quantitative methodology was

discussed and the paradigm guiding my research philosophy was explained. Taking a post-positivist stance, the study used various research instruments to collect data in order to evaluate the New Mechanism against two sets of theories. I reported how informants were recruited, how the samples were drawn, how the interviews were organized, how the questionnaire was designed, as well as how obstacles were overcome. Finally, the chapter concluded with a section on the advantages and disadvantages of each method, in which I reflected on lessons learned from the fieldwork.

## Chapter 4: Data Analysis and Findings

This chapter opens with a brief account of the iterative procedures in organising and interpreting the data collected for this thesis. Then three components of analysis and interpretation are laid out in conformity with three major sources of data: (1) document review (2) field notes of interviews and focus groups and (3) responses of the qualitative questionnaire. Both descriptive and analytical analysis is provided to each source of data. The final part of this chapter discusses the findings of evaluating the New Mechanism against the criteria drawn upon Atkinson et al's (2005) assessment of funding models and OECD's recommendations for education equity.

The descriptive analysis addresses empirical questions regarding the implementation aspects of funding schemes under the New Mechanism. These questions are outlined as: (1) what funding patterns exist at county and sub-county levels in basic education. (2) How students with disadvantages are identified and assisted. (3) What accountability processes are available and how do they work. The analytical analysis presents the characteristics and issues of funds allocation identified from descriptive analysis.

The results of descriptive and analytical analysis will then be used for a general effectiveness evaluation. The last section evaluates the New Mechanism, including its funding policies, models, schemes and procedures, against the criteria extracted from Atkinson et al's (2005) theory of assessing funding models and OECD's guidance of a fair and inclusive education (Field et al. 2007) . In a nutshell, the theories applied for evaluation attend the following foci:

- (1) the advantages and disadvantages of three main funding models;
- (2) the design of policies – limit early streaming, postpone academic selection and manage school choice;
- (3) the practices of policies – identify and support SLD;

- (4) resource allocation – prioritise basic education, direct resources to those with greatest needs and set concrete targets.

Exemplars and constructed vignettes are also provided to illustrate the themes emerged from analysis.

## 4.1 Analysis procedures

By revisiting research questions, we can see that the research interlaces the use of existing theories with grounding meanings in emergent data. This determines the qualitative analysis of the study to be, rather than a grounded, but an iterative process, which alternates between ‘emic’ (*internal*) reading of the data and ‘etic’ (*external*) reflection upon current literature (Tracy 2012).

The two stages for data organisation and interpretation are what Tracy (2012 pp. 189, 194) refers to as: ‘primary-cycle coding’ and ‘secondary-cycle coding’. At the first level of analysis, I grouped all raw materials, including virtual documents, field notes of interviews and focus groups and responses from the questionnaire, under their themes. This initial typology was rather intuitive, with direct quotation of participants or exact wording in documents being used as in vivo codes<sup>12</sup>. Code schedules and manuals were developed to categorise data and display correlation and causation. Primary-cycle codes helped me in sensemaking, from which descriptive analysis of what is happening in the scene began to take shape.

In the phase of secondary-cycle coding, I examined and compared the typologies generated in previous stage and synthesised themes into interpretive concepts. This process is based on Tracy’s notion of hierarchical codes, which purports “systematically grouping together various codes under a hierarchical ‘umbrella’ category that makes conceptual sense” (Tracy 2012 p. 195). More importantly, this is the progression where identified themes from previous level

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<sup>12</sup> In vivo codes entails using the language and terms of the participants themselves (Strauss 1987, cited by Tracy 2012)

of coding intersected with theories – which are Atkinson et al.'s (2005) and elucidation of assessing resource allocation and OECD guidelines (Field et al. 2007) – and research claims and hypotheses started to surface.

## **4.2 Analysis of virtual documents**

### **4.2.1 Primary data organization and descriptive analysis**

As stated in Section 3.4.1, electronic documents and reports about rural school funding were collected from official publicity websites of four levels of governments. This extensive review was gradually narrowed down to the analysis of 102 articles (see Appendix 7 for list of documents), with 49 from State level governments, 14 from provincial level, 28 from prefecture level and 10 from county level. Websites of 14 government bodies were covered (as shown in Table 3.1), which include special committees dedicated to the New Mechanism. The corpus of data was sifted according to their nature of contents and sampling criteria below:

- (1) To ensure authenticity, only sources developed by groups with authorised credentials are selected in the study;
- (2) The government agencies that developed selected websites are major players in the New Mechanism in terms of legislation making, interpretation of policies and implementation of school funding;
- (3) The documents were created between Year 2003, the very beginning of China's promotion of education equity, and the end of 2013, prior to the commencement of the fieldwork;
- (4) The documents are in relation to school funding for 'rural', rather than urban areas and for the sector of compulsory education;
- (5) The documents are generated by the selected websites rather than forwarded from other online resources.
- (6) Reports on counties other than Zouping were reviewed to help the selection of geographic research field. However they are not included in this analysis as the analysis focuses on a holistic mapping of funding models and their implementation processes; and

(7) Duplicate documents appeared in more than one sources are counted only once.

During the course of primary-cycle coding, the documents were categorised into two dimensions. Firstly, in order to illuminate the roles of various government bodies under the New Mechanism frame, I grouped the creators of the documents in Table 4.1. Secondly, for the purpose of interrogating the involvement of these government bodies in implementing the New Mechanism, the types of documents are displayed in a matrix (Table 4.2). Furthermore, as a factor of evaluating the quality of the online open documents, I grouped them based on their time of release (Figure 4.1).

### Analysis on governments' functions and involvement

Table 4.1 Proportion of documents by creators (see List of Acronyms)

<b>State level (/49)</b>	State Council 20.4%	MoE 63.3%	MoF, NDRC 59.2%	The New Mechanism Office 8.2%	Other 10.2%
<b>Provincial level (/14)</b>	People's Gov't of Shandong	DoE 57.1%	Dept of Supervision Bureau, Bureau, Auditing Office	Price Finance	Other 7.1%
<b>Prefecture &amp; County levels (/38)</b>	Edu Bureau of Binzhou City 2.6%	Superintendent Office of Binzhou City 2.7%	Superintendent Office Of Zouping County 0	Edu Bureau of Zouping County 94.7%	

Note: Documents may be a collaborative work of more than one authority and therefore the addition of percentages in each level may be greater than 100.

As indicated above, by and large educational departments play the most important role in promoting and implementing the New Mechanism, with MoE contributing over 63% of the documents, DoE of Shandong Province over 57% and Education Bureau of Zouping County producing nearly all website outputs. The only exception is the Education Bureau at the prefecture level, which publishes articles produced by other agencies and didn't create documents of

its own. This may be related to the ‘County-Centred’ (*yixianweizhu*)<sup>13</sup> administrative structure.

Finance authorities at the State level (MoF and NDRC) are also actively involved (59.2%). They are responsible for estimating the expenditure a school would require in a given area and setting regulations for school fees and fee charging processes. Their work is reflected in the reform policies including ‘Proportional Share of Funds’ (*fentan jizhi*)<sup>14</sup> and ‘Two Waivers and One Stipend’ (*liangmianyibu*)<sup>15</sup>. This involvement of finance agencies starts to drop at the provincial level, with the Price Bureau Finance Bureau, the Auditing Office of Shandong Province and the Department of Supervision of Shandong Province composing 40% of relevant documents. This tendency is even more noticeable at lower levels. The agencies established specifically for assessing the New Mechanism and pursuing accountability seem to play a much less significant role than expected. For example, a negligible amount of contribution was made by both superintendent offices in Binzhou City and Zouping County, which raises doubts about the evaluation system under the New Mechanism frame.

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<sup>13</sup> This policy entails that counties should take the majority of responsibility for administrating basic education services in rural areas.

<sup>14</sup> The Central Government undertakes 80% of rural education expenditure in Western China and 60% in the Central Region. Such a sharing ratio varies in Eastern areas, depending on local revenue.

<sup>15</sup> Rural students receiving compulsory education are exempted from payment for textbooks and miscellaneous fees. They can also receive accommodation allowances upon application.

## Analysis on governments' actions

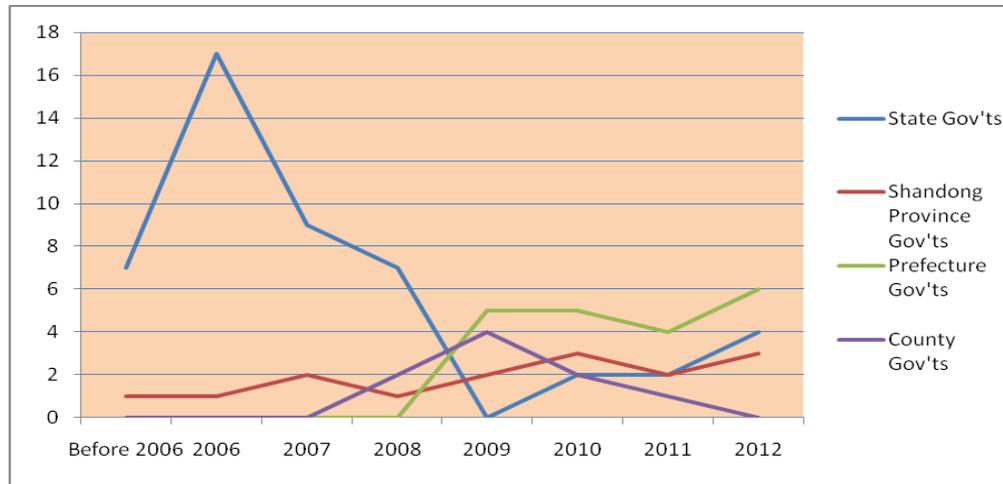
Table 4.2 Number of documents by types

	Document Types							
	Legisla- tion/reg- ulations	Notific- ations	Policy analysis	Implem- entation plan	Reports /news/ speech	General funds increa- se	Central- ly defined funding	Locally propos- ed scheme
<b>State level (50)</b>	29	6	1	8	1	5	8	0
<b>Provin- cial level (14)</b>	4	1	2	4	1	2	0	0
<b>Prefec- ture &amp; County level (38)</b>	2	0	0	3	14	0	2	17

Document types imply the purposes of communication and the intents of the creators. It can be clearly seen that the central authorities of China have made numerous policies in relation to rural school funding, passed on the command via notifications and given guidance for implementation. From 2003 to the end of 2013, the central government has also increased general funds for five times and implemented eight funding programs. Provincial governments have given more focus on localising policies and providing explanation and guidance for implementation. When it comes down to lower levels, the governments regularly give an account of their achievements through reports, news and speeches. Table 4.2 also indicates that Zouping County receives directives from above for funding increase and the County has raised its investment in basic education through seventeen locally proposed funding schemes.

## Analysis on potential issues

Figure 4.1 Number of documents by time of publication



Another noteworthy point was detected through the time when the documents were published. As we can see above in Figure 4.1, the changes in State level governments seem to be dramatic, but it could be explained: prior to 2006, China was in the commencement of advocating the New Mechanism; the Mechanism was launched in 2006, with most of the regulations and centrally defined activities being activated then. When it comes down to the grass root governments, both Zouping County and Binzhou City started publicising information online fairly recently (Zouping in 2008 and Binzhou 2009). The amount of information on their websites peaked in 2009 and decreased dramatically since then. The most inexplicable phenomenon was found on the websites by Shandong provincial governments, who appear to irregularly remove records of previous years. In a pilot study done in early 2013, over twenty items were collected and the number is now down to fourteen.

This observation may indicate a lack of consistency and transparency at all government levels. It may also be a sign that the priority of China's education reform has shifted away from the New Mechanism. Although local governments were slow to follow up, they also followed the trend. The third consideration is that, the quality of open documents accessible online is a concern. These

documents may, in a large extent, represent a depiction of staged reality. All these contentions will need to be further tested in the field research.

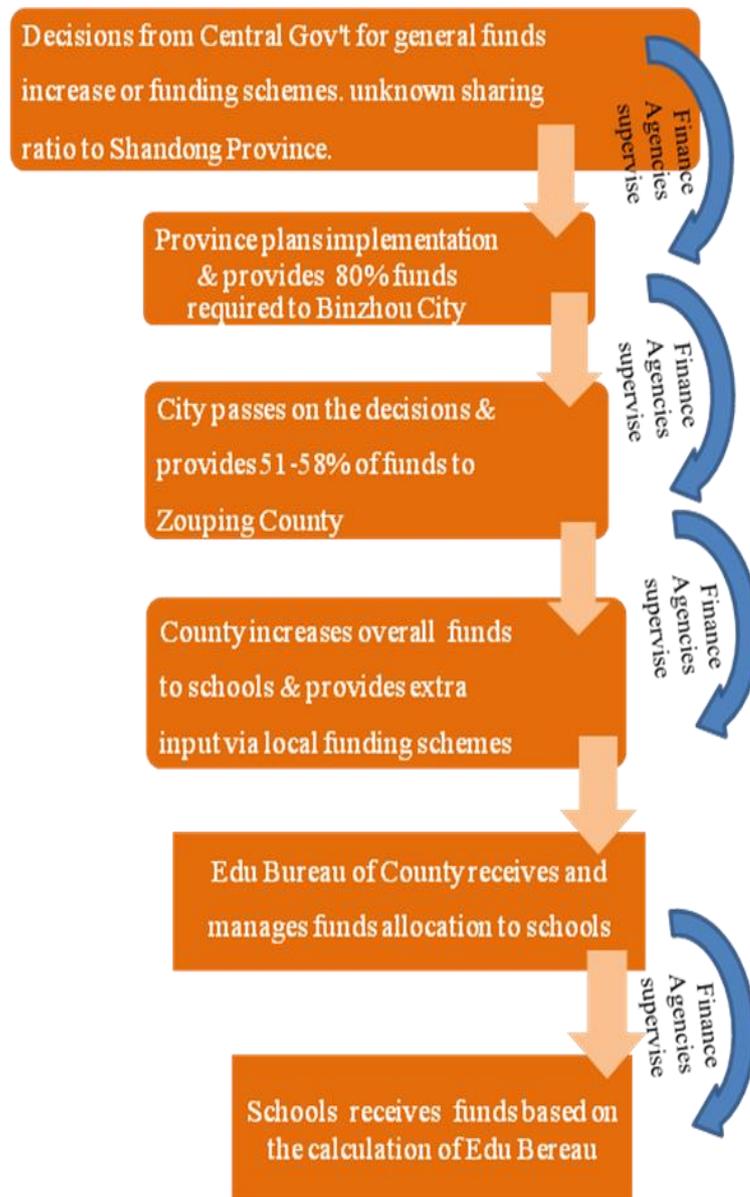
#### **4.2.2 Analytical analysis**

By synthesising the data from all levels of government virtual documents, I concluded the processes and models of school funding in Zouping County under the New Mechanism frame. This mapping consists of three components. First of all, the flow chart (Figure 4. 2) presents how the New Mechanism is supposed to work according to the official information. The next diagram (Figure 4.3) summarises the resources of funds and expenditure of a typical basic education provider in Zouping. It is followed by Table 4.3, which details the programs and amounts of funds allocation from 2005 to 2013.

##### **Explanation of funds allocation procedures**

As displayed in the chart below (Figure 4.2), after decisions on funding from central authorities reach the county level, Zouping County allots increased investment into its Education Bureau, which holds a central account for all school funds. From time to time, the County also assigns funds to this central account for locally proposed schemes (more details about the schemes can be found in Table 4.3). All primary and lower secondary schools in Zouping do not have their own accountants as the Education Bureau is in charge of estimating school expenditures and auditing schools' spending. Each level of government is supervised by the finance agencies of its immediate upper level of authority.

Figure 4.2 Procedures of funds allocation



**Demand and supply – mapping current funding models**

According to the diagram below (Figure 4.3), a compulsory education provider in Zouping has five resources of funds and four major spending areas. Based on the information collected online, the funds allocated by the County are to cover two items: Public Expenditure of the school as well as the payment of tuition fees, miscellaneous fees and accommodation allowances for students with financial disadvantages. It is clearly set in regulations that Public Expenditure covers daily operations of the school, but must not be utilised for

infrastructure, staff salaries or debt repayment<sup>16</sup>. Locally proposed funding schemes and enterprise contributions are usually for the purpose of infrastructure development. Other sources of donations are often distributed to students with outstanding academic performance or financial disadvantages.

