

**DIRECTORATE FOR EDUCATION AND SKILLS
PROGRAMME FOR TEACHING AND LEARNING INTERNATIONAL SURVEY**

Governing Board

TALIS BUDGET UPDATE AND 2017-18 PWB PREPARATIONS

22-23 March 2016, Singapore, Singapore

The TALIS Governing Board is invited to:

- *NOTE and COMMENT on the TALIS 2013 budget report;*
- *NOTE and COMMENT on the TALIS 2018 budget projections;*
- *NOTE the process for the preparation of the TALIS 2017-18 PWB.*

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TALIS BUDGET UPDATE AND 2017-18 PWB PREPARATIONS

1. This document provides an update on the TALIS 2013 cycle budget, revised estimates of expected expenditure and country contributions for the TALIS 2018 cycle, as well as a status update on the preparations for the TALIS 2017-18 Programme of Work and Budget (PWB).
2. The TALIS Governing Board (TGB) is invited to:
 - **NOTE** and **COMMENT** on the TALIS 2013 budget report;
 - **NOTE** and **COMMENT** on the TALIS 2018 budget projections;
 - **NOTE** the process for the preparation of the TALIS 2017-18 PWB.

Budget report on the TALIS 2013 cycle

3. At the 17th meeting of the TALIS Board of Participating Countries (BPC), the Secretariat provided a status report on the TALIS 2013 budget that covered income and actual expenditure from 2011 to 2013 as well as estimated expenditure for 2014 [[EDU/INES/TALIS\(2014\)7/REV](#)]. Following the closing of 2015 accounts, it is now possible to update this information with actual expenditure up to 2015, and forecasts of expenditures for the remaining work of the TALIS 2013 cycle – i.e. related to the preparation and production of the TALIS-PISA link report and thematic reports.

Income

4. As a Part I project, TALIS 2013 received funds from two sources.
5. A small part of its income was received from the OECD Part I budget from 2011 to 2014 (when the TALIS 2013 international report was published). Table 1 lists the amount received from the Part I budget over the course of the TALIS 2013 cycle. It is noteworthy that the Part I budget allocations received increased substantially in the 2013-14 biennium, as a result of high interest from countries expressed in the Education Policy Committee (EDPC) priority rating exercise.

Table 1. Part I funding for TALIS 2013 (EUR)

	2011	2012	2013	2014	2015	2016	Total
Part I funding received	80,000	74,000	153,000	155,000	-	-	462,000

6. The second and main source of funding was received from participating countries and economies through voluntary contributions (VCs). Table 2 lists the VCs received from the 33 participating countries and economies over the course of the TALIS 2013 cycle, in relation to the core ISCED 2 survey and its various international options (ISCED 1, ISCED 3, TALIS-PISA link and online data collection). All VCs have been paid.

Table 2. Voluntary Contributions for the TALIS 2013 core survey and international options (EUR)

Country/economy	ISCED 2 core survey	International options				Total
		ISCED 1	ISCED 3	TALIS-PISA link	Online data collection	
Abu Dhabi (UAE)	159,981	-	30,470	-	10,803	201,254
Alberta (Canada)	109,863	-	-	-	10,803	120,666
Australia	146,752	-	30,470	39,307	10,803	227,332
Belgium Fl. (Belgium)	114,153	30,470	-	-	10,803	155,426
Brazil	159,981	-	-	-	-	159,981
Bulgaria	159,981	-	-	-	-	159,981
Chile	103,488	-	-	-	10,803	114,291
Croatia	159,981	-	-	-	-	159,981
Czech Republic	105,662	-	-	-	10,803	116,465
Denmark	98,082	30,470	30,470	-	10,803	169,825
England (UK)	212,045	-	-	-	10,803	222,848
Estonia	97,511	-	-	-	10,803	108,314
Finland	94,549	30,470	30,470	39,307	10,803	205,599
France	236,865	-	-	-	10,803	247,668
Iceland	97,511	-	30,470	-	10,803	138,784
Israel	105,307	-	-	-	-	105,307
Italy	213,320	-	30,470	-	10,803	254,593
Japan	384,056	-	-	-	-	384,056
Korea	125,046	-	-	-	10,803	135,849
Latvia	159,981	-	-	39,307	10,803	210,091
Malaysia	159,981	-	-	-	10,803	170,784
Mexico	134,135	30,470	30,470	39,307	-	234,382
Netherlands	126,193	-	-	-	10,803	136,996
Norway	103,558	30,470	30,470	-	10,803	175,301
Poland	104,185	30,470	30,470	-	10,803	175,928
Portugal	92,877	-	-	39,307	10,803	142,987
Romania	159,981	-	-	39,307	10,803	210,091
Serbia	159,981	-	-	-	-	159,981
Singapore	159,981	-	30,470	39,307	10,803	240,561
Slovak Republic	99,371	-	-	-	10,803	110,174
Spain*	164,336	-	-	39,307	-	203,643
Sweden	105,230	-	-	-	10,803	116,033
United States	476,722	-	-	-	10,803	487,525
Other miscellaneous VCs	31,243	-	-	-	-	31,243
Total	5,121,889	182,820	304,700	314,456	270,075	6,193,940

