

**I. PROJECT IDENTIFICATION**

1. PROJECT TITLE: **COST METHODOLOGIES - NON FORMAL EDUCATION**

2. PROJECT NO. (M.O. 1095.2): **931-71-690-091**

3. RECIPIENT (specify):  
 COUNTRY  
 REGIONAL  INTERREGIONAL **TA/EHR**

4. LIFE OF PROJECT  
 BEGINS FY **76**  
 ENDS FY **78**

5. SUBMISSION  
 ORIGINAL **Jan 7, 1976**  
 REV. NO. \_\_\_\_\_ DATE \_\_\_\_\_  
 CONTR. PASA NO. \_\_\_\_\_

APPENDIX ATTACHED  
 YES  NO

16p.

**II. FUNDING (\$000) AND MAN MONTHS (MM) REQUIREMENTS**

A. FUNDING BY FISCAL YEAR	B. TOTAL \$	C. PERSONNEL		D. PARTICIPANTS		E. COMMODITIES \$	F. OTHER COSTS \$	G. PASA/CONTR.		H. LOCAL EXCHANGE CURRENCY RATE: \$ US (U.S. OWNED)		
		(1) \$	(2) MM	(1) \$	(2) MM			(1) \$	(2) MM	(1) U.S. GRANT LOAN	(2) COOP COUNTRY	
										(A) JOINT	(B) BUDGET	
1. PRIOR THRU ACTUAL FY												
2. OPRN FY												
3. BUDGET FY 76	200	106					94					
4. BUDGET +1 FY 78	200	106					94					
5. BUDGET +2 FY												
6. BUDGET +3 FY												
7. ALL SUBQ. FY												
8. GRAND TOTAL	400	212					188					

9. OTHER DONOR CONTRIBUTIONS

(A) NAME OF DONOR	(B) KIND OF GOODS/SERVICES	(C) AMOUNT

**III. ORIGINATING OFFICE CLEARANCE**

1. DRAFTER <b>William R. Charleson</b>	TITLE <b>Specialist, TA/EHR</b>	DATE <b>Jan. 7, 1976</b>
2. CLEARANCE OFFICER <b>James B. Chandler</b>	TITLE <b>Director, TA/EHR</b>	DATE <b>Jan. 7, 1976</b>

**IV. PROJECT AUTHORIZATION**

1. CONDITIONS OF APPROVAL  
**Project PID approved Oct. 24, 1975**

2. CLEARANCES

BUR/OFF.	SIGNATURE	DATE	BUR/OFF.	SIGNATURE	DATE
TA/PM	Carl Fritz		TA/EHR	Bernard Wilder	Jan. 7, 1976
TA/PM	Mary Mozynski				
TA/PM	Robert Mills				

3. APPROVAL AAs OR OFFICE DIRECTORS  
 SIGNATURE: **AA/TA, Curtis Farrar** DATE: \_\_\_\_\_

4. APPROVAL A/AID (See M.O. 1025.1 VI C)  
 SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

ADMINISTRATOR, AGENCY FOR INTERNATIONAL DEVELOPMENT

## COST METHODOLOGIES - NON FORMAL EDUCATION

### I. Project Summary and Recommendations

#### A. Recommendations

It is recommended that \$200,000 of FY 1976 and \$200,000 of FY 1977 grant funds be allocated to carry out this project over a period of three calendar years.

#### B. Description of Project

The purpose of this project is to provide, in two phases, LDC and AID education planners and decision makers at varying levels of analytical capacity with alternative methodological and procedural means to:

1. identify non-formal educational systems<sup>(1)</sup> and characterize them with respect to coverage, delivery methods, content, costs<sup>(2)</sup>, etc. and determine the cost effectiveness/benefit of such systems (Phase I) and;

(1) Non formal education is defined as having four elements:

a. Although it may be linked to formal schools in several ways, such as sponsorship and shared facilities, non-formal efforts are outside the formalized, hierarchical structure of the graded school system.

b. Non-formal education is a deliberately planned educational effort, having identifiable sponsorship, goals and programs. It is not "incidental" or "informal."

c. The "non-formality" of an educational effort is taken to reside in its location, sponsorship and administration, but not in either its purposes, its pedagogical character or its credentialing status.

d. Given these definitional constraints, our particular interest lies in a subset of effort that satisfy the above criteria. Those educational efforts that have identifiable developmental purposes related to the contextual setting in which they take place can be defined as the referent of the concept "non-formal education for development."

(2) The following operational definitions will guide this project's efforts.

a. Cost analysis or resource analysis of inputs is the starting point for all cost consideration in non-formal education.

b. Cost effectiveness analysis uses information developed in resource analysis and relates such measures to outputs for the purpose of ascertaining which of the feasible alternatives will result in the 'maximum' educational output. As educational output is multidimensional, the term 'maximum output' is used here to mean an output that can be increased on no one dimension without either being decreased on another or violating the budgetary constraint.

c. Cost benefit, the third step in the educational planning/decision making process, concerns the measurement of the relationship between the outputs of the educational system and various economic and/or social goals.