Figure 4.3 Flow of funds in a primary and lower secondary school in Zouping

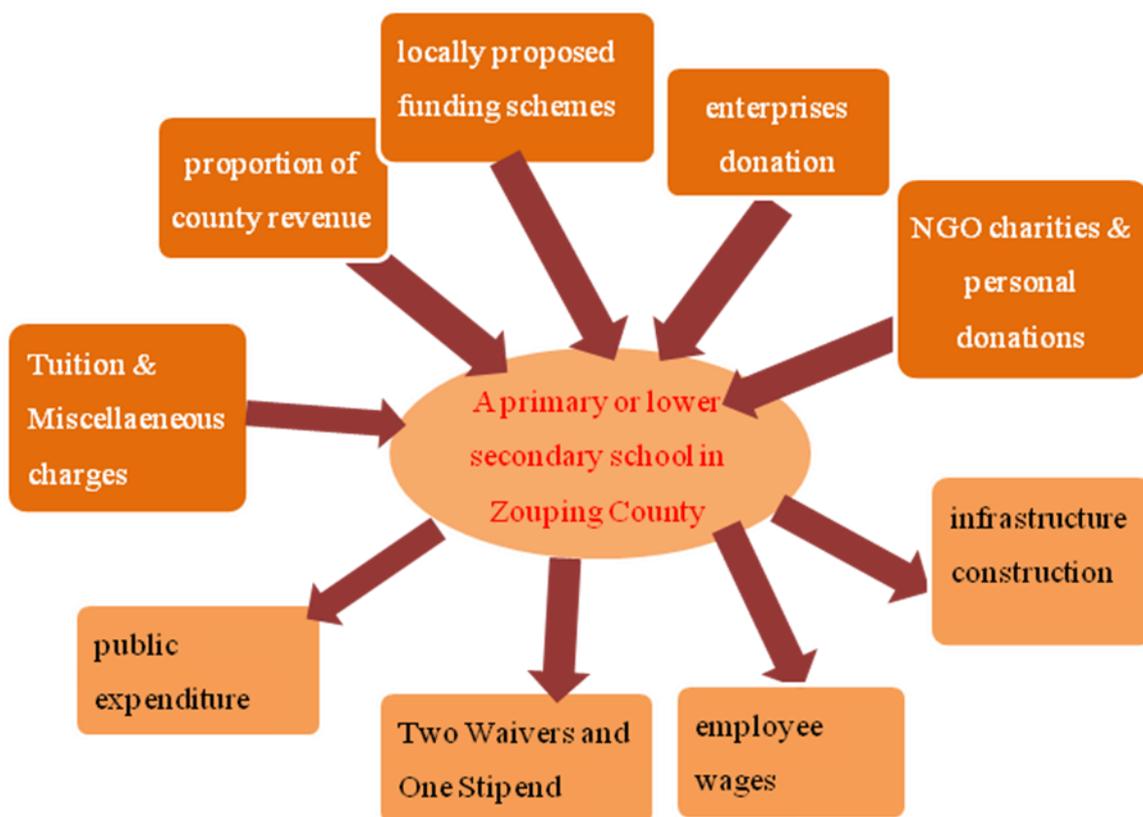


Table 4.3 sums up the amount of funds deployed to centrally defined and locally proposed funding programs. This summary is based on the data released in documents at all four government levels. In order to highlight the changes in education input, data used were from Year 2005, two years before the start of the New Mechanism in Zouping; to late 2013, closely before the commencement of my fieldwork.

<sup>16</sup> Due to the lack of funds, rural schools in compulsory education sector used to take loans from private lenders, such as parents of students, school employees and builders. According to news story released by the State Government at [http://www.gov.cn/gzdt/2011-09/15/content\\_1948242.htm](http://www.gov.cn/gzdt/2011-09/15/content_1948242.htm) (accessed 27 July 2014), Shandong Province started a debt clearing program in 2007 and finished repayment in 2011. Zouping County was also requested to set aside funds for this program.

Table 4.3 Funding programs and amounts of input for compulsory education 2005-2013

Note: P=primary school, LS=lower secondary schools, /s/y= per student per year, SSN=students with special needs, SFD= students with financial difficulties, N/A=not available. Underlined segments indicates further query in section 4.2.3.

	General funds increase	Centrally Defined funding schemes	Locally proposed funding programs
2005	Public Expenditure: P-¥82/s/y; LS-¥117/s/y	N/A	N/A
2006	Public Expenditure	Two Waivers and One Stipend: P-¥165/s/y; LS-¥665/s/y; total-¥20 million	Living allowance for SSN: ¥50/s/y
2007	Public Expenditure	Two Waivers and One Stipend (program extended to <u>children of migrant workers</u> in Zouping)	School building construction: ¥92.5 million
2008	Public Expenditure	Two Waivers and One Stipend 17 million in total	Three frees <sup>17</sup> for <u>SFD</u> : ¥4.1million in total
2009	Public Expenditure  ¥23 million	Two Waivers and One Stipend <u>¥210/s/y for town P</u> , <u>¥260/s/y for county P</u> ; <u>¥300/s/y for town LS</u> ; <u>¥370/s/y for county LS</u>	Living allowance for SFD: ¥95/s/y; Three frees for SFD; Dormitory renovation: ¥1.3 billion; computers: ¥2 billion other facilities: ¥7.4 million <sup>18</sup> .
2010	Public Expenditure:  ¥28.66 million	Two Waivers and One Stipend: 1.32 million	Free school bus for P: ¥4.2 million <sup>19</sup> Three frees for SFD: ¥4.1 million; '211 Heating Provision': ¥3.41

<sup>17</sup> This program entails providing SFD with three items free of charge: exercise booklets, a set of stationery and an insurance policy.

<sup>18</sup> These three programs were undertaken over three years from 2009-2011.

<sup>19</sup> This includes cash distribution of ¥2 million directly to primary pupils.

			million; New desks and chairs: ¥300 thousand; SFD assistance: ¥2 million; corporate donation on National Disable Day to the school of SSN: ¥170,000
<b>2011</b>	Public Expenditure: P- ¥610/s/y; LS- ¥870/s/y	Two Waivers and One Stipend: amounts N/A	<u>Corporate donation</u> to SFD: ¥500/s to 36 students ; free school bus for P: ¥4 million
<b>2012</b>	Public Expenditure: ¥30million total P- ¥700/s/y; LS- ¥900/s/y.	Two Waivers and One Stipend: <u>Stipend available to 10% boarders</u> ; P- ¥750/s/y; LS- ¥1000/s/y	New desks and chairs: ¥300 thousand; ‘Special help for Chinese New Year’: ¥500/s for 446 SFD; campus instruction for the SSN: ¥200,000
<b>2013</b>	Public Expenditure <sup>20</sup> : P- ¥700/s/y; LS- ¥900/s/y	Two Waivers and One Stipend <sup>21</sup> : P- ¥750/s/y; LS- ¥1250/s/y School debt repayment: ¥59.4778 million	Free school bus for P: ¥4.7millions

This comprehensive cross examination of documents has helped further understanding the functions of various funding schemes. (1) Public Expenditure benefits both levels of schooling in compulsory education sector, with primary schools receiving less than lower secondary schools. (2) The program of Two Waivers and One Stipend actually refers to three levels of fees assistance: a) waiving of miscellaneous fees, applying to all students since 2006; b) waiving of textbook fees, applying to students with financial difficulties (SFD); and c)

<sup>20</sup> Statistics for 2013 were partly unavailable at the time when the fieldwork was started in August. In addition, in September 2013, Shandong Province requested local governments to publicise details for poverty assistance. In the proclamation Zouping claimed the public expenditure had been P- ¥700/s/y and LS- ¥900/s/y since 2007, which is of major discrepancy to previous data collected. The thesis adopted data released earlier in time as 2013 data seemed to be unreliable for not reflecting a gradual increase.

<sup>21</sup> Similarly Zouping claimed the “one stipend” had been P- ¥750/s/y and LS- ¥1250/s/y since 2007, which again seems to be false information compared to past reports.

boarding stipend is only available to 10% of lower secondary students residing on campus. (3) The program of 'free school bus' benefits primary pupils only. (4) Multiple levels of administrations and organisations share funding for centrally defined and local proposed schemes. Shandong Province provides 80% of what Binzhou City requires to implement Two Waivers and One Stipend and 'school debt repayment'. Binzhou shoulders over 50% of what Zouping needs in programs including but not limited to Two Waivers and One Stipend, 'school debt repayment', 'free school bus' and '211 Heating Provision'. The township governments and even schools themselves are requested by the County to contribute in substantial infrastructure construction and purchase of facilities or apparatus. The most distinct evidence can be found in a speech by Head of Zouping Education Bureau in 2011, in which he pointed out that:

“This year, the County has made decisions on nineteen new constructions projects, four renovation projects, four athletic track building projects, thirty-two building reinforcement projects and four extension projects...and eight experimental laboratories. Funds must be raised from multiple sources with governments and schools both contribute.”<sup>22</sup>

(5) County enterprises also play a part in resourcing funds, mostly for SFD and school construction projects. (6) There are one-off monetary assistance to SFD sometimes for special occasions, such as Chinese New Year and National Disability Day.

#### **4.2.3 Issues identified from document analysis for further investigation**

Drawing upon descriptive and analytical analysis discussed above, we may reach some positive conclusions on the effectiveness of the New Mechanism. Firstly, the Public Expenditure to compulsory education has been steadily rising,

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<sup>22</sup> The speech was published on the website of Zouping Education Bureau at [http://www.zpjy.net/openinfo/2011/0310/article\\_360.html](http://www.zpjy.net/openinfo/2011/0310/article_360.html) , accessed 15 July 2013. Translated by the author.

which reflects the increasing input from the Central Government. Secondly, the growth in locally proposed funding suggests that with higher level of government taking up the majority of responsibility to support daily operation of schools, lower governments are able to initiate more localised projects. Furthermore, three kinds of disadvantageous student groups are covered in school funding programs: children of migrant workers, students with special needs and those with financial difficulties.

At the same time, queries arose. Particularly after I evaluated Zouping's practice against Rorriss et al's theory about school funding, the following questions became salient.

1. It seems there is no on-campus accommodation available for primary pupils and therefore the boarding stipend does not apply to them. Due to the Primary School Merger Program<sup>23</sup>, many village children have been made to rent a place closer to school, even though school bus transport is accessible for free, which would inevitably increase the costs of schooling (Zhong 2014). Is this also happening in Zouping and is there any assistance to those students?
2. SFD frequently appeared in online archival documents (as shown in Table 4.3, among twenty locally proposed funding programs, seven were targeting SFD), but there is no mention of how SFD is defined and identified.
3. The process of identifying a SFD needs to be specified. For example, the boarding stipend only applies to 10% of all students living on campus, but what is the procedure of selecting the 10%?
4. Migrant workers in Zouping are a growing group. As of 2009, the number of migrant workers in Binzhou City was close to 200,000 and the majority located in three counties including Zouping<sup>24</sup>. However, basic education provided to children of migrant workers has not seemed to be problematic

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<sup>23</sup> This program aims at consolidate limited resources by merging small village primary schools or teaching points to schools located at town seat or county seat. As mentioned in Chapter 3, the number of primary school in Zouping has decreased from 64 to 53, since the beginning of this research project.

<sup>24</sup> Statistics are found at Binzhou Construction and Training Net, at <http://www.bzjspx.net/default.aspx?do=User.Desk&go=Room.Page&ID=42>, accessed 20 December 2014.

according to the documents, as it is barely mentioned. More data in this regard is to be collected in the fieldwork.

5. The amount of funds for primary and lower secondary students are different, with the former being lower than the latter. However, the County also seems to allocate more resource to schools with higher social economic status.
6. Apart from the three disadvantaged groups (children of migrant families, SFD and SSN), are there any other type of groups? Do students with learning difficulties (SLD) have access to any form of assistance?
7. Documents from all levels of governments indicate that the allocation of funds is supervised by finance authorities by means of accounting and auditing. In addition to this evaluation from input perspective, what indicators are used for *output* assessment?
8. 'Education supervision' seems to be greatly valued as there is superintendent department/office at each level of government. But what do superintendents monitor, input, process, or output?
9. Enormous amounts of funds were used on school construction and renovation with at least 1.6 billion from 2007-2012, not including enterprise contributions (which will be elaborated in the section of 'extra resources' below). This was substantially over that of Public Expenditure. Even calculated with the highest figure available, Public Expenditure totaled 180 million from 2007-2012, only equivalent to 1/9 of the underestimated amount of funds on construction. We couldn't help but wondering if this extent of school building and developing is necessary.

In addition, during the course of document analysis, multiple sites for fieldwork were selected: the education bureaus of county and town levels; School Y, the elite secondary school in Zouping County; School L, a lower secondary school located in an industry zone with ninety-seven private enterprises and 160,000 migrant workers<sup>25</sup>; and School T, the only basic education provider to SSN.

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<sup>25</sup> Statistics provided by Zouping Online at <http://www.zoupinge.com/bendi/info-6574.html> accessed November 2014.

### **4.3 Findings from the fieldwork**

As described in Section 3.3, the raw data collected from field research consisted of interviews (including individual interviews and focus groups) and a questionnaire-based survey. The purposes of the fieldwork were to test the preliminary conclusions drawn from document analysis and find out what is actually happening in the reality for a clearer understanding of the New Mechanism. More importantly, my goal was to investigate what effects the New Mechanism has brought to education equity.

#### **4.3.1. Descriptive and analytical analysis of interview responses**

During the course of field-notes organisation and data analysis, the following themes started to arise.

##### **A lack of thorough understanding of the Mechanism**

Initiating questions in each interview were about some generic facts and procedures of school funding allocation in Zouping County. This was first of all to seek answers to my questions aroused from document analysis, secondly to confirm information I collected previously from document review and also in some cases to test the understanding of the interviewee. Most participants were familiar with practices in Zouping, but when being asked about measures taken by upper level authorities, they seemed to lack an overall understanding of how the New Mechanism works as a whole.

A typical example is, when asked “What is the proportion of contribution by Binzhou government to the County’s funding for compulsory education”, none of the interviewees were able to provide correct information. Respondents 1, 3 and 5 said “I am not sure”. Other participants speculated “It must be the County Government who is paying all the money needed.” When it comes to the funds used to support students with disadvantages, respondents 2, 6 and 7 also assumed that Zouping government is fully responsible. However, as a matter of fact, Binzhou City shares over 50% of funding for Zouping.

Intergovernmental funds transfer is a core component of the New Mechanism. The fact that local officials and school managements having a limited knowledge about it, suggests a lack of transparency of the process.

### **Simple but inappropriate means of identifying SFD**

As stated in various sources of online documents and confirmed by all interviews, 10% of students in each school<sup>26</sup> each year are allowed to apply for poverty supports, including living allowance and 'Three Freed'. But why 10%? What are the grounds for this set quota and are schools permitted to use discretion to reflect the genuine needs of certain group of students? Answers to these questions were unified: "I don't know the reason behind this regulation, but it is very clear cut – must be 10% and 10% only."

When it came to the question of "how does a school identify the 10% students in disadvantages", three out of four school principals said based on their experience, students from the following four types of families needed the supports most: (1) impoverished due to a family member affected by severe diseases, (2) suffered from a major financial setback, (3) had low incomes and (4) from divorced or single parent families. As to the specific steps of funds allocation, the answers were diversified.

Interviewee 2: "Poverty supports are only available upon application. The basic procedure is: student applies (application form see Appendix 6) – teacher in charge verifies – school endorses – approval of application publicised on campus. The procedure needs to be repeated every semester. We try our best to take care of students who come from those special families (the abovementioned four types). But on one hand, many students hate to be labeled 'the poor' and resist application, particularly those whose families experienced sudden financial setbacks. On the other, we have to

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<sup>26</sup> The quota does not apply to School T, which provides special education to disabled children. All students in School T are eligible for poverty relieve.

satisfy the 10% quota, so we have no other choice but to give funds to other students whose families are not poor at all!...No, there is no threshold on students' family income for claiming poverty supports.”  
“We seldom give students cash in hand but distribute funds to applicants' in forms of fee waivers or vouchers to consume on campus.”

Interviewee 6: “Yes it is definitely 10% - although to be honest, sometimes I don't think that many students actually need extra funds...We give students cash in hand. But to avoid the money being misused by the students, or in some cases the parents, we would get both the child and a parent to come and claim the funds together. Our students need to re-apply every year...We don't set a threshold as it is very hard to test a household's income.”

Interviewee 7: “The procedure in our school is very straightforward. As all our students have some sort of disability, they are all eligible for poverty supports. ...Not necessary to verify income, I am quite sure that families with a disabled child are financially difficult. We distribute allowances in form of cash to students' families.”

Anecdotal evidence that also reflects the lack of proper means to identify students in need was brought about during focus group discussions.

Interviewee 2 revealed that there were an increasing number of students whose families experienced sudden financial crisis in the last two years. Group 2 had a heated discussion on how some moderately well-off families were turned into poverty in recent years due to irrational investments into personal usury<sup>27</sup>.

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<sup>27</sup> From 2010 to 2012 many villages and towns in Zouping were involved in an infamous scandal of personal usury. Villagers borrowed money from illegal private banks and then lent the funds to companies with “great potential of huge profits”. When the owners of companies failed to repay the investors, declared bankruptcy and in most cases escaped. The chain debts put many families into impoverishment. Relevant news available on China Business Journal ([http://news.cb.com.cn/html/economy\\_9\\_13068\\_1.html](http://news.cb.com.cn/html/economy_9_13068_1.html)) accessed 8 Jan 2014.