* Spain took the online data collection option, but contracted directly with the IEA for this, hence the corresponding income does not appear in the OECD budget.

7. The total income from all sources of funding for the TALIS 2013 cycle (including the core survey and international options) thus amounted to EUR 6 655 940.

Expenditures

8. Total expenditure on TALIS 2013 for the period 2011-15 is presented in Table 3. The figures in Table 3 correspond to actual expenditure for 2011 through 2015. They include the expenditure on the ISCED 2 core survey, but also expenditure related to the ISCED 1, ISCED 3, TALIS-PISA link and online data collection options for consistency with the income information in Table 2. For this reason, the figures presented in Table 3 cannot be compared with a similar budget summary shared with the TALIS BPC in

2014, which only focused on expenditure related to the ISCED 2 core survey [Table 5 in [EDU/INES/TALIS\(2014\)7/REV](#)].

Table 3. Actual expenditures for TALIS 2011-15, ISCED 2 core survey and international options (EUR)

	2011	2012	2013	2014	2015	Total
Staff (on part I and VCs)	264,528	442,132	540,911	620,511	218,256	2,086,337
Travel (staff and experts)	28,995	69,340	33,969	39,070	17,730	189,104
Consultant fees	1,144,984	818,591	874,715	626,314	39,077	3,503,680
Meetings	4,182	587	559	3,790	4,629	13,746
Documents	423	1,478	941	7,898	3,153	13,893
Publications	350	2,907	-	37,759	10,215	51,232
IT, operational costs	3,029	3,756	6,761	4,961	10,524	29,031
VC cost recovery	407,302	18,461	5,044	105	476	431,387
Total expenditure on VCs and Part I	1,853,791	1,357,251	1,462,899	1,340,408	304,061	6,318,411

9. As Table 3 illustrates, the largest portion of the expenditures for TALIS 2013 was dedicated to the remuneration of the international contractor, the IEA, as well as additional experts involved in specific aspects of the work. OECD Secretariat staffing costs were another significant expenditure item, especially in 2013-14, due to the additional workload deriving from the preparation and launch of the international report for the ISCED 2 international report in June 2014 and the ISCED 1 and 3 international options report in December 2014.

10. Comparing total income and expenditure until the end of 2015 shows that TALIS has carried over a surplus of EUR 337 530 into 2016, which corresponds to the costs related to the preparation of the two TALIS thematic reports and the TALIS-PISA link report. The breakdown of 2016 expenditure by budget item and budget status (actual expenditure versus committed funds) is provided in Table 4 below.

Table 4. Estimated 2016 expenditure on TALIS 2013, by budget item and status (EUR)

	Actual expenditure	Commitments	Total
Staff	80,067	105,727	185,794
Travel (staff and experts)	200	1,005	1,205
Consultant fees	28,018	39,216	67,234
Meetings	-	-	-
Documents	3,218	3,046	6,264
Publications	120	5,880	6,000
IT, operational costs	2,230	-	2,230
VC cost recovery	-	-	-
Total expenditure on VCs	113,853	154,874	268,727

11. The 2016 estimated expenditure correspond to the preparation, production and launch of the outstanding TALIS 2013 reports, namely the two thematic reports on *Supporting Teacher Professionalism: Insights from TALIS 2013* and *TALIS 2013 and Leadership for Learning in Schools: Creating and Sustaining Professional Learning Communities*, as well as the report from the TALIS-PISA link. Actual expenditure as of 13 March and committed engagements currently add up to EUR 268 727.

