

A.I.D. EVALUATION SUMMARY - PART I

1. BEFORE FILLING OUT THIS FORM, READ THE ATTACHED INSTRUCTIONS.
2. USE LETTER QUALITY TYPE, NOT "DOT MATRIX" TYPE.

IDENTIFICATION DATA					
A. Reporting A.I.D. Unit: Mission or AID/W Office <u>USAID/El Salvador</u> (ES# _____)		B. Was Evaluation Scheduled in Current FY Annual Evaluation Plan? Yes <input type="checkbox"/> Slipped <input checked="" type="checkbox"/> Ad Hoc <input type="checkbox"/> Evaluation Plan Submission Date: FY ____ Q ____		C. Evaluation Timing Interim <input checked="" type="checkbox"/> Final <input type="checkbox"/> Ex Post <input type="checkbox"/> Other <input type="checkbox"/>	
D. Activity or Activities Evaluated (List the following information for project(s) or program(s) evaluated; if not applicable, list title and date of the evaluation report.)					
Project No.	Project /Program Title	First PROAG or Equivalent (FY)	Most Recent PACD (Mo/Yr)	Planned LOP Cost (000)	Amount Obligated to Date (000)
519-0295	Education Systems Revitalization Project	1985	9/30/89	37,600	37,099
ACTIONS					
E. Action Decisions Approved By Mission or AID/W Office Director Action(s) Required: In response to the evaluation report, USAID/El Salvador has taken or is taking the following actions:			Name of Officer Responsible for Action	Date Action to be Completed	
1. Develop a priority listing of schools for distribution of furniture and equipment.			OET	10/87	
3. In the maintenance component, stress preventive maintenance and deemphasize corrective maintenance.			OET	10/87	
4. Increase the administrative and management capacity of APRE.			OET	on going	
5. Increase use of counterpart contributions.			OET	on going	
7. The GOES Action Plan format should be revised.			MOE, MOP, OET	on going	
8. Provide in-service training.			OET	on going	
9. Assign a delegate of Corte de Cuentas in APRE.			MOE	10/87	
12. Integrate planned MIS with MOE's existing data base.			MOE, OET	1/89	
13. Avoid over centralization of MIS.			MOE, OET	on going	
14. Develop a Project activity progress tracking system.			MOE, OET	on going	
Recommendations number 2, 6, 10 and 11 are discussed under block "L".			(Attach extra sheet if necessary)		
APPROVALS					
F. Date Of Mission Or AID/W Office Review Of Evaluation:			(Month) 3	(Day) 21	(Year) 88
G. Approvals of Evaluation Summary And Action Decisions:					
Name (Typed)	Project/Program Officer	Representative of Borrower/Grantee	Evaluation Officer	Mission or AID/W Office Director	
Signature	Henry L. Miles		H. Diez de Medina	W.G. Kaschak	
Date	<i>[Signature]</i>		<i>[Signature]</i>	<i>[Signature]</i>	

A B S T R A C T

H. Evaluation Abstract (Do not exceed the space provided)

H. EVALUATION ABSTRACT

The project consists of assistance to the Government of El Salvador to restore the effectiveness and accessibility of primary education services to near pre-conflict levels. The project is being implemented by the Ministry of Education through the Special Management Unit - APRE, with technical assistance from the University of New Mexico. This interim evaluation was conducted by a group of three consultants from the Academy for Educational Development (AED), on the basis of the review of project documentation and interviews with project officials of the Management Unit - APRE, USAID/El Salvador, University of New Mexico - UNM and from other institutions involved in project implementation. The purpose was to assess the status of the components of the project. The major findings by components are:

1. Component 1. School repair, renovation and construction. This component is seriously delayed in implementation.
2. Component 2. School maintenance. Progress is satisfactory.
3. Component 3. School furniture, equipment and supplies. The progress under this component is satisfactory.
4. Component 4. Textbooks. Progress under this component is satisfactory.
5. Component 5. Administration and Management. The special management unit, APRE, has not been effective in providing administrative support to the project.

The two years of project implementation experience show that this is a very complex project to administer. It took about a year to put in place a relatively viable management capability. The demands during the first year of the project were many. A new management unit had to be set up, learning how properly to put together Action Plans had to be accomplished and, it was also necessary to learn and understand the A.I.D. procurement system, as well as the functions of various GOES institutions.

The activities undertaken in the performance of this project have been within the purview of a large number of institutional actors, both from the private and public sectors. During the two years that the project has been in existence, some of the institutional participants have made specific inputs and then no longer participated, others have been incorporated and then had their participation cancelled. Adding to the complexity of the project, an extraordinary number of interactions between different institutions was involved. Some of the interactions were mandated by law, while others were implied or expected by project documents or design. Some of the interactions were between separate ministries of the Government of El Salvador (GOES), yet others between entities of the Ministry of Education (MOE), and finally others involved private sector groups and international organizations.

C O S T S

I. Evaluation Costs

1. Evaluation Team		Contract Number OR TDY Person Days	Contract Cost OR TDY Cost (U.S. \$)	Source of Funds
Name	Affiliation			
William M. Feldman	Academy for	LAC-000-C-00- 6074-00		519-0295
John T. Gloetzner	Educational			
Bruce C. Newman	Development			
2. Mission/Office Professional Staff Person-Days (Estimate) <u>9</u>		3. Borrower/Grantee Professional Staff Person-Days (Estimate) <u>12</u>		

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A.I.D. EVALUATION SUMMARY - PART II

SUMMARY

J. Summary of Evaluation Findings, Conclusions and Recommendations (Try not to exceed the three (3) pages provided)

Address the following items:

- | | |
|--|--|
| <ul style="list-style-type: none"> • Purpose of evaluation and methodology used • Purpose of activity(ies) evaluated • Findings and conclusions (relate to questions) | <ul style="list-style-type: none"> • Principal recommendations • Lessons learned |
|--|--|

Mission or Office: USAID/El Salvador	Date This Summary Prepared: 6/07/88	Title And Date Of Full Evaluation Report: Interim Evaluation Report Education Systems Revitalization Project
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J. SUMMARY OF EVALUATION FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

The goal of the project is to improve the educational status of the Salvadoran population, and the project purpose is to restore the efficiency and accessibility of educational services in El Salvador to pre-conflict levels and to address the special educational needs of the agrarian reform beneficiaries and displaced persons. The purpose of the evaluation was to assess the status of the project, focusing the work primarily on the efficiency of various processes and structures employed by the Ministry of Education and other institutions implementing the Project. During the evaluation, the following activities were undertaken. Review of project documents available in USAID/El Salvador, in the GOES, MOE and APRE, the University of New Mexico and others. The team interviewed officials of the above-mentioned institutions and applied analytical methods to determine project bottlenecks and other problems, and to model alternative solutions to them.

The findings are:

1. Component 1. This component is seriously delayed in implementation. The major factor which has prevented this component from progressing on schedule is the breakdown of the pre-bidding data gathering activities at the start of the project.
2. Component 2. This component has to date carried out a pilot project with 25 schools, established a process for community self-help programs in school conservation, is in the process of completing a pilot program in school desk repair, and has produced maintenance manuals to be distributed to the nation's schools along with maintenance kits. The school conservation portion of this component is carried out by parents, teachers and students. The MOE provides tool kits, training and "How-to" manuals.
3. Component 3. The procurement aspects of this component, carried out by a USAID/ES Procurement Services Agent (PSA) have progressed satisfactorily. Distribution has been made to approximately 290 classrooms, most of which were not those considered in Component 1 because of delays discussed above.
4. Component 4. Textbook publication was transferred to the IBRD when they reassumed responsibility for this activity. The selection and training of teacher trainers was carried out on schedule. Presently there are 42 trainers who have trained over 4,000 teachers in the use of the IBRD textbooks. This component also financed the printing and distribution of 25,000 Curriculum Guides to be used by primary school teachers.
5. Component 5. The special management unit, APRE, has not been effective in administrative support of the four technical components of the Project. Ambiguity in the definition of its appropriate role in implementation resulted in understaffing of key positions, which contributed to this situation. Another contributing factor was the emphasis placed on the technical components once the project began. The dual role of this unit for contracting, procurement and other essential administrative services and for the technical side of its responsibilities was not thoroughly considered.

The major conclusions are:

1. APRE's administrative support of the technical components has been weak because the administration has not been effectively integrated in the planning stages, even though the technical component implementation directly relies upon administrative processes.

The failure to clearly understand the dual function of the administrative unit in both internal operation and technical component implementation resulted in severe understaffing in specific areas fundamental for project success, such as procurement. This is reflected in the inability to handle local procurement for Component 3, and in procedural errors during contracting in Component 1.

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2. Administratively, APRE is linked directly to the office of the Vice-Minister, which places it at the same level as a General Directorate within the MCE structure. The Vice-Minister has delegated necessary authority to the Director of APRE for its internal management. His authority, of course, does not extend to other MCE units, and thus required coordination with these units occurs through the intervention of the Vice-Minister. Because the regional offices are also linked directly to the Vice-Minister rather than through the General Directorates, APRE's work at these levels is facilitated.
 3. APRE technicians appear to be competent in the use of planning techniques, but do not currently employ these methods during the implementation process itself. Updating of component plans and tracking of progress toward the Project goals is not presently performed, resulting in an inability to adapt the plans to new circumstances and evaluate accomplishments. Moreover, the Action Plan exercise has not included the appropriate involvement of administrative personnel whose role in implementation is indispensable.
 4. Currently, APRE is authorized to procure goods and services on the open market in an amount up to C25,000.00 per month. The poor experience with the procurement of school supplies by APRE would indicate that substantial upgrading of this capacity is needed if APRE is again to assume a procurement role for this Project. One major constraint continues to be the understaffing of the Finance and Procurement Departments, which necessarily have to manage the day-to-day administrative workload of APRE.
 5. The normal GOES process for the approval of internal budgets is cumbersome, but the procedures have been simplified because this Project is externally financed. This limits the review and approval process to SETEPE and the Corte de Cuentas. Most delays experienced to date involving these entities have been caused by deficiencies in the documents under review, e.g. action plans, contracts, requests for funds.
 6. In the past, appropriate FIL's and Handbook II were not shared among key staff. This created difficulties in the preparation and timely approval of action plans, contracts and disbursement requests. This situation has now been remedied through the routine circulation of relevant project documents to both technical and administrative personnel. Some administrative staff possess extensive knowledge of the contents of official project documentation and the procedures detailed therein.
 7. The human resources currently available to this Project within the MCE are not sufficient for optimum implementation. Although adequate funds are budgeted for this purpose, Presidential Decree II prohibits direct hiring of new personnel and freezes vacant positions within the GOES.
 8. There are a number of constraints to project implementation which are presented by the GOES legal and procedural system, some of which have been discussed above. Decree II can only be circumvented through a change in funding source or the granting of special relief from its restrictions, e.g. use of U.S. project funds in place of FL 480 counterpart. The current Grant Agreement does not include specific allocations of FL 480 funds which are permissible under prevailing GOES policy. The Action Plan cannot presently be amended, and thus permit flexibility in response to changing conditions. Another constraint is the sequential, rather than parallel, processing of funds requests and contracts. SETEPE's practice of not initiating its approval process until USAID funds are received creates delays commensurate with those inherent in USAID's disbursement mechanism.
- Other problems of a less significant nature have included ceilings on rents which may be paid by APRE, and the processing of per diem for project personnel, which are subject to GOES procedures limitations.
9. The Reconstruction Activity of Component 1 will not meet its objective of 2,400 reconstructed classrooms by PACL. To do so would imply a reconstruction rate of approximately four classrooms per day. At present, contracts have been awarded for the reconstruction of only 105 classrooms. It is apparent that some reprogramming of funds should be forthcoming in order to strengthen or enhance other components, e.g. the construction of new schools.
 10. A major cause of the delays experienced in Component 1 was the failure to make immediate provision for the continuance of the field services originally the responsibility of CCA, as soon as it became apparent that they would not fulfill their obligations. Since the decision had been made to contract private firms for

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S U M M A R Y (Continued)

construction and reconstruction activities, the topographical and site survey specifications and other pre-bidding services were prerequisite and crucial to the contracting process. The assumption of these activities by the MCE through its understaffed DOM unit was not an appropriate solution.

The evaluation team was unable to determine with certainty the origin of the decision to assign these activities to the DOM. On the one hand, the team was informed that the MCE voluntarily offered to undertake these activities. On the other hand, written documents of that period (February 1987) indicate that APFE was informed that a new A.I.L. technical assistance contract to be awarded by USAID/ES to support the 519-0255 project would not include pre-bidding services and that APFE, through Component 1 and with the support of the MCE, would be responsible for these tasks. It appears that the crucial nature of the pre-bid services, and the impact their absence would have upon the progress of the component, was overlooked by the decision-makers involved.

At the time of the evaluation, this situation has still not been satisfactorily resolved. Even in the amendments to the UNM contract, dated February and March 1987, the A&E activities listed in the scopes of work fall far short of those required by the Project and originally expected of CCA.

11. Knowledge of the complexities of the GOES and USAID/ES procedural systems is imperfect and dispersed among the APFE staff. Presently, no single office or individual has complete cognizance of all relevant procedural matters, nor is up-to-date information maintained on modifications to the legal and procedural requirements.
12. The information requirements of this Project have not been adequately fulfilled by the Baseline Data Survey, nor have appropriate steps yet been taken to provide a current and useful information base for the future. The technical components have had to draw upon a variety of data sources, some current and reliable and others not, in order to plan or conduct implementation. These data have not been integrated into a coherent and permanent management information resource system, or MIS. Even now, project activities are generating changes in the school inventory, and obtaining detailed information through site visits and surveys. The data produced are not yet being incorporated into the data base, and thus an opportunity to improve the detail and quality of the information base is being lost.

The UNM has noted that much progress is not being made that the evaluation team has not mentioned and its future plans include updating and integrating the baseline survey information. USAID/ES has indicated that the evaluation distorts the nature of the data base issue and especially its impact on the project. The Director of CEI has stimulated UNM to resolve the data base question.

Recommendations

1. As a key component of the project which has maximum immediate impact, the delivery of school furniture, equipment and supplies should not be dependent upon completion of project constructed or reconstructed schools. Available stock should be placed as soon as logistically feasible in existing schools whether or not presently slated for project activities. A new school qualification and priority listing for this purpose should be developed. It should include CONARA/UPR schools, DOM post-earthquake rehabilitated schools, as well as schools which did not qualify for reconstruction activities because they were insufficiently deteriorated. It should also be considered that student and teacher desks, chairs and supplies in even a dirt floor school have an impact on the learning environment, which on balance is probably more important than some potential physical deterioration of the equipment. If an Amendment to the Grant Agreement is required in order to permit these changes to the distribution plan, then that Amendment should be simultaneously formalized.

The evaluation team recognized that some of these recommended activities are already happening. For example, CONARA/UPR schools are included in the program and USAID/ES has committed itself to furnish earthquake damaged schools if IBERC agreed to provide funds for permanent schools.

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ATTACHMENTS

K. Attachments (List attachments submitted with this Evaluation Summary; always attach copy of full evaluation report, even if one was submitted earlier; attach studies, surveys, etc., from "on-going" evaluation, if relevant to the evaluation report.)

Interim Evaluation Report - Education System Revitalization Project

COMMENTS

L. Comments By Mission, AID/W Office and Borrower/Grantee On Full Report

Mission believes the following evaluation recommendations are unrealistic and/or not feasible:

2. Reduce the number of reconstructed classrooms and increase new construction. This recommendation is unrealistic because it is contrary to the purpose of the project which is to increase access of children to schools.
6. Create new mechanisms for faster funds disbursement. This recommendation is unrealistic, because it would require changes in the procedures of the U.S. Treasury Department. In the interim, new internal procedures and delegations of authority are contributing to faster disbursements.
10. Increase commitment of Ministry of Education through workshops. This recommendation has been tried, but found of little utility in really bringing about commitment.
11. Have contractors provide technical assistance and in-service training in their area of expertise.

This is not feasible, mainly because the contractor's time is limited and the scope of work does not include these activities.

2. Based on the experience to be gained from the initial classroom reconstruction packages recently awarded, a reduced and more realistic figure for the number of classrooms to be reconstructed should be determined. Depending on how well the construction of new classrooms proceeds, now that technical assistance and supervision from UNM is in place, the number of new classrooms to be built could also be increased in proportion to the projected funds not to be spent in reconstruction. Legal constraints restricting construction to sites where the MOE holds valid title, the physical adequacy of those sites for construction, and GOES budget limitations on the purchase of new land, all create difficulties for the construction component. Existing schools on MOE land with classrooms that are so dilapidated that they do not qualify for reconstruction could be considered for demolition or expansion in order that new classrooms can be built. Demolition should be a 100% GOES or local community activity. This should probably be carried out during the annual vacation period, and may, if properly coordinated, permit new classrooms to be built in time for the new school year.
3. A more realistic approach should also be devised for the maintenance component. This requires, more than anything, determining whether the impact of the component will primarily reside in the distribution of tool kits and manuals to schools for preventative maintenance purposes, or in the distribution of equipment to MOE Regional DDM offices to support corrective maintenance. In the former cases, the pilot self-help program is working. As many as 1,000 parents and students have participated in training sessions for the utilization of school training kits. Parents are learning how to raise and invest funds for school conservation. If corrective maintenance is the priority, then it must be determined what additional support, other than the regional maintenance equipment, is required by the Regional DDM Offices. Examples would be fuel, per diem, materials, etc.
4. Component 5, the administrative and management core of APFE, must receive additional staff in order to respond in a timely manner to the demands that are placed upon it by the technical components, both for internal and external matters. A management plan must be developed which takes into account the requirements of the technical components. Appropriate staff levels and skills should be identified as a result of this exercise. Special attention should be placed on the creation of an expeditor position, to be staffed by an individual capable of organizing the requirements of the various Project oversight agencies in order to assure that the procedures and regulation of those agencies are adhered to before documentation is forwarded for approval.
5. In order to increase use of FL 480 counterpart contributions, an amendment to the Grant Agreement should be negotiated which will allocate FL 480 counterpart availabilities to specific project activities. At the same time, grant funds should be reallocated to cover those line items of the budget that presently suffer from GOES restrictions. Care should be taken that Grant Funds are not extensively used in areas that may create excessive recurrent costs to the GOES. The amendment should also establish the use of FL 480 funds for non-Personal Services Contracts for specific activities to avoid delays in SETEFE and Corte de Cuentas approval. An amendment which clearly states the object of FL 480 funds use, and the mechanisms to be employed for that use should be explicitly stated. This would limit the interpretative flexibility by GOES entities which result in processing delays because of uncertainty with respect to activities that bring new elements into consideration. If such an amendment cannot be achieved, as a last resort the USAID/ES, the MOE and APFE might petition the Office of the President for relief from Decree II for the purposes of this project.
6. In the area of funds disbursement, mechanisms should be examined which would reduce delays that are inherent in the disbursement from the Regional Finance Center in Mexico City. SETEFE does not initiate its funds approval process until funds are actually in hand, i.e. the Corte de Cuentas cannot approve any transaction until funds are actually deposited in SETEFE's account. USAID/ES should also directly inform APFE when funds for its activities are deposited with SETEFE, in order to ensure their prompt utilization.
7. The Action Plan format should be revised to permit it to be used as a realistic guide to implementation. This should be carried out jointly by APFE, SETEFE, and USAID/ES in order to achieve the following:
 - a. A general Action Plan for the four technical components and a specific management plan for the fifth component, in one document, which would indicate how component activities would be integrated. The four technical components would lay out, in the general Action Plan, the principal activities to be undertaken and include year-end goals and budget benchmarks.

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- b. Along with a request for funds, the technical components would present detailed Action Plans which would be specific with respect to the use of those funds.
- c. Preparation and solicitation of approval of the general Action Plan at least two months prior to the end of the current year.
- d. Establishment of an amendment process to accommodate modifications that might occur during the implementation process as requirements change during the current year.

The modification to the Action Plan process suggested above should be accomplished through the development of special procedures for APRE as permitted by the GOES General Budget Regulations, Chapter 1, Article 8.

The evaluation team recognized that a special study will be needed to do the staff development required. USAID/ES should organize such an initiative under APRE auspices.

8. Besides the specific changes suggested above to speed implementation, it is recommended that a number of activities be undertaken to provide depth to the Project and increase implementing collaboration among the participants. For example, in-service and/or evening courses should be devised for APRE, MOE, and SETEPE personnel in areas relevant to project management and implementation in general. Content should include the essentials of construction contracting, procurement techniques, integrated budget-program planning, report and document formatting, essentials of bid analysis, basics of evaluation, procedures to make modifications in planned activities, etc. To satisfy the long-term needs of the MOE, select personnel should be chosen for training in education administration and public administration.
9. To further expedite implementation the Corte de Cuentas should assign a delegate directly to APRE to review all documentation from APRE prior to its being forwarded to the Central Office of the Corte de Cuentas in order to detect errors and/or omissions.
10. In order to enhance the feeling of commitment to the project, it is recommended that twice a year USAID/ES finance a one or two day workshop, held under the auspices of APRE, for participating agencies. This would include GOES agencies, MOE entities, USAID contractors (UNM, RONCO) and USAID/ES personnel involved in the project. The purpose would be jointly to develop solutions to project implementation problems.
11. It is strongly recommended that any USAID/ES contractor that participates in the project be required to provide technical assistance and in-service training in their areas of expertise to appropriate personnel. For example, RONCO Consulting Corporation has demonstrated ability in the procurement field, and APRE a demonstrated weakness in this particular area. In view of overall USAID/ES development objectives for increasing GOES efficiency, it would appear reasonable that companies like RONCO be required to increase local capabilities in a given field. This would impact on future projects as well.
12. The MIS effort associated with this Project and now being planned by UNM should be integrated with the existing information base of the MOE. This approach is needed to enhance the probability of the MIS surviving after the project, and should also promote the use of existing data within the MOE for a variety of project and MOE purposes. The DITE is the necessary linkage to assure long term viability of the MIS.
13. The MIS advisor should include in his design the support of data collection and preliminary processing of information at the regional and sub-regional levels, in order to avoid an over-centralized data collection effort. The system designed should deal with data useful at the regional/sub-regional offices in their internal planning, decision-making and management activities in order to continuously update the central and remote information databases if they are to remain useful. Data sharing between APRE, DITE and UNM must also be provided for.
14. At the time of the present evaluation, a project activity progress tracking system was under development. Proper provision must be made for continuous updating of this information from supervisors, either directly or through other personnel who would process site reports. These data must also update the school inventory database. Feedback to the supervisors, as well as the need for data summarization, extraction, transfer and integration should also receive careful attention in the design and implementation phase of this application.

XD - AAX-908-A

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INTERIM EVALUATION REPORT

**El Salvador Education System Revitalization Project
(USAID Project 519-0295)**

July 1987

Prepared by:

**William M. Feldman
John T. Gloetzner
Bruce C. Newman**

This report was prepared under Contract No. LAC-0000-C-00-6074-00, Technical Service Order No. 0015, between the United States Agency for International Development, and the Academy for Educational Development, Inc.

EXECUTIVE SUMMARY

A. Prefatory Note

The Education System Revitalization Project (519-0295) was initiated on April 18, 1985, and has a project activity completion date of September 30, 1989. The two years of experience with the project confirmed for all that it is a very complex project to administer and those in varying degrees involved in AID/LAC/DR, USAID/ES, the GOES Ministry of Education and about 15 other organizational entities bear witness to that fact. That it took approximately one year to put in place a relatively viable management capability should not come as a surprise. All involved worked long and hard. The diversion due to the earthquake of October 10, 1986 alone created a delay of about 3 months and caused shortages in construction materials.

The demands especially during the first year of the project were many. A new management unit (APRE) had to be set up, staffed and its functions defined for external and internal working relationships. Learning how properly to put together Action Plans and accommodate to one program approval system had to be accomplished. Orienting itself on the A.I.D. procurement system and making it operate in the Salvadoran environment was required. Oversight functions of various GOES review and approval entities had to be understood. The list of considerations is much longer as will become evident in the evaluation report.

B. Project Background

USAID/ES developed the Education System Revitalization Project (519-0295) in response to recommendations contained in Chapter 5 of the National Bipartisan Commission on Central America (NBCCA) report presented to the Government of El Salvador to restore the effectiveness and accessibility of the primary education system in the country to near pre-conflict levels, through the renovation or repair of 2,400 classrooms, construction of 400 new classrooms, procurement and distribution of school furniture, materials and supplies to 3,800 classrooms, including the 2,800 built or renovated under the project, production and distribution of 3.5 million textbooks, and the establishment of a nationwide school maintenance system. These project outputs were expected to allow over 200,000 primary school students to regain access to basic educational services. The Project was authorized on April 2, 1985 for a four year period with a funding level of US \$37,600,000 in grant funds, complemented by the local currency equivalent of US \$13,000,000 in counterpart funds, for a total project budget of US \$50,600,000.

As stated in the Project Paper, five components would be established in order to achieve the project purposes:

1. School Repair, Renovation and Construction. Based upon an analysis of data from a Baseline Study to be conducted under the Project, some 2,400 classrooms were to be identified and repaired or restored. Additionally, sites would be identified to maximize new enrollment, and construction of 400 new classrooms performed. This component was budgeted at US \$20,558,000.