Children from those families often suffer from psychological difficulties and do not wish for their circumstances to be brought into attention.

Also in this focus group, Interviewee 4 shared their experience in this regard, which I consider more thoughtful. In Handian Town, all schools follow this procedure:

“We don’t request students to reapply every year. Students put in application when they start Grade One in primary school or Grade One in a lower secondary school<sup>28</sup>. The teacher in charge of the applicant’s class would conduct a brief investigation to verify the authenticity of the application. From then on, the school would continually apply for poverty supports on behalf of the students. Therefore, the 10% is usually the same bunch of students of each grade. During this course, if other students suffer from sudden changes in family, such as due to car accidents, severe illnesses etc., we have set aside a charity committee to offer supports.”

### **Little support for students with learning difficulties (SLD)**

One of my research questions is to evaluate the New Mechanism from an outcome perspective, so the interviews included questions regarding measures of preventing dropouts. It was found that: there is little systematic and significant assistance available. When answering the question of “apart from monetary subsidies and allowances to SFD, is there any non-monetary support to other types of students in needs”, Interviewee5 admitted:

“There is actually a group called students with learning difficulties, who are the ones most likely to drop out after they start secondary schooling. This group usually does not overlap with SFD, as students from poor families often work harder and perform better.

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<sup>28</sup> Equivalent to Grade 7 in Australia.

However, it is really difficult for teachers to give extra attention to them and provide after-class tuition. Because if a teacher decides to do so, there will be no payment of any kind what so ever! Since the ‘quality education’ reform was launched in 2008, Shandong Province has illegitimised paid tutoring. And no schools would set aside incentives for this kind of assistance.”

Interviewee 6 added:

“The only person that could offer help to SLD is the teacher in charge of each class. But to be honest, not many teachers are willing to be teachers in charge, as this roles means a lot responsibility but little reflection in salary. The amount of subsidy we pay a teacher in charge is ¥ 15/month, which hasn’t been increased since the 1970s!”

Interviewee 4 also provided an explanation to this phenomenon:

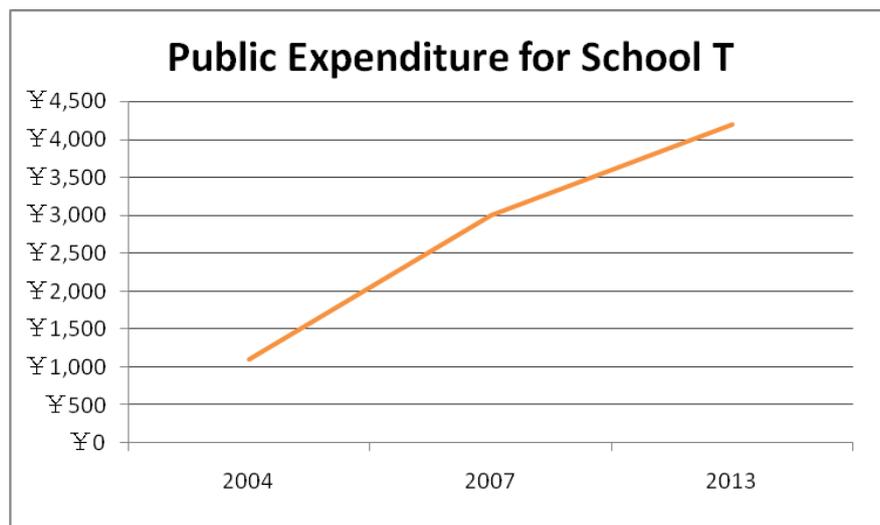
“Because of institutional changes (referring to the School Merger Program) and due to the fact that Zouping’s good economy has attracted increasing numbers of migrant workers whose children attend schools here, the class size has expanded from fifty students per class to over sixty students. Teachers are struggling to cope with day-to-day teaching and class management, not to mention putting efforts to SLD.”

SLD are often labeled ‘bad students’ in China, as their scores adversely affect the average score of the whole class, which is connected to teachers’ appraisal. As a result, some teachers would even talk a ‘bad student’ into dropout (see next section for examples in this regard.)

### **Piling funds for SSN but insufficient support to their learning**

Students with special needs (SSN) refer to children with physical or mental disabilities. Zouping showed financial generosity to SSN. Although the word SSN only appeared three times in the locally proposed funding schemes during 2006-2013 (see Table 4.3), compared to the amount of funding to other schools, the School of Special Education (School T) has receiving the highest levels of funding. For example, Interviewee 7 explained that the amount of Public Expenditure assigned to T has experienced dramatic growth since 2004 (Figure 4.4), which is three to four times higher than the standard applied to other schools. Compulsory education is provided to them absolutely free of charge with all schooling fees waived and all of those who lodge on campus are eligible for One Stipend which has been ¥1250 per student per year since 2007.

*Figure 4.4 Annual per-student Public Expenditure allocated to School T*



Interviewee 7, Principal of School T, was very proud of what he had achieved for over ten years in this position:

“Over ten years ago, when I started working for this school, it looked like a deserted piece of land, with classrooms in decrepit bungalows and the playground covered with knee-high weeds. I made the most of the connections I had in the Zouping education system to rebuild

and expand the school. I am really pleased that now this school has been able to equip each classroom with computing and multimedia facilities.”

Meanwhile, I discovered three major concerns regarding education provision to SSN. First of all, not all common types of disabilities are covered. School T is the only compulsory education provider for disabled children in Zouping. They only admit deaf mute students and students with intellectual disability. When asked who would admit physically impaired but intellectually normal children, Interviewee 7 replied: “they should be accommodated by the school in their residing area, just like other normal children.” However all other principals gave the similar answer:

“It is impractical for us to take in physically disabled children, because the school doesn’t have proper facilities. How can they go to the toilet or even climb up stairs?”

Secondly, similar to SFD, there is a lack of proper identification of SSN. In fact, the diagnosis on a child’s mental disability can be made with stunning arbitration. Interviewee 7 indicated that:

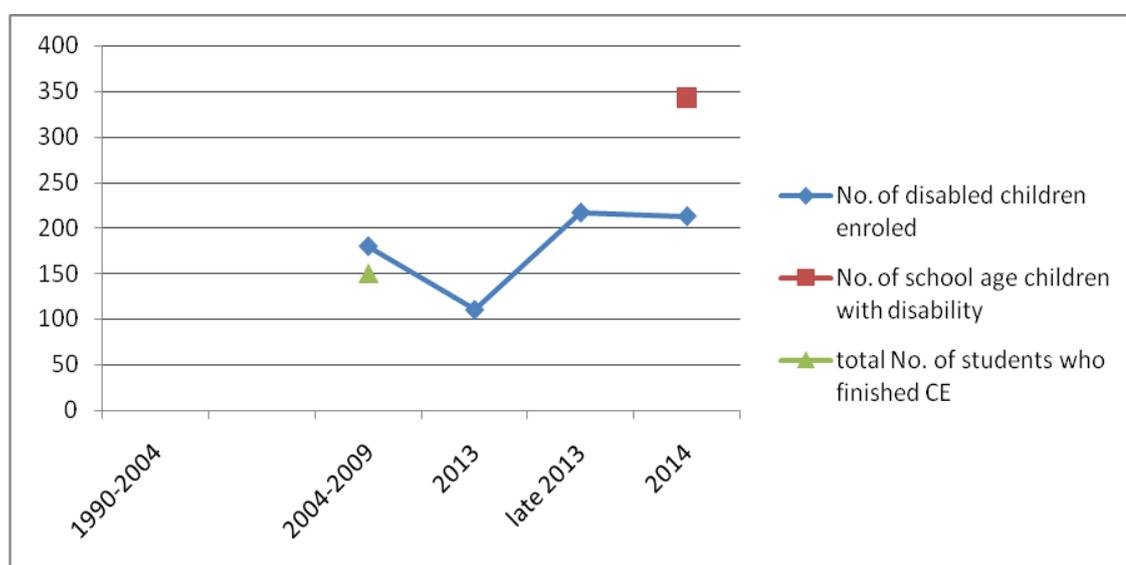
“There are teachers who would refer the bottom student in the class to our school. We don’t have the qualification and capability to diagnose intellectual disabilities<sup>29</sup> and yet we can’t refuse admission if they are referred by a teacher. Some parents were even attracted by the high volume of monetary supports we give to the students. So I have to personally try to persuade parents not to make this move easily as it will have huge impacts on the child’s future.”

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<sup>29</sup> Formal diagnosis of this kind should be conducted by the local Disabled People’s Federation.

Thirdly, the problem of high dropout rates among SSN is yet to be solved and there seemed to be no effective measure to ensure education. Figure 4.5 was inferred from limited data from the online media and triangulated with information provided by Interviewee 7. But enough was learned to outline the crucial point of the issue. The line chart shows the dramatic fluctuation of the number of students receiving compulsory education until recently<sup>30</sup>.

*Figure 4.5 Annual number of enrolments at School T, total number of graduates from 1990-2009 and total number of school age children with disabilities in Zouping in 2014*



The chart above indicates that although there were about 180 enrolments every year from 2004-2009 alone, only 150 completed their compulsory education from 1990-2009. Local government figure suggests that there are at least 350 children with disabilities in Zouping, but the number could be higher. The current enrolment rate of disabled children is less than 60%, which is still quite a distance to the 95% aim set for year 2016<sup>31</sup>. According to Interviewee 7, the Principal of School T, the causes for high dropout are multi-faceted.

<sup>30</sup> In November 2014, Zouping implemented a “Special Education Improvement Plan”, which may be the main reason for the number of enrolments in School T to be relatively stable for the first time in many years.

<sup>31</sup> Zouping’s “Special Education Improvement Plan” aims at 95% of its disabled children at school age attending in school by 2016.

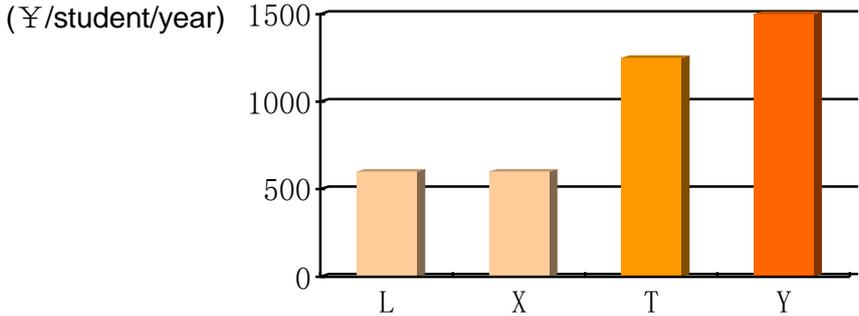
“First reason is, there is only one school of such function and it’s located at county centre, which means most students whose family live in quite a distance have to live on campus during the week. The daily care of a disabled child requires a large amount of human power and time, which the school struggles to meet. Not suitable for school boarding is the number one reason for quitting. Secondly, there has never been sufficient training available to our teachers. Although I’ve tried my best to provide some sort of training periodically to my teaching staff, this is far from enough to keep them updated with teaching skills or motivated to continue the job. Lack of quality teachers, is the second main reason for high dropout.”

**Practices that conflict with overt regulations**

Many regulations under the New Mechanism aim at alleviation of education inequity. Whether and how these regulations are turned into practice is vital for evaluation of effectiveness. By comparing and synthesising answers from different informants, I detected three major mismatches between governments’ declared policies and real life conducts.

First and foremost, there are funding differences that reflect the socioeconomic status of schools. The most obvious evidence is displayed in Figure 4. 6.

*Figure 4.6 Amount of One Stipend to SFD in four schools.*



Among all the participants, only Interviewee 1, the Superintendent Officer, claimed all schools received the standard amount of One Stipend, which had been ¥750 per student per year for primary and ¥1250 per student per year for lower secondary schools since 2007. On the contrary, principals of schools L, X, T and Y revealed that only special education provider T receives the standard amount of funds. L and X, both of which are lower secondary schools, only received ¥600 per student per year. However, School Y, which is *the* key middle school in Zouping and located in the county seat, received ¥1500 per student per year for both of its lower secondary and higher secondary sectors.

As to public expenditure, in theory each school's annual budget is estimated by a specialised government agency, whose calculation is based on the number of students and teaching staff. Funds should be in place for all schools prior to the commencement of each school year<sup>32</sup>. In reality, distribution of Public Expenditure has become a competition of 'connections' (*guanxi*). Interviewee 5 showed sympathy to the town schools under his administration:

“The governments have further tightened the charging of school fees. We have a comprehensive monitor system: the superintendent supervises and parents can report unreasonable fees via hotlines. However intergovernmental funds transfer is far from being timely and smooth. Delays and diverted usage of funds are still common. Funds would shrink after going through each level of government. School principals really need to fight for their schools' Public Expenditure, which greatly distract them from school management. The ones with 'strong connection' are usually privileged.”

Interviewee 6 also complained:

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<sup>32</sup> The school year in China begins on 1st September, which is different from the calendar year or the financial year.

“Now that the governments have promised to pay for all sorts of spending, such as school bus, textbooks, reference books, miscellaneous fees...and just very recently schools are not even allowed to charge heating fees for accommodation. Without sufficient funds being allocated in time, we are in a dilemma between fee waiving and charging.”

The second practice against the New Mechanism principle is that in Handian Town, Public Expenditure has been used to pay teachers' salary. Interviewee 5, an official who is in charge of funds allocation in Handian Town and therefore has close contact with schools, disclosed that: “Public Expenditure is mainly used to cover overheads for running a school and teachers' salary”, whereas documents released by the State government clearly say that it must not be used for staff's payment<sup>33</sup>. Teachers' salary is a major component in school spending. If Handian, one of the wealthiest townships in Zouping<sup>34</sup>, was shifting the usage of Public Expenditure to covering salary, this practice might also be common in towns that are less well-doing.

The third misconduct is regarding school choice and related fee charging to households. The central authority has clearly stated that compulsory education providers should only admit students if their usual residing addresses are within certain distance to the school, and school selection is only allowed for senior high schooling. In reality, ‘school selection fees’ or so called ‘school support fees’ are still the most lucrative source of income for junior high schools. Interviewee 2 owned up implicitly:

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<sup>33</sup> See “Interim management measures of public expenditure for rural primary and lower secondary schools” by MoF and MoE at [http://jkw.mof.gov.cn/czzxzyzf/201108/t20110822\\_588180.html](http://jkw.mof.gov.cn/czzxzyzf/201108/t20110822_588180.html) accessed 15 May 2013.

<sup>34</sup> Xiwang Village in Handian Town was ranked “National Top 10 Villages with Strongest Economy” in 2010. (<http://politics.people.com.cn/n/2013/0122/c70731-20287548.html> accessed 18 June 2013)

“We now only have three levels of school selections fees, with the cap payment being ¥50,000. There is now also a restriction on the number of students who are allowed to pay the fees. That is to say, we have raised the bar for paying students. They have to work harder as now they are given less opportunity to pay fees.”

### **Complex inspection and appraisal system**

From document analysis, we can see multiple agencies are involved at the county level in the accountability system under the New Mechanism: Finance Bureau, Auditing Office and Superintendent Office. The three agencies work collaboratively to monitor fee charging and use of funds in schools with the third focusing on school administration and quality teaching. The areas for inspection are extensive, covering a school’s education philosophy, pedagogy, funds application and conformity with regulations. The methods of inspection are also diverse. Interviewee 3 explained how the inspection and appraisal system works:

“Superintendents conduct monthly inspections, periodical meetings with students and teachers, regular meetings with school administrators, random checks without notification as well as end-of-the-year overall inspection. The school gets a mark for every inspection, and all schools are ranked based on their total scores at the end of each year. The performance of the schools in a town determines the rank of that town in the County. The County will then award the top towns and criticise the bottom few. In this way, town governments will impose enough pressure on their schools to ensure all the inspections are taken seriously.”

When asked if schools consider these frequent and endless inspections an administrative burden, principals (Interviewees 2, 6 and 7) provided hesitant

and unanimous answer: “Well, the inspections sure keep us on our toes all the time.”

### **Various practices in utilising extra funding resources**

The New Mechanism highly encourages civil donations to education. Private enterprises have been making substantial contribution to public schools in Shandong Province, and particularly in an extraordinarily industrial county like Zouping (Kipnis 2010). This study does not intend to discuss whether these contributions were made with private purposes or whether they have been recorded in official statistics (as done in Kipnis’ 2010 research) but aims to analyse if the allocation of such funding alleviates or exacerbate education inequity.