12. However it should be noted that some additional costs will accrue for 2016 that are not yet included in the estimates, e.g. in relation to the recruitment of a statistician to support the production of the

TALIS-PISA link report, as well as some time of a production assistant to work on the report finalisation. As a result, it is expected that the current surplus of EUR 68 802 will be reduced by the end of 2016, bringing the budget of the TALIS 2013 cycle to a balanced closure.

Budget projections for the TALIS 2018 cycle

13. While the 2013 cycle of TALIS is coming to completion budget-wise, the budget for the 2018 cycle of TALIS is becoming more precise as, on the one hand, outstanding participants are taking steps to formalise their participation and, on the other hand, the Secretariat now has a clearer idea of staff needs on the TALIS satellite projects¹ and the resulting adjustments needed to staff the TALIS 2018 team.

Country participation

14. A core element of the TALIS 2018 budget derives from the number of participating countries and the international options that they have chosen to pursue. In this respect, a number of systems have confirmed their intention of joining TALIS 2018 – formally or informally – since the last update on TALIS 2018 country participation at the last meeting of the TALIS BPC in Copenhagen [[EDU/INES/TALIS\(2015\)10](#)]. Brazil; Georgia; Kazakhstan; the Russian Federation; Shanghai, China; and Viet Nam will thus join TALIS 2018, whereas Indonesia, who had confirmed its participation, has decided to pull out. The formalisation of arrangements is completed in the case of Kazakhstan, almost finalised for Georgia and Viet Nam, and underway for the remaining three systems. Table 5 summarises current participation in the TALIS 2018 core survey and its international options as of 13 March 2016, including the soon-to-be-confirmed countries and economies.

15. Table 5 illustrates the growth of TALIS since the last cycle. In 2013, 33 countries and economies participated in the TALIS ISCED 2 core survey, and another 24 populations were also surveyed at the ISCED 1 and 3 levels and in the PISA schools through the corresponding international options, for a total of 57 replications of the survey. In 2018, it is expected that 82 replications of the survey will be undertaken, with 44 countries and economies involved in the core survey, and 38 replications of additional populations through the international options. This corresponds to an increase of 33% in terms of countries, and an increase of 44% in terms of replications.

1. The Initial Teacher Preparation Study and the Video Study of Teaching Practices have both reached a critical mass of participants to proceed and part of the team will thus be allocated to – and funded by – these projects.

Table 5. Participation in TALIS 2018 core survey and options as of 13 March 2016

Country/economy		ISCED 2 core survey	International options		
			ISCED 1	ISCED 3	TALIS-PISA link
Australia	Member	Yes	Yes (tbc)		Yes (tbc)
Belgium (FL and FR)	Member *	Yes	Yes (FL)		Yes (Fr.)
Canada (AB)	Member *	Yes		Yes	
Chile	Member *	Yes			
Czech Republic	Member *	Yes			Yes
Denmark	Member *	Yes	Yes	Yes	Yes
Estonia	Member *	Yes			
Finland	Member *	Yes			
France	Member *	Yes	Yes		
Hungary	Member *	Yes			
Iceland	Member *	Yes			
Israel	Member	Yes			
Italy	Member	Yes			
Japan	Member *	Yes	Yes		
Korea	Member	Yes	Yes		
Mexico	Member	Yes			
Netherlands	Member	Yes	Yes		
New Zealand	Member *	Yes			
Norway	Member *	Yes			
Portugal	Member *	Yes		Yes	
Slovak Republic	Member *	Yes			
Slovenia	Member *	Yes		Yes	
Spain	Member *	Yes			
Sweden	Member *	Yes	Yes	Yes	
Turkey	Member *	Yes	Yes	Yes	Yes
United Kingdom (ENG)	Member	Yes	Yes		
United States	Member	Yes	Yes	Yes	
Argentina (Buenos Aires)	Associate *	Yes	Yes		Yes
Bulgaria	Associate *	Yes			
Colombia	Associate *	Yes			Yes
Latvia	Associate *	Yes			
Lithuania	Associate *	Yes			
Romania	Associate	Yes			Yes
Saudi Arabia	Associate *	Yes			Yes
Singapore	Associate *	Yes			
Brazil	Participant	Yes (tbc)		Possibly (tbc)	
China (Shanghai)	Participant	Yes (tbc)		Yes (tbc)	
Croatia	Participant	Yes		Yes	
Georgia	Participant	Yes (tbc)			Yes (tbc)
Kazakhstan	Participant	Yes			
Russian Federation	Participant	Yes (tbc)			
UAE (Abu Dhabi)	Participant	Yes			
UAE (Dubai)	Participant	Yes	Yes	Yes	Yes
Vietnam	Participant	Yes (tbc)	Yes (tbc)	Yes (tbc)	Yes (tbc)
Total confirmed		39	12	9	9
Total including systems to be confirmed		44	14	12	12