2. School Maintenance System. Because of the severely limited ability of the MOE to maintain schools within the system, this component was designed to enable the MOE to respond to the maintenance requirement. Vehicles, equipment and materials would be provided with project resources, and efforts undertaken to promote teacher and community involvement in preventative maintenance. "Maintenance kits", consisting of basic tools and a simplified maintenance manual, would be developed and distributed under this component. These activities were budgeted at US \$4,748,000.
3. School Furniture and Equipment. Equipment furniture and supplies needed to equip the 2,800 classrooms restored or constructed by the Project, as well as in an additional 1,000 classrooms, would be procured and distributed by this component. Classrooms would be provided with students' and teachers' desks and chairs, a blackboard, bookshelf, as well as supplies (chalk, erasers, pencils, maps and other teaching materials, and student notebooks). US \$9,535,000 were budgeted for these goods.
4. Textbooks. This component was originally designed to complement efforts undertaken by the MOE's PLANALIBRE, the National School Book Program, with financing from the International Bank for Reconstruction and Development (IBRD) in the development and distribution of textbooks and teacher guides for primary schools. At the time of the Project Paper, the IBRD intended to limit production to textbooks and guides for grades one through four, and the planned distribution would exclude most urban areas. This component was to complete the primary school series and provide for distribution to all public schools, both urban and rural. US \$3,900,000 were budgeted for the component.

Because the IBRD later decided to expand its support of the textbook program coverage, this component was changed to focus on training some 15,000 primary school teachers in the use of the textbooks, teacher guides and student workbooks. This activity is to provide adequate and sufficient training materials to 48 teacher trainers located in the six educational sub-regions, who in turn will train the 15,000 target teachers. Additionally, technical assistance and training is to be provided to personnel both from the Project and from other MOE units.

5. Administration and Management. The Project Agreement included the creation of a special management unit (SMU) in order to improve the implementing capability of the MOE with regard to the activities contemplated within the Project. This SMU would have a Project Coordinator (now Director) acting as head of the unit, with overall responsibility for administration and coordination of the Project and act as liaison with and have direct access to both the Minister of Education and the USAID Mission. The Project Coordinator would be assisted by an administrative assistant and/or contract/procurement specialist, a textbook specialist, engineer, architect, construction technician and a maintenance specialist, as well as a controller and accountant. These professional staff, selected through a joint MOE/USAID process, would assist in the development of implementation plans and time-phased schedules, and oversee the functions and responsibilities of their respective areas of expertise.

Because the SMU was envisioned as a temporary entity whose sole responsibility was to plan, coordinate and supervise the activities of the Project, financing was provided for the SMU by the Project, budgeted at US \$3,133,000, including salaries operating costs, equipment, vehicles, technical assistance and auditing.

The Project was initiated on April 18, 1985, with a Project Activity Completion Date (PACD) of September 30, 1989. The SMU, APRE was created by MOE Decree No. 1647 on May 29, 1985, and key staff positions were filled during the following four months. The provision of operating funds suffered delay, and the approval of the component Action Plans (AP's) and of funding for the component activities was not achieved until April, 1986, nearly a full year after Project initiation.

C. Purpose of Evaluation

The purpose of the evaluation was to assess the status of the Project, focusing the evaluation work primarily on the efficiency of various processes and structures employed by the Ministry of Education (MOE) and related Government of El Salvador entities for achieving Education System Revitalization Project goals of building 400 new classrooms; rehabilitating 2,400 classrooms; equipping 3,800 classrooms; training 15,000 classroom teachers; and establishing an administrative unit within the MOE capable of planning/implementing projects supported with external financing. In assessing the various processes employed by APRE and the MOE, the evaluation team will take the five project components described in the Project Background into account as appropriate.

D. Methodology

In the course of the evaluation, the following types of activities were undertaken:

- Review of project documents and products available from USAID/ES, APRE, UNM, MOE and other Government of El Salvador (GOES) offices and institutions.
- Interviews with principal project personnel in USAID/El Salvador and the UNM technical assistance staff.
- Interviews with principal project personnel in APRE.
- Interviews with personnel of the MOE and other GOES institutions involved with the project implementation.
- Application of analytic methods to determine project bottlenecks and other problems, and to model alternative solutions to them.

E. Findings

The Project consists of five components detailed in the Project Background above that were designed to regain the status of the educational system prior to the civil conflict which intensified in 1979. The components had specific areas of focus: 1. School Repair, Renovation and Construction, including construction of 400 new classrooms and the reconstruction of 2,400 existing classrooms; 2. School Maintenance, designed to enable the MOE to respond to corrective maintenance requirements and to promote teacher and community involvement in preventative maintenance; 3. School Furniture, Equipment and Supplies, planned to equip and

supply the 2,800 classrooms constructed and reconstructed under the project plus an additional 1,000 classrooms; 4. Textbooks, originally planned for publication along with teacher guides, and later modified to concentrate on the training of 15,000 teachers in the use of those texts; 5. Administration and Management, which included the creation of a special management unit (APRE) in order to improve the implementing capability of the MOE with regard to the activities contemplated within the Project. The current status of these components is as follows:

Component 1. This component is seriously delayed in implementation. At present, construction of only 40 classrooms has been initiated, and only 11 have been finished. Contracts for 103 additional classrooms have been awarded, and 62 classrooms are pending. In reconstruction activities, contracts for only 105 classrooms, of the total 2,400 planned, have been awarded. The major factor which has prevented this component from progressing on schedule is the breakdown of the pre-bidding data gathering activities at the start of the project. The USAID/ES contractor responsible for this activity, CCA, was dismissed at the end of 1985. The decision was made to assign these activities to the Directorate for Construction and Maintenance in the Ministry of Education and APRE, the Special Management Unit. Unfortunately, they did not follow through. USAID/ES approved funds for the MOE to hire a local firm to assist APRE with this function but a firm was never selected. Finally at USAID/ES's request, pre-bid services were assumed by the University of New Mexico in February, 1987.

Component 2. This component has to date carried out a pilot project with 25 schools, established a process for community self-help programs in school conservation, is in the process of completing a pilot program in school desk repair (which will eventually become a regional office activity), and has produced maintenance manuals to be distributed to the nation's schools along with maintenance kits. The school conservation portion of this component is carried out by parents, teachers and students. The MOE provides only the tool kits, training and "How To" manuals.

Plans to distribute the maintenance equipment to MOE regional offices for use by DCM personnel have progressed well. The slowness in implementation of the community-based portion of this component (school conservation) can be attributed to the lack of an action plan to create a national school repair system which required the hiring of 214 new personnel (most of whom were to be short-term contract employees) with GOES counterpart funds. This was rejected by the GOES as unrealistic, as well as violating the Decree 11 hiring freeze.

To establish a program for repairing approximately 14,000 classrooms will require either the transfer of existing MOE employees and/or underutilized employees from other GOES ministries or the granting of relief from the Presidential Decree 11 hiring freeze.

Component 3. The procurement aspects of this component, carried out by a USAID/ES Procurement Services Agent (PSA) have progressed satisfactorily. Distribution has been made to approximately 290 classrooms, most of which were not those considered in Component 1 because of delays discussed above.

Component 4. Textbook publication was transferred to the IBRD when they reassumed responsibility for this activity. The selection and training of teacher trainers was carried out on schedule. Presently there are 42 trainers who have trained over 4,000 teachers in the use of the IBRD textbooks. This component also financed the printing and distribution of 25,000 Curriculum Guides to be used by primary school teachers.

Component 5. The special management unit, APRE, has not been effective in administrative support of the four technical components of the Project. Ambiguity in the definition of its appropriate role in implementation resulted in understaffing of key positions, which contributed to this situation. Another contributing factor was the emphasis placed on the technical components once the project began. The dual role of this unit for contracting, procurement and other essential administrative services and for the technical side of its responsibilities was not thoroughly considered.

F. CONCLUSIONS

The major conclusions reached are as follows:

1. APRE's administrative support of the technical components has been weak because the administration has not been effectively integrated in the planning stages, even though the technical component implementation directly relies upon administrative processes.

The failure to clearly understand the dual function of the administrative unit in both internal operation and technical component implementation resulted in severe understaffing in specific areas fundamental for project success, such as procurement. This is reflected in the inability to handle local procurement for Component 3, and in procedural errors during contracting in Component 1.

2. Administratively, APRE is linked directly to the office of the Vice-Minister, which places it at the same level as a General Directorate within the MOE structure. The Vice-Minister has delegated necessary authority to the Director of APRE for its internal management. His authority, of course, does not extend to other MOE units, and thus required coordination with these units occurs through the intervention of the Vice-Minister. Because the regional offices are also linked directly to the Vice-Minister rather than through the General Directorates, APRE's work at these levels is facilitated.
3. APRE technicians appear to be competent in the use of planning techniques, but do not currently employ these methods during the implementation process itself. Updating of component plans and tracking of progress toward the Project goals is not presently performed, resulting in an inability to adapt the plans to new circumstances and evaluate accomplishments. Moreover, the Action Plan exercise has not included the appropriate involvement of administrative personnel whose role in implementation is indispensable.
4. Currently, APRE is authorized to procure goods and services on the open market in an amount up to ₺25,000.00 per month. The poor experience with the procurement of school supplies by APRE would indicate that

substantial upgrading of this capacity is needed if APRE is again to assume a procurement role for this Project. One major constraint continues to be the understaffing of the Finance and Procurement Departments, which necessarily have to manage the day-to-day administrative workload of APRE. Specialized additional staff is required for APRE to expand effectively their procurement responsibility. If this issue is attended to, APRE could manage local procurement of supplies required by the Project.

5. The normal GOES process for the approval of internal budgets is cumbersome, but the procedures have been simplified because this Project is externally financed. This limits the review and approval process to SETEFE and the Corte de Cuentas. Most delays experienced to date involving these entities have been caused by deficiencies in the documents under review (Action Plans, contracts, requests for funds).
6. In the past, appropriate PIL's and Handbook 11 were not shared among key staff. This created difficulties in the preparation and timely approval of Action Plans, contracts and disbursement requests. This situation has now been remedied through the routine circulation of relevant project documents to both technical and administrative personnel. Some administrative staff possess extensive knowledge of the contents of official project documentation and the procedures detailed therein.
7. The human resources currently available to this Project within the MOE are not sufficient for opportune implementation. Although adequate funds are budgeted for this purpose, Presidential Decree 11 prohibits direct hiring of new personnel and freezes vacant positions within the GOES.
8. There are a number of constraints to project implementation which are presented by the GOES legal and procedural system, some of which have been discussed above. Decree 11 can only be circumvented through a change in funding source or the granting of special relief from its restrictions (e.g., use of U.S. project funds not PL480 counterpart). The current Grant Agreement does not include specific allocations of PL480 funds which are permissible under prevailing GOES policy. The Action Plan cannot presently be amended, and thus permit flexibility in response to changing conditions. Another constraint is the sequential, rather than parallel, processing of funds requests and contracts. SETEFE's practice of not initiating its approval process until USAID funds are received creates delays commensurate with those inherent in USAID's disbursement mechanism.

Other problems of a less significant nature have included ceilings on rents which may be paid by APRE, and the processing of per diem for project personnel, which are subject to GOES procedures limitations.

9. The Reconstruction Activity of Component 1 will not meet its objective of 2,400 reconstructed classrooms by PACD. To do so would imply a reconstruction rate of approximately four classrooms per day. At present, contracts have been awarded for the reconstruction of only 105 classrooms. It is apparent that some reprogramming of funds should be forthcoming in order to strengthen or enhance other components, e.g., the construction of new schools.

10. A major cause of the delays experienced in Component 1 was the failure to make immediate provision for the continuance the field services originally the responsibility of CCA, as soon as it became apparent that they would not fulfill their obligations. Since the decision had been made to contract private firms for construction and reconstruction activities, the topographical and site survey specifications and other pre-bidding services were prerequisite and crucial to the contracting process. The assumption of these activities by the MOE through its understaffed DCM unit was not an appropriate solution.

The evaluation team was unable to determine with certainty the origin of the decision to assign these activities to the DCM. On the one hand, the team was informed that the MOE voluntarily offered to undertake these activities. On the other hand, written documents of that period (February, 1986) indicate that APRE was informed that a new AID contract to be awarded by USAID/ES would not include pre-bidding services and that APRE, through Component 1 and with the support of the MOE, would be responsible for these tasks. It appears that the crucial nature of the pre-bid services, and the impact their absence would have upon the progress of the component, was overlooked by the decision-makers involved.

At the time of the evaluation, this situation has still not been satisfactorily resolved. Even in the amendments to the UNM contracts, dated February and March, 1987, the A&E activities listed in the scopes of work fall far short of those required by the Project and originally expected of CCA.

11. Knowledge of all the complexities of the GOES and USAID/ES procedural systems is imperfect and dispersed among the APRE staff. Presently, no single office or individual has complete cognizance of all relevant procedural matters, nor is up-to-date information maintained on modifications to the legal and procedural requirements. Given the importance of these processes for Project implementation, this situation represents a major impediment for Component 5.
12. The information requirements of this Project have not been adequately fulfilled by the Baseline Data Survey, nor have appropriate steps yet been taken to provide a current and useful information base for the future. The technical components have had to draw upon a variety to data sources, some current and reliable and others not, in order to plan or conduct implementation. These data have not been integrated into a coherent and permanent information resource system, or MIS. Even now, project activities are generating changes in the school inventory, and obtaining detailed information through site visits and surveys. The data produced are not yet being incorporated into the data base, and thus an opportunity to improve the detail and quality of the information base is being lost.

The UNM has noted that much progress is now being made that the evaluation team has not mentioned and its future plans include updating and integrating the baseline survey information. USAID/ES has indicated that the evaluation distorts the nature of the data base issue and especially its impact on the project. The Director of OET has stimulated UNM to resolve the data base question.

G. Recommendations

The major recommendations are as follows:

1. As a key component of the project which has maximum immediate impact, the delivery of school furniture, equipment and supplies should not be dependent upon completion of project constructed or reconstructed schools. Available stock should be placed as soon as logistically feasible in existing schools whether or not presently slated for project activities. A new school qualification and priority listing for this purpose should be developed. It should include CONARA/UPR schools, DCM post-earthquake rehabilitated schools, as well as schools which did not qualify for reconstruction activities because they were insufficiently deteriorated. It should also be considered that student and teacher desks, chairs and supplies in even a dirt floor school have an impact on the learning environment, which on balance is probably more important than some potential physical deterioration of the equipment. If an Amendment to the Grant Agreement is required in order to permit these changes to the distribution plan, then that Amendment should be simultaneously formalized.

The evaluation team recognizes that some of these recommended activities are already happening. For example, CONARA/UPR schools are included in the program and USAID/ES has committed itself to furnish earthquake damaged schools if IBRD agreed to provide funds for permanent schools.
2. Based on the experience to be gained from the initial classroom reconstruction packages recently awarded, a reduced and more realistic figure for the number of classrooms to be reconstructed should be determined. Depending on how well the construction of new classrooms proceeds, now that technical assistance and supervision from UNM is in place, the number of new classrooms to be built could also be increased in proportion to the projected funds not to be spent in reconstruction. Legal constraints restricting construction to sites where the MOE holds valid title, the physical adequacy of those sites for construction, and GOES budget limitations on the purchase of new land, all create difficulties for the construction component. Existing schools on MOE land with classrooms that are so dilapidated that they do not qualify for reconstruction could be considered for demolition or expansion in order that new classrooms can be built. Demolition should be a 100% GOES or local community activity. This should probably be carried out during the annual vacation period, and may, if properly coordinated, permit new classrooms to be built in time for the new school year.
3. A more realistic approach should also be devised for the maintenance component. This requires, more than anything, an examination as to whether the impact of the component will primarily reside in the distribution of tool kits and manuals to schools for preventative maintenance purposes, or in the distribution of equipment to MOE Regional DCM offices to support corrective maintenance. In the former cases, the pilot self-help program is working. As many as 1,000 parents and students have participated in training sessions for the utilization of school training kits. Parents are learning how to raise and invest funds for school conservation. If corrective maintenance is the priority, then it must be determined what additional support, other than the regional maintenance equipment, is required by the Regional DCM Offices. Examples would be fuel, per diem, materials, etc.

4. Component 5, the administrative and management core of APRE, must receive additional staff in order to respond in a timely manner to the demands that are placed upon it by the technical components, both for internal and external matters. A management plan must be developed which takes into account the requirements of the technical components. Appropriate staff levels and skills should be identified as a result of this exercise. Special attention should be placed on the creation of an expeditor position, to be staffed by an individual capable of organizing the requirements of the various Project oversight agencies in order to assure that the procedures and regulations of those agencies are adhered to before documentation is forwarded for approval.
5. In order to increase use of PL480 counterpart contributions, an amendment to the Grant Agreement should be negotiated which will allocate PL480 counterpart availabilities to specific project activities. At the same time, grant funds should be reallocated to cover those line items of the budget that presently suffer from GOES restrictions. Care should be taken that Grant Funds are not extensively used in areas that may create excessive recurrent costs to the GOES. The amendment should also establish the use of PL480 funds for non-Personal Services Contract-type contracts for specific activities to avoid delays in SETEFE and Corte de Cuentas approval. An amendment which clearly states the object of PL480 funds use, and the mechanisms to be employed for that use should be explicitly stated. It would limit the interpretative flexibility by GOES entities which result in processing delays because of uncertainty with respect to activities that bring new elements into consideration. If such an amendment cannot be achieved, as a last resort the USAID/ES, the MOE and APRE might petition the Office of the President for relief from Decree 11 for the purposes of this project.
6. In the area of funds disbursement, mechanisms should be examined which would reduce such delays as are inherent in the disbursement from the Regional Finance Center in Mexico City. SETEFE does not initiate its funds approval process until funds are actually in hand. The Corte de Cuentas cannot approve any transaction until funds are actually deposited in SETEFE's account. USAID/ES should also directly inform APRE when funds for its activities are deposited with SETEFE, in order to ensure their prompt utilization. (The evaluation team has recently been informed that the USAID Controller has started to do this.)
7. The Action Plan format should be revised to permit it to be used as a realistic guide to implementation. This should be carried out jointly by APRE, SETEFE, and USAID/ES in order to achieve the following objectives:
 - Permit a general Action Plan for the four technical components and a specific management plan for the fifth component, in one document, which would indicate how component activities would be integrated. The four technical components would lay out, in the general Action Plan, the principal activities to be undertaken and include year-end goals and budget benchmarks
 - With a request for funds, the technical components would present detailed Action Plans which would be specific with respect to the use of those funds.
 - Prepare and solicit approval of the general Action plan at least two months prior to the end of the current year.

- Establish an amendment process to accommodate modifications that occur during the implementation process as requirements change during the current year.

The modification to the Action Plan process suggested above can be accomplished with the development of special procedures for APRE as permitted by the GOES General Budget Regulations, in Chapter I, Article 8. As well, its essential points should be included in the amendment to the Grant Agreement suggested above.

The evaluation team recognizes that a special study will be needed to do the staff work required. USAID/ES should organize such an initiative under APRE auspices.

8. Besides the specific changes suggested above to speed implementation, it is recommended that a number of activities be undertaken to provide depth to the Project and increase implementing collaboration among the participants. For example, in-service and/or evening courses should be devised for APRE, MOE, and SETEFE personnel in areas relevant to project management and implementation in general. Content should include the essentials of construction contracting, procurement techniques, integrated budget-program planning, report and document formatting, essentials of bid analysis, basics of evaluation, procedures to make modifications in planned activities, etc. To satisfy the long-term needs of the MOE, select personnel should be chosen for training in education administration and public administration.
9. Another element to expedite implementation would be to have the Corte de Cuentas assign a delegate directly to APRE to review all documentation from APRE prior to its being forwarded to the Central Office of the Corte de Cuentas in order to detect errors and/or omissions.
10. In order to establish a feeling of commitment to the project, it is recommended that twice a year USAID/ES finance a one or two day workshop, held under the auspices of APRE, for participating agencies. This would include GOES agencies, MOE entities, USAID contractors (UNM, RONCO) and USAID/ES personnel involved in the project. The purpose would be jointly to develop solutions to project implementation problems.
11. It is also strongly recommended that any USAID/ES contractor that participates in the project be required to provide technical assistance and in-service training in their area of expertise to appropriate personnel. For example, RONCO Consulting Corporation has demonstrated ability in the procurement field, and APRE a demonstrated weakness in this particular area. In view of overall USAID/ES development objectives for increasing GOES efficiency, it would appear rational that companies like RONCO be required to increase local capabilities in a given field. This would impact on future projects as well.
12. The MIS effort associated with this Project and now being planned by UNM should be integrated with the existing information base of the MOE. This approach is needed to enhance the probability of the MIS surviving after

the project, and should also promote the use of existing data within the MOE for a variety of project and MOE purposes. The DIIE is the necessary linkage to assure long term viability of the MIS.

13. The MIS advisor should include in his design the support of data capture and preliminary processing of information at the regional and sub-regional levels, in order to avoid an over-centralized data collection effort, which is a burden as a pilot project at one of the Regional Offices. The system designed should deal with data useful at the regional/sub-regional offices in their internal planning, decision-making and management activities; otherwise, this important link in the data flow system will suffer from misuse and/or neglect. It will be necessary to develop and implement applications in order to update the central and remote information databases if they are to remain useful. Data sharing between APRE, DIIE and UNM must also be provided for .
14. At the time of the present evaluation, a project activity progress tracking system was under development. Proper provision must be made for continuous updating of this information from supervisors, either directly or through other personnel who would process site reports. These data must also update the school inventory database. Feedback to the supervisors, as well as the need for data summarization, extraction, transfer and integration should also receive careful attention in the design and implementation phase of this application.

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INTERIM EVALUATION REPORT
El Salvador Education System Revitalization Project
(USAID Project 519-0295)

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I. INTRODUCTION

This document is the product of Contract No. LAC-0000-C-00-6074-00, Technical Service Order No. 0015, between the Academy for Educational Development, Inc. (AED) and the United States Agency for International Development (USAID), and consists of the findings and recommendations resulting from an evaluation of the El Salvador Education System Revitalization Project (USAID Project No. 519-0295).

A. Purpose

The purpose of this document is to inform USAID and the Ministry of Education of the results of the evaluation activities undertaken by the evaluation team fielded by AED (William M. Feldman, Team Leader; John T. Gloetzner; and Bruce Newman) from March 15 to April 22, 1987 in El Salvador. The team examined the status of the project implementation, the structure and functionality of the special management unit, Administracion del Proyecto de Revitalizacion del Sistema Educativo (APRE), created within the Ministry of Education (MOE) for this project, as well as the interrelationships of the various institutions participating or involved with the project implementation.

B. Methodology

In the course of the evaluation, the following types of activities were undertaken:

- Review of project documents and products available from USAID/ES, APRE, UNM, MOE and other Government of El Salvador (GOES) offices and institutions.
- Interviews with principal project personnel in USAID/El Salvador and the UNM technical assistance staff.
- Interviews with principal project personnel in APRE.
- Interviews with personnel of the MOE and other GOES institutions involved with the project implementation.
- Application of analytic methods to determine project bottlenecks and other problems, and to model alternative solutions to them.

Lists of principal project participants interviewed and documents reviewed are contained in Annex I and Annex II, respectively.

Data from these sources were carefully cross-checked, particularly with regard to dates, roles, responsibilities, outputs and other implementation aspects. Field visits were limited, due to security concerns, to one regional MOE office, in San Salvador. The team was further limited, at times, by the inability to perform cross-checks on certain issues due to changes in personnel, document unavailability, etc. Where we feel these limitations could be important, we so indicate in the appropriate section of the report.

C. Report Organization

The body of this document contains five major sections:

- Institutional Framework
- Evolution of APRE
- Implementation Aspects
- Conclusions
- Recommendations

In addition, the project background and current status are summarized in the next sections of this document. Two annexes are included at the end of the document, containing lists of persons interviewed and documents reviewed, respectively. An additional annex is also included containing reference information considered too detailed to include in the text.

D. Acknowledgements

The evaluation team received, during their stay in El Salvador, continued and kind guidance, support and cooperation from all personnel involved in the project. The officials and personnel from many different GOES entities contributed literally hundreds of hours of their time in order to assist the team in understanding the processes and relationships involved in this complex and important project. The Office of Education and Training (OET) and other USAID/ES mission staff, and the University of New Mexico (UNM) technical assistance group, provided much orientation, documentation, and logistical support, without which the team could not have achieved its objectives.

Full recognition must be given to all concerned with the implementation of this project, especially USAID/ES personnel, who worked long and hard over the two year period to make it effective. Its complexity demanded almost daily time and attention of all concerned to make certain it remained on track.

Special thanks and recognition are due to Rosirmina Molina de Tochez, Vice-Minister of Education, Lorenzo Lopez Duke, Director of APRE, Oscar Sandoval, Deputy Director of APRE, Leopoldo Garza, Director, USAID/OET, J. Demetrio "Metro" Martinez, UNM Chief of Party, Gilberto Aguilar Aviles, Rector of the Universidad Don Bosco and Priscilla del Bosque, Deputy Director, USAID/PRJ.