The most common partnership between a private enterprise and a school assumes as “alliance between giants” (by Interviewee 2), which entails influential enterprises pairing up with key schools. Furthermore, the most common type of contribution in Zouping is enterprises providing funds for or directly undertaking construction projects. Taking School Y for example, as the best middle school in Zouping, its “spectacular facilities” built over ten years ago amazed Australian anthropologies (Kipnis 2010, p. 332). The school’s campus consists of a teaching area and a boarding area, which are separated by a wide main road. In early 2012, local government invested ¥700,000 (AU\$140,000) for an underground pedestrian tunnel connecting the two areas. Later the same year Qixing Group donated ¥5.6 million<sup>35</sup> (AU\$1.1 million), which was eight times over the government’s investment, and built a fancy flyover. The bridge, which is named after Qixing Group, had become a permanent billboard for the enterprise on the main road. Other enterprises also established “Funds for Fostering Talents”, which award ¥200,000 in prize money to students with excellent academic performance in the school. Donating to schools like Y is considered a good strategy to improve enterprise image, as the outcomes are

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<sup>35</sup> School Y recorded the contribution by Qixing Goup and wrote a poem to express gratitude on the school’s website at <http://www.zpyz.net/whjs/ShowArticle.asp?ArticleID=972> (accessed 01 January 2015)

more visible (according to Interviewee 2). This means, it is hard for underdeveloped schools with remote location and less popularity to attract private funding that could make bigger difference.

In comparison, Handian Town practices a more rational organisation and distribution of private funding. Based on description by Interviewees 4 and 5, I outlined the Town’s various sources of non-government funding in Table 4.5, from which we can see that Handian consolidated enterprise funding under a foundation and allocate to students who are not included in the 10% students receiving Two Waivers and One Stipend.

*Table 4.5 Sources and functions of private funding for schools in Handian Town*

<b>Donator</b>	<b>Recipients</b>	<b>Amount</b>	<b>Continuity</b>
Handian Charity Association: a few enterprises donate collaboratively or alternatively depending on needs	Children whose households experienced sudden misfortune	¥ 100,000/year	From 2010 till present
Local cadres one-on-one support	individual student in need	N/A	Till the student finishes CE, even senior high
Zouping County Red Cross Society	N/A	¥ 100,000 in 2012	N/A

This section of analysis was not able to address the question regarding basic education provided to children of migrant workers due to lack of data. Interviewee 6, the principle of a school located in the industry zone of Zouping, looked puzzled when he was being asked about the percentage of their students who are from a migrant family.

“We don’t have statistics of this kind. But policies say those children should not be treated differently, so they are also covered in the Public Expenditure and other various funding schemes.”

Answers from other interviews confirmed his point. Not being completely satisfied, I continued this attempt in the questionnaire survey.

Data collected from communicating with local officials and school administrators revealed a clearer picture, which provided us with better comprehension to identify benefits and issues of the New Mechanism. However, this is only one side of the story. Another valuable dataset from a small-scale questionnaire survey allowed me to evaluate the Mechanism with greater magnitude.

#### **4.3.2. Analysis of survey data**

##### **The participants**

Permission for the questionnaire survey was obtained from Principal of School T and Principal of School X. As stated in the last section, T is the only school in Zouping County that provides basic education to children with disabilities and all students receive high standards of Public Expenditure, Two Waivers and One Stipend, as well as other extra funding. Consequently, the responses from School T cannot be used to represent the circumstances of the whole county and the results will be treated separately with the responses from School X.

X is a town-level lower secondary school in Handian. Established in 2002, the school now accommodates over 1600 students and employs 134 teachers<sup>36</sup>. The school fits the following criteria to be a representative site for conducting the survey. First, it seems to be a mediocre school that does not attract much extra private funding, like most schools other than School Y. One evidence is,

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<sup>36</sup> School information retrieved from China’s most widely used search engine Baidu at <http://baike.baidu.com/view/1754851.htm> accessed 20/11/2013

no basic facts about the school are available on any of the government publicity websites. Secondly, students of the school very likely include children of migrant workers, reason being Handian Town (see footnote 23 for details) has attracted a large number of migrant workers and their families. One extreme example is, in Xiwang Village, where Xiwang Group is located, 98% of the residents migrated from places other than Zouping<sup>37</sup>.

All potential respondents were approached by an administrator of the school. The teachers were asked to complete the survey anonymously and deposit the questionnaires in the school's suggestion box. Thus, respondents will not feel under any coercion from the administrator to participate or to provide false information. The teachers being invited to take part in are teachers in charge, who take care of a class of students' for their studying as well as other needs.

### **Analysis of questionnaire responses**

The questionnaire included eleven topic-related questions (there is an extra question about willingness of receiving research results, see Appendix 5), with six yes/no questions and eight short-answer questions (two of which are conditional short-answer questions, depending on the answer to a proceeding yes/no question). Apart from collecting more data on availability and sufficiency of the funding programs, the questionnaire had the foci of investigating: (1) is there assessment in place to evaluate effectiveness of funding; (2) whether students' academic performance is an indicator of evaluating funding programs; and (3) do teachers see funding programs successful.

This corpus of data was categorised and sensitised in connection with the themes of the proceeding section (interview responses). Also the analysis to answers from School T and School X are presented separately due to School T lacking representativity.

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<sup>37</sup> The datum is available at the website of Xiwang Group <http://sd.ifeng.com/zt/xiwang/> accessed 20/11/2013

## School T – Finding for SSN

Twenty copies of questionnaire were distributed to teaching staff of T, with four valid responses and the returning rate being 20%. The results drawn from the completed questionnaires cover thirty-one students in four classes.

Q5: List the number of students receiving poverty assistance<sup>38</sup> in the class you are responsible for.

The teachers' listing is presented below in Table 4.6.

Table 4.6 Number of students included in the survey and the proportion of students receiving One Stipend.

Class	Total No. of students	No. of assistance receivers	Proportion of beneficiaries
Grade 1	10	1	10%
Grade 2	8	1	12.5%
Grade 3	9	1	11.1%
Grade 4	5	1	20%
<b>Total</b>	<b>31</b>	<b>4</b>	<b>12.9%</b>

We can first of all see a clear tendency regarding the student number dropping as the grade of schooling progress. Also there is only one student receiving poverty assistance in each class although the class size varies.

According to the teachers, there was only one type of funding that the students have direct access – One Stipend. Other means of funding described in Table 4.3 were administered by the school, some in the form of fee waiving and some used for construction. As to the ¥50 per student per year of living allowances listed on Zouping government's website, Principal of School T, who had been in the position for over ten years, said he was never aware of such funding.

<sup>38</sup> "Poverty assistance" includes but not limited to "one stipend".

*Q6: What are the reasons for your students to apply for the assistance?*

The circumstances revealed by teachers are heart-breaking. All the students who were approved for One Stipend are from households with more than one disabled family members. Because of the hereditary nature of many kinds of disabilities, numerous students' have a parent or even both parents who are disabled.

*Q11: Based on your understanding of your students, what other kind of supports (monetary or non-monetary) do you personally suggest that will provide a better education for students with special needs?*

Three of the four teachers replied "current funding is not sufficient", "the coverage of funding is too limited" and "providing traveling fees for students to commute to school". It seems although free school buses are available for other primary schools, it is not so for School T. The reason may be that the vast majority of students in School T reside on campus (according to the principal, Interviewee 7) and school bus services might not be arranged for such a small number of students.

Combining the answers of questions 5, 6 and 11, we may conclude that the 10% quota influences the decision of granting stipend. The only exception might be when the a class size is smaller than then, the minimum of beneficiary in a class is one, which causes the quota exceeded 10%. This means One Stipend only cover children from the most poverty-ridden families.

*Q 4: Is students' performance used to measure the effectiveness of the funding program? Q7: As far as you can tell, have the funding programs helped to raise enrolments?*

All teachers answered "No", which means that when it comes to children with disabilities, education outcomes are not indicators to evaluate funding programs in the New Mechanism. And the increase of funds is not successful in preventing school dropouts.

*Q10: Do relevant education departments regularly release the effects of funding programs to schools, teachers and/or the public? If “yes”, how often?*

Two out of the four teachers answered “No” and the other two replied “Yes, once a year”. Compared to the Superintendent system, which constantly inspects schools, it seems school do not get much feedback from upper administrations.

### **School X – Teachers’ perception about school funding**

Forty copies of questionnaire were distributed to teachers in X, with twenty-nine valid responses and a returning rate of 72.5%. The results cover thirty classes with 1594 students. An overview of the raw data is displayed in Table 4.7. The top line of the matrix shows the themes identified from the replies and the left column lists an extract of questions.

*Table 4.7 Themes and frequency of occurrence in questionnaire replies*

Questions	Themes occurred in the responses and frequency of occurrence				
Q1: Funding programs available in the school	Two waivers (miscellaneous & textbook) 11	one stipend (for school borders) 10	enterprise funding 4	other living allowance from gov't 12	free meals 8
Q2 Any assessment existing on the effectiveness of funding?	Yes 6	When? (Q3) Sept 2012	No 23		
Q4 Students' performance as indicator of evaluation?	Yes 1	No 5			
Q6 Reasons for applying for funding	low income (due to illness or single parent)		Unexpected misfortun	orphan 2	
Q7 Gov't's funding aims to improve education attainment? Has education attainment	Yes 13	Any evidence? Students able to	No 20		
Q8 Are that government funding programs aiming at raising teaching quality?	Yes 0	No 29			
Q9 School reports effectiveness of funding to education bureau?	Yes 4	How often? 0	No 25		

Q10 Education bureau publicises effects of funding?	Yes 4	Latest time of such report? 0	No 25		
Q11 Personal suggestions of other types of supports	More funds in cash 5	More private funding 4	Non-monetary policy support 3	Learning support 3	Psychological care 3
Other comments	private funding needs better continuity				

### Features of funding programs

After this grouping and coding, we can first of all see that the funding programs in School X are available in multiple forms and from multiple sources, although they might still be insufficient as the majority of funds could not be directly accessed by the students and/or private funding lacked continuity. Secondly, students applied for poverty assistance mainly because of low income of the households, with severe illnesses and single income being the most common causing factors. Although 'unexpected misfortune' only accounted for a small proportion (mentioned by four out of twenty-nine teachers), this suggests the existence of the situation where households experienced sudden financial setback (see quotes from Interviewee 2 in Section 4.3.1 and Section 4.5 below for details). No teacher thought any funding program targeting the improvement in teaching quality.

### Absence of outcome-based assessment

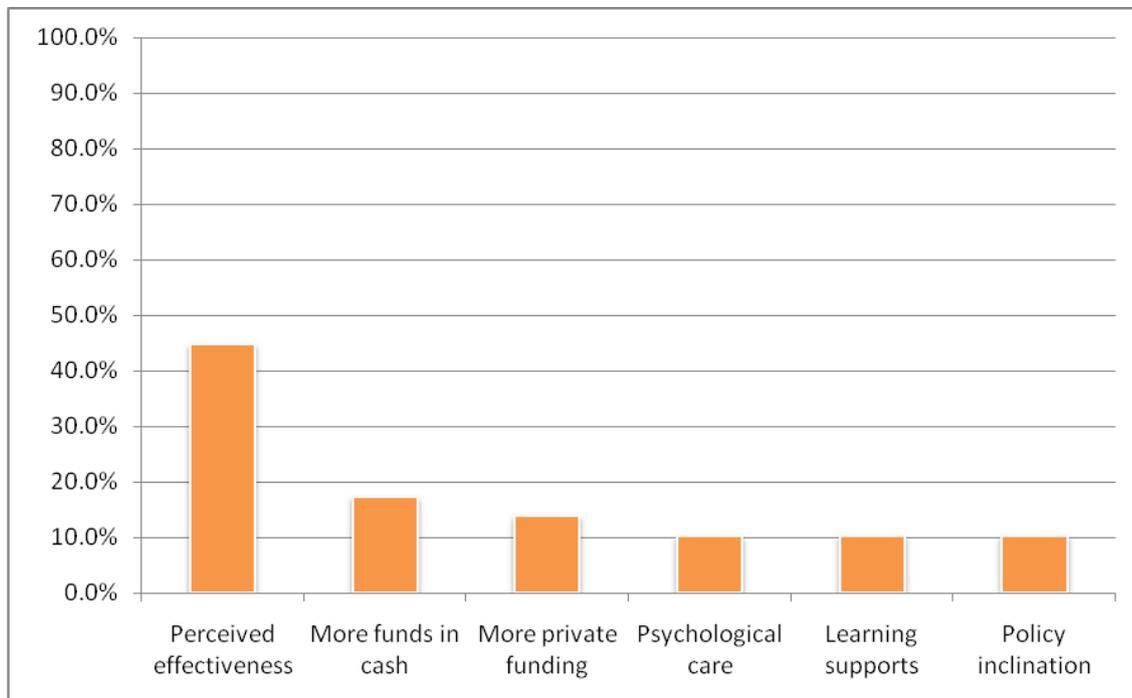
As to assessment on the effectiveness of funding programs, 20.7% teachers (six out of twenty-nine) suggested there was one assessment of this kind conducted in September 2012, which most teachers were not aware of. Among these 20.7%, only one teacher thought the assessment took students' academic performance into account. In fact, according to most teachers' (69%) understanding, to improve students' education attainment was not even an objective for the governments to provide school funding. A mere 13.8% agreed that there were effectiveness reports produced by schools or by education bureaus. In addition, none of the 13.8% was able to tell the latest report as such. It is possible that that the superintendent-inspection system placed extra

emphasis on regulation conformity and funds application of schools over the actual effects of funds.

### Teachers' appraisal to school funding

As shown in Figure 4.7, less than 45% of teachers considered funding programs successful in improving education attainment and 24% claimed they knew there were students who would otherwise drop out. 17.2% of teachers argued there were insufficient funds for students to have direct access to, 13.8% advocated for private funding to be increased in quantity and/or continuity and 10.3% called for non-monetary assistance such as providing psychological consultation, giving more supports to students who fall behind in studying and making school admission easier for those with special difficulties in living.

Figure 4.7 Teachers appraisal and suggestions to school funding



Above analysis reveals that teachers do not seem to be highly satisfied with current funding models. Although some effects did come with dramatically increased funding, teachers still argue insufficiency. Psychological care and

learning supports to students with disadvantages appear to be valued by just a small proportion of teachers.

#### **4.4 Evaluating the New Mechanism against international theories**

This section applies two theoretical frameworks to China's school funding system. Firstly, based on Atkinson et al.'s (2005) critique of various funding models, I diagnosed the merits and demerits of the main funding programs under the New Mechanism. In the second part of evaluation, I compared the policies and practices of school funding in China with those in OECD countries.

##### **4.4.1. Diagnosis of funding programs for rural basic education**

###### **Public Expenditure**

As explained in Section 1.3, Public Expenditure, the primary policy under the New Mechanism, entails guaranteeing the expenditure needed for general operation of schools by increasing the share of investment by upper level of governments. According to Atkinson et al. (2005, chapter 4), the funding pattern of increasing universal allocation enjoys the benefits of its simplicity, schools' own discretion of usage, and avoidance of stigmatisation of the disadvantaged. Yet simplicity could mean compromised transparency and school's own discretion may lead to funds not being used for intended purposes.

In the last ten years, Public Expenditure has witnessed a steep increase in general input to rural education. It has greatly relieved local governments from supporting schools in their day-to-day running and maintenance. As a result, all students and households have benefited from the funding without going through application procedures. Nevertheless, Public Expenditure suffers from the disadvantages prescribed by Atkinson et al. (2005). To begin with, although the policy instructs areas of funds usage, misusing them for staff payment has been easily spotted in practice. Furthermore, the intrasparency nature of this funding

model is a contributing factor to allocation inequity, which results in school principals having to fight for their entitled funds in rural China.

### **Two Waivers and One Stipend**

Two Waivers and One Stipend, the main centrally defined funding program under the New Mechanism targeting SFD, denotes waiving textbook fees and miscellaneous charges for and provide extra poverty assistance to students who board in school. In comparison to the first funding model, Atkinson et al (2005) outlined that centrally defined activities have better control over usage of funds, better transparency and more precise targeting. But she listed concerns about the unrealistic expectation, possible inconsistency and high accountability costs of this funding model.

Two Waivers and One Stipend matches most of above prescriptions. On one hand, the usage of funds is focused and transparent. Especiall with Two Waivers having been gradually widened its coverage, school spending for households dropped incredibly. In Shandong Province, starting from 2007, all rural students are exempt from miscellaneous fees. One the other, the implementation of Two Waivers has led to substantial accountability costs to governments and pressure on schools, which include auditing by financy bureaus, inspections by superintendents and monitoring by the public via report hotlines.

Another feature of centrally defined funding, precise targeting, is perfectly illustrated by Zouping's 10% quota in granting One Stipend, although not necessarily achieving positive results. This one-size-fits-all solution may have demonstrated simplicity in administration, yet at the cost of a genuine reflection of students' needs. Also due to this precise targeting, students may feel stigmatised and therefore reluctant to acquire assistance.

### **Locally proposed and resourced projects**

Under the New Mechanisms, governments of upper levels (central and provincial) share more responsibility in the above two funding programs (sharing ratio see Figure 4.2). Local authorities (prefecture, but mainly county and sub-county levels) are responsible for most locally proposed funding programs.

According to Atkinson et al (2005), this type of funding model is associated with better identification of needs and strengthened partnerships with central authorities. However, she drew up a much longer list for its drawbacks: heavier administrative and resource burden, complex accountability processes, further marginalisation of disadvantaged schools, stigmatisation of students and lack of continuity.