*Pending formalisation of arrangement through exchange of letters with the OECD Secretary-General.

TALIS 2018 estimated budget

16. While the budget estimates presented in Copenhagen as part of the TALIS Programme of Work and Budget for 2016 [[C\(2015\)148](#)] were conservative and only took confirmed participants into account,

the fact that the outstanding participants are in the process of formalising their participation reduces levels of uncertainty. In this context, it makes sense to now derive the budget for all participants-to-be.

17. The projected budget for the TALIS 2018 cycle is presented in Table 6 below. It should be noted, however, that this budget is still tentative, as some elements related to the establishment of TALIS as a Part II Programme will not be known until the Summer 2016 – e.g. on OECD-wide overheads, rents and directorate central support costs (i.e. Director's office, administrative support and communications team) for which conservative estimates have been used at this point.

Table 6. Projected expenditures for TALIS 2015-19, ISCED 2 core survey and international options (EUR)

	2015	2016	2017	2018	2019	Total
Staff	233,806	366,359	468,828	769,249	1,009,524	2,847,765
Travel (staff and experts)	8,202	64,000	48,000	33,000	53,000	206,202
Consultant fees	863,483	1,143,144	1,547,733	1,274,589	563,956	5,392,906
Meetings	-	18,000	18,000	18,000	18,000	72,000
Documents	16	11,630	11,630	11,630	11,630	46,536
Publications	8,320	2,800	2,500	2,500	308,000	324,120
IT costs Part II Programme	-	11,300	10,602	18,330	22,560	62,792
Rent costs Part II Programme	-	22,408	31,282	48,690	49,664	152,043
Total direct costs	1,113,827	1,639,641	2,138,575	2,175,988	2,036,333	9,104,364
Overheads Part II Programme	-	77,000	77,000	77,000	77,000	308,000
VC cost recovery charge	99,606	19,252	19,252	19,252	19,252	176,616
Total	1,213,433	1,735,893	2,234,827	2,272,240	2,132,586	9,588,979

18. The change in scale of TALIS described above impacts the budget, as illustrated by the rise of contractors' costs between the TALIS 2013 and TALIS 2018 cycles. It should be noted, however, that direct comparisons with the 2013 budget are compounded by the change in scale, as well as the transition of TALIS to a Part II programme as of 2016, since Part II budget items and breakdowns differ from those of Part I projects. As a result, it is more accurate to compare total costs than item by item trends.

19. An indirect way of comparing costs between the two cycles is to prorate the total costs of TALIS 2013 with the growth in the number of countries (+33%) and survey replications (+44%). Applying the growth rates in terms of countries and survey replications yields total costs – all else being equal – to a budget of between EUR 8.4 and 9.1 million. Yet all else is not equal and some additional factors have driven costs up:

- With respect to staff costs, the mixed experiences with contracting out thematic reports in the past have led to the decision to do more of the TALIS analysis in-house in the TALIS 2018 cycle, so as to enhance the policy relevance and focus of TALIS publications. The implication of doing more analysis in-house, however, is to maintain a research capacity within the TALIS team and to add a part-time analyst and statistician to the team on a permanent basis. The expected benefit of this investment is higher quality reports more directly targeted to policy makers' audiences.