2. to assess the cost/effectiveness/benefit<sup>(1)</sup> of existing delivery systems under hybrid or expanded national conditions (Phase II).

This project will be designed, implemented and evaluated under the joint auspices of the Non Formal Education and Finance KPAs of TA/EHR. To assure a broad based participatory enterprise, the project will request that Regional Bureaus nominate representatives to serve on a project advisory panel. This panel may be expanded to include representatives from LDCs and AID Missions if deemed advisable by the AID/W advisory panel. The panel will be constituted as a formal advisory and review panel which, meeting periodically, will be charged with monitoring project activities and, on the basis of project performance under Phase I, make recommendations for the scope and funding of Phase II activities.

The project will assign high priority to the development and use of costing methodologies to be used in conjunction with the planning and execution of proposed non-formal education projects. Additionally, priority will be given to assisting Missions and LDCs which request assistance in modifying existing educational programs. In all cases selection of field sites for testing analytical methodologies will be approved by the project's advisory panel.

TA/EHR believes that by linking the development of the methodologies to their immediate utilization, through consulting of project staff to Missions and in field test applications of methodologies in support of new non-formal education projects, otherwise theoretical methodologies will be tempered by operational reality; i.e., the views and experience of AID and LDC users.

### C. Project Issues

The following issues have been raised during the preparation and dissemination of the PID.

1. The AA/TA noted that it might be desirable to link Phase II of this project to Phase II of the Education Technology - Cost Methodologies Project which will be initiated at approximately the same time. TA/EHR welcomes this suggestion and will introduce this as an item to be considered by the advisory panels of both projects during their respective first phases.

2. RED/Bangkok found the project "of potential regional interest" and suggested, because "there is no regional institution, per se, to host project" that Indonesia should be approached "to determine interest/receptivity. TA/EHR has already made the recommended overture and expects to work with USAID/Indonesia and the Government of Indonesia in linking the methodological efforts of this project to the non-formal education work soon to be undertaken in that country. Where and when possible, efforts will be made to enhance the regional utility and participation of project efforts.

3. USAID/Dar es Salaam noted that the Government of Tanzania "has much to offer by way of explaining their various adult education programs and with the appropriate approach would be willing to discuss their efforts with interested outsiders." TA/EHR is pleased to hear of this possibility

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(1) Cost benefit field studies, for obvious reasons, may not be possible but procedures for doing such work will be presented.

4.

and, in cooperation with AID/AFR and USAID/Dar es Salaam, will make every effort to draw upon the experience of Tanzania in the pursuit of this project.

4. LA/DR, AID/W notes that, where possible, this project should be linked to the Cost Methodologies - Education Technology and that both "...should be developed in careful coordination with Regional and Mission offices, so as to take maximum advantage of ongoing efforts rather than simply 'start from scratch.'" TA/EHR agrees with this observation and, as stated above, will make every effort to assure that such possibilities are carefully considered by the project's advisory panel.

5. USAID/Santo Domingo, while it attested the need for practical methodologies for determining costs, found the PID "somewhat confusing." TA/EHR agrees that quite frequently "non-formal and formal systems have quite distinct goals which complicate identification, characterization and comparison of cost/effectiveness and cost/benefit .." It is precisely because of the differences that the methodologies need to be developed - without them meaningful differences and similarities are obscured and the success of both kinds of efforts is prejudiced. The Mission noted that "program costs of \$66,000 per country per year seems to be underestimated." TA/EHR feels that because the project will be linked to the methodological concerns of other on-going or planned non-formal education projects, economies will be afforded this project. Other AID projects (centrally funded and Mission supported) are envisaged as providing support, inasmuch as they will provide sites, data, etc. which otherwise would have to be paid for out this project. The issue of relating this effort to the educational technology-cost methodologies was also raised. This possible relationship will, as stated above, receive careful consideration by the advisory panels of both projects.

6. USAID/Monrovia noted that "since the PID offers no example of NFE's which the contractor would assess, ...anything which could be construed as NFE would be within the scope of the contract." Perhaps the definition of NFE given in this PP will help to set some limits. In all cases the advisory panel to the project will approve the project's activities both substantive and procedural. The mission further notes that there would be more merit in assessing the cost effectiveness of varying systems within the sphere of formal education. TA/EHR feels that such assessments may well be needed, but that methodologies and experience for treating with the formal system are, relatively, more advanced than those for non-formal education. Where such "formal" assessments are required, TA/EHR has provided through other contractors or grantees (e.g., U.C. Berkeley) facilities which can be called upon by Missions and LDCs.

7. USAID/Bogota evidenced "considerable interest" although they "..are not quite certain how the activity will operate to reach its objectives." The project, through the advisory panel, will make every effort to inform interested Missions and, where possible, formally include them in the project's work.