Indeed, for a relatively wealthy rural area like Zouping, locally proposed projects play a critical role in helping or hindering education equity. Unfortunately, many locally prioritised projects in Zouping did not fully demonstrate the advantages of this funding pattern, whereas illustrated nearly all the disadvantages: local governments request schools to share construction expenses; private enterprises prefer to contribute to famous schools and one-off payments on special occasions are a common practice.

#### **4.4.2. Assessing the ‘vertical equity’ of the New Mechanism**

The OECD report “No More Failures: Ten Steps to Equity in Education” defined equity with two dimensions: (a) fairness – directing resource based on needs; and (b) inclusion - providing extra assistance to student who fall behind in learning, so as to ensure a basic minimum standard of education for all. This section of evaluation uses benchmarks extracted from the “Ten Steps” to gauge if the New Mechanism satisfies the two dimensions of equity.

### **Policy design – ‘fairness’ satisfied but ‘inclusion’ not addressed**

Starting with policy design, OECD recommends limiting early streaming and managing school choice. “Apart from early prevention of dropout, basic schooling should support and engage those who struggle at school as well as those who excel” (Field et al. 2007, Chapter 3).

Applying this standard to the examination of the Mechanism, we can agree that both of its primary funding policies – Public Expenditure and Two Waivers and One Stipend aim at raising education attainment by lifting education costs from local governments and households. The State governments set different sharing ratios of education input based on various local revenues. Two Waivers has now applied to more rural students in China while One Stipend goes to the poorer. Therefore both policies satisfy ‘fairness’. However, this fairness is weakened at the local level, where priorities have been given to projects with more tangible achievements (such as construction of schools) over students with practical difficulties.

On the contrary, little supports to SLD are even touched upon by any level of governments. The lack of ‘inclusion’ in policy design forecasts a higher dropout in lower secondary schooling. This also imposes substantial difficulties in managing school choice. Although the authorities are highly aware of the potential harm from school choice and have imposed regulations and restrictions on it, without proper solution to underachievement, people will still try to send their children to preferred schools by all means.

### **Practices – neither fair nor inclusive**

OECD’s standards of effective practices for better equity include three aspects:

- Identify and provide systematic help to those who fall behind at school and reduce high rates of school-year repetition;
- Strengthen the links between school and home to help disadvantaged parents help their children to learn; and

- Respond to diversity and provide for the successful inclusion of migrants and minorities within mainstream education  
(Field et al. 2007, chapters 4 and 6)

Examining the practices in OECD countries, it is notable that ‘the teacher’ is the core for equity. All strategies that have appeared to be successful, such as ‘formal and informal interventions’ and ‘reading recovery’<sup>39</sup>, require active involvement of the teacher. This may be the rationale for the practice that in many OECD countries such as Australia and New Zealand, teachers are employed by education authorities and receive payments directly from the governments.

In comparison, the New Mechanism has not taken teachers’ welfare into consideration. The standard of teachers’ salary has remained the same since 2006<sup>40</sup>! This also reflects that students’ academic performance is not considered a valuable indicator of effectiveness under the New Mechanism.

### **Resourcing –contribution to equity partially justified**

The principles in resourcing are directing resources to where they are needed most and setting concrete targets – particularly regarding dropout (Field et al. 2007, Chapter 3). The New Mechanism fulfilled these principles to some extent by prioritising the provision of basic schooling and setting specific targets for education attainment. However at the county level, it has been found that excessive resources are allocated to the privileged at the cost of insufficient resource for the disadvantaged.

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<sup>39</sup> Finland employs formal and informal interventions in a hierarchy of successive way to assist students with underachievement. Australia practices reading recovery, where poor readers can catch up by having short-term, intensive one-on-one lesson. My own daughter, who doesn’t speak English at home, has shown considerable improvement in this program.

<sup>40</sup> The information is retrieved from Xinhua News at [http://news.xinhuanet.com/politics/2014-07/24/c\\_126791248.htm](http://news.xinhuanet.com/politics/2014-07/24/c_126791248.htm) , accessed 18/02/2015.

## 4.5 Summary

This chapter first of all mapped the patterns and procedures of school funding at county and sub-county levels. In order to achieve this, I conducted an extensive content analysis of online archival documents and categorised numerous funding activities into three types of funding models: general funds increase, centrally defined programs and locally proposed projects. I also sorted out the functions that four levels of governments serve in the Mechanism. More importantly, this section of analysis presented a picture of ‘what might be happening?’

Secondly this chapter examined data collected from field research – interviews, focus groups and questionnaire survey. The fieldwork detected a number of major issues: unfair distribution of funds, inappropriate methods to identify students in needs, seemingly excessive funds for disabled children, insufficient learning support, complex inspection system and unreasonable usage of private funding. This section also analysed teachers’ perception of the New Mechanism. The result showed teachers were mostly unsatisfied. In one word, this section investigated ‘what is actually happening?’

‘Why is it happening’ was answered through evaluating the Mechanism against two sets of theories. Criticising the New Mechanism under Atkinson et al.’s (2005) and Field et al.’s (2007) framework provided a pair of magnifiers to detect the reasons behind the successes and failures of the Mechanism and its policies.

## **Chapter 5: Discussion and Conclusions**

In this chapter, I recapitulate the initial objectives and questions the research project was set out to answer. The process of researching was also briefly reviewed. I then summarise and further explain the most significant and interesting findings. In the section of contributions, I integrated my study in the literature base to discuss its addition to theoretical development and potential practical application of the research, including a claim about generalisability of the reported results. This discussion was followed by a critique of the findings and recognition of their boundaries, coupled with indications of directions for possible future investigation.

### **5.1 The New Mechanism context and the research**

Entering the tenth year of the New Mechanism era, the education reform, which aims at equalising opportunities and outcomes by increasing investment into basic schooling in rural areas, is still under controversy. On the one hand China's rapid achievement in provision of universal basic education has gained international recognition (UNDP 2014). On the other, the New Mechanism's effects on adjusting inequality remain unclear (UNDP 2014)<sup>41</sup>. With enormous expansion in education expenditure, the main challenge on the Mechanism has gradually shifted from almost exclusively about inadequacy to more about inefficient utilisation of funds. Recent studies conducted in underdeveloped provinces suggest larger amount of funds are still needed (Liu, Wang & Zhang 2012; Yu, He & Ma 2013). In comparison, efficiency has become the core issue in studies of larger scales (Zhong et al. 2013, UNDP 2013). However, there is a dearth of research conducted in depth to investigate what causes the

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<sup>41</sup> 2014 UN Human Development report shows that China's inequity in income is high and rising. Although this is not a topic discussed in the thesis, it could serve as an indication that the New Mechanism has not yet demonstrated efficacy in narrowing down social inequity.

inefficiency in relatively wealthy rural regions, which seemingly enjoy sufficient resources.

This thesis addressed this issue by first of all examining what is actually happening in the process of school funding in Zouping County, which is among the top fifty wealthiest counties in China. The examination was followed by an evaluation of effectiveness against Atkinson et al's (2005) assessment of funding models in combination with OECD's guideline to education equity (Field et al. 2007).

The research began with two sets of broad questions. In a nutshell, it asked: (1) what approaches of school funding are employed under the New Mechanism at county and sub-county levels; and (2) to what extent is the New Mechanism effective. The first question includes sub-inquiries in relation to funding models, sources of funding, methods of identifying disadvantaged groups, procedures of application, allocation and distribution, as well as the accountability system. The second question was addressed by assessing the New Mechanism against the abovementioned two theories. The study proceeded to answer the questions via three qualitative methods of data collection: a) online documents review, b) semi-structured interviews and focus groups and c) self-administered questionnaire survey.

The above three means of data collection were carried out with specific steps and purposes. To form a comprehensive understanding and knowledge of the New Mechanism, I selected over one hundred archival documents from online publicity websites of four levels of governments (state, province, prefecture and county). From this extensive review, Zouping County stood out as the suitable locality for fieldwork and more questions surfaced regarding the implementation of school funding policies in practice. Based on the document review, I also mapped the procedure of resource allocation from the central to local governments and identified three funding models existing in Zouping County.

During the course of the field research, I conducted three one-on-one interviews with school principals and four with officials from county and township LEAs. In

addition, two sessions of focus group discussion were organised with lower level administrators from LEAs and schools. Direct communication with these front-line executives of the New Mechanism provided me with explicit depiction as well as the insiders' insights of the funding system. By sorting and analysing interviewees' answers, I was able to identify the problematic behaviours and examples of good practice in the process of school funding.

The self-administered questionnaire, which was the third step of data collection, engaged thirty-three teachers from two schools, one being a primary school offering special education to disabled children and the other being a typical lower secondary school. Covering over 1600 students, this qualitative questionnaire revealed teachers' appraisal to the New Mechanism.

Synthesising data from the three sources, I present and further explain the key findings as below.

## **5.2 Summary and explanation of key findings**

Section 4.3 provided descriptive and analytical analysis of the data collected from the fieldwork. First of all, based on OECD's definition of equity (Field et al. 2007), the New Mechanism has greatly improved the general *fairness* of the education system by increasing the overall funding to rural areas, waiving school fees and providing extra assistance to SFD.

At the same time, I highlighted the deficiency in meeting the needs of disadvantageous groups, which included SFD, SLD and SSN. Due to the absence of a proper method to identify SFD plus the rigid one-size-fits-all eligibility quota, wasting of resource co-exists with insufficient coverage. A typical example is: children (including disabled ones) who do not reside in school are not eligible for 'One Stipend' living allowances, as under the New Mechanism regulations, the allowances are for school boarders only. However if they do live on campus, it would actually take up more resources of the school. Another reason for difficulty in targeting SFD may lie in the process of

application for poverty assistance, which involves inadequate verification but over exposure to the public. The practice of putting up applicants' names on the wall for public discussion may discourage students with genuine financial predicament from requesting help.

In terms of SLD, there are no funds available to provide supports to students who fall behind at school. This may have stemmed from another fundamental issue of China's compulsory education sector – a lack of outcome-based indicator for students' learning results. As discussed in the introduction and literature review, there is no standardised test (such as PISA in Australia and other OECD countries) of international, national or even provincial level to indicate education outcomes and to reflect quality of schooling or effectiveness of institutional changes. In basic schooling, the only benchmark seems to be whether children can *complete* 9 years of staying at school. The lack of attention to SLD may also be under the influence of widespread elitism in China's education philosophy.

As to SSN, it is suggested that children with disabilities are still the most marginalised group in the education system. Only two types of disabilities (deaf-mute and intellectual disabilities) have access to basic education, whereas other types of disabilities such as physical or visual impairment are not admitted by any schools.

Another finding of the study is: local funding programs seem to be enlarging education inequity. With large amounts of education investment poured from upper level governments, counties would have 'extra' funds for spending. But without an appropriate guidance to direct resources, they tend to be used for extravaganza rather than meeting more urgent needs. A case in point is, the special education school in Zouping put ¥200,000 (equivalent to about AU\$40,000) into building a high impact rubber running track whereas some disabled children from poor households still had to pay for commuting, which has been made free in most other primary schools.

Moreover, when examining the New Mechanism under the scope of OECD's guideline (Field et al. 2007), I have found that the role of teachers is a vital but missing link. Due to the fact that the Mechanism does not include any policies regarding teachers' welfare, they might feel being left out by this wave of education reform. As stated previously, teachers' salary system remains at the same general standard of 2006, exactly when the New Mechanism started. This again, may very likely be related to the lack of outcome-based performance evaluation in the New Mechanism. Actually in the case of Shandong Province, many teachers' income was adversely impacted because of the 'quality education' movement launched in 2008, where school teachers have since been banned to provide paid tutoring. There might be sufficient grounds to stop teachers from capitalising on their teaching, but giving little incentives for them to offer extra help would only go against students' interests.

The improvement of studying conditions by refurbishing school facilities and developing infrastructure may bring positive impact on students' learning in some extent (Zhao and Glewwe 2010). However excessive investment in school construction without satisfying students' genuine needs is ethically dangerous. As Zhao and Glewwe (2010) correctly point out, school conditions are not a direct causal factor to higher education attainment, teachers' quality is.

### **5.3 Significance of the research**

The above findings advance the conceptual and empirical knowledge [in existing literature on](#) China's current school funding system in rural areas. At the theoretical level, the study attempted to apply the concepts used in the assessment of Australia's school funding system to that of China. By measuring the New Mechanism with a ruler developed in OECD countries, the study has found that Atkinson's diagnosis on the three funding models does not fully fit China's rural education. The most obvious mismatch lies in locally proposed projects, which according to Atkinson, are able to better identify students' needs (Atkinson et al. 2005). His theory may suggest an ideal situation where every link of the school funding process fulfils its responsibility, such as ascertaining

and verifying students' circumstances. However, without this foundation, locally resourced funding may achieve the opposite effects of improving equity.

This study also contributes to scholarly conversation as it further explores the reasons behind seemingly confusing phenomenon that have been detected by similar research. For instance, Sun, Du & Li (2010) conducted a study on the increment and distribution effects of the New Mechanism. Similar to mine, their research also had a focus on school- and county-level data. To their surprise, the quantitative analysis revealed that in the sector of lower secondary schooling, education equity has seen *more* improvement in those counties where the local governments are *less* involved in locally resourced funding. This is actually in line with my finding that locally funded programs have enlarged inequality. Moreover, the arguments presented in the thesis not only affirm the conclusions of other researchers that teachers are generally underpaid (Liu, Wang & Zhang 2012; Yu, He & Ma 2013; Tang, Liu & Hu 2014), but also evidence that a reform on performance-based incentive system for teachers is imperative.

At empirical level, this study investigates the effectiveness and efficiency in the utilisation of funds in wealthy rural areas, a rising but under-researched issue. It brings together elements shaping the school funding system and depicts this system at the lowest governmental and school levels. It examines a wide range of activities in the funding process, including application, approval and allocation. It also furnishes exploratory research on applying international standards to the evaluation of school funding system and programs in China. Its findings could be useful for academic researchers, policy makers and administrators, although in generalisation of the results, it should be noted that, the study was conducted in a rural region which is arguably overfunded and so they may not be applicable to areas with absolute inadequacy of funding.

## 5.4 Limitations and future research

In spite of the theoretical and practical implications that this study has yielded, various limitations should be noted; meanwhile, issues pinpointed by the shortcomings of current study can give directions and tips to future research.

First of all, the results of the study need to be treated with discretion as the field research was rather small scale. Only four schools and three LEAs participated. Although the questionnaire covered over 1600 students, the vast majority are from the same school. Second, I acknowledge that because my interview data focused on the viewpoints of officials, administrators and teachers, a more integrated study may well have produced more strengthened findings by examining the viewpoints of students and parents. The third limitation was in regard to questionnaire distribution. Although the survey was self-administered and completed without any supervision, the questionnaires were handed out to teachers by school administrators such as principals. Though this might have helped with a better response rate, some teachers might feel pressured to provide positive answers. Nevertheless, I arranged the completed questionnaires to be deposited in the suggestion box of the school so that such potential influence can be decreased.

Most of the limitations were primarily the result of the conservativeness and self-protection of the local governments. Only after a reasonably long time of liaison and negotiation would a researcher from outside China be allowed to have direct contact with students. This is what I aim at further down the course of my studies.

My findings point to several areas towards which future research could be directed. To begin with, the theoretical models used in this study provide a framework with which the effectiveness of school funding can be considered. It is my intention in next round of research to take this further and look at the feasibility of Australia's latest standards and models in evaluating the New Mechanism. Also, in my research, the schooling of children with physical disabilities remains a mystery. Future researchers may explicate more detailed

studies relating to education access for disabled children in China. Of course the elusive case of personal usury in Zouping County may reveal entirely new angles for research into psychological pressures faced with Chinese school children and the supports available in this regard.

# Appendices

## Appendix 1 Participant Information Statement for Questionnaire Respondents



*Faculty of Arts and Social Sciences School of Humanities and Languages*

HREA Approval No:14131

THE UNIVERSITY OF NEW SOUTH WALES

### **PARTICIPANT INFORMATION STATEMENT**

*Evaluation of China's new school funding mechanism*  
*Yiran Li*

#### **Introduction**

You are invited to participate a research by Ms Yiran Li, a Master by Research candidate at the University of New South Wales Australia. This research project is titled *Evaluation of China's new school funding mechanism*. Purposes of this research are:

- To Analyse and depict the actual implementation of the Mechanism at the very front line of rural compulsory education.
- To provide empirical evidence to the efficacy of China's latest wave of education reform, which will be of interest to a variety of researchers working in the discipline of education policies and economics.

You have been invited because you work in an organisation which executes China's funds guaranteeing mechanism for rural compulsory education (referred as the Mechanism below). Your contact details were obtained from Department of Education of Zouping County who has consented to assist this research.

This Participant Information Sheet tells you about the research project. It explains the processes involved with taking part. Knowing what is involved will help you decide if you want to take part in the research.