II. PROJECT BACKGROUND

USAID/ES developed Project No. 519-0295 in response to recommendations contained in Chapter 5 of the National Bipartisan Commission on Central America (NBCCA) report presented to Congress in January, 1984. The project was designed to assist the Government of El Salvador to restore the effectiveness and accessibility of the primary education system in the country to near pre-conflict levels, through the renovation or repair of 2,400 classrooms, construction of 400 new classrooms, procurement and distribution of school furniture, materials and supplies to 3,800 classrooms, including the 2,800 classrooms built or renovated under the project, production and distribution of 3.5 million textbooks, and the establishment of a nationwide school maintenance system. These project outputs were expected to allow over 200,000 primary school students to regain access to basic educational services. The Project was authorized on April 2, 1985 for a four year period with a funding level of US \$37,600,000 in grant funds, complemented by the local currency equivalent of US \$13,000,000 in counterpart funds, for a total project budget of US\$ 50,600,000.

As stated in the Project Paper, five components would be established in order to achieve the project purpose:

1. School Repair, Renovation and Construction. Based upon an analysis of data from a Baseline Study to be conducted under the Project, some 2,400 classrooms were to be identified and repaired or restored. Additionally, sites would be identified to maximize new enrollment, and construction of 400 new classrooms performed. This component was budgeted at US\$ 20,558,000.
2. School Maintenance System. Because of the severely limited ability of the MOE to maintain schools within the system, this component was designed to enable the MOE to respond to the maintenance requirement. Vehicles, equipment and materials would be provided with project resources, and efforts undertaken to promote teacher and community involvement in preventative maintenance. "Maintenance kits", consisting of basic tools and a simplified maintenance manual, would be developed and distributed under this component. These activities were budgeted at US\$ 4,748,000.
3. School Furniture and Equipment. Equipment, furniture and supplies needed to equip the 2,800 classrooms restored or constructed by the Project, as well as in an additional 1,000 classrooms, would be procured and distributed by this component. Classrooms would be provided with student and teachers' desks and chairs, a blackboard, bookshelf, as well as supplies (chalk, erasers, pencils, maps and other teaching materials, and student notebooks). US\$ 9,535,000 were budget for these goods.
4. Textbooks. This component was originally designed to complement efforts undertaken by the MOE's PLANALIBRE, the National School Book Program, with financing from the International Bank for Reconstruction and Development (IBRD) in the development and distribution of textbooks and teacher guides for primary schools. At the time of the Project Paper, the IBRD intended to limit production to textbooks and guides for grades one through four, and the planned distribution would exclude most urban areas. This component was to complete the primary school series, and provide for distribution to all public schools, both urban and rural. US\$ 3,900,000 were budgeted for the component.

Because the IBRD later decided to expand its support of the textbook program coverage, this component has changed its focus in order to achieve adequate training of some 15,000 primary school teachers in the use of the textbooks, teacher guides and student workbooks. This activity is to provide adequate and sufficient training materials to 48 teacher trainers located in the six educational sub-regions, who in turn will train the 15,000 target teachers. Additionally, foreign technical assistance and training is to be provided to personnel both from the Project and from other MOE units.

5. Administration and Management. The Project Agreement also included the creation of a special management unit (SMU), in order to improve the implementing capability of the MOE with regard to the activities contemplated within the Project. This SMU would have a Project Coordinator, acting as head of the unit, with overall responsibility for administration and coordination of the Project and act as liaison with and have direct access to both the Minister of Education and the USAID Mission. The Project Coordinator would be assisted by an administrative assistant and/or contract/procurement specialist, a textbook specialist, engineer, architect, construction technician and a maintenance specialist, as well as a controller and accountant. These professional staff, selected through a joint MOE/USAID process, would assist in the development of implementation plans and time-phased schedules, and oversee the functions and responsibilities of their respective areas of expertise.

Because the SMU was envisioned as a temporary entity whose sole responsibility was to plan, coordinate and supervise the activities of the Project, financing was provided for the SMU by the Project, budgeted at US\$ 3,133,000, including salaries, operating costs, equipment, vehicles, technical assistance and auditing.

The Project was initiated on April 18, 1985 with a Project Activity Completion Date (PACD) of September 30, 1989. The SMU, APRE, was created by MOE Decree No. 1647 on May 29, 1985, and key staff positions were filled during the following four months. The provision of operating funds suffered delays, and the approval of the component Action Plans (AP's) and of funding for the component activities was not achieved until April, 1986, nearly a full year after Project initiation.

Several changes occurred since Project initiation which bear upon the remainder of this document, and are mentioned here for the sake of clarity:

- The originally foreseen Project Coordinator and Project Assistant were upgraded to Director and Deputy Director, respectively, in accordance with USAID Project Implementation Letter (PIL) No. 12 of April 10, 1986.
- Several contractors became involved in various aspects of the Project. These include Consulting Corporation of America (CCA), Juarez and Associates, Inc., DC & Associates, RONCO Contracting Corporation, and the University of New Mexico (UNM). Their roles in the Project are discussed in detail later in this report.

III. CURRENT PROJECT STATUS

The USAID/ES Quarterly Project Review, covering the semester period from July 1 through December 31, 1986, noted that serious delays in implementation had occurred, even before the October, 1986 earthquake, particularly for the reconstruction component. Table 1 presents the project outputs which were planned and accomplished during the first semester of the Project.

Table 1
Planned and Accomplished Project Outputs
July 1 - December 31, 1986

Output	Planned	Accomplished
Classrooms restored/ reconstructed	100 started	0 started
New classrooms constructed	40 started	3 completed 40 started
Establish/evaluate school maintenance prog.	10 communities	10 communities
Furnish/equip classrooms	170 classrooms	100 classrooms
Print textbooks	N/A	N/A
Teacher trainers trained	48 trained	48 trained
Special Management Unit (SMU) operational	Operational	Operational

Textbook production, as noted earlier, was assumed by the IBRD-GOES Fourth Education Sector Loan. The component shifted its focus to the training of 15,000 teachers in the use of the textbooks and other materials, to be accomplished through the preparation of teacher trainers.

Table 2 for the next quarter, January 1 - March 31, 1987 presents the project's outputs planned and accomplished for the most recent quarter.

Table 2
Planned and Accomplished Project Outputs
January 1 - March 31, 1987

Output	Planned	Accomplished
New classrooms constructed (Phase One)	finish 40 pending	11 finished 29 incomplete
New classrooms constructed (Phase Two)	165 started	contracts awarded (103) some started. tentative award (62)
Classrooms restored/reconstructed	105 started	contracts awarded (105) 0 started
Start maintenance program in schools	10 schools	15 schools 2 regional offices equipped, 50 school kits ready for distribution in each 443 student desk repaired through a pilot community self-help program
Furnish/equip classrooms	200 classrooms	290 classrooms
Teachers trained	200 trained	4,000 trained

IV. SCOPE OF WORK

The Contractor will assess the status of the Project, focusing the evaluation work primarily on the efficiency of various processes and structures employed by the Ministry of Education (MOE) and related Government of El Salvador entities for achieving Education System Revitalization Project goals of building 400 new classrooms; rehabilitating 2,400 classrooms; equipping 3,800 classrooms; training 15,000 classroom teachers; and establishing an administrative unit within the MOE capable of planning/implementing projects supported with external financing. In assessing the various processes employed by APRE and the MOE, the contractor will take the five project components into account as appropriate, answering key questions below:

A. Organizational

Are APRE's and the MOE's organizational processes adequate for effectively planning and implementing the five components of A.I.D. Project 519-0295?

B. Administrative

1. Does the MOE administrative structure allow for the delegation of appropriate and adequate decision making authority to APRE (i.e. submission of Action Plans to SETEFE, official correspondence, reporting, high-level support within MOE Directorates and within the GOES supporting entities)?
2. Are MOE administrative units aware of Project goals and objectives, and have they been appropriately involved in supporting the planning and implementation of the Project (i.e. development of Action Plans, provision of logistical support, progress reports)?
3. Does the GOES administrative process allow for timely decision making and processing of MOE documentation in support of the Project (i.e. Action Plans, amendment to Action Plans, contracts)?
4. Do APRE staff possess basic skills for planning and implementing the Project and is the administrative structure adequate (i.e. expertise, experience, leadership skills, dedication)?
5. Are APRE staff familiar with Project PILs, especially PIL No. 3 which explains the project implementation in detail, and Handbook 11 which explains host country contracting and procurement requirements?
6. Is MOE central and regional offices' staffing adequate for effective Project implementation (i.e. APRE, DCM, regional maintenance offices).

C. Financial

1. Do MOE and GOES regulations allow for APRE's timely access to financial resources (i.e. funds for contracting personnel, construction firms, technical assistance, purchasing equipment, materials and supplies)?
2. How could the GOES increase its counterpart commitment to the Project (i.e. assumption of all classroom repair work, documentation of in-kind contributions)?

D. Planning

1. Are APRE technicians adequately trained for planning the implementation of Project activities (i.e. Action Plans, PERT charts, daily task lists, charts for analyzing progress/bottlenecks, routes for distribution of Project commodities)?
2. Has field work by APRE technicians been adequate and appropriate (i.e. site visits for planning purposes, site visits for supervision, site visits for technical assistance)?

3. Do APRE component coordinators and technicians effectively involve personnel within the MOE and in other GOES entities in the planning process (i.e. directors, regional supervisors, nucleus directors, teachers, high level officials)?

E. Procurement

Does the MOE have the installed capacity to plan and manage procurement packages of approximately the equivalent of \$5,000.00 (i.e. purchase of teaching materials and school supplies on a periodic basis, timely payment to suppliers, international purchases)?

F. External Factors

1. Are GOES's administrative and financial processes, e.g. SETEFE and the Corte de Cuentas, supportive of timely and cost-effective Project implementation? If not, why not?
2. Is executive, mid-level, and technical, interministerial communication and coordination among the Ministries of Education and Planning, the Corte de Cuentas, and other GOES programs, such as CONARA and UPR, effective with regard to Project activities?
3. What if any obstacles or constraints to Project implementation are due to current GOES procedures, directives, and/or laws? What can be done to make the implementation process more efficient?

V. INSTITUTIONAL FRAMEWORK

A. Major Participating Institutions

The activities undertaken in the performance of this project to date have been within the purview of a large number of institutional actors from both the private and public sectors. When you consider them along with the processes that governed day-to-day project implementation, only then some sense of the complexity of this effort comes through.

During the two years that the project has been in existence, some of these institutional participants have made specific inputs and then no longer participated; others have been incorporated and then had their participation cancelled; some public institutions have had elements of their organization included in activities for specific periods of time only, and a number of private sector firms in the construction or publication business submitted proposals and participated in the project at different times, but for administrative reasons, rather than technical ones, did not work out. A list and short description of many of these participants is included below.

- Ministry of Education (MOE) - The principal GOES institution charged with execution of the project.
- Special Management Unit (APRE) - Temporary unit created as part of the MOE to facilitate implementation.

- General Directorate for Administration (DGA) - The general directorate within the MOE which oversees the Ministry's Construction and Maintenance Directorate and the Department of Infrastructure and Educational Information, (DIIE), as well as providing administrative services to the MOE.
- General Directorate of Education Technology - A curriculum development, teacher training and investigation unit of the MOE.
- General Directorate of Primary Education - Responsible for administration of grades K - 9.
- Legal Office - Legal advisors to the MOE on procurement and contracting.
- MOE Regional Offices - The three operating units of the MOE, which are further sub-divided into two sub-regions each and 300 nucleo units in total.
- Technical Secretariat for External Financing (SETEFE) -Special unit of the Ministry of Planning and Coordination for Economic and Social Development (MIPLAN) which oversees management of funds that GOES receives from external sources.
- Court of Accounts (CC) - Highest fiscal control institution of GOES. Oversees, approves and audits all GOES expenditures.
- University of New Mexico (UNM) - Principal technical assistance contractor of project.
- Contracting Corporation of America (CCA) - 8-A firm originally contracted by USAID to carry out certain initial activities for the project.
- RONCO Consulting Corporation - USAID contracted purchasing services agent.
- Juarez and Associates Inc. - Technical assistance contractor in MIS.
- DC & Associates - Local consulting firm hired to finish Baseline Data Survey analysis.
- National Commission for Area Restoration (CONARA) -Civilian-managed commission but coordinated with the military for strengthening civilian activities in conflict areas.

B. Functions, Processes and Interactions

Adding to the complexity of this project, an extraordinary number of interactions between different institutions was involved. Some of these interactions are mandated by law, while others were implied or expected by project documents and design. Some of these interactions were between separate ministries of the GOES, yet others between entities of the MOE, and finally others involved private sector groups and international organizations.

1. Ministry of Education (MOE) of El Salvador

This institution oversees all educational activities within El Salvador. Within that organization there is an effort to decentralize by strengthening the regional and sub-regional structure. Figure 1 is the most recent organizational chart of the MOE.

The primary objective of the decentralization is to convert the upper General Directorates of the MOE into general policy-forming levels, and the three regional and six sub-regional offices into the operating levels of the MOE. In effect, the Regional Managers (Gerentes Regionales) become the key persons in the decentralization scheme for MOE operations. Below them are a number of sub-regional directorates that parallel the General Directorates at the Central Ministry, but are under the operational control of the Regional Managers.

There are two more levels in the decentralized structure: The "Nucleo" level which presently is composed of 295 Nucleo units of 3 - 15 schools each. The final level is the school unit itself.

The MOE is charged with the overall execution of the project. Its implementation was to take place through some of its permanent organizational units as well as through a special ad hoc management unit created especially to coordinate, monitor and administer the project.

2. Administracion del Proyecto de Revitalizacion del Sistema Educativo (APRE)

APRE is the special management unit created by the Project Agreement to oversee and assure the timely and effective implementation of the project's components. For financing purposes, it is referred to as the fifth component of the project. It was initially conceived as a temporary structure and is presently assigned to the State Secretariat for Education reporting to the Office of the Vice-Minister. It has to date been organized along output lines, i.e., based on the project's technical components. It has an administrative structure which is organized functionally into departments of Finances, Procurement and Personnel.

APRE became a recognized operating entity after the MOE requested that MIPLAN include it as an implementing unit subject to the prescribed GOES process as it relates to SETEFE, as provided for in Instructivo 1204 which created and governs SETEFE. This was accomplished after the MOE provided MIPLAN with a document addressing the functions, purposes, organizational structure, and proposed staffing of APRE. SETEFE analyzed and approved this document in June, 1985. Operationally, the relationship between APRE and SETEFE is described later (V.B.8) in this section. APRE's evolution as a management unit is covered in Chapter VI of this report.

Units within the MOE which have relationships in the project's implementation include:

3. Direccion General de Administracion (DGA)

The General Directorate of Administration's role has not been very strong in the implementation of the project. Two departments of the DGA, however, have at various times been involved in the project. These are the Direccion de Construccion y Mantenimiento (DCM) and the Departamento de Infraestructura e Informacion Educativa (DIIE). Figure 2 presents the organization of DGA.

Figure 1
 General Organizational Diagram of the Ministry of Education of El Salvador

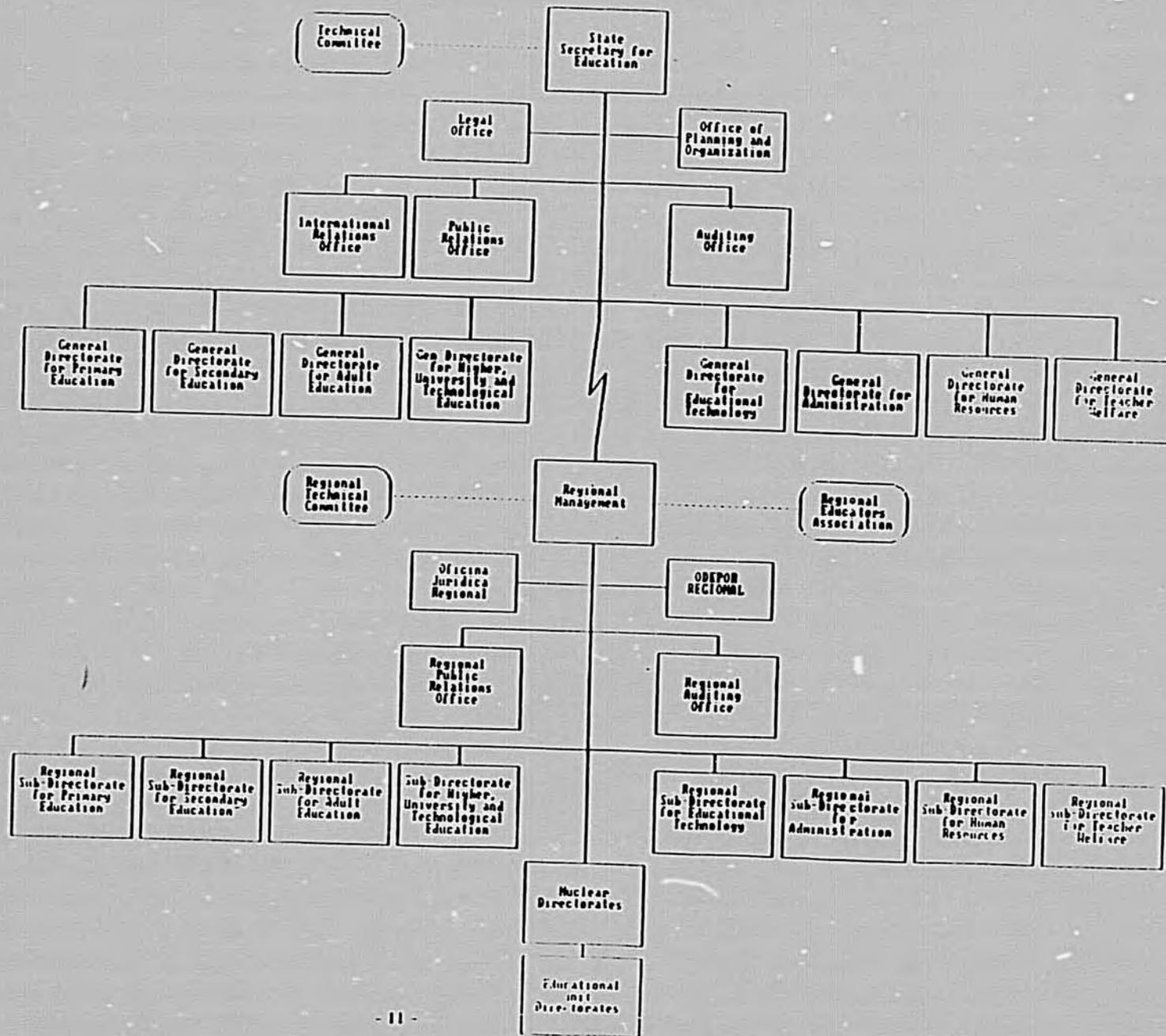
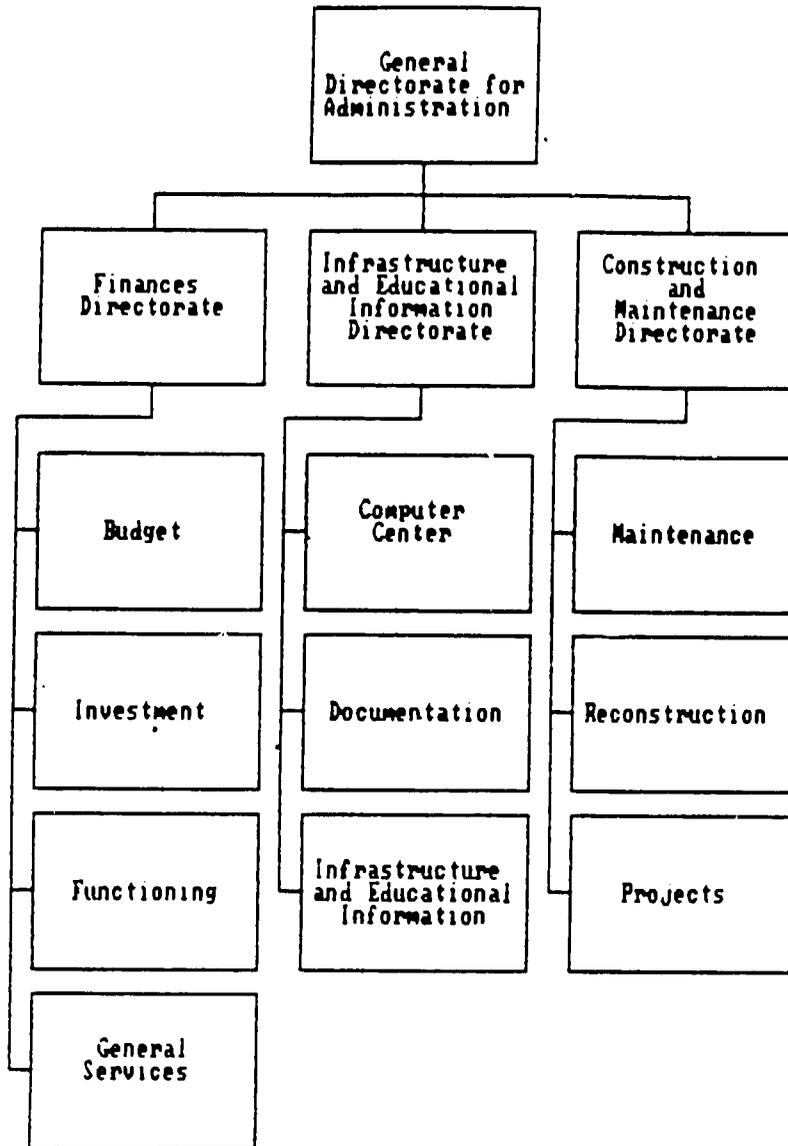


Figure 2
ORGANIZATIONAL DIAGRAM
OF THE GENERAL DIRECTORATE FOR ADMINISTRATION



The Direccion de Construccion y Mantenimiento (DCM), the Directorate of Construction and Maintenance, is mandated to carry out with GOES funds activities of maintenance, repair, reconstruction and construction of the physical inventory which belongs to the MOE. It is organized into departments of Construction, Maintenance, Projects and Administration, and also has a Coordination Unit which supports all of the DCM's activities. During the implementation of the Rural Primary School Expansion Project (519-0190), the DCM also had established an implementation unit for construction called GOES-AID.

During the past three years (1984-1986), the DCM has constructed 253 classrooms in 129 schools, as well as undertaken activities of reconstruction and maintenance in 1,097 schools. They have also been involved in other construction activities at the secondary school level and carried out various activities in exterior works. They were also active in an emergency plan to repair 45 schools damaged in the October 10, 1986 earthquake. (23 have been completed as of March, 1987.)

With regards to the APRE project, the Directorate of Construction and Maintenance has been involved with the Construction and Reconstruction Component and, to a lesser degree, thus far, with the Maintenance Component.

Table 3 shows the DCM perception of cooperation with APRE on a person-month cost basis between March, 1986 and January, 1987 for Component 1, Construction and Reconstruction. (APRE's view of assistance received from DCM is not as favorable.) Since the construction activities to take place under the project are to be carried out by private firms, the DCM's contribution to date has been to support APRE in the development of the specifications and plans in support of the bidding process.

TABLE 3
ASSISTANCE PROVIDED BY DCM TO APRE FOR COMPONENT 1
MARCH, 1986-JANUARY, 1987

Human Resource Description	Number Persons	Period (months)	Cost per Month	Total Cost
Topographers	2	7	1,250.00	17,500.00
Chair men	8	7	650.00	36,400.00
Numerical Asst.	1	2	1,200.00	2,400.00
Topog. Draftsmen	2	4	1,300.00	10,400.00
Architects	2	4	1,600.00	12,800.00
Draftsmen	6	4	1,100.00	26,400.00
Electrical Engineer	1	2	2,200.00	4,400.00
Electrical Asst.	1	2	1,600.00	3,200.00
Secretary	1	1	900.00	900.00
Copying Asst.	1	2	800.00	1,600.00
Messenger	1	1	600.00	600.00
Machine Operator	1	1	600.00	600.00
Costing Analysts	4	4	1,300.00	20,800.00
Analytical Engineer	1	2	1,800.00	3,600.00
Structural Engineer	1	2	1,950.00	3,900.00
Hydraulic Engineer	1	1	1,800.00	1,800.00
Analysts (on loan)	2	5	1,300.00	13,000.00
TOTAL	36	51	---	¢ 160,300.00

Although at one point in the Project Paper, the DCM was described as the principal implementing unit of the project, this has never been the case. In general, personnel in DCM have attempted to react to APRE's requests for assistance, although at times they have been hard pressed to respond to APRE while carrying out their own assigned responsibilities. During the initiation of the project relationships were close although informal due to mutual interests of the technicians in the two units. In fact, some had been co-workers previously. Later, however, the DGA Director General required that appropriate channels of communication be respected by APRE when seeking access to his subordinates. The higher salaries paid to APRE personnel have also tended to strain technical staff relationships, especially since DCM staff feel that APRE looks to them to solve their problems, but does not include them in the planning of activities as co-participants. At present, the Directorates of APRE and DGA are attempting to formalize their relationship through the use of a written agreement which will attempt to establish the responsibilities of each.

The Department of Infrastructure and Educational Information (DIIE) is the information processing unit of the MOE, the embryo of an MIS system. It was not, however, originally envisioned as being a key participant in the provision of information for planning activities under the project in Construction and Reconstruction, Maintenance and Supplies and Equipment. This information was to be collected and processed for APRE under private contract, let directly through USAID/ES.

In general, the department believes that it has been slighted by not being included in activities related to the Baseline Survey. (On March 19, 1987, survey results were sent to the MOE.) They have provided information for Component 3 about enrollments to support the distribution of materials and supplies, and provided similar data to Component 1 for initial selection of construction sites, when data from the Baseline Survey were not yet available.