8. USAID/Guatemala has made several useful comments. Generally they offer that "the cost side of the cost/effectiveness equation is generally a function of using an adding machine - methodologies for which are pretty well known." TA/EHR agrees that the use of adding machines is well known, but that what to punch into the machine is less so. Indeed the evidence to date suggests that the costing of most non-formal education projects is either crudely simplistic or non-existent. The Mission also noted that "the effectiveness part of the equation is complex and subject to such wide variances as a result of differing national educational goals, expectations and cultural adaptation as to strain the ingenuity of a contractor's attempts to generalize a workable methodology." TA/EHR agrees that effectiveness is complex because of wide variances. It is because there are no useful methodologies to identify and deal with such variances (objectives and constraints) that this project is needed. The Mission appears to have mis-read the PID in that they suggest that project efforts will be given to developing a "standard methodology." We agree with the Mission that such a single pursuit might well be fruitless, that is why this project will develop methodological "approaches" not a singular approach as suggested by the Mission. The PID further notes (page 2) that "alternative methodologies which are appropriate for varying levels of LDC needs and capacities..." will be accommodated. The Mission's further comments concerning the need for flexibility, comparability, multiple output measurement, etc. are well taken. This project is being developed precisely because the Mission's concerns have not been accommodated in past methodological development.

## PART II.

### A. Background

This project addresses the problem of assisting LDCs and Missions in their joint efforts to improve the coverage and relevance of education through the development and use of new or improved non-formal educational delivery systems which are appropriate for the needs and capacities of LDCs. While the project is to be undertaken within the educational cost and finance emphasis area of TA/EHR, its design and implementation are undertaken in collaboration with the non-formal education KPA of TA/EHR.

Activities under the cost and finance KPA are:

To improve the efficiency of education through the development and utilization of cost saving methodologies; to identify and develop resources to supplement government expenditures to education; to develop and utilize methodologies for more effectively relating improvements in education to improvements in income, employment and equity; and to focus upon the identification, development and use of measurement and other analytical tools to assist LDC planning, implementation and resource allocation decision making processes.

LDCs have been turning more and more to the consideration of non-formal educational delivery systems for reaching heretofore neglected groups (e.g., adults, rural school age populations, women, etc.) when it is

felt that formal, traditional means are inappropriate or too expensive. AID, other donors and LDCs have invested and continue to invest considerable time and money in developing and/or adapting non-formal education programs for use in and by LDCs. Efforts have ranged from small, highly specific, skill training efforts to vast literacy campaigns involving millions. Currently AID is sponsoring non-formal education efforts in Colombia, Ecuador, Bolivia, Paraguay, Guatemala, Ethiopia, Lesotho, Ghana, Kenya, Thailand, and Indonesia. Additional work is contemplated in Peru, El Salvador, Swaziland and Pakistan. While these efforts vary substantially with respect to objectives, content, methodologies, size, etc., all were initiated in the belief that a desired educational outcome(s) (e.g. relevance, coverage, or both) could be achieved more readily by developing/adapting and using non-formal educational methods than by utilizing the traditional formal educational system.

Current evidence suggests that whatever the initiatory nature and purposes of such programs, cost and cost effectiveness/benefit assumptions concerning the use of non-formal education remain largely untested. Considering the size and nature of AID's non-formal commitment, it would seem appropriate to commence more systematic testing of the assumptions about financial feasibility.

This is not to suggest that there is not a rather large body of descriptive information (viz. Coombs, Sheffield, MSU and U. Mass. Reports, etc.), but rather to point out that what has been produced in and for LDCs (1) has not dwelt upon or used cost analysis. By and large, efforts to date in non-formal education have not been directed toward the organization of such variables into a total cost function. Indeed, if anything, the descriptive case studies attest that the improvement of cost analysis for non-formal education has not and will not happen when cost considerations are treated as residuals to other project concerns. They must be faced directly by those who are concerned more with analytical method than with education innovation.

## B Detailed Description

This project will have two phases:

### 1. Phase I (approximately 15 months) will be directed toward:

(a) the development of analytical procedures for identifying and ordering the variables which determine costs and cost effectiveness/benefits of non-formal education;

(b) the development of analytical methodologies for determining the cost and cost effectiveness/benefits of non-formal education;

(c) the development of procedures for assisting LDCs to determine which of the methodologies presented is appropriate for specific LDC need and capacity situations; and

(1) Considerable work has been done in and for advanced countries in the area of skill training for the private sector; e.g., OECD, ILO, UNIDO.

## 7.

(d) the presentation of the aforementioned methodologies and procedures in a form deemed suitable by the project's advisory committee.

Emphasis will be given to the development of methodologies which are suitable for a range of country settings which typify significantly different levels of analytical need and capacity in the area of costing non-formal education programs. (1)

Where possible efforts will be linked to providing cost analysis within educational projects funded by the Agency. Decisions concerning the sites selected will be based upon criteria developed by the contractor and approved by AID/W.

2. Phase II (approximately 21 months) will be directed toward:

(a) the application of the methodologies through a series of field tests undertaken cooperatively with LDCs;

(b) the revision of the methodologies in accordance with the results of the field tests; and

(c) the presentation of results through publication, working seminars, etc. as deemed appropriate by the advisory committee to the project.

