

VOTE 26 - OFFICE OF THE MINISTER FOR EDUCATION AND SCIENCE

25. Schools IT 2000 Programme

Background

The Schools IT Programme

In November 1997, the Government announced the establishment of a £250m Scientific and Technological Education Investment Fund. Its purpose was to develop technology education at all levels ranging from primary schools to advanced research. Following the passing of the Scientific and Technological Education Investment Fund Act in December 1998, an additional £30m of Exchequer funding was allocated specifically for research.

One area targeted for support was the Schools IT 2000 Project, which was designed to further the integration of information and communication technologies (ICTs) into first and second-level education. The project was launched as a 3-year programme (1998-2000) to be administered by the Department of Education and Science (the Department) and was allocated £40m of State funding. Additional commercial sponsorship of approximately £15m was received from Eircom over this period.

The core objectives of the project are

- To put in place a permanent infrastructure to ensure that pupils in every school will have the opportunity to achieve computer literacy and to equip themselves to participate in the 'information society'.
- To ensure that support is given to teachers to develop and renew professional skills which will enable them to use ICTs as part of the learning environment of the school.
- The formation of partnerships at school, local and regional levels involving teachers, parents, local communities, third-level institutions and public and private sector organisations.

In November 1999, the Department allocated additional funding of £75m to further develop the integration of ICTs in schools over the period 2000 to 2002.

National Centre for Technology in Education

The Department delegated all aspects of implementation of the Schools IT 2000 Project to the National Centre for Technology in Education (NCTE) which was set up by the Minister for Education and Science (the Minister) for this purpose. NCTE, which is based in Dublin City University (DCU), provides advice and assistance to schools as they decide on their purchases of ICT equipment and materials and is charged with co-ordinating the special training programme under the scheme. Written guidelines, detailing the requirements and procedures attaching to the expenditure of public funds together with financial management and equipment procurement procedures were issued to each primary and post-primary school. The NCTE also held 17 regional seminars for school principals at which all of the relevant requirements and procedures were explained. Grants are issued directly from the Department with the expenditure involved being administered by the IT Unit of the Department in co-operation with NCTE.

Audit Objectives

The primary objectives of the audit of the Schools IT 2000 Project, which included an examination of a representative sample of primary and post-primary schools, were

- to evaluate the method chosen by the Department to channel the grants to schools
- to examine the procedures in use in schools for the procurement of computer equipment and software and verify that appropriate public procurement procedures were applied
- to confirm that equipment and software acquired with grant assistance is in place in schools, is properly maintained and controlled and is being used in an appropriate manner by pupils and staff
- to establish that purchases made by schools comply with the specifications laid down by NCTE
- to establish that the grants paid to schools under the programme were properly accounted for and used for the specified IT purposes.

Extent and scope of audit work carried out

The audit comprised a review of departmental papers to assess the methods used by the Department in allocating the funds available across the schools population. Departmental statistics on enrolment numbers were used to verify the appropriate level of phase 1 and 2 project grant payments to schools. Visits were made to 20 schools in the Dublin/Louth area to review the systems used to procure IT equipment and software, to establish whether the purchases were within specifications laid down by NCTE and to verify the existence of the equipment and the extent to which it was being used. School Principals were interviewed and the relevant school documents and inventory were examined. The records of NCTE, used to control and monitor the progress and effectiveness of the project, were also examined. Discussions also took place with relevant Departmental Officials (including the Department's Internal Auditor who had already carried out an operational audit on aspects of other areas of the Schools IT 2000 programme) and the Director of NCTE.

Audit Findings

Allocation of Grants

The principal options considered by the Department to assist schools in developing their ICT infrastructure were

- central procurement and distribution of hardware and software to schools, or
- provision of block grant aid to schools to enable them to purchase equipment and services directly.

The grant aid option was selected for a number of reasons including the view that the feeling of local ownership, where schools are empowered to determine their own needs outweighed the advantages that may be gained through economies of scale if open tendering was used.

Following a review of costing alternatives, the Department decided that the grant to be paid to schools under the programme should be related to school enrolments, subject to a minimum grant of £2,000.

Phase 1 - Grant allocation under the 1998 - 2000 programme

Phase 1 of the project described in the Schools IT 2000 Project Framework Document of the Department as the Technology Integration Initiative commenced in May 1998. Grant aid was provided to all eligible primary and post-primary schools except further education colleges and schools not recognised for grant purposes under the Free Education Scheme to support them in building up their basic IT infrastructure so that at a minimum each school would have Internet connectivity and access to at least 2 multimedia computer systems to support the integration of ICTs in teaching and learning. The majority of the grants of £13.09m were disbursed to schools in May 1998 on the following basis

- Ordinary primary and post-primary schools - a basic grant of £2000 plus £5 per pupil
- Ordinary schools with one or more special classes - a further grant of £1,500 plus £20 for each special needs pupil
- Special schools - a basic grant of £3,000 plus £20 per special needs pupil.

Phase 2 - Grants

Further grant allocations of £9.77m under the Technology Integration Initiative were announced by the Minister in November 1999 and focused on educational software, special needs, career guidance and staff support. Grants amounting to £7.86m were disbursed in December 1999 under the following headings

- equipment and Internet connectivity needs of the career guidance service in each eligible post-primary school
- support for the integration of ICTs into teaching and learning in all eligible schools through purchase of educational software
- supplementary hardware/software to support the ICT skills development programme for teachers being delivered through NCTE
- provision and running costs for computerised school administration systems in post-primary schools.

Other ICT grant aid was provided for Remedial and Resource Teacher Service in primary schools, the needs of individual special needs pupils and for additional projects under the Schools Integration Project.