4. Direccion General de Tecnologia Educativa

The General Directorate for Educational Technology has had a passive relationship with the project to date. The printing of curriculum guides for primary school grades 1-6 was paid for with project funds. Within this Directorate is the PPMS (Perfeccionamiento Permanente del Maestro Salvador), an entity charged with permanent in-service teacher training and which has not been involved in the training activities of the project. Another unit is the PLANALIBRE program, which developed the textbooks published by IBRD, originally to be reprinted by USAID/ES under Component 4 for expanded coverage of nationwide needs. PLANALIBRE staff were directly involved in the training of teacher trainers under Component 4.

5. Direccion General de Educacion Basica

The General Directorate for Primary Education has not been directly involved in the implementation of the project, but is a major end-participant in that new or reopened schools fall under their responsibility with regard to teacher staffing. It is apparent that they are not involved in the planning of the schools, and in APRE's plans, are only included when a school is completed, leaving little lead time to ensure staffing for the completed classrooms.

At the regional and sub-regional levels, the regional directorates have been directly involved in supporting the Training Component of the project. This involvement has included the selection process for the 48 (now 42) teacher trainers and the provision of office space and utilities at the sub-region level, as well as secretarial and cleaning

services. It should be noted, however, that the Regional Directorates of Primary Education are not subordinate to the General Directorate in the MOE Central Office. Operationally, they are subordinate to the Regional Managers of the MOE who report directly to the Secretariat.

6. Oficina Juridica

The Legal Office's department for external affairs has been involved in the legal aspects of the contracting process. Interestingly, this department has now been reassigned directly under the temporary special management unit (APRE) of the project. They are specifically responsible for overseeing the contracting, purchasing and bidding processes which involve APRE and, by extension, the MOE. This office also has specific responsibilities for acquiring land titles for schools to be built under the APRE project.

7. Oficinas Regionales del MOE

Varying degrees of coordination have taken place with the MOE's regional and sub-regional offices with different components of the project. Given the long standing decentralization policy of the MOE, these units are involved directly in implementing activities of the project.

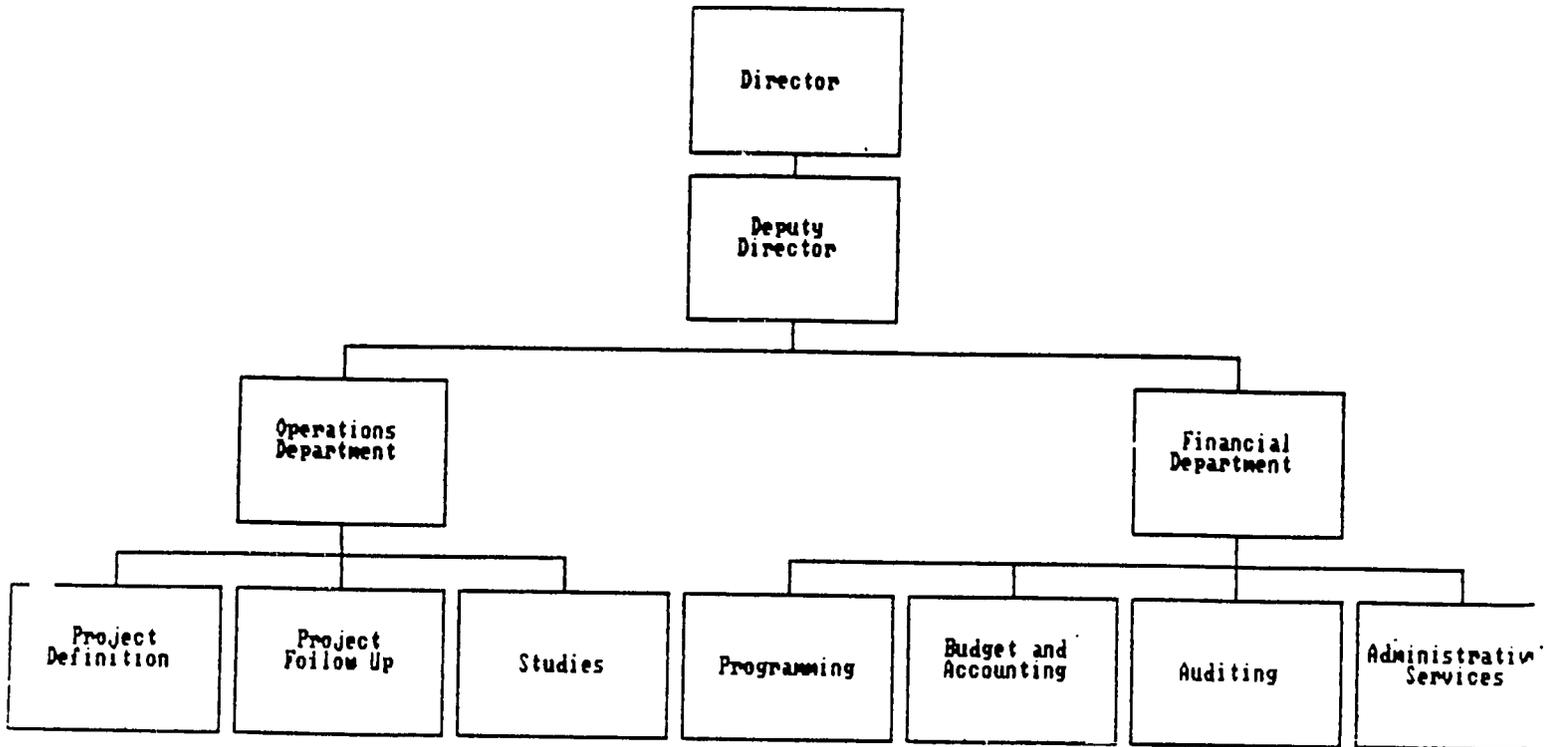
Specifically, they are very active with the Training Component of the project, and will become more involved in the Maintenance Component as its implementation proceeds. They will also be involved in the distribution of supplies and materials from regional warehouses for that Component of the project. In effect, the Regional and Sub-regional offices are of utmost importance to APRE in the carrying out of project activities, as well as strengthening the concept of decentralization that the MOE has been putting in place.

8. SETEFE

The Technical Secretariat for External Financing (see Figure 3) was established jointly by the GOES Treasury Ministry (Ministerio de Hacienda) and the Ministry of Planning and Coordination of Social and Economic Development (MIPLAN) to oversee the management of funds (loan or grant) that the GOES receives from external sources. Its relationships and function are regulated by the Instructivo 1204, 1984, as amended. All government institutions which receive funding from external sources must conform to the rules and regulations of SETEFE in order to utilize those funds.

Operationally, SETEFE requires budget-based action plans from all implementing units and establishes the basis for financial management, disbursement, contracting, procurement, and audit control. It coordinates its activities with the Corte de Cuentas (Accounts Court) which serves as the GOES auditing and accounts office. In essence, it is a specialized clearing house which provides standard procedures to all GOES entities operating with foreign funds, and assures foreign donors/lenders of correct utilization of funds. Other GOES agencies would normally play a much larger role with the activities of the implementing agency if only domestic funds were involved. These include the GOES Treasury, the National Budget Office, the General Procurement Office, and the Central Accounting Directorate. For activities funded externally, these agencies are not directly involved in the financial procedures of the project SETEFE is charged with carrying out what normally would have been their respective functions. The only exception is the court of accounts whose functions apply across the board.

Figure 3
Technical Secretariat for External Financing (SETEFE)



The basic elements of the GOES administrative process which affect this project are the Extraordinary Budget and those provisions within the law which deal with purchasing and contracting. The Extraordinary Budget was established to handle funds which come from outside the normal budgetary channels of the GOES. It basically includes all funds granted or loaned to the GOES from other governments or international funding sources. The concept of an Extraordinary Budget from a management point of view is basically sound, in that it releases to a degree the management of activities funded from non-GOES sources from multiple bureaucratic reviews.

SETEFE also provides more latitude or flexibility for the procurement of goods and services than is normally admitted under GOES regulations. For example, local purchases by implementing Units are authorized in an amount equal to five times the normal purchase allotment of a GOES entity (¢25,000.00 vs 5,000.00). In general terms, SETEFE manages their assigned (Figure 3) funds as a controllers office, and expects plans and budgets to be rational and time-phased, and requires follow-up reporting as a basis for future disbursements.

The most important document required by SETEFE for administrative purposes is the Action Plan (AP). This document sets the basis for initial and subsequent disbursements in order that an agency may implement its activities. In general terms, the idea of an AP appears reasonable - it requires an introduction, references to the legal basis of the activity or project, objectives, goals, the programming of parallel or supportive actions by other institutions, an organizational chart, a description of the activities to be carried out, the budget detailed by line item on a monthly and quarterly basis, and a separate and detailed listing of personnel and equipment to be acquired to carry out the project. Unfortunately, and as is often the case, the planning requirements, while rational, are not necessarily practical. In effect, the specificity required by SETEFE in the AP denies a manager the flexibility he needs for implementing activities. The administrative dictum of SETEFE, namely, that it will accept no reprogramming of resources during the year that affect program goals already approved, makes the AP difficult to use as a management tool.

The process for approving the AP within SETEFE appears to concentrate on checking and cross-checking addition and comparing the amounts requested with figures approved in grant or loan agreements. The activities planned are also checked against other government regulations to assure that no violations take place. These include requirements for bidding, hiring freezes, etc. Where mistakes or problems are uncovered, the AP must be corrected and revised, which can easily hold up the entire implementation process of any given project.

With regards to purchasing and contracting, the guiding principle is that of competitive bidding. No specific GOES document exists which establishes by law what the procedures are for carrying out competitive bidding. The only specific guidelines that are provided are based on funding levels which determine the approach. This is included in SETEFE's Instructivo, which also governs APRE. There is, however, an exceptions clause which allows purchases which are "declared urgent" (declaracion de urgencia) to bypass the bidding process. SETEFE studies these requests and their justifications and issues a decision on the matter.

However, it should also be noted that the General Budget Procedures of the GOES of 1983 permit special rules to be established for specific projects funded from external sources (Chapter 1, Article 8). At present APRE has no special agreements or specific rules to govern its operations. The development of these might be useful to avoid delays in the SETEFE process.

9. Corte de Cuentas

Article 158 of the 1939 GOES Constitution provides for the establishment of the Accounts Court that serves as an audit and fiscal unit, independent of the executive and legislative branches, charged with the oversight of all fiscal activities of the GOES. This unit is ratified in Article 195 of the 1983 GOES Constitution. Under the law, it is given the authority to directly oversee and intervene in all fiscal activities of the GOES and its autonomous units. This intervention includes approval of all GOES expenditures. It is also charged with auditing the accounts managed by GOES officials and other employees, as well as citizens in general with regard to taxation or state income. The Corte de Cuentas can stop any fiscal transaction it believes to violate the law. This decision may be overridden only by an executive decree issued by the Cabinet of Ministers, and then only if funds are available to accomplish it.

The Corte de Cuentas (CC) is, along with SETEFE, the other major GOES oversight authority of activities which affects this project. Like SETEFE, it has a pre- and post-audit control over all activities. Although the CC has attempted to facilitate its interaction with the implementing units of the GOES by assigning Delegates of the CC to work with specific agencies, the procedural requirements do not permit any real degree of flexibility. For example, the Action Plan must first go through the AID-SETEFE-CC Delegate-CC Central Office route; then the request for funds must go through the same route; and then, if contracts are involved, the same process is repeated for the contract to be legalized.

As the highest financial control institution of the GOES, the Corte de Cuentas' procedural interactions with APRE are sovereign, even though APRE's funds are handled through the Extraordinary Budget of the GOES. This delegate would review all documentation from APRE prior to its being forwarded to the Central Office of the Corte de Cuentas in order to detect errors and/or omissions. Although SETEFE has a delegate of the Corte de Cuentas, at the time of this evaluation, APRE does not yet have one.

10. University of New Mexico

In April, 1985, USAID/ES negotiated a contract for technical services with the University of New Mexico. One individual was hired serving USAID/OET across the board on education program matters.

Due to difficulties that arose in hiring other firms to deliver technical assistance for the APRE project, the UNM contract was amended in January, 1986 to include short-term technical assistance in planning and management for APRE's administrators and technicians, as well as for the maintenance component of the project. Satisfaction of the MOE and USAID/ES with the work of the advisors from the UNM, combined with the need for help caused by turmoil of the earthquake in October, 1986, prompted a request from the Minister of Education (end of October, 1986) for additional technical assistance for the project which, in effect, created counterparts for all the components of the project, including educational administration and the installation of a management information system (MIS).

In the summer of 1986, APRE awarded the first package of new construction work of 40 classrooms, but a replacement for the USAID/ES-hired A&E firm, terminated in December, 1985, had not been provided. In seeking viable options, especially with the projected increase in construction and reconstruction activities, the MOE requested and

USAID/ES approved (in February and March, 1987) an amendment to the UNM contract to include pre-bid engineering and construction supervision responsibilities for all construction and reconstruction work.

The University of New Mexico is the principal technical support team for the implementation of the project. Its main focus is on APRE, serving as counterparts to the APRE staff in the implementation of their responsibilities. It also provides OET and USAID/ES assistance in all mission activities in education and training.

Internally, the UNM organization (Figure 4) is headed by the Education System Revitalization Project Manager, whose duties include the management of the support function for the project as well as technical assistance to the mission broadly in education and training matters. Reporting to him are five technical specialists: an education administration specialist serving as a backup to the Director and Deputy Director of APRE; a training specialist for the teacher training program; a school maintenance specialist; a school construction and reconstruction supervisory engineer with a potential staff of up to 10 additional supervisory engineers; and an MIS specialist who is charged with installing a computer-based system for program management in the MOE with special attention to APRE and the Directorate for Infrastructure and Educational Information (DIIE).

The total UNM contract amounts to four million dollars. Its full impact will begin to be realized in view of the fact that it was not until January, 1987, that its staff was fully in place.

11. Contracting Corporation of America (CCA)

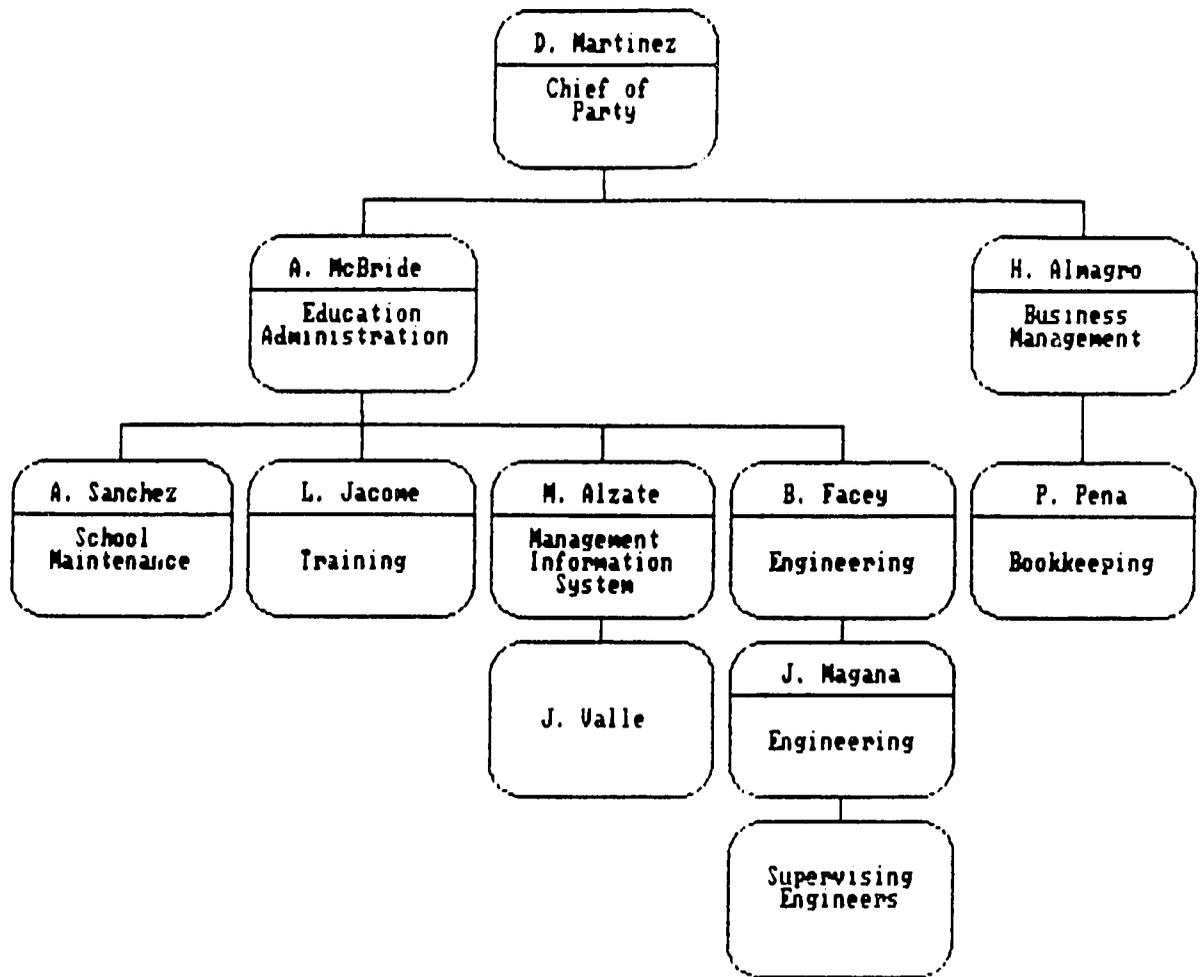
In August, 1985, very early on in the project, the Contracting Corporation of America (CCA), an 8-A firm, was contracted directly by USAID/ES to carry out the Education Baseline Data Survey; provide technical assistance to APRE for the planning of the management information system; assume the responsibility for pre-bid topographical surveying and related document preparation; construction and reconstruction supervision; and provide short-term technical assistance for the development of a school maintenance manual. The CCA contract, which was intended to remain in force for the life of the project, was officially terminated in February, 1986, at the convenience of the U.S. Government.

12. RONCO Consulting Corporation

As indicated in the Project Paper, the procurement of school furniture, equipment and supplies would be accomplished through a USAID/ES direct contract based on international competitive bidding, including U.S. and Central American countries. It was anticipated that APRE would have a large enough burden dealing with the school construction and reconstruction component that the considerable procurement required by the Project would be better handled by an outside agent. In February, 1986, the RONCO Consulting Corporation, an 8-A firm, was contracted by USAID/ES to procure tools necessary for the implementation of school maintenance component, as well as school furniture, equipment and supplies.

Specifications and quantities of articles were provided RONCO by USAID/ES and APRE. RONCO prepared invitations to bid (IFB), conducted an analysis of the firms and their products, negotiated and awarded contracts (seven in El Salvador and one in the U.S.)

Figure 4
ORGANIZATIONAL DIAGRAM OF THE UNIVERSITY OF NEW MEXICO/EL SALVADOR



The MOE was originally to obtain warehouse space for the procured items. This proved difficult, because of rent ceilings imposed by the Corte de Cuentas when paid for with GOES funds. To remedy this situation, USAID/ES asked the RONCO Consulting Corporation to assume some of MOE's responsibilities. These included designing an automated inventory system, acquiring warehouse space for storing of commodities and operating the warehouses.

The basic procedure followed by RONCO in coordination with APRE and USAID/ES was as follows:

- The manufacturer delivers items to the warehouses rented by RONCO (now 4); RONCO inspects and receives the material; signatures of APRE, RONCO, the warehouse man and manufacturer are affixed to a review document to corroborate delivery and quality.
- RONCO is responsible for moving merchandise between warehouses. Most deliveries from the warehouses are sent to existing schools in the rural areas by APRE.
- RONCO submits vouchers to the USAID/ES Controller for authorized payment. The USAID/ES Controller, Contracts Office, OET and relevant UNM staff are well informed of RONCO's activities.
- Computer printouts can provide data on deliveries by department, school, serial number on furniture, the article and the date delivered. This system is not presently tied into data sources at either APRE, UNM or DIIE.
- OET works with APRE to determine future projected needs. All contracts have now been carried out. Additional supplies will require new RFP's.

13. Juarez and Associates, Inc.

After the termination of the Contracting Corporation of America (CCA) contract, USAID/ES hired Juarez and Associates, Inc. (an 8-A firm) to continue to develop the design of the Management Information System (MIS) for APRE. The work was started in January, 1986. The MIS was to integrate data from the Baseline Data Survey questionnaires that were completed in October-November, 1985 by CCA as part of its effort. In March, 1986, the firm provided the Mission a report entitled "Design of a Management Information System for El Salvador's Education System Revitalization Project." The report of March, 1986 provides a conceptual framework and recommendations for MIS implementation, including a time-phased plan of human, financial and other resources required.

Juarez and Associates were not continued after the report was completed at the express request of the Minister of Education. The effort to establish and make operational a practical computer-based program management system was later continued with the authorization given to the University of New Mexico in November, 1986 to provide technical assistance for this purpose.

14. DC & Associates

As part of its scope of work, CCA was charged with carrying out the Education Baseline Data Survey. CCA's termination left undone the processing and analysis of the data they collected during October-November, 1985. The survey gathered data on the condition of the schools and gathered information on the demographic characteristics of the primary school-age population. The questionnaires also examined the demographic aspects of the heads of families interviewed with respect to ages; levels of education; employment; attitudes toward the quality of public education; annual cost to the family; interest in volunteering time to school maintenance; general use of television and radio in the home; and newspaper readership.

In April, 1986, DC & Associates, a firm based in San Salvador, was contracted to analyze and present a baseline survey report using the data produced by CCA earlier. A multi-volume report was issued in December, 1986.

15. CONARA

The Comision Nacional de Restauracion de Areas (CONARA), or National Commission for Area Restoration, has an impact on the Education System Revitalization Project. CONARA is composed of senior representatives from each of the ministries charged with undertaking civilian activities of the National Plan. The National Plan is a combined civilian-military strategy adopted by the GOES in 1983 to provide security, strengthen local government, and restore essential public services to populations living principally in conflict areas or areas where security has recently been established.

The areas that are included for activities are determined by the Unidos para Reconstruir (UPR), or "United for Reconstruction," program, which has a board of two civilians and one military officer to provide policy guidelines. UPR's plan established 14 operational zones where civilian ministries are asked to respond to the needs identified by the communities through CONARA, which has counterpart committees at the departmental and municipal levels. APRE has provided school furniture, equipment and supplies to some schools in communities designated high priority by UPR. CONARA gets separate funds from USAID/ES (\$10,200,000 in FY 1987) from PL480 and ESF generated local currency, some of which are used to reconstruct and/or equip primary schools.

VI. EVOLUTION OF APRE

A. Historical Overview

1. Structural

The establishment of APRE as the administrative unit to manage the project became a Condition Precedent in the Project Agreement. It was understood that APRE would be temporary in nature and have access to all of the MOE's divisions, in order to ensure direct lines of communication. It would also have direct access to the Secretariat level of the MOE (Minister, Vice-Minister.)

Depending on the document used as a source to determine APRE's planned relationship and interaction with the MOE and its specific role in the project, different pictures emerge. This implies that a certain degree of ambiguity existed on the part of all concerned with regard to the expected interactions. The following gives the reader some insights into the management's thinking about APRE's organization and its external relations.

In the Project Paper, APRE is referred to as a unit which will be created "within the MOE to coordinate and monitor project implementation. Responsibility for the supervision of each activity will be assigned to the appropriate office within the MOE". In other sections of the Paper, APRE is charged with "assisting PLANALIBRE," of being a "principal coordinating entity to monitor implementation," and later, that it will "develop implementation schedules,...coordinate and supervise all construction activities" and procurement "in consultation with corresponding agencies involved in the execution of the project."

In the Project Agreement, the emphasis appears to change, in that many DCM functions, as they appear in the Project Paper, are moved to APRE, specifically in the area of construction and reconstruction, as well as for the implementation and general supervision of school maintenance.

Working documents developed by the MOE and USAID/ES during February-April, 1985 established that APRE would be responsible solely for this project. After PACD, APRE would then become a permanent entity within the MOE, responsible for all projects with external financing. These documents also envisioned that APRE would provide technical assistance to the Directorates, Divisions and other offices and units of the MOE for the execution of the project. Those same elements of the MOE were to provide APRE with all required support and most human resources needed to carry out the project.

The organizational chart (Figure 5) prepared in February, 1985, prior to the signing of the Project Agreement, indicated a structure designed to facilitate administration along functional lines without reference to specific components. It included the Coordinator; an Education Department charged with all pedagogical activities, including development of materials, supplies and equipment lists; a Purchasing Department charged with all aspects of procurement, warehousing, distribution and procedural requirements; a Finance Department for budget and accounting; an Architecture Department for design review; and provided access to the Legal Department, or a delegation of it, assigned to DCM.