Phase II will concentrate initially upon the use of the methodologies with respect to identifying and costing existing non-formal educational delivery systems. Secondly the project will test the utility of the methodologies in determining the cost and cost/effectiveness/benefits of such systems under expanded or hybrid conditions and finally the project will examine the utility of methodologies where existing non-formal delivery systems are proven to be ineffective and entirely new non-formal delivery systems need be developed.

As in Phase I all site activities will be developed with the understanding and approval of the project's advisory committee.

The two aforementioned phases will be funded in accordance with the procedures outlined in the Activity and Phasing chart attached (2) Phase II activities will be undertaken only after formal approval by AID/W of the results of phase I.

### 3. Project Goal

The goal of this project is to increase the usefulness and use of economic measurement tools in education planning, decision making and management.

a. Sub-Goal - to increase the usefulness and use of economic measurement tools for planning and managing non-formal education programs.

(1) The range of analytical needs and capacities will be developed as a typology. Needs will be described in policy terms; capacity in terms of available data base, personnel, hardware, software, etc.

(2) see page 10

#### 4. Project Purpose

The purpose of this project is to provide LDC and other (e.g., AID) planners<sup>6</sup> and decision makers with analytical methodologies which are:

- a. required to make decisions about the costs of non-formal education projects;
- b. required to make decisions concerning the cost/effectiveness/benefit of alternative education systems (formal vs non-formal, non-formal vs non-formal); and
- c. to provide those requiring the costing methodologies with methods for estimating the costs and cost/effectiveness of employing such methodologies.

#### 5. Conditions Expected at the End of the Project

- a. LDC and AID planners and decision makers will have available for use methodologies for estimating costs and cost/effectiveness/benefits of alternative programs using non-formal education and that the methodologies available to them will be appropriate for a range of decision making needs and capacities;
- b. LDC and AID planners and decision makers will have selected case studies of specific field applications of the methodologies with information concerning estimation of the costs of using one methodology over another.
- c. LDC and AID planners and decision makers will have participated in one or more seminar/workshops (depending on what is deemed appropriate by the advisory committee) for the purpose of discussing the methodologies and case studies as well as their adoption and continued use by LDCs.

#### 6. Outputs of the Project will be:

- a. A set or sets of written methodologies for estimating the costs and cost effectiveness/benefits of non-formal education projects to include (for Phase I):
  - (1) A set or sets of methodologies for identifying the variables on non-formal education which determine costs and cost effectiveness/benefits;
  - (2) A set or sets of methodologies for ordering the variables to determine the costs and cost effectiveness/benefits of existing non-formal education efforts;
  - (3) A set or sets of methodologies for determining the costs and cost effectiveness/benefits of existing non-formal education under expanded or hybrid conditions;
  - (4) A set or sets of methodologies for estimating costs and cost effectiveness/benefits for entirely new non-formal education efforts;

(5) A procedural guide for assisting users to determine which of the offered methodologies is most appropriate for a particular country's analytical needs and capacities.

b. A set or sets of published reports of final applications to include (Phase II):

(1) the outcomes of the field applications;

(2) revisions to methodologies or procedures developed in Phase I;

(3) reports from cooperating LDCs as to the use and utility of the methodologies.

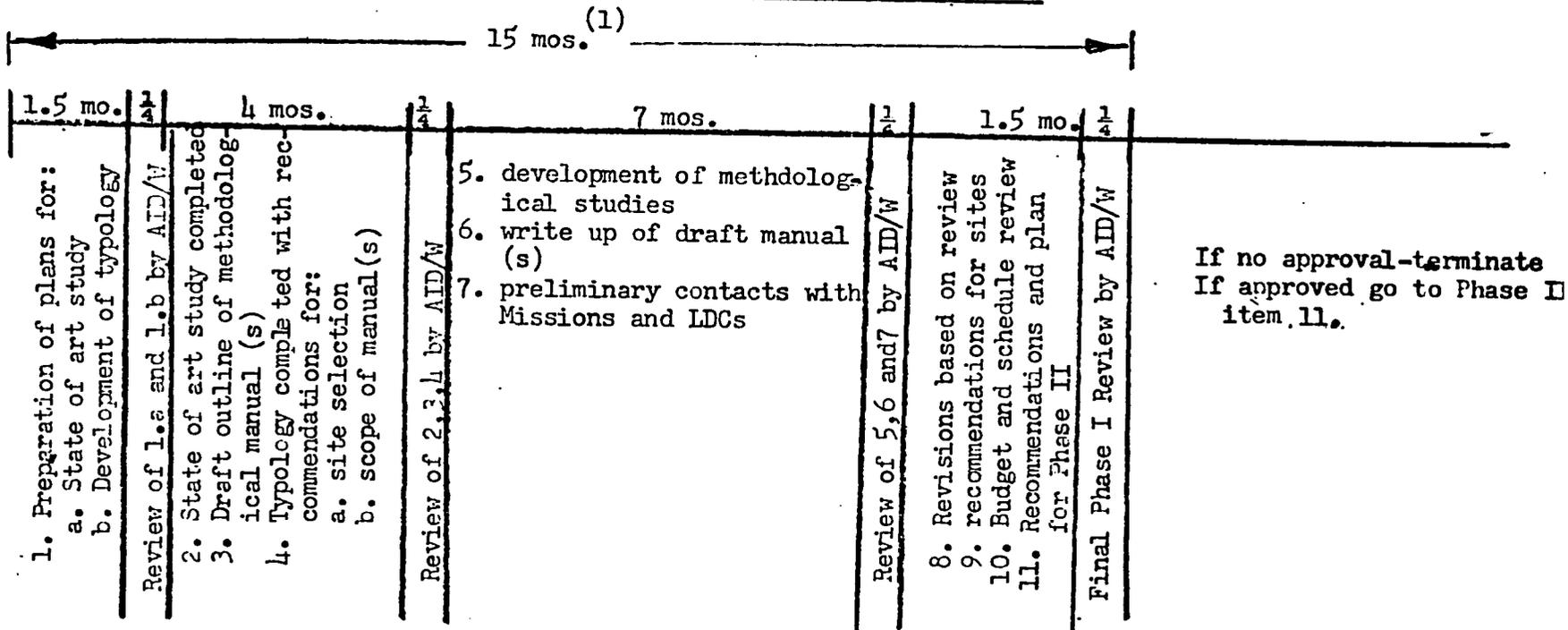
c. A written report on the development of a typology of analytical (costs and cost effectiveness/benefit) needs and capacities and its application with respect to the project's site selection for field trials of methodologies; seminar site selection and follow-on recommendations;

