

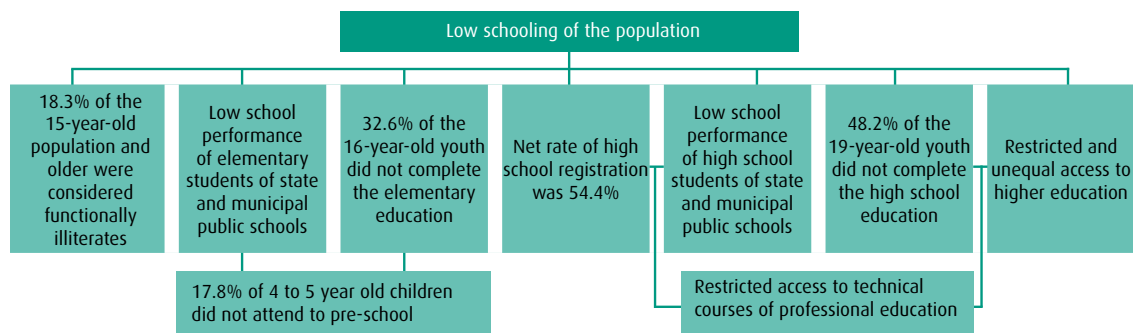
Education

The FiscEducação 2014 offers a systemic vision on educational public policies encompassing: the federal government budgetary execution of the Função Educação (Function Education) in the period from 2010 to 2013, the challenges and progresses as to the improvement of Brazilian educational indexes with emphasis in the goals established in the new National Plan of Education (PNE) 2014-2024, in the Multiannual Plan (PPA) 2012-2015, and the main governance problems found by the TCU in the assessed programs and institutions.

MAIN FINDINGS AND RECORDS

To raise the average schooling of the population of eighteen to 29 years old is one of the challenges set forth in the PNE 2014-2024. In 2012, only 29.4% of the population between 18 and 24 years old, and 4.1% above 25 years old had, at least, twelve years of study (elementary education and high school). Moreover, the inequalities persist when comparing the access opportunities and results by income range, race/ethnicity and by federative regions and units. The quality improvement of the Brazilian education requires the association of people access and attendance to school, with effective learning by the students. In the 2012 international Pisa examination, 67% of the Brazilian students were below the proficiency baseline. The PNE 2014-2024 is structured with twenty goals referring to the various modalities and levels of education, including the financing and valorization of education professionals.

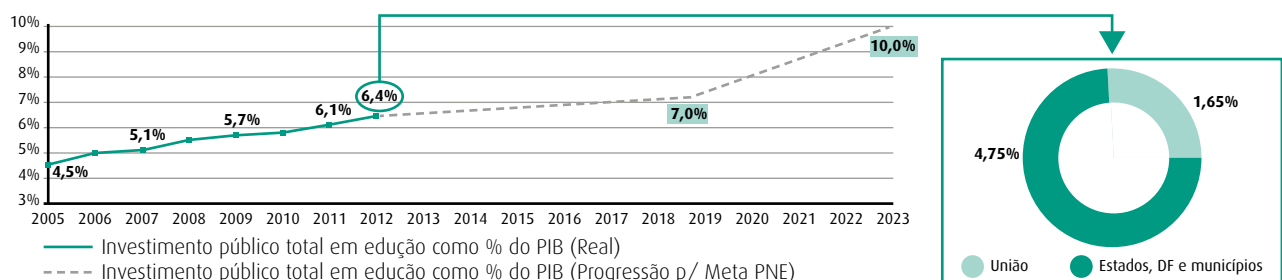
Factors associated to the problem of low schooling of the Brazilian population, according to the educational indexes of 2012



Source: Pnad/IBGE and Brazilian Education Directory. Elaboration: Secex Education/TCU.

In the last decade, public expenditures with education increased when compared to the Brazilian GDP, rising from 4.5%, in 2005, to 6.4%, in 2012. It is expected that such expenditure continually increases in the three spheres of government, both in actual amounts and when compared to the GDP, motivated mainly by the goals established in the PNE of expansion of public investment in education to 7% of the GDP, in the fifth year of the plan, and to 10% of the GDP at the end of its term, in 2024.