A construction and maintenance component that would include architecture was proposed in April 1985, and the Legal Department was assigned directly to APRE (Figure 6.) However, there was no clear specification regarding coordination with DGA/DCM. By July, 1985, a new organizational chart (Figure 7) had been developed which, although still functional in nature, begins to flush out the organization along output lines by including each project component, albeit at a tertiary level. The Legal Department is then removed from direct involvement, and technical assistance is included just below coordination. By 1986, each of the project components had evolved to what could be considered division status (Figure 8). The functional Finance and Procurement divisions were placed parallel to these output-based, component-oriented, entities. Finance and Procurement begin to appear as internally focused, although functionally they are still key to APRE operations with respect to coordination with external entities. The Legal Department is returned to APRE. Also, the Coordinator's position is eliminated and Director and Deputy Director jobs are established (PIL No. 12, in April, 1986.) It is important to note that APRE is again integrated within the MOE, but now at the regional and sub-regional levels, for the purpose of implementing the School Maintenance, Furniture, Equipment and Supplies, and Training Components. Significantly, only Component 1 (Construction/Reconstruction) lacks a direct relationship with the Regional Offices.

Figure 5
Administration of the Education System Revitalization Project (APRE)
February, 1967

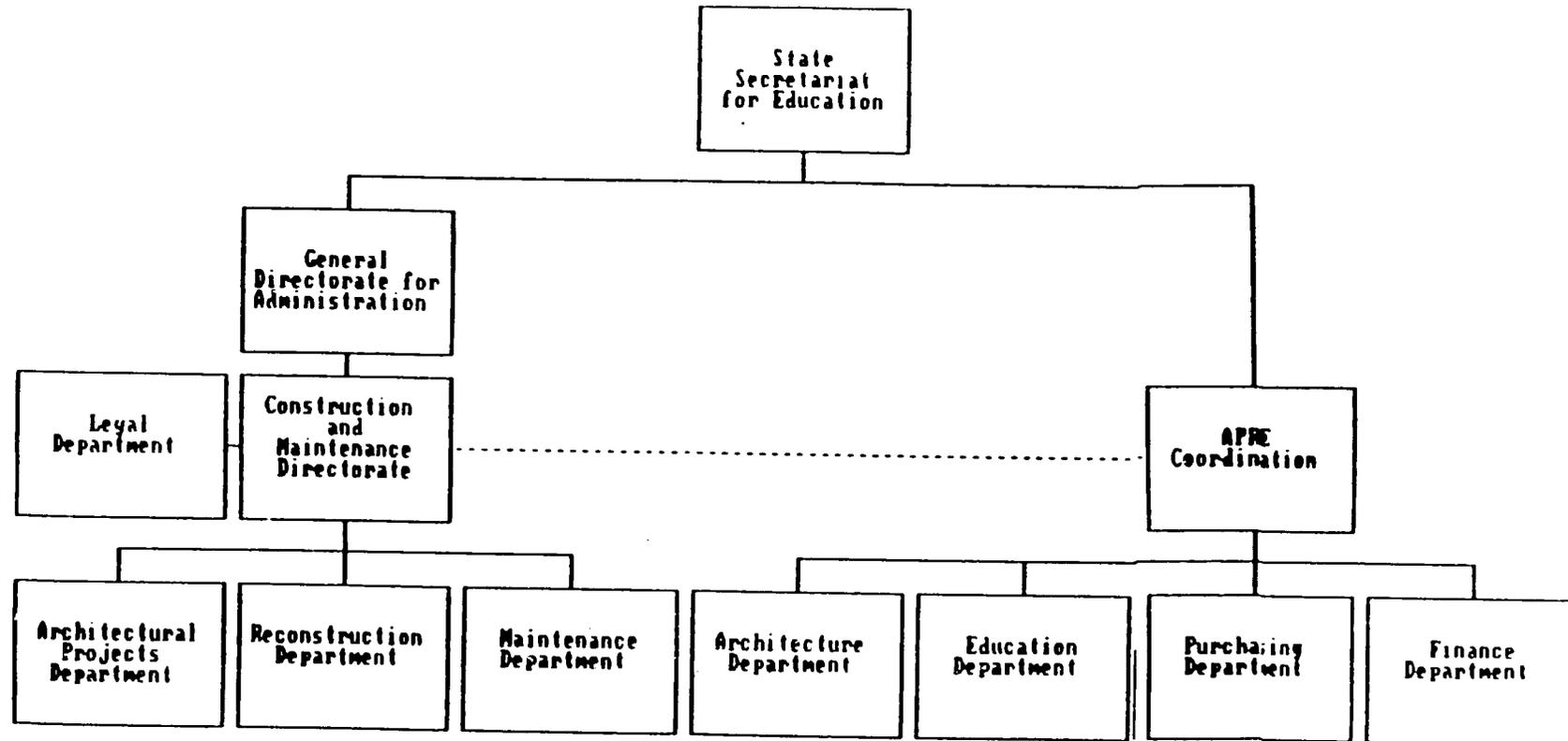


Figure 6
Administration of the Education System Revitalization Project (APRE)
April, 1985

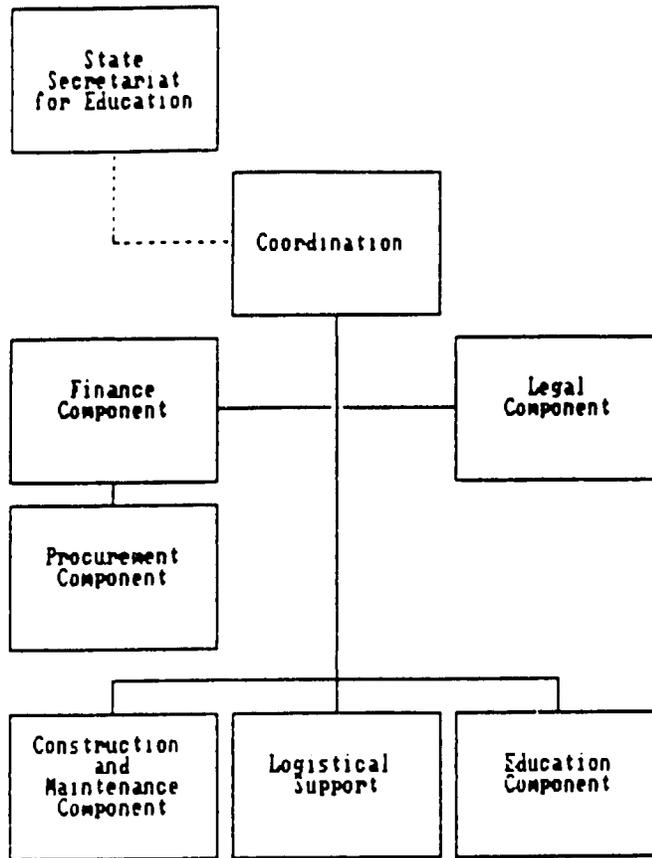


Figure 7
Administration of the Education System Revitalization Project (APRE)
July, 1983

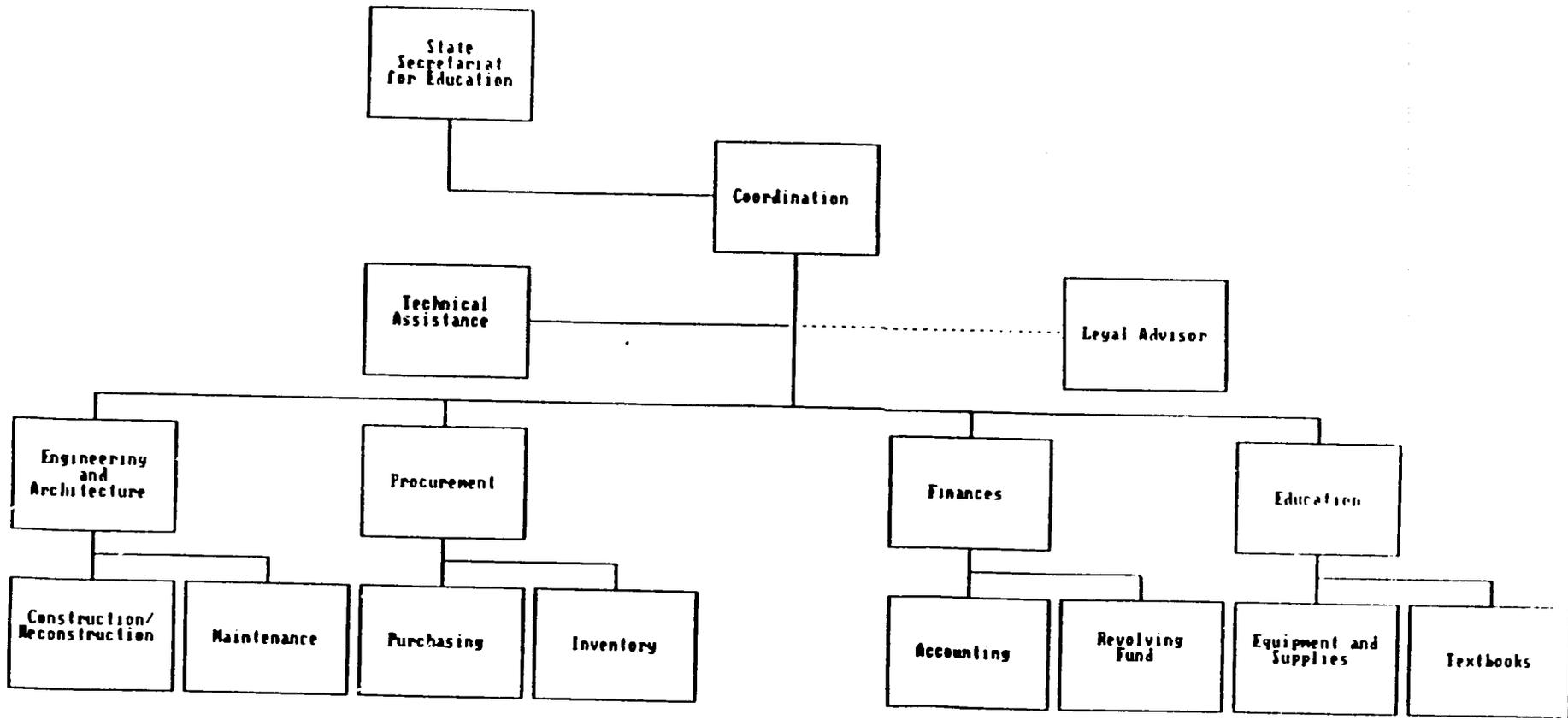


Figure 8
 Administration of the Education System Revitalization Project (APRI)
 April, 1986

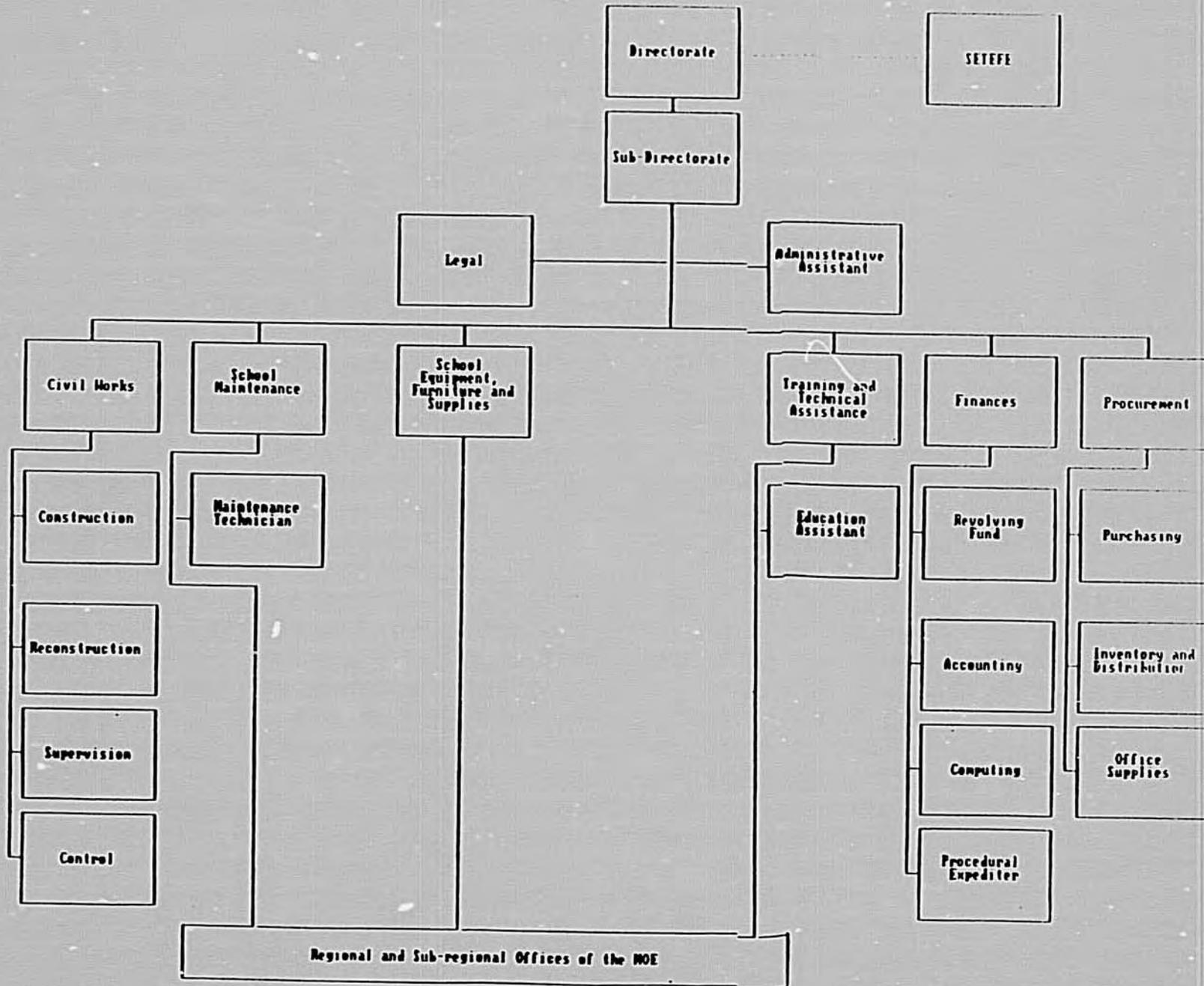
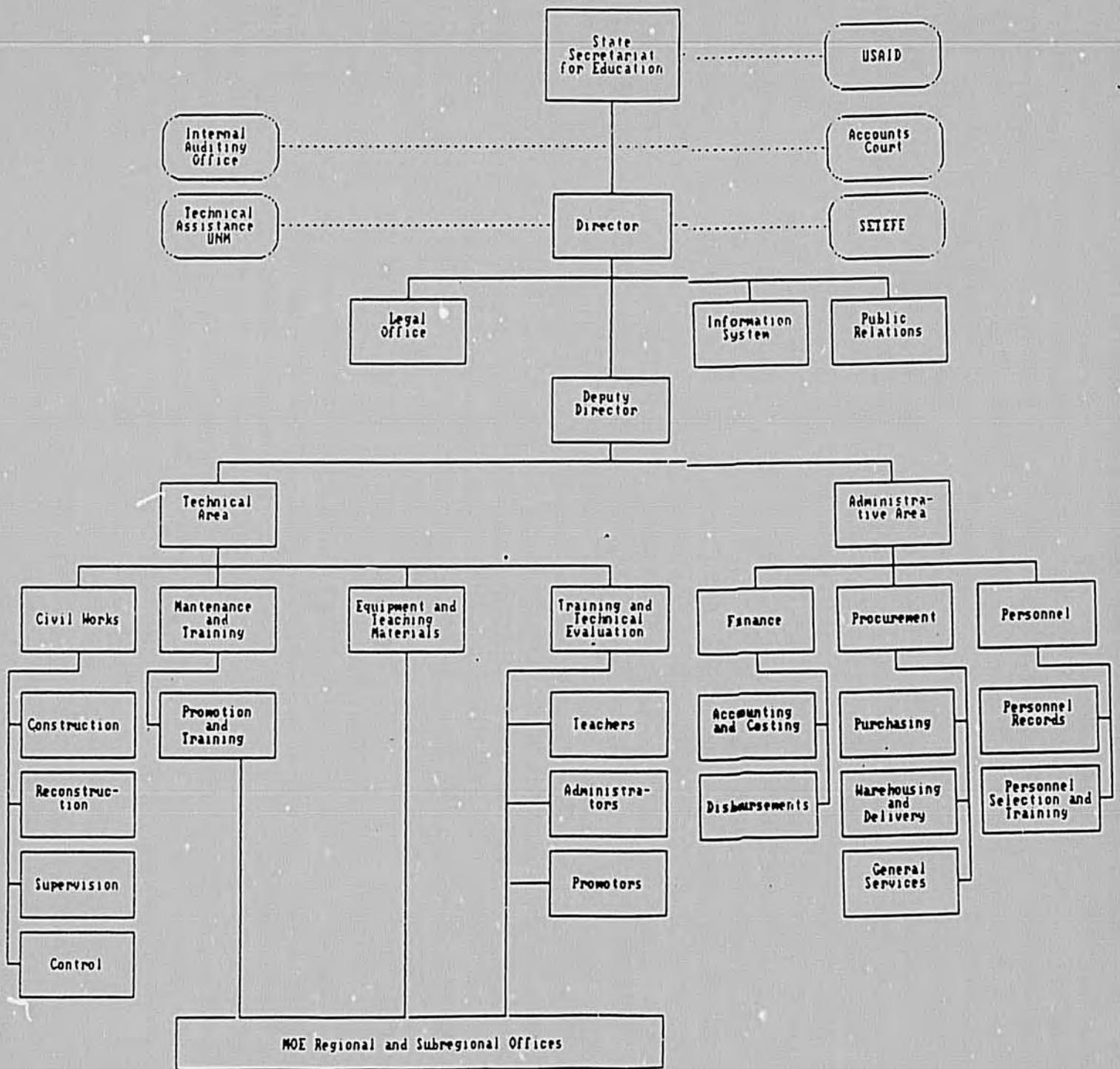


Figure 5
Administration of the Education System Revitalization Project (APRE)
March, 1987



In March 1987, a new organization structure was proposed (Figure 9). A Technical Department (for components) and an Administrative Department (comprised of Finance, Procurement and Personnel) were planned in order to achieve a more focused coordination. The regions remain integrated into the implementation focus of the technical components, again with the exception of Component 1. An information department and public relations department are added. The coordination relationship with MOE Internal Audit, Bidding Committee, a Court of Accounts Delegate and SETEFE are also shown. As a reflection of the growing size and complexity of APRE, a Personnel Department is added to the Administrative Department.

APRE thus evolved from an initially modest management unit, which had specific technical support to achieve Project purposes, to a technical unit with a limited administrative capacity to manage internal and external responsibilities.

2. Operational

The Grant Agreement was signed in April, 1985, and on June 7, through PIL No. 1, USAID/ES informed the MOE that the Condition Precedent for the establishment of a special management unit (APRE) had been met. As indicated above, deliberations for the organization of this unit had begun in February. PIL No. 2, dated June 12, 1985, gave approval for hiring the majority of the APRE staff, which was completed in August, 1985.

Since it was unable to obtain an approved rental contract owing to GOES rental ceilings, APRE moved to a house rented by CCA. USAID/ES noted that the MOE (DGA specifically) refused to leave APRE in the Ministry irrespective of rental ceilings. This physical separation from MOE headquarters created from the beginning problems with communications, logistics and coordination. The telephone communication system in El Salvador, it should be noted, is far from adequate.

Although not fully installed with even minimum equipment until approximately August, 1985, through the Construction Component APRE managed to administer an IFB for 200 classrooms in September, 1985. During the remainder of 1985, APRE attempted to deal with the development of Action Plans, blueprints, equipment orders, and pilot plans, and more generally, learning its role in relation to MOE, USAID/ES, SETEFE, Corte de Cuentas, etc.

Much of the information required by APRE to plan its construction/reconstruction and maintenance activities was not available because of delays in the development of the Baseline Data Survey. However, USAID/ES reports that APRE was advised early on to select the first package based on a recommendation made by regional office administrators. The contract for this survey was not let until August, 1985, and it was not finished until December, 1985. The contractor (CCA) was dismissed in December, leaving the data unanalyzed. Another firm, DC & Associates, was contracted in June, 1986 to review the data and finally turned in the processed information in the final quarter of 1986.

The School Furniture, Equipment and Supplies Component determined, during 1985, the specifications and quantities of furniture to be acquired. The technicians developed the guidelines necessary to establish the amount of furnishings and sites for delivery. The technician coordinated with DIIE to obtain the necessary information. The actual procurement of the furnishings was initiated in March, 1986 by RONCO Consulting Corporation under a contract with USAID/ES.

The technician in charge of the Textbook Component dedicated the period from August, 1985 to March, 1986 arranging a contract for textbook production. The contract was transferred from the Project to the IBRD in April, 1986. The technician also carried out the preliminary preparation and the bidding for the reproduction of 25,000 curriculum guides. He was also involved during this same period in the development of a plan for teacher trainers who would orient the teachers in the use of the textbooks.

Other activities included developing an Action Plan, and initiating coordination with regional offices of MOE. An effort was made to develop a plan for the use of a procurement fund whereby APRE could purchase supplies for the project (e.g., teaching materials.) A new plan for this purpose is now pending.

B. Current Operational Environment

The planning and coordinating of the implementation of the five project components is made difficult by the preparation of five different Action Plans that are not coordinated. This also creates oversight difficulties for the external agencies involved, such as USAID/ES, SETEFE and the Corte de Cuentas. Within APRE itself, the management does not view the planning and implementation of the Action Plans as an integrated exercise. The evaluation team recommends a revised system for the Action plan process, the details of which will have to be worked out in a separate study.

Operationally, the Director deals directly with the Vice-Minister who is primarily responsible for the Project. There is little planning or coordination with APRE at the policy-making General Directorate level. This is principally due to the fact that these levels of the MOE have policy and long-range planning functions, while APRE primarily has implementation responsibilities. APRE is an action-oriented organization set in a policy-oriented environment. This isolation is augmented because administratively there is no connection with APRE as it possesses its own administrative mechanism for internal and external activities.

The Director's authority does have a positive impact at the regional level, which is derived in part from the Vice-Minister linkage, a relationship shared by the Regional Managers. It is also because APRE functionally relates better to the operational arm of the MOE, which is primarily located at the regional level.

There is an increasing degree of joint planning between APRE and its regional and sub-regional counterparts. APRE must depend on regional and sub-regional personnel to carry out the project. They, in turn, benefit by being able to use APRE's resources. APRE's access to independent resources encourages the implementation of the decentralization policy, a subtle but significant contribution of this Project.

The technical staff of APRE assigned to component implementation seem to possess the basic skills necessary to plan their activities over reasonable periods of time. GANTT charts appear in the Action Plans as evidence of their planning skills. However, there is little indication that they know how to make use of these same tools for implementation. This is especially true when it comes to integrating administration processes, such as bidding, budgeting, and disbursement, with the technical requirements of each component.

Unfortunately, the administrative side of APRE has not been fully integrated into project implementation. The emphasis on the project's technical side has neglected the administrative aspects of the process. The timeliness of implementing Action Plans would improve if, from the beginning, administrative elements were anticipated, included in component planning and reviewed as implementation proceeds.

It is evident that key administrative staff in APRE are very knowledgeable about the Project Agreement, PIL's and those other important documents which are essential for project implementation. They demonstrate valid insights with regard to possible implementation bottlenecks, but do not feel they have APRE management's attention and understanding of the importance of their role.

VII. IMPLEMENTATION ASPECTS

A. The Action Plans

As noted in Section V.B. above, the Action Plans are rather inflexible to realities at the time of implementation. The actual implementation process requires many steps, the outcomes of which are not precisely known at the general planning stage. Depending on the project component, the complexity of developing a plan, exact in scope and cost six months later, varies considerably. Construction action plans, for example, are subject to numerous changes during the steps leading to the bidding process. Even with the data from the Baseline Survey, it appears that technical information is not readily available which permits specifying a year in advance the detail required in the Action Plan: the exact site is subject to topographical studies, title clearance, etc. USAID/ES however, has indicated that the lack of data is not a constraint. On the other hand, the planning of 30 one-week teacher training seminars over a year period is mostly a scheduling exercise: the subject matter isn't going to change, and the main problem is coordination in order to bring together trainers and teachers at the same place and time.

The realities of the implementation process make the Action Plan of little use in the day-to-day management of the project activities. Indeed, the team was unable to see that the plans were used for much other than gaining USAID/ES and SETEFE approval, normally after a lengthy review, comment and revision process. Often, the plans contain elaborate GANTT charts, which, while useful for showing the inter-dependencies of component activities, are not updated as the tasks are completed or delayed. Another shortcoming is that the specific actors, either as co-participants or as responsible parties, are not easily determined. A more fundamental problem is that interaction with the administrative support elements is completely overlooked in the plans.

Appropriate management tools are needed which can address these requirements at both the operational level and at the higher levels of management where issues of inter-institutional coordination are negotiated. This distinction is important: the level of detail required by operators and higher management differs considerably, but the information base must be consistent. Moreover, human resource management is critical to the success of this project, and thus allocation of personnel where needed is important. This concern is not being adequately addressed by the current process which views components, and their requirements, as totally separate projects. Flexibility is needed to schedule both tasks and resources. Annex III contains a brief discussion of computerized management tools which could be used to enhance the management capability of the administration of APRE as an organizational entity.