NCTE monitoring of grants

Schools were required to acknowledge receipt of grant aid and prepare and submit to NCTE details of equipment purchased, written reports on how the grant was used, as well as a school's IT Plan.

At the conclusion of the audit visits (May 2000) 3,191 (approx 78%) of the 4,053 recipient schools had returned the acknowledged receipt of the phase 1 grant while 2,873 (70%) had filed the additional

information required. (A reminder requesting the information in these returns had been issued to schools by NCTE in April 1999.)

Notwithstanding this, the Department issued phase 2 grants to all eligible schools in December 1999. Only 1889 schools (46%) had acknowledged receipt of the phase 2 grants by 31 May 2000.

In March 2000, NCTE appointed a provider of consultancy services in information technology to compile a database of phase 1 (paid in May 1998) returns from schools. Prior to this, the returns had not been monitored or checked for accuracy due to the pressure of other work in NCTE.

It is understood that NCTE intend to use their own in-house staff to input phase 2 returns. NCTE issued reminders to all non-compliant schools in May 2000.

There was no evidence that NCTE has used the purchases returns or schools' IT Plans in evaluating that the objectives of the Technology Integration Initiative were being met and that the procedures and specifications laid down for schools were being adhered to. The Accounting Officer stated that the NCTE did, however, issue a detailed questionnaire to all first and second-level schools in May 2000 with a view to compiling a database on the current state of IT development in every school. This database is now up and running.

Results of audit visits to schools

- While the visits did not uncover any evidence of grants having been expended other than for the purpose given, of the 20 schools selected, 14 had not remitted phase 1 returns to NCTE. At the time of the visits, 8 of these schools had their returns prepared. The remaining 6 schools have not submitted completed returns.
- 6 schools had not returned Schools IT Plans.
- Price quotations for materials purchased under phase 1 grant was not available for inspection in 5 cases.
- 8 schools had not used the phase 2 grant received in December 1999 by April/May 2000.
- 4 schools could not provide evidence of competitive tendering for their disbursement of phase 2 grant.
- In 7 schools, no official inventory of equipment was being maintained.
- In the case of one primary school, there was no expenditure of either phase 1 or phase 2 grants to May 2000 because there was no location available to site the equipment. The grant had been lodged to the school account. A computer room was under construction by May 2000 however.
- A phase 1 grant of £7,850, paid to a post-primary school in the Dublin area was incorrectly coded in the school's records and as a consequence remained unexpended until discovered on audit. The grant has since been expended.
- A duplicate payment of a phase 2 grant for £10,823 was made by the Department in respect of the same school to two VECs. The payments were made in December 1999 and March 2000. The error occurred because of a breakdown in departmental procedures for notifying

a change in VEC responsibility for the school concerned. The Accounting Officer informed me that the payment issued in error has since been refunded by the relevant VEC and the Department has modified its procedures with a view to preventing any recurrence in the future.

Conclusions

- The allocation method chosen by the Department did not take account of the different levels of IT implementation in schools as a result of local activity.
- The response of schools in making the required returns to NCTE in respect of phase 1 and 2 grant payments is unsatisfactory.
- Failure of NCTE to ensure that returns were submitted and the limited analysis of returns, mean that confirmation was not available in all cases that
 - the grants were duly received
 - proper procedures were applied in procuring IT goods and services
 - the grants were expended for the purpose given
 - the overall objective of the Technology Integration Initiative was being addressed.
- Phase 2 grants were paid by the Department to all eligible schools despite the absence of evidence in a significant number of cases that the initial grant was properly accounted for and used appropriately.
- The results of the audit visits to the 20 primary and post-primary schools give cause for concern and confirm the need for a more rigorous enforcement of the conditions applying to the grants. The Department and NCTE should be more proactive in this area.

VOTE 27- FIRST LEVEL EDUCATION

VOTE 28- SECOND LEVEL EDUCATION

26. Uncollected Local Contributions

Reference was made in my 1994 Report to delays in the collection of supplementary local contributions by Boards of Management arising from cost overruns on primary schools capital building projects. At 31 December 1994 the total local contributions remaining to be collected was £206,647 representing 50 projects.

Since 1996 the local contribution is based on project costs which includes a provision for contingencies. In January 1999 the Minister for Finance approved a proposal from the Minister for Education and Science to cap local contributions at a value of between £10,000 and £50,000 depending on the nature of the project involved. These initiatives obviate the necessity to levy supplementary local contributions in the future.

In May 2000, the Minister for Finance sanctioned the write-off of approximately £600,000 representing uncollected supplementary local contributions dating back to the 1980s. The write-off is noted in the Appropriation Account for Vote 27.

27. Uncollected Examination Fees Written off

Examination fees levied on students sitting second level examinations have traditionally been collected on behalf of the Department by schools. The total amount collected in respect of candidates for the 1999 examination amounted to £5.25m representing a collection rate of 97%.

Despite the existence of schemes to alleviate hardship, approximately £1,572,000 due from 1984 up to and including the 1998 examinations remained uncollected. As the Department deemed these fees to be uncollectable, due mainly to students having left the second level system without making payment, the sanction of the Minister for Finance was obtained to write-off these debts.

In order to refine and improve fee collection in 2000, the Department has introduced an individual candidate giro payment system which will facilitate students by enabling them to pay their examination fees directly through the banks. This reduces the need for schools' involvement in the handling and transmission of fees.

The Department is confident that the new collection system will lead to a greater level of collection from 2000 onwards.

The write-off is noted in the Appropriation Accounts of Vote 28.