Public expenditure in education in the three spheres of government compared with the GDP(%), from 2005 to 2012, and estimated progression to reach the PNE goal in 2018 and 2023



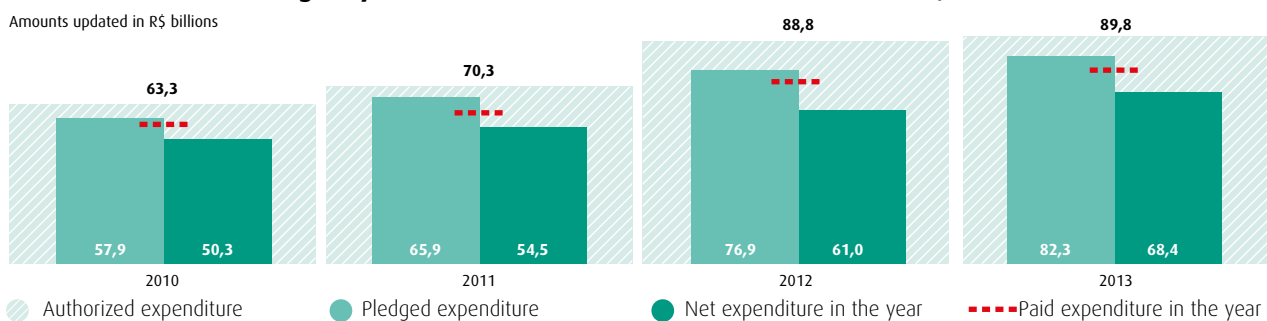
Source: Prestação de Contas da Presidência da República de 2013; PNE 2014-2024; Sistema Siga Brasil. Elaboration: SecexEducação/TCU.

Education

Education is among the government functions with greater materiality. From 2010 to 2013, The Union determined R\$283 billion (updated value) for educational expenses, with 43% intended for Higher Education, 38% to Basic Education, 10% to Professional Education and Technician and 9% to MEC's management and maintenance.

When analyzing the indicators and goals of PPA 2012-2015, TCU verified that, generally, the indicators align with the objectives of the programs, which are obtained in a timely manner, with accessible data, disaggregated and from a reliable source. On the other hand, it was found that PPA's goals refer to PNE's goals, which difficult the monitoring and evaluation of PPA plan. Because they have different life circles, it becomes extremely difficult to keep record the values of PNE's goals (ten-year work development plan) to PPA (four-year work development plan)

Union's Budgetary and financial execution of the Function Education, from 2010 to 2013



Source: Siga System Brazil. Elaboration: Secex Education/TCU.

Note: Amounts updated by the IPCA until 2013.

Brazil faces challenges related to the inequity of service and deficit of vacancy in the childhood education. In the South and Southeast regions, attendance rate to day-care centers was respectively 30.3% and 25.6% in 2012; in the North region, it was less than 8%, and in the Northeast region, it was 17.2%. The TCU' Audit in the Pro-Childhood program evidenced the underuse of school spaces, lack of qualification for the elaboration of a pedagogical project, and deficient execution of civil works.

In the high school education, the greatest challenges are to guarantee access and permanence of students in order to reduce high abandonment rates and to increase the percentage of youngsters that complete this stage of education. Furthermore, it is necessary to reduce the inequalities indicated by the Ideb indexes between the public and private schools and between states. The coordinated TCU' Audit within 28 Brazilian courts of accounts indicated: management and infrastructure deficiencies of the school network; deficit of teachers; excessive substitute teachers; significant differences in expenses accountings; uncertainty regarding the minimum value by student as parameter of complementation of the Federal Government to the Fundeb; and lack of regulation of minimum quality standards.

Regarding professional and technological education, the PNE goal is to triple the school registrations of professional and technical education of high school level, with at least 50% expansion in the public segment. The audit in the federal institutes identified improvement opportunities related to the handling of evasion, formalization of partnerships between institutions and local clusters, higher integration between educational activities, research and extension activities, reduction of deficit of teachers and technicians, and evaluation system of technical courses.

In the higher education, the challenges are the expansion of vacancies and access equality. States of the North and Northeast regions presented, in 2012, lower school registration rates when compared to the rates of the Federal District, Rio Grande Do Sul and Sao Paulo states in 1995. The TCU identified the inadequacy of administrative procedures of federal universities regarding the rules that govern their relationship with support foundations, and insufficiency of accountability controls and contract follow up.

Moreover, a joint audit by the TCU and CGU in higher education institutions assessed aspects related to people management, organization of internal auditing, and asset management and ombudsman.