The Actions Plans for each of the components ran their course by the end of March, 1987. Plans for activities through December, 1987, while now finished, are being retained by the new Deputy Director of APRE for three reasons: 1) checking each component's plan for internal consistency and completeness, 2) establishing the best mechanism to consolidate them in an integrated manner, and 3) since the prior Action Plans' funds were not received until the last week of March, 1987, an attempt is being made to reprogram those funds into the 1987 plans.

This delay does not seem unreasonable considering the recent nature of the Deputy Director's appointment (March, 1987) and the fact that he will be responsible for the plans during the coming period. Because of the rigidity of the system, he had to choose between being judged poorly now (for presenting late plans) or be judged poorly later in the year as inadequacies and inconsistencies in the plans surface, as experience to date would indicate as probable. This type of management decision is justifiable: the fact that SETEFE, as outlined in their Action Plan Guide, expects monthly goal accomplishment as planned, creates a manager's dilemma.

The Action Plans are presented on a component-by-component basis, which may make sense in order to analyze a myriad of details. However, the amount of detail that has been programmed a year in advance detracts from the major issue of APRE's administration managing the components in the best way possible. A general, component-integrated, yearly plan, backed up by specific component details at the time of funds requests, would probably prove both more manageable and more realistic.

B. Implementation Management

Even though the prior section recommends a component-integrated approach to the Action Plan, the complexity of events that have occurred during implementation over the past two years is such that a reasonable grasp of the problems and processes involved can only be gained by examining the history of each component individually. The evaluation team feels that this exercise, although demanding, provides a solid basis for the conclusions and recommendations regarding APRE that we make in later sections.

1. Classroom Construction and Reconstruction

This component, as may be surmised from the tables in Section III, "Current Project Status," has suffered perhaps more setbacks and implementation problems than any of the others. As the keystone of the project, its problems also have implications for the potential success of the rest. Because of the complex nature of the component and the intricate web of events surrounding its implementation to date, we have chosen to deal with its sub-components, Construction and Reconstruction, separately.

The Construction Sub-component

During July and early August, 1985, APRE prepared an Action Plan for the construction of 200 classrooms, which was divided into two phases of 100 classrooms each. On August 16, 1985, APRE presented the Phase I Plan to USAID/ES. On September 2, 1985, APRE published in El Salvador an IFB for 200 classrooms - combining Phases I and II. Because a PIL had not been issued approving the plan, USAID/ES stopped the process on September 3. USAID/ES indicated that the cause for the delay was due to APRE's lack of familiarity with the procurement regulations in Handbook II. On September 4 a committee was formed to review the specifications and blueprints for the classrooms. CCA, the USAID/ES contractor since August, was charged with surveying the 33 sites for the 200 classrooms, a necessary step before construction could be approved. A short while later, on September 16, CONARA requested APRE and USAID/ES to include some UPR sites in the package. After negotiations, some of the original sites were dropped, and some UPR sites were added, making a total of 41 sites for 200 classrooms. This modified CCA's original assignment. On October 2, 1985, USAID/ES rejected Phase I (100 classrooms) of the plan because of the inclusion of non-

priority sites in the package (priority sites are in Agrarian Reform, Marginal Urban, and Displaced Population sectors). To speed up the process of contractor qualification, on October 8, USAID/ES requested that APRE update the MOE's old (1979) pre-qualification lists for selection purposes.

On or about October 15, APRE was advised by USAID/ES of the requirement to include an International Bidding clause in their plan, which would require publication in the U.S. of any project over US \$500,000.00. On October 29, APRE presented an implementation plan for construction of 200 new classrooms as well as reconstruction activities. On November 6, APRE received PIL No. 7 informing them that the component had not fulfilled the Conditions Precedent and that no component-related contracting process should be entered into. CCA at this time had still not finished their surveying activities and were granted an extension of time. USAID/ES also decided in November that it would be necessary to perform a new pre-qualification process for contractors since the MOE's old list had not been adequately updated. A commission was created to undertake this task, estimated at 2-3 months duration. The MOE, APRE, and CCA completed this task in three weeks. The Construction Component was also required to re-program its activities since the Condition Precedent of preparing a complete action plan had not yet been met. At the end of November a meeting was held to deal with the draft contracts, and USAID/ES required that contracts must permit open participation by contractors for all schools, rather than be limited to groups. Most importantly, USAID insisted that the special conditions (Handbook 11, Chapter IV) with regard to international bids be observed.

On November 20, USAID/ES requested that APRE participate in a revision of CCA's scope of work. Both OET and APRE were to separately develop a new scope of work and budget for CCA's A&E services and then establish a unified proposal for negotiation with CCA. APRE presented its version to OET in the first week of December. This task obviously did not yield an agreement with CCA, as USAID/ES subsequently requested APRE to provide a scope of work and cost estimate for a new A&E contracting process. APRE presented this document on December 19 under the impression that it would be let locally.

As it turns out, the failure to promptly replace CCA, in the view of the evaluation team, became the single most determining factor in this component's later difficulties. CCA's original scope of work enumerated in great detail a series of services which were crucial prerequisites to the competitive bidding process for the component. The competitive bidding procedure was established in the Project Paper and subsequent Project documents as essential to the construction effort, in order to avoid constraints inherent if the MOE's DCM were used. Among the pre-bid responsibilities included in CCA's scope of work were:

- the development of detailed topographical maps, feasibility studies for electrical, water and sewage installations, soil analyses, and site adequacy descriptions for each proposed construction site.
- the calculation of all earth moving and infrastructure replacements, including the types and quantities of materials required.
- the preparation of final workplans for each classroom, detailing manpower requirements and the scope of each job, including the internal and external works, and the formation of classroom "groups" into construction packages for bidding purposes.

- the preparation of bid documents for all activities related to construction, including pre-qualification documents for the selection of eligible private firms.
- additionally, the provision of engineering supervision for all construction and reconstruction contracts.

Because APRE did not comply with Handbook 11, an integral part of the Project Agreement, On December 3, APRE was informed by letter that: 1) the pre-qualification process for construction firms, begun in early November, could not proceed unless it was published simultaneously in the U.S. This represented a major setback in that 45 days would be required after simultaneous publication for responses to be received; and 2) that a 45 day period would also be necessary for receipt of bids after the IFB is published, which, in turn, could not occur until the pre-qualification process was finished. Given the foregoing situation, at the beginning of December USAID/ES suggested, and MOE accepted, that a pilot program of 40 classrooms be undertaken.

On January 6, 1986, PIL No. 9 approved the Component Action Plan, and informed APRE that all Conditions Precedent had been met, including the selection of 200 classroom sites. Significantly, CCA, who had been terminated in December, had not provided APRE with the necessary site information. As a result of this situation, component technicians dedicated the month of January to attempting to recover data and documents in CCA's possession and exploring alternate information sources through DCM and DIIE.

February, 1986 was dedicated to planning pilot construction, selection of a sub-list of sites from the original list of 200 classrooms, and field site visits. APRE was notified by USAID/ES that the company to be hired to replace CCA would not provide any pre-bid services, including topographical studies. APRE was thus given this responsibility and expected to get DCM support as well as contract for the technical services. APRE, with DCM support (see Table 3 in Section V.B.3), began to carry out the pre-bid topographical studies, which continued through March. In the second week of February, the Minister's Office made a revised selection of sites proposed by APRE for the 40 classrooms. In order to conduct a private bidding process with pre-qualified firms, it was agreed with the Minister's Office to request a Declaration of Urgency (see SETEFE in V.B.8). The appropriate document was sent to SETEFE, but no response was ever received.

On April 7, 1986, PIL No. 10 from USAID/ES approved the Pilot Plan developed. This approval was in response to letters and documentation presented by APRE on February 5 and 19, 1986. On April 8, APRE was notified that the waiver for this requirement, requested by USAID/ES in January, was received.

On April 24, the IFB for the Pilot Plan of 40 classrooms was published. On May 15 the bids were opened, and the contract was awarded to one company on May 21. The contracting procedures were begun, moving through the channels of USAID/ES, SETEFE, and Corte de Cuentas. Although the total procedure would not result in a start order to initiate work until September 1, 1986, the contractor began work on July 22. In the interim, SETEFE and Corte de Cuentas approved the use of PL480 funds to provide the contractor with the accepted 20% advance, prior to the full cycle of contracting procedures.

Meanwhile, back in May, 1986, the topographical studies for the remaining 160 classrooms (of the original 200 classroom package) were begun by DCM with their personnel. On July 14, however, the DCM suspended further collaboration with APRE.

Shortly thereafter an agreement was reached to renew collaboration but on a more limited and structured basis. On July 30, 1986, APRE submitted the Action Plan for the remaining 160 classrooms to USAID/ES. Approval was obtained on September 5. Title problems were then discovered at sites for 57 of the classrooms, and so on November 8 only 103 classrooms were put out to bid.

On October 10, 1986 a major earthquake coincided with the first request for reimbursement of the contractor for the 40 Pilot Plan classrooms. The amount requested was \$1,700,000.00. Not until November 10 would he be able to again present this first request, as well as a second reimbursement request.

On January 13, 1987, awards were made on the bids for the 103 classrooms. One week later, APRE requested USAID/ES approval of funds and contracts for these classrooms. On February 10, USAID/ES approved these requests. The contracts were sent to SETEFE on February 22 and approved on March 6. SETEFE then forwarded them to the Corte de Cuentas Delegation with the funds request. The Delegation approved the funds on March 16, the Central Office of the Corte de Cuentas on March 20, and, on March 24, the funds were approved at the Treasury level. The President of the Corte de Cuentas approved the contracts on March 30.

The contractors (4) of the 103 classrooms initiated work in February, prior to the final formal approval of their contracts. As occurred in the case of the Pilot Plan classroom contractor, they received a 20% advance from SETEFE, who drew upon PL480 funds to be reimbursed with project grant funds when received.

Meanwhile, the Pilot Plan classroom contractor was having trouble finishing his work which was scheduled to end on January 28, 1987. He received extensions for one group of 21 classrooms in three schools until February 24, and for the other group of 19 classrooms in four schools until March 24. He alleged lack of capital and difficulty in maintaining qualified workers, many of whom went to San Salvador for post-earthquake reconstruction work.

As can be derived from the above reading, classroom construction is not just a "bricks and mortar" proposition. The physical building of a classroom could aptly be described as an anti-climax to a long and involved process. What it really takes to build an internationally-funded classroom is agreement between technical staffs of several different organizations to design specifications and develop budgets; the acquisition and surveying of land; the pre-qualification of construction and A&E firms; the preparation of bid documents; the execution of the bidding process; and the preparation, negotiation and approval of contracts by each of the national and international entities in accordance with their individual procedures and rule books. The bidding and contracting process is often carried out twice, once for the construction contracts and separately for the supervisory services. The contract approval process involves lawyers, accountants, and a variety of clerks, secretaries and generalists. The complexity and importance of all of these processes must be understood as "how schools really get built," and receive the appropriate level of attention if this component is to succeed.

Two critical aspects were not foreseen during implementation which doomed this component to its slow start and shaky evolution to date:

1. The failure to recognize that international bidding (and pre-qualification) would be required because of the US \$500,000.00 limitation on local bidding. The only alternatives (the waiver and the

"pilot plan" approach) should have been put into place long before they were. The resultant delay would seem to be mostly USAID/ES's responsibility.

2. The failure to promptly replace CCA led to a near complete breakdown in the ability to assemble construction packages for bidding. The evaluation team was informed by UNM that APRE, the DCM and a local firm the MOE would hire were supposed to be responsible to carry on the CCA function after termination, and MOE did not fulfill its commitment. The responsibility for the complete range of pre-bid services is still not clearly defined, even in the UNM contract amendments of January and March of 1987. It is apparent that some confusion has existed regarding the difference between pre-bid and supervision services. The evaluation team was unable to determine why these essential services have not received the attention they require if the construction component is to quicken its pace.

The Reconstruction Sub-component

As a sub-component, Reconstruction has suffered difficulties somewhat similar to Construction. In order even to begin the planning of reconstruction activities, a great deal of information, and information processing, was to be required. A complete inventory of the physical status of all schools in the country was contemplated in the Project Paper and the Grant Agreement. However, the UNM reported that for the first reconstruction package, the MOE would not have access to baseline survey data. The APRE staff was to coordinate efforts with Regional office personnel of MOE to select sites. This did not take place. An evaluation of this information was envisioned, which would be able to discern between schools that required reconstruction, merely maintenance, or completely new construction. The data for this decision process were to be collected and analyzed by CCA, a USAID/ES contractor. As explained in the prior section, CCA failed to make these data available as required. The data they did gather were not processed until June, 1986, and were not made available to APRE until the final quarter of the same year. Even then, the data were neither complete (in terms of the detail required) nor were they accessible through means more flexible than by reviewing listings.

In order to overcome the lack of detailed information, recourse was made to CONARA, DIIE, DCM and, where possible, directly from the Regional and/or Nucleo levels. In March, 1986, the first list of classrooms to be investigated was compiled. Investigation was conducted in 187 classrooms in 36 schools in the departments of Cabanas, Usulután, San Miguel, La Unión and Morazan. During April and May, 1986, the schools were evaluated and none fulfilled the project criteria for reconstruction. The evaluation team was told this would not have happened if the baseline survey information had been properly utilized.

A second list of schools to be investigated in the departments of Santa Ana, La Libertad, La Paz, San Miguel and Usulután was compiled in June, 1986. This included 54 schools with a total of 213 classrooms. During July and August, the results were evaluated, and 105 classrooms qualified for reconstruction activities.

Although the Action Plan was not yet approved, an IFB was published on August 27 for the repair work to be carried out for these 105 classrooms. Contractors were selected on November 26. No action could be taken, however, to formalize contracts

until USAID/ES approval of the Action Plan. PIL No. 27 of January 27, 1987 approved funds and contracts for this activity. APRE received the funds for this activity on March 3, and contracts were approved by the Corte de Cuentas on or about March 30.

A third list of 500 classrooms to be investigated was gathered from various sources, including approximately 250 direct requests from Nucleo and school directors. This list was elaborated in September, 1986, and covered four departments in the eastern part of the country. In order to expedite the investigation process, a contractor was proposed to conduct this work, rather than use DCM personnel who felt hard pressed to complete their normal workload. In January, 1987, an IFB was published and three firms responded. However, APRE did not select the contractor until late April 1987.

The nature of professional services bidding in El Salvador differs from the normal competitive bidding process. Because professional firms believe that it would be degrading to engage in "price wars" for service contracts, it has been established by their professional associations, and supported by tradition if not by law, that bids in response to IFB's will be evaluated only on a technical basis. When a given firm is judged best on a technical basis, only that firm's cost proposal is opened. It is generally assumed that negotiations will take place to fix a final price for the services.

In the specific case of the 500 classroom investigation bidding, the cost estimate of the firm judged to be most responsive technically was opened on February 22, 1987, and found to be nearly double (¢650,000 vs ¢328,000) the APRE estimate. The bidder was requested to make a counter-offer, which came in at 470,000, still 142,000 (US \$28,400) over the original APRE estimate. This situation has not been finally resolved at the time the evaluation team completed its work in El Salvador.

Reconstruction is a deceptively complex process. It requires a substantial amount of analysis performed at the level of the classroom, thus encompassing a large number of elements. Schools must be identified, investigated and evaluated before a decision can be reached as to whether the reconstruction qualification criteria have been met. Lacking a better database for pre-selecting schools to be investigated, months may be spent in this process only to yield relatively few eligible schools.

It is of concern to the evaluation team that the two years left to PACD imply a reconstruction rate of about four classrooms per day in order to meet the Project's goal of 2,400 restored classrooms. We feel that this goal should be scaled down to a more realistic figure, based on the experience still to be gained when 105 classrooms have been restored. At that time, we would recommend that the number of new classrooms to be built be increased by a number equal to the projected unspent reconstruction funds divided by the current estimated new classroom construction cost. This process might result, as an example, in the reconstruction of approximately 1,200 classrooms and the construction of approximately 300 additional new classrooms.

2. School Maintenance

The original Action Plan for this component was based on sound program judgments for utilizing the resources as they were allocated by the Project Agreement. However, it was not anticipated that Decree 11 would apply to negate the staffing needs called for by the plan.

The Action Plan for the September, 1986 - March, 1987 period for this component was approved by SETEFE on September 23, 1986 and by USAID/ES on December 12, 1986. It had been submitted by APRE in August, 1986. One individual was assigned to

carry the responsibilities of the job. Between July and October, 1985 he participated in the production of two maintenance manuals, proposed a study on the regional maintenance offices, contributed to the development of the Baseline Study instruments, as well as developed the specifications for 24 vehicles to be purchased by USAID/ES for the regional maintenance centers and prepared a plan for furniture repair.

In order to test the feasibility of the proposed community-integrated maintenance scheme, a pilot project was designed for 10 communities. This was to be conducted between December, 1985, and February, 1986. Unfortunately, there were no funds available to hire short-term personnel to carry out the plan, because of inadequacies in the Action Plan. The possibility was then examined of using loaned personnel from DCM and DIIE, the former to handle the technical evaluation and the latter to be involved in promotion. DCM did provide the technical evaluation services, but DIIE could not lend two of its three social workers to support the pilot project.

This later created a problem because when DCM carried out its technical evaluation in November, community expectations were raised in anticipation of a December start. In fact, it was not until March, 1986 that permission was received to hire personnel, for three months only, to carry out the pilot plan. Because of the delay, several communities viewed the project with skepticism and did not participate. The temporary personnel were later extended for one month, through July, because guerrillas halted traffic in the country during May and the teacher's association, ANDES, also declared a strike. During May, the Government ran out of funds for fuel, and project transportation was stalled. Nonetheless, the experience gained from the pilot project led to a conclusion that it was viable to stress community participation and self-sufficiency in school maintenance programs.

A regional MOE survey was carried out to ascertain the capacity of its warehouses. It was concluded that existing regional warehouses were inadequate, and that eight new warehouses would be needed for the project. This has since been modified to three warehouses to be located in Santa Ana, Santa Tecla and San Miguel. Originally APRE, through DCM, was to build the three warehouses, but because of administrative problems, claiming lack of funds, USAID/ES was requested to undertake the operation. USAID/ES initially agreed to build them. This problem became moot when RONCO began renting warehouses on a central level (3) and another in San Miguel. The inability of the MOE through APRE to use PL480 funds to build the warehouses signals a problem area where corrective efforts should be directed.

Two principal factors have limited the success of this component to date:

- APRE had to wait three months for funding requested in January and based on the Action Plan approved December 12, 1986. The request remained in SETEFE from early January to the second half of March and was finally approved on March 20, 1987. This inordinate delay in SETEFE is thus far unique for a funding request in this project, and justifiably frustrated APRE, USAID/ES and UNM.
- Staffing for the installation of a nationwide system for school maintenance is critical. Thus far (March, 1987), only seven employees have been assigned to the maintenance operation from elsewhere in MOE and three social promoters were hired. By the UNM/APRE

estimate of needs, about 214 persons are needed to run a national system. Although PL480 funds for hiring are available, the freeze stymies progress. Imaginative management is in order. For example, the proposal to use teacher trainers to serve as social promoters as well will help but hardly resolve this critical issue.

At the time of this evaluation, there is an agreement pending between APRE and DCM whereby DCM will temporarily permit the use of their installations for storage and repair. The 24 vehicles acquired for the component will work out of these DCM regional centers. Weekly meetings are to be held between APRE, DCM and the UNM counterpart to coordinate and resolve problems.

Within APRE, the needs for storage under Component 3, Classroom Furniture, Equipment and Supplies, will be coordinated with the School Maintenance component. In addition, cooperative arrangements between APRE and DIIE, the General Directorate for Primary Education, and DCM are currently being promoted.

3. School Furniture, Equipment and Supplies

As described in Section V.B.12, the RONCO Consulting Corporation entered into a direct contract with USAID/ES in February, 1986 to acquire tools for the implementation of school maintenance activities as well as school furniture and supplies. Electric tools were purchased in the U.S. and shipped to warehouses in El Salvador. School furniture, non-electric tools and school supplies were procured in El Salvador. Contracts were awarded in El Salvador beginning in June, 1986. At the time of the evaluation, RONCO had purchased 9,500 desks, 1000 blackboards, 1000 bookcases, 600 teacher desks and chairs, as well as quantities of notebooks, pencils and chalk. RONCO had distributed most of these goods to regional warehouses, and distribution to schools began in January, 1987.

Deliveries were begun by APRE on January 19, 1987 to schools identified as needy. Twenty-two schools (10 reformed sector and 12 displaced sector) in the western region received a total of 275 small and 330 large bi-personal desks. Only one school received notebooks and pencils, and none received the other equipment (blackboards, teacher desks, bookcases). February saw delivery of 1,100 small and 880 large bi-person desks, 50 blackboards, 107 teacher desks and chairs, and 77 bookcases, as well as 41,140 notebooks, 49,580 pencils and 915 boxes of chalk to 12 reformed, 10 marginal and 49 displaced sector schools. During March, another 1,535 small and 1,825 large bi-personal desks, 239 blackboards, 211 teacher desks and chairs, 166 bookcases, 52,210 notebooks, 72,770 pencils and 2,120 are reported to have been delivered. It may be roughly calculated that a total of 290 classrooms have received furniture and/or supplies as of the end of March, 1987.

A somewhat disturbing inconsistency may be observed with regard to the quantity of supplies (notebooks and pencils) sent to some schools. For example, based upon the enrollment figures found in the DC & Associates tabulations for the municipality of Cacaopera, Department of Morazan, there are a total of 631 children enrolled in grades 1-6 in four schools. Three of these schools received furniture and supplies during February. One of them, the Escuela Urbana Mixta Unificada Naciones Unidas, received 4,000 notebooks and 2,000 pencils. The other two schools, both rural, received 200 notebooks and 100 pencils each. The important point is that 4,400 notebooks and 2,200 pencils were delivered to schools that could not have, based upon the baseline data, more than 631 students, which, by project guidelines should imply delivery of approximately 1,200 notebooks and pencils to this municipality.

Other deliveries of supplies were made which appear large in relation to the school population of the municipality, the lowest level at which the team had data at hand, specifically in San Bartolom Perulapia and San Rafael Cedros in Cuscatlan, and possibly in Verapaz in San Vicente. Detailed data for March, 1987, deliveries were not available for examination. While the furniture and equipment would appear to be distributed approximately as planned on a per classroom basis, the distribution of supplies appears quite uneven and should be reviewed.

Apart from the PSA arrangement with RONCO, this component was unable to fulfill its Action Plan with regards to the purchasing of student and teacher school supplies. Funds had been granted to purchase these supplies under PIL No. 18 on July 16, 1986, but were rescinded by PIL No. 25 on January 6, 1987, owing to irregularities in the contracting of a warehouse. These funds were returned to SETEFE by APRE on January 19, 1987.

There are a number of significant considerations with respect to this experience which merit attention:

- The head of the component in APRE was responsible only for drawing up the lists of items to be purchased, and for coordinating their distribution to specific schools.
- Although the activity per se is that of the component, all the work involved in the actual purchasing (seeking out suppliers, requesting quotations, writing purchase orders, accepting delivery, making payments, etc.) rests upon the APRE internal management in the Procurement and Finance offices under Component 5.
- More complex procurement requires the development of bid packages, publishing IFB's, analysis of firms (pre-qualification), awards and contracting.
- On the surface, it appears that the component is connected to RONCO, and, in effect, there was close collaboration, since specifications were provided to RONCO by the component, and RONCO, a specialized firm contracted for this purpose, actually made the purchases.
- With regard to the APRE purchases, the component used its own Procurement Office in much the same way as it used RONCO. However, the Procurement Office in APRE was conceived as an internal office and was inadequately staffed to manage the complexities of large scale procurement in addition to its internal functions.
- Purchasing of this nature is a complex task. Because of the Project's focus on the four technical components, the requirements of the fifth component, the administration of APRE, was not taken into account in an appropriate fashion: no provision was made to provide technical or counterpart assistance to the APRE purchasing department, even though a specialized and experienced PSA was involved with the project.

Presently, APRE's professional procurement staff consists of three individuals and a secretary. The staffing of this unit, even with the support of the Finance staff, is inadequate for an administrative unit which must develop a capability which will endure after PACD in 1989. Procurement is a function that will be required for virtually any internationally funded project in the future.

4. Textbooks (Training and Technical Assistance)

From the start, the objective of this component was to print and disseminate a new series of textbooks and teaching guides for the primary schools (grades 1-6) and, through APRE, hold in-service teacher training for the use of the new texts over the life of the project.

As early as June, 1985, APRE began the preparation of bidding documents for the reproduction of textbooks originally developed under the IBRD Fourth Education Sector Loan for grades 1-4. The Directorate of Basic Education, during the same period, requested assistance from USAID/ES for the reproduction of curriculum guides to be used by primary teachers as complementary materials. The guides were approved for reproduction (25,000 copies) in January, 1986.

In April, 1986, the IBRD approved an amendment of the existing Fourth Education Sector Loan with the GOES to include reproduction and distribution of all textbooks for grades 1-9. The MOE and the USAID/ES informally agreed to delete textbook reproduction from the project and to reprogram the \$1.7 million originally planned for textbook reproduction and distribution (grades 1-6) for "administrator and teacher training". The reprogramming would be initiated in January, 1987. The contract negotiated by APRE for textbook reproduction (grades 1-4) was transferred to the IBRD.