Your consent is confirmed by the completion and return of this survey under the National Statement on Ethical Conduct in Research Guidelines, section 1.9. Should you have any queries regarding the research or questionnaire, please feel free to contact the research conductor at +61 433 546 336 or [glorial@languages.unsw.edu.au](mailto:glorial@languages.unsw.edu.au)

Complaints may be directed to the Ethics Secretariat, The University of New South Wales, SYDNEY 2052 AUSTRALIA (phone 9385 4234, fax 9385 6648, email [humanethics@unsw.edu.au](mailto:humanethics@unsw.edu.au)). Any complaint you make will be investigated promptly and you will be informed of the outcome.

**Why have I been invited to participate in this research?**

You are invited to participate as you meet the following criteria:

1. You work in a governmental or educational organisation which implements the Mechanism.
2. Your work closely related to the actual implementation of the Mechanism
3. You are familiar with schools and/or students who benefit from the Mechanism

**Description of study procedures and risks**

If you agree to participate the questionnaire survey, the procedure is as follow:

Steps	Approx time needed
1. Read the Participant Information Statement	5 minutes
2. Complete the questionnaire	5-10 minutes
3. Seal the completed questionnaire in the envelope provided and insert the envelope into your school's suggestion box. Or, if you prefer, email your questionnaire directly to the researcher via <a href="mailto:glorial@languages.unsw.edu.au">glorial@languages.unsw.edu.au</a>	5 minutes

Participation of this research is completely voluntary and of low risk, as the research does not require personal or sensitive information.

**What are the possible benefits of taking part?**

This research can benefit participants indirectly for the following reasons:

1. In short term, this study could raise participants' awareness on education equity. Students with special needs could gain more attention from local officials who have participated the research.

2. With teachers' opinion on the funding mechanism, local governments might be able to target areas for improvement.
3. In long-term, this research could contribute to outcomes-based evaluation of education policies, which is currently scarce in China.

However we cannot and do not guarantee or promise that you will receive any benefits from this study.

### **What are the alternatives to participation?**

If you would like to arrange a private meeting with the researcher or complete a soft copy of the questionnaire, you may contact the research conductor, Ms Yiran Li on **+61 433 546 336** or via email [glorial@languages.unsw.edu.au](mailto:glorial@languages.unsw.edu.au)

Participation in this research is voluntary. If you don't wish to take part, you don't have to. Your decision not to participate will not affect your future relations with the University of New South Wales

### **Confidentiality and disclosure of information**

Any information that is obtained in connection with this study and that can be identified with you will remain confidential and will be disclosed only with your permission, except as required by law. If you give your permission by signing this document, I plan to discuss the results at academic conferences and publish in thesis and academic journals. In any publication, information will be provided in such a way that you cannot be identified.

### **Recompense to participants**

No cost will incur to the participants as a result of the research and therefore no monetary recompense will be provided.

### **Complaints**

Complaints may be directed to the Ethics Secretariat, The University of New South Wales, SYDNEY 2052 AUSTRALIA (phone (02) 9385 4234, fax (02) 9385 6222, email [humanethics@unsw.edu.au](mailto:humanethics@unsw.edu.au)). Any complaint you make will be investigated promptly and you will be informed of the outcome.

### **Feedback to participants**

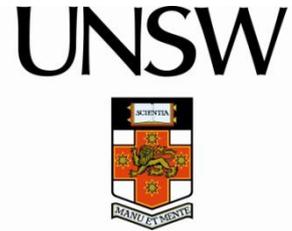
At the end of each interview session, the interviewee will be asked if they would like to receive a summary of research findings. Similarly, the last question on the questionnaire asks the respondents to tick the yes box if they wish to receive feedback. A summary of research will be posted back to offices of interviewees or schools of questionnaire respondents.

**Your consent**

Your decision whether or not to participate will not prejudice your future relations with the University of New South Wales. If you decide to participate, you are free to withdraw your consent and to discontinue participation at any time without prejudice.

You will be given a copy of this form to keep.

## Appendix 2 Participant Information Statement and Consent Form for interviewees



*Faculty of Arts and Social Sciences School of Humanities and Languages*

HREA Approval No:14131

THE UNIVERSITY OF NEW SOUTH WALES

### **PARTICIPANT INFORMATION STATEMENT AND CONSENT FORM**

*Evaluation of China's new school funding mechanism  
Yiran Li*

#### **Introduction**

You are invited to participate a research by Ms Yiran Li, a Master by Research candidate at the University of New South Wales Australia. This research project is titled *Evaluation of China's new school funding mechanism*. Purposes of this research are:

- To Analyse and depict the actual implementation of the Mechanism at the very front line of rural compulsory education.
- To provide empirical evidence to the efficacy of China's latest wave of education reform, which will be of interest to a variety of researchers working in the discipline of education policies and economics.

You have been invited because you work in an organisation which executes China's funds guaranteeing mechanism for rural compulsory education (referred as the Mechanism below). Your contact details were obtained from Department of Education of Zouping County who has consented to assist this research.

This Participant Information Sheet/Consent Form tells you about the research project. It explains the processes involved with taking part. Knowing what is involved will help you decide if you want to take part in the research.

This project aims to evaluate the effectiveness of the Mechanism from an outcome perspective.

Purposes of this research are:

- To Analyse and depict the actual practicing of the Mechanism at the very front line of rural compulsory education.
- To provide empirical evidence to the efficacy of China's latest wave of education reform, which will be of interest to a variety of researchers working in the discipline of education policies and economics.

**Why have I been invited to participate in this research?**

You are invited to participate as you meet the following criteria:

- 4. You work in a governmental or educational organisation which implements the Mechanism.
- 5. Your work closely related to the actual implementation of the Mechanism
- 6. You are familiar with schools and/or students who benefit from the Mechanism

**Description of study procedures and risks**

If you are invited and decide to participate the interview, please follow this procedure:

Steps	Approx time needed
1. Read the Participant Information Statement	5 minutes
2. Sign Consent Form (optional, oral agreement is also valid)	2 minutes
3. Answer questions by interviewers	30 minutes

Participation of this research is completely voluntary and of low risk, as the research does not require personal or sensitive information.

**What are the possible benefits of taking part?**

This research can benefit participants indirectly for the following reasons:

- 4. With teachers' opinion on the funding mechanism, local governments might be able to target areas for improvement in the Mechanism.
- 5. In long-term, this research could contribute to outcomes-based evaluation of education policies, which is currently scarce in China.

However we cannot and do not guarantee or promise that you will receive any benefits from this study.

**What are the alternatives to participation?**

If you would like to arrange a private meeting with the researcher or complete a soft copy of the questionnaire, you may contact the research conductor, Ms Yiran Li on **+61 433 546 336** or via email [glorial@languages.unsw.edu.au](mailto:glorial@languages.unsw.edu.au)

Participation in this research is voluntary. If you don't wish to take part, you don't have to. Your decision not to participate will not affect your future relations with the University of New South Wales

**Confidentiality and disclosure of information**

Any information that is obtained in connection with this study and that can be identified with you will remain confidential and will be disclosed only with your permission, except as required by law. If you give your permission by signing this document, I plan to discuss the results at academic conferences and publish in thesis and academic journals. In any publication, information will be provided in such a way that you cannot be identified.

**Recompense to participants**

No cost will incur to the participants as a result of the research and therefore no monetary recompense will be provided.

**Complaints**

Complaints may be directed to the Ethics Secretariat, The University of New South Wales, SYDNEY 2052 AUSTRALIA (phone (02) 9385 4234, fax (02) 9385 6222, email [humanethics@unsw.edu.au](mailto:humanethics@unsw.edu.au)). Any complaint you make will be investigated promptly and you will be informed of the outcome.

**Feedback to participants**

At the end of each interview session, the interviewee will be asked if they would like to receive a summary of research findings. Similarly, the last question on the questionnaire asks the respondents to tick the yes box if they wish to receive feedback. A summary of research will be posted back to offices of interviewees or schools of questionnaire respondents.

**Your consent**

Your decision whether or not to participate will not prejudice your future relations with the University of New South Wales. If you decide to participate, you are free to withdraw your consent and to discontinue participation at any time without prejudice.

You will be given a copy of this form to keep.

# UNSW



THE UNIVERSITY OF NEW SOUTH WALES

## **PARTICIPANT INFORMATION STATEMENT AND CONSENT FORM (continued)**

*Evaluation of China's new school funding mechanism  
Yiran Li*

### **Declaration by Participant**

- I have read the Participant Information Sheet or someone has read it to me in a language that I understand.
- I understand the purposes, procedures and risks of the research described in the project.
- I have had an opportunity to ask questions and I am satisfied with the answers I have received.
- I freely agree to participate in this research project as described and understand that I am free to withdraw at any time during the project without affecting my future care.
- I understand that I will be given a signed copy of this document to keep.

.....  
Signature of Research Participant

.....  
Signature of Witness

.....  
(Please PRINT name)

.....  
(Please PRINT name)

.....  
Date

.....  
Nature of Witness

**REVOCATION OF CONSENT**

*Evaluation of China's new school funding mechanism*  
*Yiran Li*

I hereby wish to **WITHDRAW** my consent to participate in the research proposal described above and understand that such withdrawal **WILL NOT** jeopardise any treatment or my relationship with The University of New South Wales

.....  
Signature

.....  
Date

.....  
Please PRINT Name

The section for Revocation of Consent should be forwarded to:

Dr. Yong Zhong (Supervisor of research conductor)  
[y.zhong@unsw.edu.au](mailto:y.zhong@unsw.edu.au)

## Appendix 3 Interview guide for LEA officials

1. 自我介绍，研究课题、采访目的，参与者说明等。

The investigator introduces herself, explain the purpose of the interview and go through the PISC with the interviewee.

2. 您的日常工作当中有哪些是与义务教育经费保障机制的有关的？

What part of your work duty is relevant the school funding under the New Mechanism?

3. 邹平县公用经费保障的生均数额是由什么来决定？县、市、省上报还是国家统一规定？该县教育方面主要的资金来源有哪些？

What is the amount of funding at different levels of CE and what determines the amount? What are the main resources of funding for compulsory education (CE) sector in the County?

4. 若由县里上报，计算标准和方法是什么？可否有公式？

Is there a formula or formulated standard to calculate annual funds requirement for the County to report to higher governments?

5. 拨付款的组成：全由国家/省/市级政府还是有县里的一部分？

What is the proportion of national /provincial/city contribution to the County's CE funding?

6. 义务教育保障机制的公用经费主要覆盖学校的哪些支出？

What specifically does the funding from the Mechanism cover in a school's day-to-day running?

7. 公用经费的申请和发放程序是什么？

What are the procedures of applying and allocating funds?

8. 会不会出现预算与实际开学情况不符合的情况？如果有特殊情况，比如学生数量突然增加或减少，或者突然有残疾儿童入学需要加大资助数量怎么办？

What if the budget funding is far below or way over the actual needs of school, in special circumstances such as sudden increase/decrease in enrolment or enrolment of a disabled student?

9. 邹平县为义务教育阶段学生提供什么贫困补助?

What are the supporting programs for financially disadvantaged students?

10. 贫困学生的定义标准是什么? 比如审批时是否有家庭收入最低标准可以参考?

How does the County define a student is 'financially disadvantaged', any parameters such as family income threshold?

11. 除了寄宿生生活困难补助, 有没有其他形式的补助, 比如助学金或非现金形式的学习服务? 如果是没有住校, 生活上又需要帮助的学生, 怎么办?

Apart from the poverty subsidy to students with financial disadvantages at boarding schools, are there any other supports, particularly non-monetary or programs for nonresident students?

12. 邹平县校车走乡穿村接学生, 解决学校合并问题带来的部分矛盾。然而去县城上学是否费用增加了许多? 贫困村的贫困生在县城如何生活?

School merging has caused increased living expenses for students who travel from villages to the town centre. The County has helped to solve part of the problem by providing free school buses. But are the living expenses still higher than before?

13. 督导的监督内容是什么? 是否参与学校审计?

What does the Education Superintendent (ES) monitor? Are they involved in auditing?

14. 督导在行政体制上归属于哪个教育部门? 在财政体制上呢?

Which part of the DoE does the ES belong to administratively? Financially, who is responsible for ESs, ie who pay them, certain level of DoE or schools?

15. 督导的监督流程是什么?

What is the procedure for the ES to monitor the school's running, esp. relevant to public funding?

16. 督导的监督是否对学校申请公用经费产生影响?

Does the ES influence funds allocation in any way?

17. 该县外来务工人员的子女在接受义务教育方面是什么政策？他们可否享受贫困补助？

What are the policies under the New Mechanism about children of migrant workers in the County? Are these children entitled to the same poverty subsidy as local children?

18. 该县义务教育阶段残疾儿童占有所有学龄儿童的比例？给他们提供什么帮助？他们所享受的贫困补助是否高于其他学生？

What is the proportion of disabled children in CE? What are the supports for them? Do they enjoy more supports than other students?

19. 除了金钱方面的补助，县里的学校是否还给学生提供其他形式的帮助？

Are there any non-monetary supports to students from the County?

20. 您在自己实施保障制度的工作事件中遇到什么困难？发现了什么问题？（自选问题）

What difficulties have you encountered during your work of implementing the New Mechanism? What issues have you identified existing in the mechanism? (optional)

21. 您认为中小学资助方面还可以有什么样的改善？（自选问题）

What changes do you suggest to make school funding a better system? (optional)

22. 您是否希望我在这次调研之后给您研究反馈？

Do you wish to receive a summary of findings after the research is completed?

## **Appendix 4 Interview guide for school principals**

1. 自我介绍，研究课题、采访目的等

The research conductor introduces herself, explain the project, purpose of the interview and go through the PISC with the interviewee.

2. 咱们县从2007年开始实行农村义务教育保障机制，请问这个机制在学校具体有哪些实行方法和项目？

The County started to implement the New Mechanism in 2007, what are the programs and schemes being carried out in your school?

3. 现在学生在义务教育阶段有哪些费用需要自己承担？

What are the fees that students need to be responsible for during CE stage of schooling?

4. 保障机制里的公用经费主要包括学校的哪些开支？

What specifically does the funding from the Mechanism cover in a school's day-to-day running?

5. 学校向教育部申请公用经费的流程是怎样的？

What is the procedure of applying for public funding?

6. 您认为这个申请过程是否简单、透明、公平？

Do you see this procedure easy to practice, transparent and fair?

7. 会不会出现预算与实际开学情况不符合的情况？如有特殊情况，如学生数量突然增加或减少，或者突然有残疾儿童入学需要加大资助数量怎么办？

What if the budget funding is far below or way over the actual needs of school, in special circumstances such as sudden increase/decrease in enrolment or enrolment of a disabled student?

8. 您学校里有多少学生接受贫困补助？占总学生数量的百分之多少？

How many students in your school receives poverty subsidy due to financial disadvantages? What is the proportion?

9.学校里是否有外来务工人员的子女？他们在接受教育和贫困补助方面的待遇和本县家庭的孩子是否有不同？

Is there any child of migrant workers in your school? If so, are these children entitled to the same subsidies and benefits as local children?

10. 学校里是否有或接受有身体残疾的儿童？

Does your school admit children with physical disabilities?

11. 您学校是如何锁定需要特助的学生人群的？根据学生的成绩还是家庭状况？

How does your school identify students with special needs? Is this based on students' academic performance or family background?

12. 学生贫困补助的申请流程是什么？审批流程？学生每学期还是每学年申请一次

What is the procedure for students to apply for poverty subsidy? What is the procedure of approval? What is the frequency of such procedures?

13. 补助是如何发放给学生的？是否直接给现金？

How does subsidies distributed to students by your school? Will students receive the funds directly or does the school use the funds to cover students' expenditure?

14. 据您了解这个贫困补助是否能覆盖到学校里所有需要帮助的学生？

As far as you know, can the poverty subsidy cover all students with financial difficulties?

15.除了公用经费里的贫困补助金，学校是否还有其他帮助有困难学生的形式？特别是非现金形式

Apart from subsidies and allowances to students with financial disadvantages, is there any non-monetary support to other types of students in needs?

16. 关于保障机制里的教育督导制度On the ES system in the New Mechanism:

1) 督导的监督内容和程序是怎样的？What are the contents and procedures of ES system?

2) 您认为这个程序是否会增加学校考核负担? 是否真正有效? Do you see this system efficient and effective? Does it increase the school's administrative burden?

3) 除了督导制度, 保障机制是否还有其他评估机制和方法? 比如是否从老师或者学生那里征求意见? Apart from the ES system, are there any other means to monitor and evaluation the New Mechanism? For example, are opinions from teachers and/or students are gathered and considered?

17. 您是否希望我在这次调研之后给您研究反馈?

Do you wish to receive feedback after the research is completed?