d. One or more seminar workshops (size, number and content to be determined during the course of Phase I in consultation with the project's advisory committee);

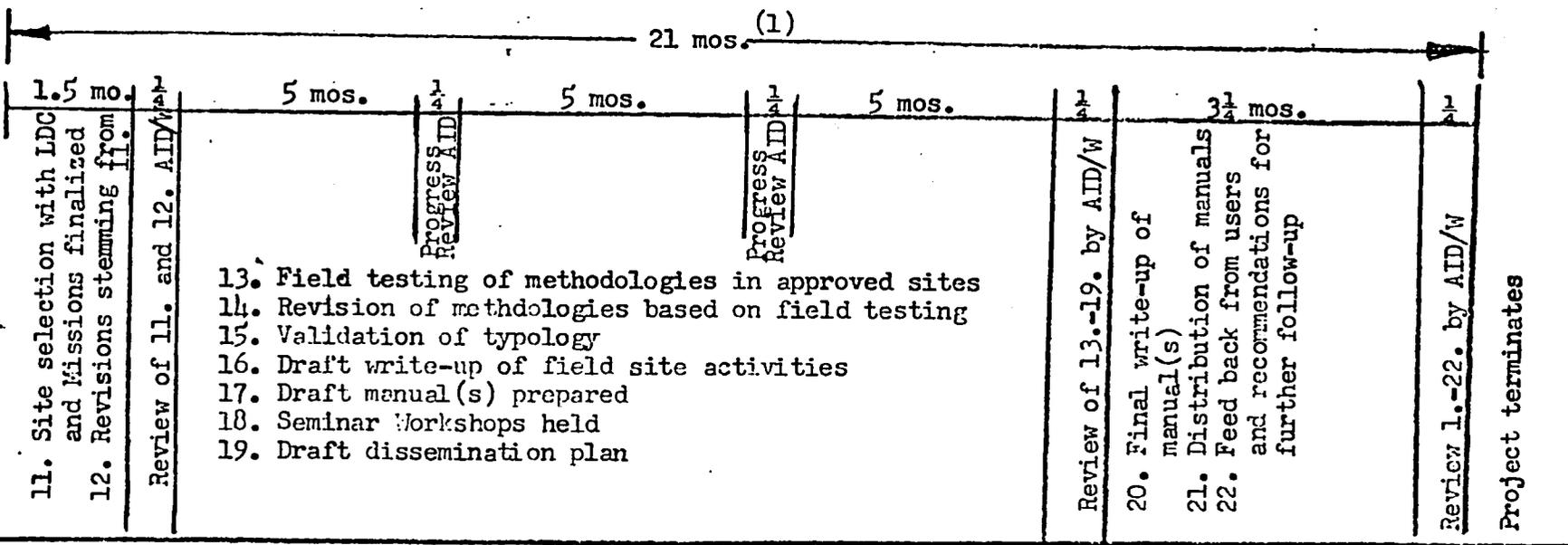
e. The provision of advisory services to other planned or on-going NFE projects. That is, it is expected that the provision of methodological guidelines and guidance (during and upon completion of Phases I and II), an output of this project, will be used as inputs to on-going or planned education projects (when called upon and funded by such other education projects).

SEQUENCE OF ACTIVITIES IN PHASES I AND II

PHASE I



PHASE II



(1) Throughout project contractor to provide input to other education projects when asked to do so and if funding available.