During August, 1986, APRE submitted an Action Plan to the Mission for the period of April, 1986 - March, 1987 which emphasized the orientation to in-service teacher training and technical assistance rather than reproduction. It was approved by SETEFE on October 23, 1986, and by USAID/ES on December 16, 1986. It was recognized at that time that a PIL would be needed to modify the Annex 1 (B)4 project description title from Textbooks to Training. The fact that the PIL has yet to be issued could present problems among the GOES entities, especially SETEFE or Corte de Cuentas who base Action Plan approvals upon official Project documents.

In the Action Plan, 48 teacher trainers were to receive their first training session December 1-19, 1986. Because the PIL from USAID/ES approving the Action Plan was not issued until December 16 (4 months after submission and 2 months after SETEFE had approved the plan), no funds were available to carry out the training (requests for funds cannot be made until after USAID/ES issues a PIL.) During this period, USAID/ES had to return the Action Plan several times to allow APRE to correct error in calculation or context. However, because APRE had a balance of funds available (probably from school supplies), an internal loan was arranged and the training was held as scheduled. After the PIL was issued, on January 9, 1987, funds for the component were requested. SETEFE acknowledged receipt of the funds from USAID/ES on March 6, and they were received by APRE on March 24.

The 48 teacher trainers were selected after a several month long process of reviewing curriculum vitae and choosing the appropriate people. Over 90 candidates were considered. The selection process received the support of the Regional Directors of Primary Education, who in effect seconded their personnel to become trainers. The Directors of Human Resources and of the Curriculum Development unit also participated

in this process. PLANALIBRE and UNM provided technical assistance. The component has been careful to cultivate and involve the regional and sub-regional authorities of Primary Education during the entire process of planning, selection and training. In this manner, the component has aligned itself with the decentralization policy of the MOE.

There are presently 42 teacher trainers who live and carry out their activities at the sub-regional level. In each sub-region the component has received the support of the Primary Education Sub-directorate in the form of physical space, utilities, secretarial and cleaning services, as well as the teacher trainers. The trainers are distributed among the sub-regions as follows:

<u>Sub-region</u>	<u>No. Teacher Trainers</u>
San Salvador	10
San Vicente	5
Chalatenango	6
Santa Ana	4
Sonsonate	6
San Miguel	11

Methodologically, the training is carried out at sites central to a group of Nucleos, that is to say, the trainers go to the teachers to be trained. As of February 9, 1987, through April 10, 1987, 4,363 teachers in the first and second grades were trained by the teachers successfully completing Phase I.

C. Operational Concerns

Component 5 is the key element for the implementation of this project. Its efficiency and effectiveness are indispensable if the technical components are to achieve their objectives. As was indicated above in Chapter VI, the original conceptualization of APRE was that of a management unit that would deal with those procedural and compliance oversight requirements necessary to carry out technical activities. As is often the case, however, once a project initiates its activities, the emphasis changes from how they will proceed, to what is to be accomplished. The project focus narrows to view only the outputs as pressures mount to disburse funds locked into a tight time frame. From the original conception of a management unit with access to specific technical support, APRE became transformed into a technically oriented unit, and Component 5 was relegated to a traditional internal administrative support role. The role of a specialized procedural unit for project implementation was downplayed, as indicated by staffing levels, but the real need for a strong capacity in these matters has not been lessened.

In the view of the evaluation team, Component 5 is the real APRE. On PACD, the technical components should disappear -within the MOE there exist entities with analogous functions. Component 5, on the other hand, may continue to exist as the facilitator/manager of new activities in the MOE that are financed externally from whatever source. New components would be created temporarily to carry out the activities of new projects, but the administrative and management capability should remain intact. The principal elements of Component 5: Procurement, Finances, Personnel, Legal, Executive Management, and inter-GOES communications facilitation are omnibus functions that would be required by any project.

Specifically, in this project, the four technical components must functionally integrate and interact with Component 5. The requirements to build a school are less "bricks and mortar" than they are contracting, procurement, financing and the resolution of legal problems. These activities must be correctly carried out to meet the requirements of the three overseers of APRE: USAID/ES, SETEFE, and the Corte de Cuentas. The problems and delays experienced during the past two years can almost invariably be traced to either improper execution by Component 5 of a particular activity, or to a failure to assure adequate interaction of the technical components with Component 5 at the appropriate times. For example, Component 5 is responsible for the premature Component 1 IFB in September of 1985, whether they actually approved publication or the Component chief did not process the IFB through them. Component 3's failure to use the funds for school supplies can also be ascribed to Component 5, given that they were understaffed. Component 2's Action Plan required four revisions prior to approval because of the inclusion of 214 new employees to be paid with PL480 counterpart funds. Component 5 should have been aware of constraints such as Decree 11 and GOES policy with respect to PL480 funds. The weakness of Component 5 raises the question as to how the problem areas identified in this evaluation with respect to APRE can be resolved.

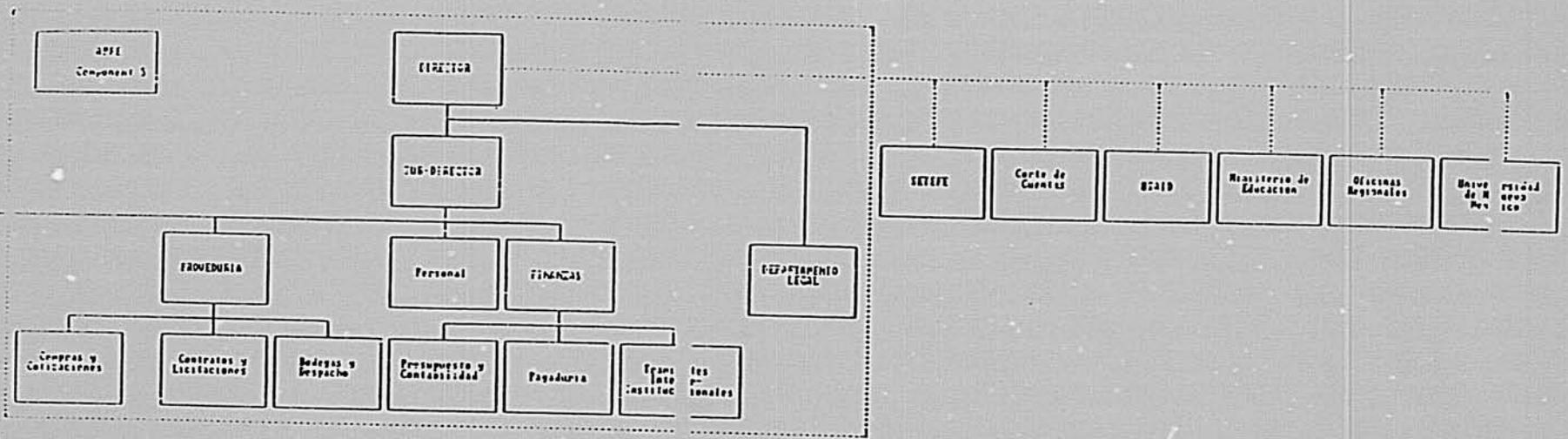
As alluded to earlier, the concentrated attention given to the technical side of APRE, reinforced by the concentration of UNM technical assistance in this area, has paradoxically frustrated project implementation. The Action Plan process itself has had a fragmenting effect on the project administration. A shift of some emphasis to the administrative side of the unit will provide a good measure of assurance that the approval process and subsequent implementation procedures will proceed in a more expeditious manner than to date.

We have seen how APRE, as it evolved, attempted to portray itself in terms of its internal organizational form. Unfortunately, the traditional charts that are normally used to depict an organization tend to not go much beyond hierarchical relationships. One is left to infer how things work by deducing activities from titles. Confusion also is engendered when outputs are the organizational basis for some units, while functions are used for others. When both are placed in parallel, no clue is given as to their interaction.

Figure 10 was developed to present an operational view of APRE. The placement of the technical components in the lower left column is not intended to indicate subordinate status to those administrative components that appear "higher" on the figure. In effect, the executive and administrative units are Component 5. The depiction of APRE in this manner permits, by extension, the development of interactive matrices for clarifying the specific activities which must be carried out jointly by any given technical component and the units of Component 5.

Figure 11 presents in a generic and illustrative manner that such interactions are essential for project implementation. Every intersection, as represented by a small circle, indicates that a joint activity must take place. Note that these interactions are not necessarily placed in sequential order. As an example, before Component No. 3 could make a purchase, it would first have to ascertain the availability of funds with Finance-Budget, then it would coordinate with Procurement-Purchases, and then again with Finance-Cashier. The sequencing of these activities would be a separate step once the interactions are identified.

Figura 20
Estructura Operacional de JFE



- Componente 1
Construcción
Preconstrucción
- Componente 2
Manejo de Recursos
- Componente 3
Administración
Equipos y Materiales
- Componente 4
Ejecución

15

Figura 11
Matriz Operacional General de AFEE

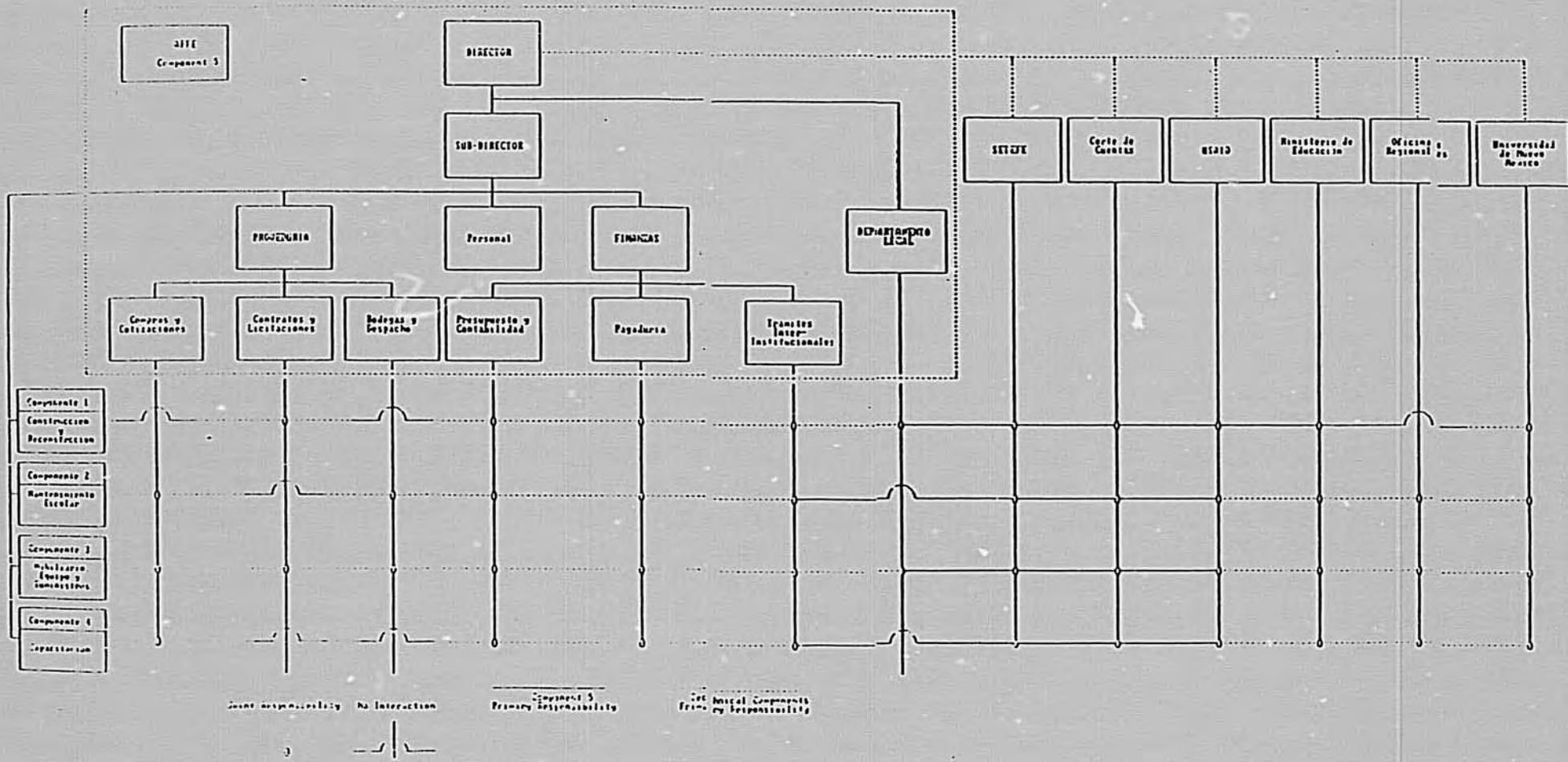


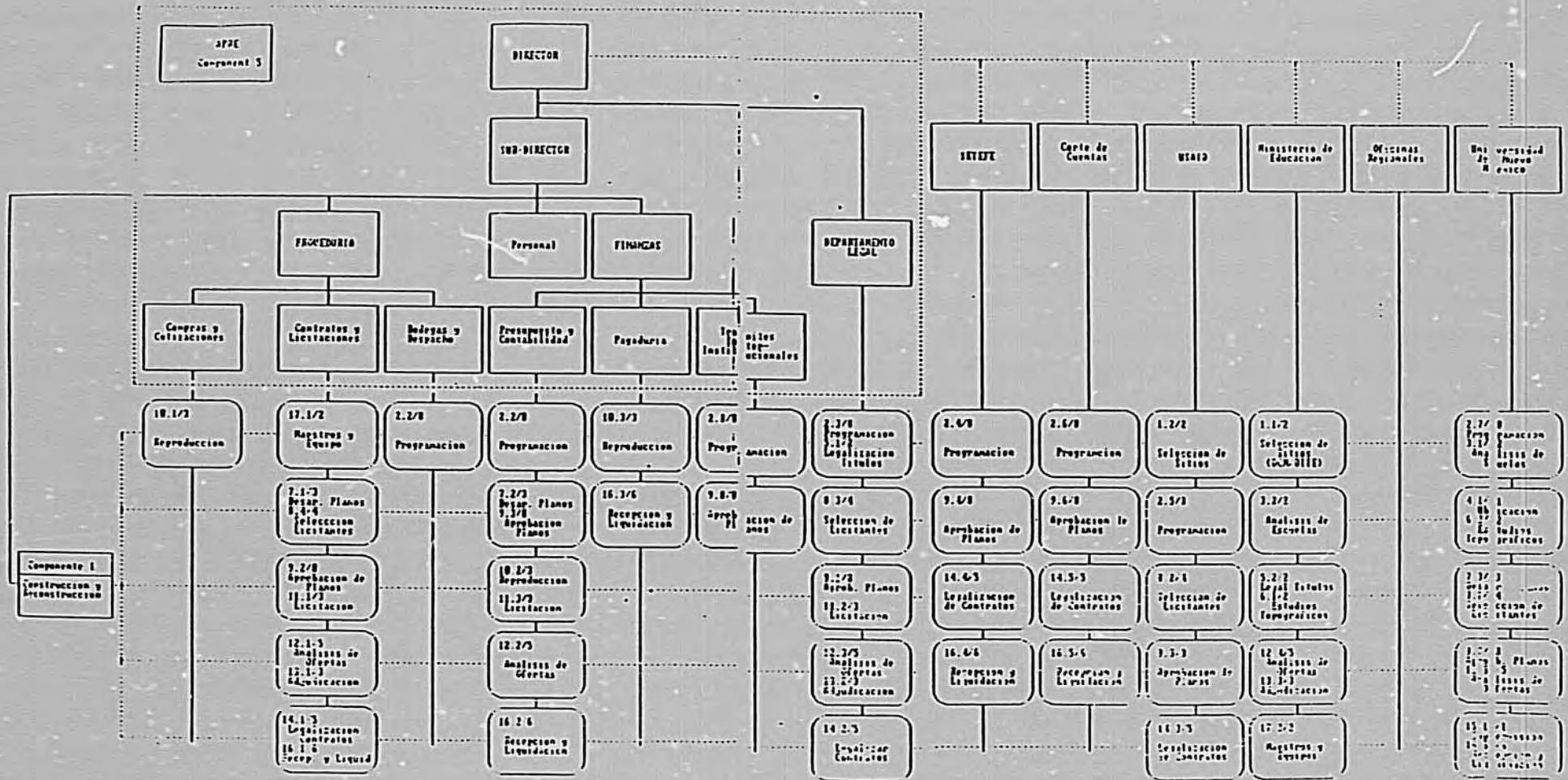
Figure 12 presents an example for Component 1 as to how these interactions can be expanded to include specific activities, the number and identifications of all participants. The specific identification of the all participants in a given activity is of extreme importance because it highlights the need for coordination, something normally not shown on a PERT chart which sequentially phases activities without communicating the coordination complexities. This identification is also important because it implies the need to know and understand what the requirements of the different participants are in bringing to conclusion an activity.

The responsibility to ensure that APRE fulfills the participants' requirements, and that necessary coordination takes place, is basically that of Component 5, which should oversee the activities of the components with regards to procedures and requirements. At present, Component 5 is not staffed to manage this complex activity. The demands of internal administration (payroll, per diem, accounting) take up a large portion of Component 5 staff. For the Component to assume a more effective role in moving the project forward, and to assume new duties, especially in procurement, will require the provision of more staff.

APRE is still in transition, but there are signs that success is now a greater possibility than before. The Director is sensitive to the importance of external relations - at the Directorate level within the MOE, and at the regional and sub-regional levels where much of the success of this project will depend, as well as with a variety of GOES and non-GOES entities. More importantly, perhaps, the APRE internal communication and coordination environment has markedly improved in recent months. The Deputy Director, in particular, is well aware of the need to enhance the administration's support of the technical components, and has begun a serious and substantial revision of the administrative role within APRE.

Upgrading APRE's administrative and managerial capacity during this project will have implications for the MOE and GOES in the future. As long as assistance from foreign sources for education is forthcoming, a responsive and flexible mechanism to plan, program, and monitor such funds will be needed. APRE should be kept in place as a facilitator of external funding for education.

Figura 12
Matriz Organizacional para Componente 1



D. Financial Considerations

I. Financial Management Process

The principal tools for top management financial review of this Project in the USAID/ES Mission are two reports:

- Quarterly Summary Project Report by Project Element.
- Summary Pipeline Report - Active Loan/Grant Portfolio.

The Summary Project Report is reviewed by the Project Manager in OET and the accountant in the Controller's Office assigned to the project. This review permits the Project Manager to bring the Controller up-to-date on the real status of funds, including accruals which the report does not show.

The Summary Pipeline Report review is generally chaired by the Mission Director and includes representatives of the Projects Office and the OET Project Manager. It provides an opportunity for the Project Manager to explain the status of the project that is partially revealed by the figures that include obligated, earmarked and committed funds, pipeline and accrued expenditures.

Over the four year life of the project, USAID/ES and the GOES, through U.S. dollars, local currency and GOES counterpart commitment equivalents, will provide the following amounts (US\$ millions):

Table 4
Life of Project Commitments for Project Activities
By Source *

	<u>ITEM</u>	<u>USAID</u>	<u>SOURCE GOES</u>	<u>TOTAL</u>
I.	Education Revitalization Project			
	A. Classrooms	17.0	7.0	24.0
	B. Maintenance System	2.5	4.5	7.0
	C. Furniture, Equipment, Supplies, Materials	7.6	0.5	8.1
	D. Textbooks	7.5	-.-	7.5
	E. Admin/Mgt	3.0	1.0	4.0
	SUBTOTAL	<u>37.6</u>	<u>13.0</u>	<u>50.6</u>
II.	External School Works	-.-	5.0**	5.0
III.	Teacher's Salaries	-.-	20.0**	20.0
	TOTAL	<u>37.6</u>	<u>38.0</u>	<u>75.6</u>

* Data provided by USAID/El Salvador Program Office

** In-kind contributions

Most dollars under the project are converted into local currency (colones), except for paying for U.S. technicians or procurement directly from the U.S., e.g., vehicles. The process for drawing down on these funds except for in-kind contributions is as follows:

- The Action Plan for one year is prepared by APRE for each component.
- A copy is sent to USAID/OET and SETEFE simultaneously for review.
- OET does the staff work needed for concurrence with the Projects Office, APRE, SETEFE and Corte de Cuentas.
- OET drafts a PIL to implement the Action Plan which is finalized by the Projects Office.
- The PIL's which authorize funding resources are then cleared by OET, the Projects Office, the Contract Officer (if needed for direct A.I.D. procurement), the Controller and then signed at the executive level by either the Associate Director, the Deputy Director or the Director, depending on the issues presented.
- Upon approval of a request for funds by SETEFE and the Corte de Cuentas, APRE is notified by SETEFE and vouchers are submitted by APRE for the reimbursement of expenditures authorized in the Action Plan. The reimbursement restores the 90-day funding availability. The vouchers should be submitted at least once a month in order to assure that payment obligations can be met.
- SETEFE does not begin the GOES fund approval process until a check is received from USAID.

It should be noted that the Action Plans must reflect the budgets set forth in the Grant Agreement (April 18, 1985) or its two amendments (December 16, 1985 and April 4, 1986, respectively).

Counterpart funds (other than in-kind) are generated from two sources: PL480 and ESF. For this project, only PL480 funds are used. The amount of funds for this project as well as the others in the Mission portfolio are determined by negotiations between the USAID/ES and MIPLAN through SETEFE.

The level of funds requested are initially set by a request from the Program Office to OET which provides an estimate of its needs for the project. The total availability is broken down by component and its use is set forth in the Grant Agreement, as amended.

The experience in the use of counterpart funds under the project has not been good, as reflected in Table 5.

Table 5

PL480 Counterpart Disbursements
By Year

<u>Year</u>	<u>Authorized</u>	<u>Used</u>
1985	¢1,000,000	¢670,000
1986	¢6,000,000	¢1,771,000
1987	¢9,000,000	-----

Once an agreement is reached through a Memorandum of Understanding (MOU), APRE sends the Action Plan which incorporates the use of the counterpart funds to SETEFE for approval.

Counterpart funds represented by in-kind contributions are equated to the value of the goods and services that the GOES contributes to the project. For the LOP, the GOES has pledged a total of US \$25,000,000.00 - US \$5,000,000.00 for External School Works, i.e. exterior outfitting and the remainder for teacher's salaries.

2. Financial Issues

Action Plans

The Action Plan is both a program and budgeting document and, when approved, generates the financial resources necessary to implement the program described. Under the present system they are prepared sequentially. The present group of Action Plans terminated in March, 1987 and the new plans have not yet been presented by APRE and approved. In the meantime, funding for the immediate program year is not available, and as a result the 90 day advances provided under the system could theoretically run out. This potentially could result in a slow down of the operation. Action Plans for future periods should be planned and approved before the end of the current programming year.

USAID/ES Controller

Certain aspects of the Controller operation could be modified to improve financial management. One step in that direction was taken in February, 1987, when the thirty budget line items were consolidated into seven at the express request of OET. This obviously was a step in the right direction, providing an improved financial management tool for the OET Project Manager. It could be made even more useful by reconciling the budget line items more closely to the five components of the project. For example, Component 2, School Maintenance, is not identified as a line item reported. It is too important for project management not to have such a significant component listed.

The Controller agreed that there is a need to work more closely with the OET Technical Officer to make financial reporting more relevant.

PL480 Counterpart Funds

As indicated earlier in this section, the Ministry of Education's use of PL480 counterpart funds to support this project has not been particularly good to date. PL480 funds are designated for use in support of salaries and operating expenses in the maintenance component and the classroom construction/reconstruction component. The latter plans the use of these funds, as well, for providing exterior outfittings for newly constructed schools. Some classroom equipment and materials are also to be provided for Component 3, and Component 5 support staff salaries in APRE are included as well.

A potential problem could arise if the PL480 funds for exterior outfittings were delayed: because the completion of a classroom is dependent upon these outfitting's being finished, APRE could find its rotating fund progressively depleted because it would not be replenished until completion had occurred. This situation has not happened thus far, but it would be wise to anticipate its probability.

The difficulty of using the PL480 counterpart funds for salaries is understandable because of the hiring freeze on personnel dictated by Decree 11. The impact on certain components (e.g., maintenance and construction/reconstruction) has been significant, however. It would seem wise to explore the possibility of non-personal services contracts (NPSC) to help resolve the substantial needs of these components.

USAID/ES - Mexico City Controller Connection

Under the processes already described above, a PIL prepared by OET, and cleared by USAID/ES Mission offices, along with SETEFE and Corte de Cuentas, authorizes the expenditure of funds for the purpose approved. The USAID/ES Controller, under the authority of the approved PIL, requests the Regional Controller in Mexico City to issue a check to SETEFE for the designated amount. SETEFE generally receives the check in about 30 days, but may not immediately notify APRE of the availability of funds. In the meantime, APRE cannot commit itself to a contract, and indeed, SETEFE will not process or forward to the Corte de Cuentas any documents dependent upon the funds in question. The 30 day (or more) delay in program implementation due to the check issuance process is faulty and should be remedied. Similarly, USAID/ES should notify APRE when funds are provided to SETEFE.

VIII. CONCLUSIONS

The Scope of Work (see Chapter IV) included a detailed list of Mission concerns regarding project implementation. We have therefore organized our conclusions into a format which approximates the order of those concerns. The evaluation findings necessarily revealed a number of additional issues of importance for project implementation. We have included the corresponding conclusions at the end of this section.