## Appendix 5 Questionnaire on funding students with special needs

### 困难学生资助项目调查问卷

请各位老师根据您班级里接受政府资助学生的情况填写该问卷，回答问题或在相应的方框里打√ Please answer questions based on the situations in your classes or put a tick to the alternative that applies to your classes or students:

1. 您所在学校有哪些针对困难学生的补助项目？

What are the funding programs for students with special needs available at your school?

---

2. 据您所知有没有任何评估体系来衡量以上提及的补助项目是否有效？

As far as you know, is there any assessing system to evaluate the effectiveness of abovementioned supporting schemes?

Yes 有  No 没有  → 如没有请跳到问题 5 If 'No', please move to Q5

3. 最近的一次评估在什么时间？ When was the last assessment conducted?

---

4. 在以上评估中，学生的学习成绩是否作为衡量补助项目有效性的标准？

In the assessing system, is students' performance used to measure the effectiveness of the support scheme(s)?

Yes 是  No 否

5. 您所负责或教授的班级以及接受补助的学生人数（如超过 5 个班级请在空白处列表；如没有人接受补助请填 0，并跳到问题 7）：

The number of students receiving poverty subsidy in your class(es) (If no one receives subsidy, please move to Q7; if you teach more than five classes, list them in the space below):

班级(1) 学生\_\_\_\_\_人，该班接受补助\_\_\_\_\_人；

班级(2) 学生\_\_\_\_\_人，该班接受补助\_\_\_\_\_人；

班级(3) 学生\_\_\_\_\_人，该班接受补助\_\_\_\_\_人；

班级(4) 学生\_\_\_\_\_人, 该班接受补助\_\_\_\_\_人;

班级(5) 学生\_\_\_\_\_人, 该班接受补助\_\_\_\_\_人;

6. 您的学生出于哪些原因申请补助?

What are the reasons for your students to apply for subsidies?

---

7. 您认为补助项目提高就学率了吗?

As far as you can tell, have the supporting schemes helped to raise enrolments?

Yes 是→有何证据表明? If 'Yes', can you provide any evidence or example?

---

No 否

8. 学校是否还有政府资助的、以提高教学质量为目的的项目?

Is there any scheme funded by the governments which aims at improving the quality of teaching?

Yes 是→该项目的名称和内容是什么? If 'Yes', what is the name and contents of this scheme?

---

No 否

9. 学校是否需要定期向教育部门提供补助项目的成绩或结果报告?

Does your school provide regular reports on the efficacy or results of existing supporting schemes?

Yes 是→最近一次这样的报告是什么时候? If 'Yes', how was the latest time of such report?

---

No 否→是否有其他形式总结补助项目的成果? If 'No', Are there any other forms of result reporting?

---

10. 教育系统或拨款部门是否定期向学校、老师或公众提供补助项目的成绩或结果报告?

Do relevant education departments regularly release the results of the supporting schemes to schools, teachers or the public?

Yes 是  → 多长时间提供一次这样的报告? If 'Yes', how often?

---

No 否

11. 根据对自己学生的了解, 您个人建议还有什么形式的资助 (现金或非现金的) 可以让困难学生更好的享受教育?

Based on your understanding of your students, what other kind of supports (monetary or non-monetary) do you personally suggest to provide a better education for those with special needs?

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12. 您是否希望收到这次调研的结果反馈?

Do you wish to receive a summary of research findings after its completion?

Yes 是

No 否

## Appendix 6 Middle school one stipend application form

### 普通中学政府助学金申请表

学校名称(name of school):          年 月 日 (date)

学生姓名 Name of applicant		性别 Sex		民族 Ethnicity	出生 年月 DOB	入学 时间 Time of admission
年级班级 Class Grade		学号 Student ID			身份证 号码 National ID card No.	
家庭成员情况 Family members	姓名 name	年龄 age	与本人关系 relationship to the applicant		工作或学习单位 place for work or study	
家庭经济状况 Family financial circumstances	户籍性质 Type of Hukou				主要收入 来源 main source of income	

	家庭住址 address				邮编 postcode	
					联系电话 contact number	
	家庭人口总数 No. of family members		家庭收入 family annual income		人均年收入 income per capita	
申请政府助学金 主要理由 main reasons for application	申请人签名:                      家长签名: Signature of the application:                      Signature of parent					
班级审核意见 teacher in charge verification	班主任:              签字: Name of Teacher in Charge: Signature:					
学校审核意见及其公示结果 School approval and result of publicity	负责人:              公章: Administrator: Stamp of school:					

## Appendix 7 List of documents reviewed

Document Title	Creator(s)	Year	Type	Source
国务院关于进一步 加强农村教育工作的 决定	State Council	2003	general funding increase	<a href="http://www.moe.gov.cn/publicfiles/business/htmlfiles/moe/moe_1778/200710/27725.html">http://www.moe.gov.cn/publicfiles/business/htmlfiles/moe/moe_1778/200710/27725.html</a>
2003—2007 年教育 振兴行动计划	MOE	2004	reports	<a href="http://www.moe.gov.cn/publicfiles/business/htmlfiles/moe/moe_1778/200710/27717.html">http://www.moe.gov.cn/publicfiles/business/htmlfiles/moe/moe_1778/200710/27717.html</a>
教育部、国家发展和 改革委员会、财政部 关于在全国义务教育 阶段学校推行“一费 制”收费办法的意见	MOF, MOE, NDRC	2004	regulations	<a href="http://www.qgbzb.cede.edu.cn/show_news.jsp?id=1354">http://www.qgbzb.cede.edu.cn/show_news.jsp?id=1354</a>
中华人民共和国民办 教育促进法实施条例	State Council	2004	legislation	<a href="http://www.moe.gov.cn/publicfiles/business/htmlfiles/moe/moe_1778/200409/3183.html">http://www.moe.gov.cn/publicfiles/business/htmlfiles/moe/moe_1778/200409/3183.html</a>
关于加快国家扶贫开 发工作重点县“两免 一补”实施步伐有关 工作的意见	MOF, MOE	2005	centrally defined funding activity	<a href="http://www.moe.gov.cn/publicfiles/business/htmlfiles/moe/moe_1778/200710/27724.html">http://www.moe.gov.cn/publicfiles/business/htmlfiles/moe/moe_1778/200710/27724.html</a>
国家发展改革委、教 育部关于做好清理整 顿改制学校收费准备 工作的通知	NDRC, MOE	2005	regulations	<a href="http://www.sdpc.gov.cn/zcfb/zcfbtz/tz2006/t20060307_62273.htm">http://www.sdpc.gov.cn/zcfb/zcfbtz/tz2006/t20060307_62273.htm</a>
国务院关于进一步 深化农村义务教育 经费保障机制改革的 通知	State Council	2005	general funding increase	<a href="http://www.qgbzb.cede.edu.cn/show_news.jsp?id=1349">http://www.qgbzb.cede.edu.cn/show_news.jsp?id=1349</a>
教育部关于做好落实 农村义务教育经费保 障新机制若干工作的 紧急通知	MOE	2006	notification	<a href="http://www.qgbzb.cede.edu.cn/show_news.jsp?id=1340">http://www.qgbzb.cede.edu.cn/show_news.jsp?id=1340</a>
财政部教育部关于印 发《农村义务教育经 费保障机制改革中央 专项资金支付管理暂 行办法》的通知	MOE, MOF	2006	centrally defined funding activity	<a href="http://www.qgbzb.cede.edu.cn/show_news.jsp?id=1342">http://www.qgbzb.cede.edu.cn/show_news.jsp?id=1342</a>
农村中小学校舍维 修改造专项资金管理 暂行办法	MOE, MOF	2006	centrally defined funding activity	<a href="http://www.qgbzb.cede.edu.cn/show_news.jsp?id=1343">http://www.qgbzb.cede.edu.cn/show_news.jsp?id=1343</a>
教育部 国务院纠风 办 监察部 国家发 展改革委 财政部 关于在农村义务教育 经费保障机制改革中 坚决制止学校乱收 费的通知	MOE, NDRC, State Council, MOS, NDRC, MOF, CNAO, GAPP	2006	regulations	<a href="http://www.sdpc.gov.cn/zcfb/zcfbqt/qt2006/t20060718_76713.htm">http://www.sdpc.gov.cn/zcfb/zcfbqt/qt2006/t20060718_76713.htm</a>

教育部等七部门关于 2006 年治理教育乱收费工作的实施意见	MOE, NDRC, State Council, MOS, NDRC, MOF, CNAO, GAPP	2006	regulations	<a href="http://www.sdpc.gov.cn/zcfb/zcfbqt/qt2006/t20060511_497014.htm">http://www.sdpc.gov.cn/zcfb/zcfbqt/qt2006/t20060511_497014.htm</a>
关于对全国农村义务教育阶段学生免收学杂费的实施管理办法	MOF, MOE	2006	general funding increase	<a href="http://www.qgbzb.ce.e.edu.cn/show_news.jsp?id=1345">http://www.qgbzb.ce.e.edu.cn/show_news.jsp?id=1345</a>
关于确保农村义务教育经费投入加强财政预算管理的通知	MOF, MOE	2006	regulations	<a href="http://www.qgbzb.ce.e.edu.cn/show_news.jsp?id=1346">http://www.qgbzb.ce.e.edu.cn/show_news.jsp?id=1346</a>
农村中小学公用经费支出管理暂行办法	MOF, MOE	2006	regulations	<a href="http://www.qgbzb.ce.e.edu.cn/show_news.jsp?id=1344">http://www.qgbzb.ce.e.edu.cn/show_news.jsp?id=1344</a>
教育部 财政部 人事部 中央编办关于实施农村义务教育阶段学校教师特设岗位计划的通知	MOF, MOE	2006	regulations	<a href="http://www.qgbzb.ce.e.edu.cn/show_news.jsp?id=1338">http://www.qgbzb.ce.e.edu.cn/show_news.jsp?id=1338</a>
国家发展改革委、新闻出版总署关于进一步加强中小学教材价格管理等有关事项的通知	NDRC, GAPP	2006	regulations	<a href="http://www.sdpc.gov.cn/zcfb/zcfbtz/tz2006/t20060512_68738.htm">http://www.sdpc.gov.cn/zcfb/zcfbtz/tz2006/t20060512_68738.htm</a>
教育收费政策解读	中国教育报	2006	Analysis of government policies	<a href="http://www.qgbzb.ce.e.edu.cn/show_news.jsp?id=1336">http://www.qgbzb.ce.e.edu.cn/show_news.jsp?id=1336</a>
教育部关于实事求是地做好农村中小学布局调整工作的通知	MOE	2006	notification	<a href="http://www.qgbzb.ce.e.edu.cn/show_news.jsp?id=1358">http://www.qgbzb.ce.e.edu.cn/show_news.jsp?id=1358</a>
财政部教育部关于成立全国农村义务教育经费保障机制改革领导小组办公室的通知	MOE, MOF	2006	notification	<a href="http://www.qgbzb.ce.e.edu.cn/show_news.jsp?id=1347">http://www.qgbzb.ce.e.edu.cn/show_news.jsp?id=1347</a>
教育部关于贯彻《义务教育法》进一步规范义务教育办学行为的若干意见	MOE	2006	regulations	<a href="http://www.qgbzb.ce.e.edu.cn/show_news.jsp?id=1360">http://www.qgbzb.ce.e.edu.cn/show_news.jsp?id=1360</a>
教育部 财政部关于加强农村义务教育经费保障机制改革督导工作的意见	MOE, MOF	2006	regulations	<a href="http://www.qgbzb.ce.e.edu.cn/show_news.jsp?id=1361">http://www.qgbzb.ce.e.edu.cn/show_news.jsp?id=1361</a>
教育部办公厅关于落实《国务院办公厅关于做好清理化解乡村债务工作的意见》积极化解农村教育债务有关问题的通知	MOE, MOF	2006	regulations	<a href="http://www.qgbzb.ce.e.edu.cn/show_news.jsp?id=1366">http://www.qgbzb.ce.e.edu.cn/show_news.jsp?id=1366</a>

关于在农村义务教育经费保障机制改革中认真落实中小学贯彻《事业单位工作人员收入分配制度改革方案》的实施意见》的通知	保障办	2006	regulations	<a href="http://www.qgbzb.ce.edu.cn/show_news.jsp?id=1364">http://www.qgbzb.ce.edu.cn/show_news.jsp?id=1364</a>
山东省确定农村义务教育免杂费财政年补助标准	State Council	2006	regulations	<a href="http://www.gov.cn/fwxx/wy/2006-12/26/content_478491.htm">http://www.gov.cn/fwxx/wy/2006-12/26/content_478491.htm</a>
教育部关于规范普通中小学校检查、评估工作的意见	MOE	2007	regulations	<a href="http://www.qgbzb.ce.edu.cn/show_news.jsp?id=1369">http://www.qgbzb.ce.edu.cn/show_news.jsp?id=1369</a>
关于设立和公布农村义务教育经费保障机制改革监督举报电话的通知	保障办	2007	regulations	<a href="http://www.qgbzb.ce.edu.cn/show_news.jsp?id=1362">http://www.qgbzb.ce.edu.cn/show_news.jsp?id=1362</a>
关于对中部地区农村义务教育经费保障机制改革情况进行专项督导检查的通知	保障办,国家教育督导团 全国农村义务教育经费保障机制改革领导小组办公室	2007	regulations	<a href="http://www.qgbzb.ce.edu.cn/show_news.jsp?id=1368">http://www.qgbzb.ce.edu.cn/show_news.jsp?id=1368</a>
教育部关于规范普通中小学校检查、评估工作的意见	MOE	2007	regulations	<a href="http://www.qgbzb.ce.edu.cn/show_news.jsp?id=1369">http://www.qgbzb.ce.edu.cn/show_news.jsp?id=1369</a>
教育部 财政部 关于在 2007 年秋季开学前后开展农村义务教育经费保障机制改革专项检查工作的通知	MOE	2007	notification	<a href="http://www.qgbzb.ce.edu.cn/show_news.jsp?id=1372">http://www.qgbzb.ce.edu.cn/show_news.jsp?id=1372</a>
“十一五”期间中西部地区特殊教育学校建设规划（2008 年—2010 年）	MOE, NDRC	2007	centrally defined funding activity	<a href="http://www.qgbzb.ce.edu.cn/show_news.jsp?id=1374">http://www.qgbzb.ce.edu.cn/show_news.jsp?id=1374</a>
财政部 教育部 关于调整完善农村义务教育经费保障机制改革有关政策的通知	MOE, MOF	2007	general funding increase	<a href="http://www.qgbzb.ce.edu.cn/show_news.jsp?id=1375">http://www.qgbzb.ce.edu.cn/show_news.jsp?id=1375</a>
教育部 财政部关于认真做好 2007 年秋季国家免费教科书退费工作的通知	MOE, MOF	2007	notification	<a href="http://www.qgbzb.ce.edu.cn/show_news.jsp?id=1376">http://www.qgbzb.ce.edu.cn/show_news.jsp?id=1376</a>
教育部财政部关于全面实施农村义务教育教科书免费提供和做好部分教科书循环使用工作的意见	MOE, MOF	2007	regulations	<a href="http://www.qgbzb.ce.edu.cn/show_news.jsp?id=1524">http://www.qgbzb.ce.edu.cn/show_news.jsp?id=1524</a>
教育部办公厅 国家发展改革委员会办公厅 关于中西部农村初中校舍改造工程项目管理办	MOE, NDRC	2008	regulations	<a href="http://www.qgbzb.ce.edu.cn/show_news.jsp?id=1381">http://www.qgbzb.ce.edu.cn/show_news.jsp?id=1381</a>