## 7. Projects Inputs

a. AID will provide:

(1) \$400,000 over a period of three years. The three years will be spread over two phases (approximately 18 mos. each). Funding for the second phase will be contingent upon acceptance of work done under phase I and approval of the work design for phase II;

(2) staff from TA/EHR, Regional Bureaus and, if appropriate, USAID Missions to serve on a project advisory/review panel (for continuous monitoring of project activities) as well as to participate in the seminar/workshops;

(3) access to on-going and planned non-formal education programs (with LDC concurrence) for the purpose of providing field site opportunities to the project or getting advice from the project on cost or cost/effectiveness/benefit considerations.

(4) It is expected that Missions, currently calling upon AID/W for assistance with the design and execution of non-formal education projects, will find it to their advantage to draw upon the project's resource in the area of cost analysis either directly (Missions funding) or through the use of AID/W centrally funded support for non-formal education (e.g., M.S.U.).

(5) LDCs are expected to participate to the extent that they continue to explore if not mount with AID assistance the uses of non-formal education and contribute data, people, etc. to the design, implementation and evaluation of such efforts.

## PROJECT ANALYSIS III.

### A. Appropriateness of Place and Timing of Project

This project will not, a priori, be mandated for a particular site or country. Rather, project efforts will be directed to provide methodologies for significantly different levels of country analytical need and capacity. Sites chosen for testing methodologies will need, therefore, to correspond to the extent possible with representative country settings (as developed in the typology). Within the aforementioned typology, every effort will be made to utilize existing or planned education efforts which are or will be supported by AID.

The timing of efforts contemplated within this project could, perhaps, best be described as "overdue". The Agency reported that last year, alone, some twenty-two million dollars was spent on non-formal education in over twelve (12) countries. These efforts have not benefited from available, systematic, methodological approaches for assessing costs and cost effectiveness/benefits. They have contributed to analysis by demonstrating the need for it as well as the difficulties associated with developing systematic cost analysis. In order that existing and future non-formal education efforts be guided by better understanding of costs (essential because most non-formal education efforts are initially cost additive

extent that they materially and desirably impact on reducing unit costs or meeting some other measurable objective) and cost effectiveness (essential because there is more than one program available and they vary with respect to, for example, energy opportunity costs), it is essential that existing and future non-formal education efforts benefit from and contribute to a more ordered analytical understanding of cost and cost effectiveness/benefits. In short, if the Agency is to continue needed efforts in developing and providing non-formal education, it must make every effort to assist LDCs in determining the cost implications of such undertakings.

2. This project has no environmental implications.

B. Financial Analysis and Plan

1. This project does not lend itself to classical rate of return analysis. While it might be possible to attribute some rate of return, the number of analytical steps (from the provision of a non-formal delivery system to projected income streams for likely beneficiaries) is so great and the data so scattered, findings would likely be little better than speculation at this time. Indeed this is one of the reasons this project is needed.

Despite these methodological weaknesses, the project does purport to address, if indirectly, the needs of the poor majority inasmuch as it will permit AID and governments to make better decisions about the cost and cost/effectiveness of non-formal education projects which, in the main, do address the needs of the poor majority.

2. The tentative budget for the project is given below:

<u>TOTAL PROJECT COSTS</u>				
<u>Item</u>	<u>TA/EHR<sup>(1)</sup> AID/W</u>	<u>Other AID/W Projects<sup>(2)</sup></u>	<u>AID/LDC Missions<sup>(3)</sup></u>	<u>TOTAL</u>
Senior Staff*	\$130	\$20	\$20	\$170
Research Assts.	40	10	10	60
Admin/Sec.**	20			20
Salary Subtotal	<u>190</u>	<u>30</u>	<u>30</u>	<u>250</u>
*Benefits @ 15%	19.5			19.5
**Benefits @ 12%	2.5			2.5
Salary Totals	<u>212</u>	<u>30</u>	<u>30</u>	<u>272.0</u>
Consultants	20	5	5	30
Travel	25		10	35
Services	25		8	33
Materials & Publications	15	3	5	23
Overhead	103			103
GRAND TOTAL	<u>\$400</u>	<u>\$38</u>	<u>\$58</u>	<u>\$496</u>

(1) Phase I \$150 and Phase II \$250.

(2) Represents monies currently coming from AID/W sources which are being used on an ad hoc basis to contract for methodological services in the area of non-formal education. Some of these monies will be diverted to use project staff (or subcontractors) thus linking otherwise disparate methodological endeavors (design, evaluation, etc.).

(3) Represents monies currently coming from AID Missions which are being used on an ad hoc basis. It is expected that Missions will divert such monies to project staff participation, particularly for new projects.

Government contributions should be taken in kind; i.e., data, research staff, etc. which otherwise would have to be purchased by the project.

3. In conclusion, TA/EHR submits that the project activities outlined here are urgently needed to guide and learn from program activities in the area of non-formal education. The fact that this project will be structured to draw upon (where and when possible) existing or future AID education projects and that such projects, in turn, will draw upon this project (for cost design elements if not particular consulting services in the area of costs) suggests that this project will come in at costs which are well below what one might have to pay if such work was conducted independent of other AID education efforts.