1. The MOE's organizational processes are conditioned by its decentralized structure. Our findings indicate that the MOE decentralization effort has permitted access, via the regional and sub-regional office system, to resources essential to project implementation. This is because, in general, the project goals are achieved at organizational levels outside of the central offices of the MOE.

On the other hand, APRE's administrative support of the technical components has been weak because the administration has not been effectively integrated in the planning stages, even though the technical component implementation directly relies upon administrative processes.

In a project in which so much of implementation is achieved through administrative process, this situation leads to considerable improvisation during execution. Actions Plans are often unrealistic, the demands on administrative support are disorganized, and the limited administrative resources are inefficiently utilized.

The failure to clearly understand the dual function of the administrative unit in both internal operation and technical component implementation resulted in severe understaffing in specific areas fundamental for project success, such as procurement. This is reflected in the inability to handle local procurement for Component 3, and in procedural errors during contracting in Component 1.

2. Administratively, APRE is linked directly to the office of the Vice-Minister, which places it at the same level as a General Directorate within the MOE structure. The Vice-Minister has delegated necessary authority to the Director of APRE for its internal management. His authority, of course, does not extend to other MOE units, and thus required coordination with these units occurs through the intervention of the Vice-Minister. Because the regional offices are also linked directly to the Vice-Minister, rather than through the General Directorates, APRE's work at these levels is facilitated.
3. The administrative units of MOE fall under the cognizance of the Director General of Administration. The three directorates that report to him (Finance, Information and Data Processing, and Construction and Maintenance) are aware of the essentials of the project, but the degree to which they are involved varies.

Because APRE is itself an administrative unit, the Finance Department under the Director General of Administration plays no role in project implementation. The DIIE unit, under the Director General of Administration, on the other hand, has linkages with all four technical components. Within the limitations of DIIE's information base, support has been provided for both the planning and implementing of project activities. DIIE's participation became critical when the CCA contract was terminated and no replacement was provided.

Also due to the CCA termination, DCM's support of this project has been extensive. Their ability to continue providing assistance has been constrained by the failure to include them in planning activities which involve them. Indicative of this problem, and a first step towards its solution, is the recently drafted agreement which

specifies the roles and responsibilities of APRE and DCM for this project. The collaboration of DCM or another contracted entity is essential to successful completion of project activities in Components 1, 2, and, to a lesser degree, Component 3.

4. The normal GOES process for the approval of internal budgets is cumbersome, but the procedures have been simplified because this Project is externally financed. This limits the review and approval process to SETEFE and the Corte de Cuentas. Most delays experienced to date involving these entities have been caused by deficiencies in the documents under review (Action Plans, contracts, requests for funds).
5. The administrative structure of APRE has not assumed its appropriate role in the planning and implementation of this Project. The staff possess the basic skills necessary to perform these activities, although their reduced number limits their ability to assume all the responsibilities needed to support the technical components.
6. In the past, appropriate PIL's and Handbook 11 were not shared among key staff. This created difficulties in the preparation and timely approval of Action Plans, contracts and disbursement requests. This situation has now been remedied through the routine circulation of relevant project documents to both technical and administrative personnel. Some administrative staff possess extensive knowledge of the contents of official project documentation and the procedures detailed therein.
7. The human resources currently available to this Project within the MOE are not sufficient for opportune implementation. Although adequate funds are budgeted for this purpose, Presidential Decree 11 prohibits direct hiring of new personnel and freezes vacant positions within the GOES. As a result, Project implementation has been hampered in the following areas: the regionally based, nationwide school maintenance activity contemplated by Component 2 has but 7 of the 214 field staff originally considered necessary by the Action Plan; the DCM has been unable to acquire sufficient additional human resources to assist in the field topographical surveys and other activities required by APRE prior to the construction/reconstruction bidding process; and APRE itself needs reinforcement in the Finance and Procurement Departments.
8. Those project activities funded through the Extraordinary Budget, administered by SETEFE, generally enjoy freedom from excessive bureaucratic delay in access to necessary funds. However, the source of funds often determines the ease and conditions under which they are disbursed. Specifically, PL480 counterpart funds are subject to the aforementioned hiring freeze. On the other hand, donated funds are not subject to the restraints imposed by the decree. The PL480 funds, nonetheless, can be used for the procurement of non-personal services, equipment, materials and supplies if so budgeted and included in an approved Action Plan.

9. For FY 1987, \$9,000,000 are budgeted for PL480 counterpart funds. Past experience in the use of counterpart funds has not been good. This situation is exacerbated by the hiring freeze, and thus other uses for these funds must be devised. Components 2, 3, and 4 appear to be good candidates for use of these funds. Action Plans for these components could include specific non-salary activities to be funded from this source. This approach would have to be accompanied by an amendment to the Grant Agreement providing the legal basis for these Action Plans to be approved. The documentation by APRE of in-kind contributions by the GOES (salaries, operating expenses) would also demonstrate increased counterpart commitment to the Project.
10. APRE technicians appear to be competent in the use of planning techniques, but do not currently employ these methods during the implementation process itself. Updating of component plans and tracking of progress towards the Project goals is not presently performed, resulting in an inability to adapt the plans to new circumstances and evaluate accomplishments. Moreover, the Action Plan exercise has not included the appropriate involvement of administrative personnel whose role in implementation is indispensable.
11. In some cases, APRE's field outreach has not been sufficient to fulfill planning, coordination and supervision needs. This has been a result of changes in planned tasks and the availability of human resources. Attempts to deal with the problems posed by these changes have mainly concentrated on adapting component methodology. In the case of Component 1, a series of field tasks (site visits, surveys, topographical studies and supervision) were to have been provided by an outside contractor. When Component 1 became responsible for these field activities, the human resources available proved insufficient. The maintenance component, on the other hand, was originally based upon a large in-house maintenance support staff, and thus, with Decree 11, their Action Plan was unacceptable. The implementation methodology was then redesigned to utilize existing human resources at the regional and sub-regional level. Minimal field work was required by Component 3 because existing data, made available by DIIE, were sufficient to determine classroom furniture, equipment and supply needs for delivery purposes. Component 4 has established the most effective presence in the field through its direct involvement with regional, sub-regional and Nucleo management personnel.
12. Effective involvement of MOE and GOES personnel in the planning of component activities has generally been limited, as was indicated with regard to MOE administrative support of this Project. There are some examples, however, where involvement has occurred. Component 4 has consistently incorporated elements of the Regional and Sub-regional Directorates for Primary Education throughout the planning process. Likewise, the new methodological orientation of the maintenance component is increasing the involvement of Regional Managers in the planning and coordination of maintenance activities

to be carried out in their jurisdictional areas. In Component 3, the use of the APRE vehicles for delivery of furniture, equipment and supplies to designated schools is planned in coordination with the regional DCM offices. Significantly, Component 1 does not involve regional or sub-regional level offices in their planning exercise.

Other GOES offices, such as SETEFE and Corte de Cuentas, are not involved in planning, but only conduct reviews of Action Plans.

13. Currently, APRE is authorized to procure goods and services on the open market in an amount up to \$25,000.00 per month. The poor experience with the procurement of school supplies by APRE would indicate that upgrading of this capacity is needed if APRE is to assume a procurement role for this Project. One major constraint continues to be the under-staffing of the Finance and Procurement Departments, which necessarily have to manage the day-to-day administrative workload of APRE. Specialized additional staff is required for APRE to effectively expand their procurement capability. If this issue is attended to, APRE could manage local procurement of supplies required by the Project.
14. The entities outside of the MOE act only in an approval capacity of the formal plans and requests for resources presented by Project managers. At the executive level, communications are customarily of a formal, transmittal nature. Normally, coordination or negotiation is not conducted at this level. When this does occur, USAID/ES often operates as the catalyst.

Mid-level personnel as distinguished from executive personnel at outside agencies that involve APRE normally deal with the substantive issues involved in specific transactions concerning APRE. This is done through a process of receipt, review, and judgement of the form and content of pertinent documents. At this level, communication is basically one-way, in that a decision is issued by the reviewing party and must be responded to by APRE in compliance with the observations provided. Generally, the observations are not directly negotiable at this level. Exceptions have occurred when it is understood that the remaining requirements will be fulfilled. An example is the accommodation made by SETEFE through the provision to APRE of the 20% advance for construction of classrooms from its pool of PL480 funds, even though the contracts for that construction had not yet been formalized by the GOES nor had funds been received from USAID/ES.

At the technical level, APRE's component heads communicate and coordinate directly with their counterparts in other GOES agencies. This is usually initiated by APRE as follow-up to an earlier transmittal. At this level, there is two-way communication, as well as the possibility of resolving specific problems that have arisen as a result of the review process. APRE technicians, it appears, also have recourse to the approval agencies' mid-level management personnel when their technical counterparts at that agency cannot resolve a specific concern. This flexibility is advantageous to the Project.

15. There are a number of constraints to project implementation which are presented by the GOES legal and procedural system, some of which have been discussed above. Decree 11 can only be circumvented through a change in funding source, e.g., use of U.S. project funds not PL480 counterpart, or the granting of special relief from its restrictions. The current Grant Agreement does not include specific allocations of PL480 funds which are permissible under prevailing GOES policy. Action Plans cannot presently be amended, and thus permit flexibility in response to changing conditions. Another constraint is the sequential, rather than parallel, processing of funds requests and contracts. SETEFE's practice of not initiating its approval process until USAID funds are received creates delays commensurate with those inherent in USAID's disbursement mechanism. Other problems of a less significant nature have included ceilings on rents which may be paid by APRE, and the processing of per diem for project personnel, which are subject to GOES procedures and limitations.

Additional Conclusions

1. The Reconstruction Activity of Component 1 will not meet its objective of 2,400 reconstructed classrooms by PACD. To do so would imply a reconstruction rate of approximately four classrooms per day. At present, contracts have been awarded for the reconstruction of only 105 classrooms. It is apparent that some reprogramming of funds should be forthcoming in order to strengthen or enhance other components, e.g., the construction of new schools.
2. A major cause of the delays experienced in Component 1 was the failure to make immediate provision for the continuance of the field services originally the responsibility of CCA, as soon as it became apparent that they would not fulfill their obligations. Since the decision had been made to contract private firms for construction and reconstruction activities, the topographical and site survey specifications and other pre-bidding services were prerequisite and crucial to the contracting process. The assumption of these activities by the MOE through its understaffed DCM unit was not an appropriate solution.

The evaluation team was unable to determine with certainty the origin of the decision to assign these activities to the DCM. On the one hand, the team was informed that the MOE voluntarily offered to undertake these activities. On the other hand, written documents of that period (February, 1986) indicate that APRE was informed that a new A&E contract to be awarded by USAID/ES would not include pre-bidding services and that APRE, through Component 1 and with the support of the MOE, would be responsible for these tasks. It appears that the crucial nature of the pre-bid services, and the impact their absence would have upon the progress of the component, was overlooked by the decision-makers involved.

At the time of the evaluation, this situation has still not been satisfactorily resolved. Even in the amendments to the UNM contracts, dated February and March, 1987, the A&E activities listed

in the scopes of work fall far short of those required by the Project and originally expected of CCA.

3. Knowledge of all the complexities of the GOES and USAID/ES procedural systems is imperfect and dispersed among the APRE staff. Presently, no single office or individual has complete cognizance of all relevant procedural matters, nor is up-to-date information maintained on modifications to the legal and procedural requirements. Given the importance of these processes for Project implementation, this situation represents a major impediment for Component 5.
4. The information requirements for such project activities as site selection, bidding specifications, maintenance requirements, and needs and status of school supplies, have not been adequately fulfilled by the Baseline Data Survey, nor have appropriate steps yet been taken to provide a current and useful information base for the future. The technical components have had to draw upon a variety of data sources, some current and reliable and others not, in order to plan or conduct implementation. These data have not been integrated into a coherent and permanent information resource system, or MIS. Even now, project activities are generating changes in the school inventory, and obtaining detailed information through site visits and surveys. The data produced are not yet being incorporated into the data base, and thus an opportunity to improve the detail and quality of the information base is being lost.

UNM has noted that much progress is presently being made, and its future plans specifically include updating of baseline survey information. USAID/ES indicated that the evaluation has exaggerated and misconceived the nature of the data base issue. The Director of OET fully supports UNM's efforts to improve upon the present system.

Although information which modifies the existing data base is generated at the regional and sub-regional levels of the MOE, the present system does not capture necessary elements of this information flow, such as maintenance activities, new school construction, reconstruction and school supplies. This means that although changes have occurred in the school infrastructure, the changes have not been included in the information base. These data could be obtained from routine paper reports. Furthermore, the DIIE, MOE's information center, is not linked to APRE's data gathering procedures. This fragmented approach to the Project's information management provides a poor base to support construction, maintenance, equipment and supply of schools by the MOE. UNM is presently taking steps to resolve these areas of concern with the full support of the Director of OET.

IX. RECOMMENDATIONS

These recommendations are grouped into two basic target areas: A) Implementation Areas, for immediate action in order to speed implementation, and B) Reinforcement Areas, which contain suggestions to improve the quality of the implementation process through enhancement of the skills of APRE staff.

A. Implementation Areas

1. As a key component of the project which has maximum immediate impact, the delivery of school furniture, equipment and supplies should not be dependent upon completion of project-constructed or reconstructed schools. Available stock should be placed as soon as logistically feasible in existing schools whether or not presently slated for project activities. A new school qualification and priority listing for this purpose should be developed. It should include CONARA/UPR schools, DCM post-earthquake rehabilitated schools, as well as schools which did not qualify for reconstruction activities because they were insufficiently deteriorated. It should also be considered that student and teacher desks, chairs and supplies in even a dirt floor school have an impact on the learning environment, which on balance is probably more important than some potential physical deterioration of the equipment. If an Amendment to the Grant Agreement is required in order to permit these changes to the distribution plan, then that Amendment should be simultaneously formalized.

The evaluation team recognizes that some of these recommended activities are already happening. For example, CONARA/UPR schools are included in the program and USAID/ES has committed itself to furnish earthquake-damaged schools if the IBRD agrees to provide funds for permanent schools.

2. Based on the experience to be gained from the initial 105 classroom reconstruction packages recently awarded, a reduced and more realistic figure for the number of classrooms to be reconstructed should be determined. Depending on how well the construction of new classrooms proceeds, now that technical assistance and supervision from UNM is in place, the number of new classrooms to be built could also be increased in proportion to the projected funds not to be spent in reconstruction. Legal constraints restricting construction to sites where the MOE holds valid title, the physical adequacy of those sites for construction, and GOES budget limitations on the purchase of new land, all create difficulties for the Construction component. Existing schools on MOE land with classrooms that are so dilapidated to not qualify for reconstruction could be considered for demolition or expansion in order that new classrooms can be built. Demolition should be a 100% GOES or local community activity.
3. A more realistic approach should also be devised for the maintenance component. This requires, more than anything, an examination as to whether the impact of the component will primarily reside in the distribution of tool kits and manuals to schools for preventative maintenance purposes, or in the distribution of equipment to MOE Regional DCM offices to support corrective maintenance. In the former case, the pilot self-help program is working. As many as 1,000 parents and students have participated in training sessions for the utilization of school training kits. Parents are learning how to raise and invest funds for school conservation. If corrective maintenance is the priority, then it must be determined what additional support, other than the regional maintenance equipment, is required by the Regional DCM Offices. Examples would be fuel, per diem, materials, etc.

4. Component 5, the administrative and management core of APRE, must receive additional staff in order to respond in a timely manner to the demands that are placed upon it by the technical components, both for internal and external matters. A management plan must be developed which takes into account the requirements of the technical components. Appropriate staff levels and skills should be identified as a result of this exercise. Special attention should be placed on the creation of an expeditor position, to be staffed by an individual capable of organizing the requirements of the various Project oversight agencies in order to assure that the procedures and regulations of those agencies are adhered to before documentation is forwarded for approval.
5. In order to increase use of PL480 counterpart contributions, an amendment to the Grant Agreement should be negotiated which will allocate PL480 counterpart availabilities to specific project activities. At the same time, grant funds should be reallocated to cover those line items of the budget that presently suffer from GOES restrictions. Care should be taken that Grant Funds are not extensively used in areas that may create excessive recurrent costs to the GOES. The amendment should also establish the use of PL480 funds for non-Personal Services Contract-type contracts for specific activities to avoid delays in SETEFE and Corte de Cuentas approval. An amendment which clearly states the object of PL480 funds use, and the mechanisms to be employed for that use should be explicitly stated. It would limit the interpretative flexibility by GOES entities which result in processing delays because of uncertainty with respect to activities that bring new elements into consideration. If such an amendment cannot be achieved, as a last resort USAID/ES, the MOE and APRE might petition the Office of the President for relief from Decree 11 for the purposes of this project.
6. In the area of funds disbursement, mechanisms should be examined which would reduce such delays as are inherent in the disbursement from the Regional Finance Center in Mexico City. SETEFE does not initiate its funds approval process until funds are actually in hand. The Corte de Cuentas cannot approve any transaction until funds are actually deposited in SETEFE's account. USAID/ES should also directly inform APRE when funds for its activities are deposited with SETEFE, in order to ensure their prompt utilization. (The evaluation team has recently been informed that the USAID/ES Controller has started to do this).
7. The Action Plan format should be revised to permit it to be used as a realistic guide to implementation. This should be carried out jointly by APRE, SETEFE, and USAID/ES in order to achieve the following objectives:
 - Permit a general Action Plan for the four technical components and a specific management plan for the fifth component, in one document, which would indicate how component activities would be integrated. The four technical components would lay out, in the general

Action Plan, the principal activities to be undertaken and include year-end goals and budget benchmarks.

- With a request for funds, the technical components would present detailed Action Plans which would be specific with respect to the use of those funds.
- Prepare and solicit approval of the general Action Plan at least two months prior to the end of the current year.
- Establish an amendment process to accommodate modifications that occur during the implementation process as requirements change during the current year.

The modification to the Action Plan process suggested above can be accomplished with the development of special procedures for APRE as permitted by the GOES General Budget Regulations, in Chapter 1, Article 8. Also, its essential points should be included in the amendment to the Grant Agreement suggested above. The evaluation team recognized that a special study will be needed to do the staff work required. USAID/ES should organize such an initiative under APRE auspices.

B. Reinforcement Areas

8. Besides the specific changes suggested above to speed implementation, it is recommended that a number of activities be undertaken to provide depth to the Project and increase implementing collaboration among the participants. For example, in-service and/or evening courses should be devised for APRE, MOE, and SETEFE in areas relevant to project management and implementation in general. Content should include the essentials of construction contracting, procurement techniques, integrated budget-program planning, report and document formatting, essentials of bid analysis, basics of evaluation, procedures to make modifications in planned activities, etc.
9. Another element to expedite implementation would be to have the Corte de Cuentas assign a delegate directly to APRE to review all documentation from APRE prior to its being forwarded to the Central Office of the Corte de Cuentas in order to detect errors and/or omissions.
10. In order to establish a feeling of commitment to the project, it is recommended that twice a year USAID/ES finance a one or two day workshop, held under the auspices of APRE, for participating agencies. This would include GOES agencies, MOE entities, USAID contractors (UNM, RONCO) and USAID/ES personnel involved in the project. The purpose would be to jointly develop solutions to project implementation problems.
11. It is also strongly recommended that any USAID/ES contractor that participates in the project be required to provide technical assistance and in-service training in their area of expertise to appropriate

personnel. For example, RONCO Consulting Corporation has demonstrated ability in the procurement field, and APRE a demonstrated weakness in this particular area. In view of overall USAID/ES development objectives for increasing GOES efficiency, it would appear rational that companies like RONCO be required to increase local capabilities in a given field. This would impact on future projects as well.

12. The MIS effort associated with this Project and now being planned by UNM should be integrated with the existing information base of the MOE. This approach is needed to enhance the probability of the MIS surviving after the project, and should also promote the use of existing data within the MOE for a variety of project and MOE purposes. The DIIE is the necessary linkage to assure long term viability of the MIS.
13. The MIS advisor should include in his design the support of data capture and preliminary processing of information at the regional and sub-regional levels, in order to avoid an over-centralized data collection effort, which is a burden at these levels. This strategy should first be implemented as a pilot project at one of the Regional Offices. The system designed should deal with data useful at the regional/sub-regional offices in their internal planning, decision-making and management activities; otherwise, this important link in the data flow system will suffer from misuse and/or neglect. It will be necessary to develop and implement applications in order to update the central and remote information databases if they are to remain useful. Data sharing between APRE, DIIE and UNM must also be provided for.
14. At the time of the present evaluation, a project activity progress tracking system was under development. Proper provision must be made for continuous updating of this information from supervisors, either directly or through other personnel who would process site reports. These data must also update the school inventory database. Feedback to the supervisors, as well as the need for data summarization, extraction, transfer and integration should also receive careful attention in the design and implementation phase of this application.

ANNEX I
List of Persons Interviewed

USAID/W

Marcia Bernbaum, LAC/DR/EST
Lars Klassen, LAC/DR/CA

USAID/ES

Robin Gomez, Director
Bastiaan Schouten, Deputy Director
Rose Veith, Director, Program Office
Priscilla del Bosque, Deputy Director, PRJ
Leopoldo Garza, Director, OET
John Davison, Controller
Cecily Mango, Evaluation Officer, Program Office
Maria Theresa Vaquerano, Office of Controller
Leo Ruelas, Special Assistant to Mission Director

APRE

Lorenzo Lopez Duke, Director
Oscar Sandoval, Sub-director
Leonidas Delgado, Chief, Classroom Construction and Reconstruction
Guillermo Castro Neira, Asst. Chief for Classroom Reconstruction
Roberto Avelar, Chief, School Maintenance
Jorge Avelar, Chief, Procurement (School Furniture, Equipment, Teaching Materials and Supplies)
Jos del Carmen Parada, Chief, Teacher Training
Mario Aquino, Chief, Business Management Division

UNM

Demetrio Martinez, Chief of Party
Abel McBride, Education Administration Specialist
Betty Facey, Chief Engineer
Jos Magana, Field Supervisory Engineer
Alex Sanchez, School Maintenance Specialist
Loretta Jacome, Teacher Training Specialist
Mario Alzate, Management Information System Specialist

MOE

Rosirmina Molina de Tochez, Vice-Minister of Education
Luis Hernan Conde, Director General of Primary Education
Ernesto Israel Giron, Technical Director of Education
Norma Jovel, Director of Construction and Maintenance
Rolando Mendoza, Director of Infrastructure and Educational Information
Magda Delgado, Director PLANALIBRE
Manuel de Jesus Escalante, Chief, Legal Division, External Affairs

Other GOES

Berta de Castillo, Chief of Operations, SETEFE

Martha Alicia Chavez Carreno, Contracts Section, Delegacion de la Corte de Cuentas en
SETEFE

Dinorah Arias, Vice Minister, Ministry of Culture and Communications

Others

Gilberto Aguilar Avils, Former Vice-Minister of Education

Alice Mahone, Director, El Salvador Office, RONCO Consulting Corporation

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ANNEX III

Computerized Project Management Tools

Computerized project planning and management programs have been used with considerable success in many large and complex projects for decades. Most existing computer programs tend to be specific in terms of the planning or management needs they address, or are oriented towards task scheduling or resource scheduling, but not both. An adequate tool for project management should handle needs in four general areas: strategic planning, tactical planning, management of the project during implementation, and evaluation.

The MIS specialist of the evaluation team was requested to investigate available microcomputer software packages for project planning and management. The characteristics and capabilities of four different packages were evaluated in relation to the needs of the Education Revitalization Project. Harvard Total Project Manager, Computer Associates' SuperProject Plus, Microsoft Project Version 2.01 and Breakthrough Software's Time Line Version 2.0 were examined. SuperProject Plus is by far the most capable and flexible of the packages, although this makes it in some ways the most complex. Its basic use, however, is reasonably easy to master. But its single most important characteristic is its ability to handle the different levels of detail required for use by upper level management as well as by project implementation staff in an automatic fashion. This is done through the creation of "superprojects" and "subprojects", whereby, for example, the upper management level sees a single task as "Determination of Specifications," when in reality, for the component manager, this is an entire project in itself, and indeed may contain other "subprojects." Subprojects and superprojects are internally linked, so that as component managers update information on a subproject, the superproject of which it is a part reflects the new information.

Superproject Plus also integrates a wide variety of tools: project calendars, PERT charts, task Gantt charts, resource Gantt charts, as well as reports including task summaries, resource summaries, and resource assignment. The reports can emphasize either scheduling or fixed and variable cost aspects. Three options are provided for leveling resource conflicts: first by available float, then scheduled start date, and last by assignment priority; first by assignment priority, then available float, and last by scheduled start date; or manually. Three types of linkage can also be established between tasks: finish-to-start, start-to-start (where the late finish of a task does not delay the start of a dependent task if the delay arises from an increased duration rather than a late start), and finish-to-finish (where a delay in the finish of a task results in an equal delay in the finish of a dependent task).

SuperProject Plus (and a flowcharting/organizational charting package called InterActive EasyFlow) was purchased and conveyed to the USAID Mission by the evaluation team. It is recommended that key managers be identified and trained in its use, and that a project manager be established within APRE for the daily maintenance of the project information. It must be understood that the value of this software package lies not so much in facilitating the planning process per se, but rather in the replanning, management, the activities once underway in the real world.

ANNEX IV:

Illustrative Approval Process
 Component I Classroom Construction
 El Salvador Primary Education System Revitalization Project (PPRE)