法				
教育部办公厅 国家发展改革委办公厅 关于中西部农村初中校舍改造工程专项资金管理办法	MOE, NDRC	2008	regulations	<a href="http://www.qgbzb.cede.edu.cn/show_news.jsp?id=1380">http://www.qgbzb.cede.edu.cn/show_news.jsp?id=1380</a>
教育部办公厅 国家发展改革委办公厅关于中西部农村初中校舍改造工程实施意见	MOE, NDRC	2008	regulations	<a href="http://www.qgbzb.cede.edu.cn/show_news.jsp?id=1379">http://www.qgbzb.cede.edu.cn/show_news.jsp?id=1379</a>
财政部教育部关于及时拨付 2008 年校舍维修改造资金确保灾毁校舍建设和危房改造的通知	MOE, MOF	2008	centrally defined funding activity	<a href="http://www.qgbzb.cede.edu.cn/show_news.jsp?id=1483">http://www.qgbzb.cede.edu.cn/show_news.jsp?id=1483</a>
关于进一步做好农村初中校舍改造工程实施工作的通知	改初办	2008	regulations	<a href="http://www.qgbzb.cede.edu.cn/show_news.jsp?id=1488">http://www.qgbzb.cede.edu.cn/show_news.jsp?id=1488</a>
教育部 财政部 中国保险监督管理委员会 关于推行校方责任保险完善校园伤害事故风险管理机制的通知	MOE, NDRC, 中国保监会	2008	centrally defined funding activity	<a href="http://www.qgbzb.cede.edu.cn/show_news.jsp?id=1523">http://www.qgbzb.cede.edu.cn/show_news.jsp?id=1523</a>
关于进一步加强中西部农村初中校舍改造工程质量管理的通知	MOE, NDRC	2008	centrally defined funding activity	<a href="http://www.qgbzb.cede.edu.cn/show_news.jsp?id=1556">http://www.qgbzb.cede.edu.cn/show_news.jsp?id=1556</a>
国家发展改革委关于开展教育收费专项检查的通知	NDRC	2010	notification	<a href="http://www.sdpc.gov.cn/zcfb/zcfbtz/2010tz/t20100920_372270.htm">http://www.sdpc.gov.cn/zcfb/zcfbtz/2010tz/t20100920_372270.htm</a>
国家发展改革委、教育部关于规范中小学服务性收费和代收费管理有关问题的通知	NDRC, MOE	2010	regulations	<a href="http://www.sdpc.gov.cn/zcfb/zcfbtz/2010tz/t20100816_366309.htm">http://www.sdpc.gov.cn/zcfb/zcfbtz/2010tz/t20100816_366309.htm</a>
国务院关于进一步加大财政教育投入的意见	State Council	2011	general funding increase	<a href="http://www.moe.gov.cn/publicfiles/business/htmlfiles/moe/moe_1778/201107/121857.html">http://www.moe.gov.cn/publicfiles/business/htmlfiles/moe/moe_1778/201107/121857.html</a>
国务院决定启动实施农村义务教育学生营养改善计划	State Council	2011	centrally defined funding	<a href="http://news.xinhuanet.com/2011-10/26/c_111126081_2.htm">http://news.xinhuanet.com/2011-10/26/c_111126081_2.htm</a>
国家发展改革委关于开展全国教育收费专项检查的通知	NDRC	2012	regulations	<a href="http://www.sdpc.gov.cn/zcfb/zcfbtz/2012tz/t20120921_506120.htm">http://www.sdpc.gov.cn/zcfb/zcfbtz/2012tz/t20120921_506120.htm</a>
国务院关于深入推进义务教育均衡发展的意见	State Council	2012	regulations	<a href="http://www.moe.gov.cn/publicfiles/business">http://www.moe.gov.cn/publicfiles/business</a>

				s/htmlfiles/moe/moe_1778/201209/141773.html
国务院办公厅关于规范农村义务教育学校布局调整的意见	State Council	2012	regulations	http://www.moe.gov.cn/publicfiles/business/htmlfiles/moe/moe_1778/201209/141774.html
国务院办公厅关于规范农村义务教育学校布局调整的意见	State Council	2012	regulations	http://www.gov.cn/zw/gk/2012-09/07/content_2218779.htm
国务院教育督导委员会办公室将开展农村义务教育学校基本办学条件专项督导	MOE	2014	regulations	http://www.moe.gov.cn/publicfiles/business/htmlfiles/moe/s5987/201404/167289.html
关于在全省义务教育阶段学校试行“一费制”收费办法的意见	Provincial Govt	2004	policy analysis	http://www.lohcn.org.cn/forum/viewtopic.php?t=24678 希望之光助学网
山东省人民政府办公厅关于免除农村民办义务教育学校学生杂费的通知	Provincial Govt	2007	general funds increase	
义务教育保障机制 20 期简报	DoE	Jun 2007	reports	http://www.sdedu.gov.cn/jyt/ztzl/bzjzgge/webinfo/2007/06/1389229963508223.htm
山东省教育厅等 7 部门关于 2008 年规范教育收费工作的实施意见	DoE, Price Bureau, Finance Bureau, Audi, Rectifying Office, Press and Publication Administration, Dept of Supervision	2008	implementation plan	http://www.sdedu.gov.cn/cms/cms/infopub/infopre.jsp?pubtype=D&pubpath=jyt&infoid=1387592471447376&templetid=1386822181249913&channelcode=A0905&useid=10002
山东省教育厅等七部门关于 2009 年规范教育收费进一步治理教育乱收费工作的实施意见	DoE, Provincial Govt, Dept of Supervision, Price Bureau, Finance Bureau, Audit, Press and Publication Administration	2009	regulations	http://www.sdedu.gov.cn/zljylsf/wjgg/201107/t20110711_94102.htm
山东省义务教育条例	Provincial Govt	2009	legislation	http://www.zpjy.net/openinfo/2009/1211/article_332.html
关于调整山东省教育工作示范县(市、区)中小学公用经费督导评估标准的通知	Dept of Supervision	Feb 2010	regulations	http://www.jydd.gov.cn/show.aspx?id=23538&cid=9
关于开展 2010 年秋季开学教育收费检查工作的紧急通知	DoE	2010	notification	http://www.sdedu.gov.cn/zljylsf/wjgg/201107/t20110711_94105.htm

山东省教育厅等七部门关于 2010 年治理教育乱收费规范教育收费工作的实施意见	DoE, Provincial Govt, Dept of Supervision, Price Bureau, Finance Bureau, Audit, Press & Publication Administration	2010	implementation plan	<a href="http://www.sdedu.gov.cn/jyt/ztlz/gfjysfei/wbinfo/2010/09/1389229963008603.htm">http://www.sdedu.gov.cn/jyt/ztlz/gfjysfei/wbinfo/2010/09/1389229963008603.htm</a>
教育部等七部门关于 2011 年治理教育乱收费规范教育收费工作的实施意见	DoE, Provincial Govt, Dept of Supervision, Price Bureau, Finance Bureau, Audit, Press & Publication Administration	2011	implementation plan	<a href="http://www.sdedu.gov.cn/zljylsf/wjgg/201108/t20110804_95131.htm">http://www.sdedu.gov.cn/zljylsf/wjgg/201108/t20110804_95131.htm</a>
省政府进一步加大财政教育投入的意见	DoE	Sep 2011	general funds increase	<a href="http://www.sdedu.gov.cn/jyt/zcwj/webinfo/2011/10/1387592473259235.htm">http://www.sdedu.gov.cn/jyt/zcwj/webinfo/2011/10/1387592473259235.htm</a>
山东省教育厅等 8 部门关于 2012 年治理教育乱收费规范教育收费工作的实施意见	DoE, Provincial Govt, Dept of Supervision, Price Bureau, Finance Bureau, Audit, Press & Publication Administration, Provincial Development & Reform Commission	2012	implementation plan	<a href="http://www.sdedu.gov.cn/zljylsf/wjgg/201209/t20120910_117995.htm">http://www.sdedu.gov.cn/zljylsf/wjgg/201209/t20120910_117995.htm</a>
山东省教育收费项目及标准文件目录(收费标准一览表)	DoE	2012	regulations	<a href="http://www.sdedu.gov.cn/zljylsf/sfbz/201107/t20110711_94103.htm">http://www.sdedu.gov.cn/zljylsf/sfbz/201107/t20110711_94103.htm</a>
山东省学生资助政策指南	Provincial Student Assistance Online	2012	policy analysis	<a href="http://www.sdedu.gov.cn/sdedu_ztxx/zhu xuedaikuan/200709/t20070906_20045.htm">http://www.sdedu.gov.cn/sdedu_ztxx/zhu xuedaikuan/200709/t20070906_20045.htm</a>
山东省县域义务教育均衡发展督导评估实施办法	Dept of Supervision	Mar 2013	implementation plan	<a href="http://www.jydd.gov.cn/show.aspx?id=24265&amp;cid=9">http://www.jydd.gov.cn/show.aspx?id=24265&amp;cid=9</a>
邹平县严格管理规范收费建立健全教育经费保障机制	County Education Bureau	2013	centrally defined funding	
邹平县举办中小学学校心理管理系统培训班	County Education Bureau	2013	locally proposed scheme	<a href="http://www.sdbzedu.gov.cn/news/2014-06/1902.html">http://www.sdbzedu.gov.cn/news/2014-06/1902.html</a>
全市推进县域义务教育均衡发展工作座谈会召开	Supervision Office	2013	regulation	<a href="http://www.bzjydd.org/pod.jsp?id=40">http://www.bzjydd.org/pod.jsp?id=40</a>
2012 年“邹平教育十大新闻”揭晓	County Education Bureau	2013	locally proposed scheme/ce	<a href="http://www.sdbzedu.gov.cn/news/2014-06/1724.html">http://www.sdbzedu.gov.cn/news/2014-06/1724.html</a>

			centrally defined funding	
邹平县多措并举规范办学行为	County Education Bureau	2013	report	<a href="http://www.sdbzedu.gov.cn/news/2014-06/1831.html">http://www.sdbzedu.gov.cn/news/2014-06/1831.html</a>
邹平县率先在全省实现小学生免费乘校车，财政每年投入 2200 万元	County Education Bureau	2013	locally proposed scheme	<a href="http://www.sdbzedu.gov.cn/news/2014-06/1698.html">http://www.sdbzedu.gov.cn/news/2014-06/1698.html</a>
邹平县特殊教育学校用上塑胶操场	County Education Bureau	2012	locally proposed scheme	<a href="http://www.sdbzedu.gov.cn/news/2014-06/1659.html">http://www.sdbzedu.gov.cn/news/2014-06/1659.html</a>
邹平县被表彰为“全国教育督导先进集体”	County Education Bureau	2012	news	<a href="http://www.sdbzedu.gov.cn/news/2014-06/1343.html">http://www.sdbzedu.gov.cn/news/2014-06/1343.html</a>
邹平县“特生培养”工作实现新突破	County Education Bureau	2012	news	<a href="http://www.sdbzedu.gov.cn/news/2014-06/1605.html">http://www.sdbzedu.gov.cn/news/2014-06/1605.html</a>
邹平县财政投资 150 万元为校车安装 GPS 监控系统和“家校通”短信平台	County Education Bureau	2012	locally proposed scheme	<a href="http://www.sdbzedu.gov.cn/news/2014-06/1626.html">http://www.sdbzedu.gov.cn/news/2014-06/1626.html</a>
邹平县教育惠民成绩斐然	County Education Bureau	2012	locally proposed scheme	<a href="http://www.sdbzedu.gov.cn/news/2014-06/1170.html">http://www.sdbzedu.gov.cn/news/2014-06/1170.html</a>
邹平县情暖“失依儿童”	County Education Bureau	2012	locally proposed scheme	<a href="http://www.sdbzedu.gov.cn/news/2014-06/1220.html">http://www.sdbzedu.gov.cn/news/2014-06/1220.html</a>
邹平县五项教育惠民工程惠及 10 万学子	County Education Bureau	2011	locally proposed scheme	<a href="http://www.sdbzedu.gov.cn/news/2014-06/706.html">http://www.sdbzedu.gov.cn/news/2014-06/706.html</a>
邹平县“四个坚持”做好外来务工人员子女教育工作	County Education Bureau	2011	news	<a href="http://www.sdbzedu.gov.cn/news/2014-06/762.html">http://www.sdbzedu.gov.cn/news/2014-06/762.html</a>
邹平县企业家两千万元捐资助学	County Education Bureau	2011	locally proposed scheme	<a href="http://www.sdbzedu.gov.cn/news/2014-06/816.html">http://www.sdbzedu.gov.cn/news/2014-06/816.html</a>
邹平县“三举措”做好控辍保学工作	County Education Bureau	2011	news	<a href="http://www.sdbzedu.gov.cn/news/2014-06/1103.html">http://www.sdbzedu.gov.cn/news/2014-06/1103.html</a>
邹平县发放校车补助 200 万元补助乘车学生 17445 人	County Education Bureau	2010	locally proposed scheme	<a href="http://www.sdbzedu.gov.cn/news/2014-06/502.html">http://www.sdbzedu.gov.cn/news/2014-06/502.html</a>
邹平县各界捐资 17 万庆祝第二十个全国助残日	County Education Bureau	2010	locally proposed scheme	<a href="http://www.sdbzedu.gov.cn/news/2014-06/428.html">http://www.sdbzedu.gov.cn/news/2014-06/428.html</a>
邹平县发放救助金 20 万救助 600 名中小學生	County Education Bureau	2010	locally proposed scheme	<a href="http://www.sdbzedu.gov.cn/news/2014-06/380.html">http://www.sdbzedu.gov.cn/news/2014-06/380.html</a>
邹平县 9 个学校建设项目列入今年的小城镇建设“百件实事”	County Education Bureau	2010	centrally defined funding	<a href="http://www.sdbzedu.gov.cn/news/2014-06/329.html">http://www.sdbzedu.gov.cn/news/2014-06/329.html</a>
邹平县实施学生乘车补助惠民工程	County Education Bureau	2010	locally proposed scheme	<a href="http://www.sdbzedu.gov.cn/news/2014-06/259.html">http://www.sdbzedu.gov.cn/news/2014-06/259.html</a>
邹平县投资 100 万元为农村中小学装配空调	County Education Bureau	2009	locally proposed scheme	<a href="http://www.sdbzedu.gov.cn/news/2014-06/160.html">http://www.sdbzedu.gov.cn/news/2014-06/160.html</a>

邹平县五项措施促进青年教师成长	County Education Bureau	2009	News	<a href="http://www.sdbzedu.gov.cn/news/2014-06/82.html">http://www.sdbzedu.gov.cn/news/2014-06/82.html</a>
邹平县中小学班主任远程全员培训成效显著	County Education Bureau	2009	locally proposed scheme	<a href="http://www.sdbzedu.gov.cn/news/2014-06/162.html">http://www.sdbzedu.gov.cn/news/2014-06/162.html</a>
强化教育督导整改 促进教育协调发展	County Education Bureau	2009	News	<a href="http://www.sdbzedu.gov.cn/news/2014-06/148.html">http://www.sdbzedu.gov.cn/news/2014-06/148.html</a>
邹平县组织 30 名中小学校长参加北京师范大学校长高级研修班	County Education Bureau	2009	locally proposed scheme	<a href="http://www.sdbzedu.gov.cn/news/2014-06/138.html">http://www.sdbzedu.gov.cn/news/2014-06/138.html</a>
滨州市人民政府关于实施农村义务教育经费保障机制改革的通知	Binzhou City	2006	regulation	<a href="http://www2.binzhou.cn:8000/bmxxgk/html/index.php?tablename=ZFGW_Page_ZFGW&amp;guid=%7Bc5081bb3-032e-5b44-a4bd-ad5e4a7889c5%7D">http://www2.binzhou.cn:8000/bmxxgk/html/index.php?tablename=ZFGW_Page_ZFGW&amp;guid=%7Bc5081bb3-032e-5b44-a4bd-ad5e4a7889c5%7D</a>
山东全面推行农村中小学经费“校财局管”	County Education Bureau	2007	News	<a href="http://www.gov.cn/jrzg/2006-12/27/content_481194.htm">http://www.gov.cn/jrzg/2006-12/27/content_481194.htm</a>
赵延奎局长在 2008 年全县教育工作会上的讲话	County Education Bureau	2008	Speeches	<a href="http://www.zpjy.net/openinfo/2008/0305/article_59.html">http://www.zpjy.net/openinfo/2008/0305/article_59.html</a>
建立健全惩治和预防腐败体系 2008—2012 年实施方案	County Education Bureau	Dec 2008	implementation plan	<a href="http://www.zpjy.net/openinfo/2009/0221/article_300.html">http://www.zpjy.net/openinfo/2009/0221/article_300.html</a>
邹平县实施“三免”教育惠民工程	County Education Bureau	2009	locally proposed scheme	<a href="http://www.zpjy.net/bianmin/2009/0221/article_106.html">http://www.zpjy.net/bianmin/2009/0221/article_106.html</a>
邹平城乡全面实行义务教育“两免一补”	County Education Bureau	2009	News	<a href="http://www.zpjy.net/bianmin/2009/0221/article_105.html">http://www.zpjy.net/bianmin/2009/0221/article_105.html</a>
邹平县从五个方面巩固教育收费成果	County Education Bureau	2009	reports	<a href="http://www.zpjy.net/bianmin/2009/0221/article_102.html">http://www.zpjy.net/bianmin/2009/0221/article_102.html</a>
邹平县荣获省规范教育收费示范县称号	County Education Bureau	2009	News	<a href="http://www.zpjy.net/bianmin/2009/0221/article_103.html">http://www.zpjy.net/bianmin/2009/0221/article_103.html</a>
邹平县教育局关于印发邹平县关于建立残疾儿童少年随班就读工作支持保障体系的实施方案的通知	County Education Bureau	Mar 2010	implementation plan	<a href="http://www.zpjy.net/openinfo/2010/0324/article_342.html">http://www.zpjy.net/openinfo/2010/0324/article_342.html</a>
邹平县教育局关于学习宣传和贯彻实施《山东省义务教育条例》的通知	County Education Bureau	2010	implementation plan	<a href="http://www.zpjy.net/openinfo/2010/0324/article_345.html">http://www.zpjy.net/openinfo/2010/0324/article_345.html</a>
李辉同志在 2011 年全县教育工作会上的讲话	County Education Bureau	2011	Speeches	<a href="http://www.zpjy.net/openinfo/2011/0310/article_360.html">http://www.zpjy.net/openinfo/2011/0310/article_360.html</a>

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