#### IMPLEMENTATION ARRANGEMENTS IV.

##### A. Administrative Arrangements

The following organizational inputs are envisaged as being formally involved in the project:

1. The contractor. It is the intention of TA/EHR to let this contract under competitive procurement procedures.

2. AID. TA/EHR will have primary responsibility for monitoring the contract activities. The offices of non-formal education and cost and financing of education will jointly serve as TA/EHR monitors of the design, implementation and evaluation.

It is the intention of TA/EHR to ask each Regional Bureau to nominate a representative to the project's advisory panel. This panel in collaboration with others (e.g., Mission staff and/or LDC personnel as deemed appropriate by the panel) will approve all phases of the projects work (see phasing activity chart for timing and purpose of formal review meetings). The review panel will also make recommendations to the Agency concerning the activities and funding of Phase II of the project.

Within the limits of the typology noted before, it is intended that project field activities will go forward in sites where AID has or plans to secure and use the advice and recommendations (design, implementation and evaluation) of both Missions and LDCs.

The administration of the project should pose no problems which TA/EHR, with the cooperation of Regional Bureaus, cannot handle with current staff.

## B. Implementation Plan

1. December 75 - February 1976 approval of PP.
2. February - March 1976 approval PIO/T and Request for Non-Competitive Procurement.
3. April - June 1976 Competitive procurement procedures.
4. June 1976 contractor selected.
5. June 1976 contract negotiated and signed.
6. Project activities begin July - August 1976.

The phasing (items X times) are given in the draft activity/phasing chart. This chart will be revised during the contract negotiation and will be subject to revision (within the terms of the contract) at the periodic review sessions plotted on the activity/phasing chart.

## C. Evaluation

1. Procedures: This project will be evaluated periodically by its advisory panel (comprised of staff from AID/W, Missions and LDCs). The time and objectives for these periodic evaluation meetings are given in the activity chart for phases I and II.

2. Substance: Evaluation for this project is basically of two types:

a. Control and revision: The advisory panel through its periodic review sessions is to evaluate contractor performance (timing and quality of work) under each phase. Based on findings, the advisory panel will approve initiation of subsequent phases or revisions to the project's design or implementation procedures.

b. Project impact evaluation: It is important to note that this project is to produce, test and disseminate a variety of cost effective analytical procedures. Each is designed to test the validity and cost effective utility of the analytical methods which are developed to meet the needs and capacities of LDCs at varyingly significant levels of need and capacity. The primary method for accomplishing this evaluation will be to relate the analytical methods produced to the typology of host country need and capacity developed under phase I and validated under phases I and II. The specific details of evaluation will be worked out during phases I and II and approved by the advisory panel.

This project will not be evaluated in terms of whether or not it has produced universally valid analytical instruments. This is so because there are no universal yardsticks against which such work can be judged and there are no universal yardsticks because decision settings are not homogeneous.

- Work under this project and other similar efforts in other sectors should be seen as part of a longitudinal process in which efforts are directed toward improving decisions by improving reliability and reducing risk. No quantum jump to 100% reliability and zero risk (i.e., no universally valid analytical instruments) is possible. Any effort which relates the reliability requirements of decision makers to the input capacity of their society and relates both to the cost/effective adoption of analytical instruments should be accepted as representing a meaningful step in this long process.

Summary	Objectively Verifiable Indicators	Important Assumptions																																								
<p><b>A.1. Goal</b> To improve the performance of the education sector of developing countries. Sub-goals</p> <ol style="list-style-type: none"> <li>To increase the usefulness and use of economic measurement tools in education planning, decision making and management particularly as such tools are applied to the planning and management of non-formal education (NFE) programs.</li> </ol>	<p><b>A.2. Measurement of Goal Achievement</b> The education and training systems of LDCs take in larger proportions of their populations, provide some stipulated population with more relevant education and training, or both. Sub-goals:</p> <p>LDC and AID education planners and decision makers have available and use the methodologies to diagnose existing educational delivery systems and posit realistically their improvement through the adoption of cost effective NFE. AID assessments (DAPS and Sector Assessments) reflect more thorough understandings of the use and costs of NFE. LDC plans and programs for NFE increase in number and in quality.</p>	<p><b>A.3. (as related to goal)</b></p> <p>A. It is assumed that improved methodologies will lead to improved analysis and that improved analysis will, in turn, lead to improved performance and coverage within the educational systems of the LDCs.</p> <p>B. It is assumed that improved performance in education will lead to improved performance in the market place and that, in turn, will increase the likelihood of improving equity, employment and income disparities.</p> <p>C. It is also assumed that improved education analysis will lead to improved assistance requests.</p>																																								
<p><b>B.1. Purpose</b> The Project's purpose is to provide LDC and other (e.g., AID) planners and decision makers with analytical methodologies which are:</p> <ol style="list-style-type: none"> <li>required to make decisions about the costs of NFE projects;</li> <li>required to make decisions concerning the cost effectiveness/benefit of alternative education systems (NFE and Formal); and</li> <li>to provide those requiring the costing methodologies with methods for estimating the costs of employing such methodologies.</li> </ol>	<p><b>B.2. End of Project Status</b></p> <ol style="list-style-type: none"> <li>LDC and AID education planners and decision makers will have available for use methodologies for estimating costs and cost effectiveness/benefits of alternative programs using NFE and that the methodologies available to them will be appropriate for a range of decision making needs and capacity.</li> <li>LDC and AID education planners and decision makers will have case studies of specific field applications of the methodologies with information concerning the estimation of the costs of using the methodologies;</li> <li>AID and LDC staff will have met to discuss methods &amp; next steps.</li> </ol>	<p><b>B.3. (as related to purpose)</b></p> <p>A. It is assumed that the appropriate planning agencies within education will have, in varying degrees, willingness and capacity to employ cost analysis when considering the improvement of their learning systems.</p> <p>B. Such agencies will use methods if they are able to determine which methods to use within their own respective policy and resource constraints.</p> <p>C. AID will incorporate such analysis within its own policy and program documents.</p>																																								
<p><b>C.1. Outputs:</b> a set or sets of published methodologies for estimating the costs of NFE projects to include (Phase I): a range of methodologies which are related to a range of LDC analytical needs and capacities; detailed case studies of applications; a procedural guide for determining which of the methodologies are appropriate for a given country situation. For Phase II - similar publications covering the methodologies for cost/effectiveness/benefit decisions. Seminar/workshops held in connection with field trials and the provision of advisory services to Missions and LDCs.</p>	<p><b>C.2. Output Indicators</b></p> <ol style="list-style-type: none"> <li>Published methodologies for estimating the costs and cost effectiveness/benefits of NFE projects which include a range of methods; an outline of procedures for determining which method to use for a specific country situation; and specific case studies of methodological applications.</li> <li>A written report of the design and application of a typology of analytical needs and capacities.</li> <li>One or more seminar/workshops involving AID and LDC staffs.</li> <li>Advisory services are asked for and given.</li> </ol> <p>NOTE: The number of publications and the extent of their dissemination will be decided by the advisory panel to the project</p>	<p><b>C.3. (as related to outputs)</b></p> <p>A. There is a real and growing effective demand for improved analysis which can be satisfied, in part, by the provision of more readily usable analysis formats which users can relate to their own needs and capacities.</p> <p>B. The utility of methodologies is enhanced to the extent that potential users are aware of, able to understand and subsequently modify specific 'other country application.'</p>																																								
<p><b>D.1. Inputs:</b> A grant of \$400,000 to cover three years of operation broken into two phases. Grant will cover activities of a contractor to provide methodologies, publications and advisory services. Cost considerations of other NFE projects will feed this project. Staff from TA/EHR, Regional Bureaus, Missions and LDCs will serve on advisory panel.</p>	<p><b>D.2. Budget/Schedule</b></p> <table border="1"> <thead> <tr> <th></th> <th>Year 1</th> <th>Year 2</th> <th>Year 3</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Salaries</td> <td>72.0</td> <td>70.0</td> <td>70.0</td> <td>212.0</td> </tr> <tr> <td>Consultants</td> <td>10.0</td> <td>5.0</td> <td>5.0</td> <td>20.0</td> </tr> <tr> <td>Travel</td> <td>3.0</td> <td>11.0</td> <td>11.0</td> <td>25.0</td> </tr> <tr> <td>Field Service</td> <td></td> <td>12.5</td> <td>12.5</td> <td>25.0</td> </tr> <tr> <td>Mat. &amp; Pub.</td> <td>2.0</td> <td>2.0</td> <td>11.0</td> <td>15.0</td> </tr> <tr> <td>Overhead</td> <td>35.0</td> <td>34.0</td> <td>34.0</td> <td>103.0</td> </tr> <tr> <td><b>TOTAL</b></td> <td><b>122.0</b></td> <td><b>134.5</b></td> <td><b>143.5</b></td> <td><b>400.0</b></td> </tr> </tbody> </table>		Year 1	Year 2	Year 3	Total	Salaries	72.0	70.0	70.0	212.0	Consultants	10.0	5.0	5.0	20.0	Travel	3.0	11.0	11.0	25.0	Field Service		12.5	12.5	25.0	Mat. & Pub.	2.0	2.0	11.0	15.0	Overhead	35.0	34.0	34.0	103.0	<b>TOTAL</b>	<b>122.0</b>	<b>134.5</b>	<b>143.5</b>	<b>400.0</b>	<p><b>D.3. (as related to inputs)</b></p> <p>AID/W can control the analytical inputs to AID centrally funded projects in educational technology and, consequently, is able to assure that this methodological project will be usefully related to all centrally funded NFE projects. Missions call upon TA/EHR for advice and assistance in project design and evaluation and TA/EHR will call upon this project to provide some, but not all, of the services being requested by Missions and LDCs.</p>
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