The staff costs also include some Directorate for Education and Skills central costs shared across projects and programmes. The formula to split these costs across Part I projects and Part II Programmes is currently under review; therefore, tentative estimates have been used for this projection of expenditure.

- With respect to consultant/contractors' costs, the TALIS 2018 cycle proposes some innovations, such as the e-assessment system, which is expected to facilitate the instrument preparation process from translation and adaptation to survey administration and response rate monitoring.

The expected benefit of this investment is to streamline national activities with a view to achieving reductions in national costs.

- With respect to rent costs, their increase derives from a move of the Secretariat to new premises in the second half of 2016, as well as a change in the formula for allocating office space costs to Part II Programmes. Final rent costs will, however, not be known until mid-2016.

20. Another way of getting a sense of trends in the TALIS budget is to derive the average annual growth rate of the budget per unit, so as to control for the increase in country participation. From this perspective, the cost per replication has increased over a five year period from EUR 110 849 in TALIS 2013 to an estimate of EUR 116 939 for TALIS 2018. This corresponds to an average annual increase of 1.08%, which is in line with inflation in the Euro area over the 2011-16 period.

Indicative country contributions

21. As indicated above, some elements in the budget presented in Table 6 will only be confirmed in mid-2016. As a result, it is only possible to present indicative country contributions at this point.

22. Moreover, countries differ in terms of their payment schedules and some countries will be paying contributions for both 2015 and 2016 this year. For this reason, the indicative country contributions in Table 7 are presented as the average annual payment for the ISCED 2 core survey and international options, so that countries can individually estimate their future contributions based on their payments to date and foreseen in 2016.

Table 7. Indicative annual country contributions, ISCED 2 core survey and international options (EUR)

Country/economy	Status in TALIS Part II Programme	Estimated contributions - ISCED 2 core survey			Additional annual contribution for options			Total annual contribution on average
		Annual floor contribution	Annual flexible contribution	Average annual contribution 2015-19	ISCED 1 option	ISCED 3 option	TALIS-PISA link option	
Australia	Member	23,777	24,218	47,995	8,500	-	10,700	67,195
Belgium (FL and FR)	Member *	23,777	8,535	32,312	8,500	-	10,700	51,512
Canada (AB)	Member *	23,777	4,783	28,560	-	8,500	-	37,060
Chile	Member *	23,777	4,141	27,918	-	-	-	27,918
Czech Republic	Member *	23,777	3,183	26,960	-	-	10,700	37,660
Denmark	Member *	23,777	5,363	29,140	8,500	8,500	10,700	56,840
Estonia	Member *	23,777	563	24,341	-	-	-	24,341
Finland	Member *	23,777	4,236	28,014	-	-	-	28,014
France	Member *	23,777	44,679	68,456	8,500	-	-	76,956
Hungary	Member *	23,777	1,848	25,625	-	-	-	25,625
Iceland	Member *	23,777	563	24,341	-	-	-	24,341
Israel	Member	23,777	4,079	27,856	-	-	-	27,856
Italy	Member	23,777	34,133	57,910	-	-	-	57,910
Japan	Member *	23,777	101,159	124,936	8,500	-	-	133,436
Korea	Member	23,777	20,308	44,086	8,500	-	-	52,586
Mexico	Member	23,777	19,689	43,466	-	-	-	43,466
Netherlands	Member	23,777	14,196	37,974	8,500	-	-	46,474
New Zealand	Member *	23,777	2,642	26,419	-	-	-	26,419
Norway	Member *	23,777	8,546	32,323	-	-	-	32,323
Portugal	Member *	23,777	3,481	27,259	-	8,500	-	35,759
Slovak Republic	Member *	23,777	1,521	25,298	-	-	-	25,298
Slovenia	Member *	23,777	749	24,527	-	8,500	-	33,027
Spain	Member *	23,777	22,883	46,660	-	-	-	46,660
Sweden	Member *	23,777	8,473	32,250	8,500	8,500	-	49,250
Turkey	Member *	23,777	12,681	36,458	8,500	8,500	10,700	64,158
United Kingdom (ENG)	Member	23,777	35,502	59,279	8,500	-	-	67,779
United States	Member	23,777	140,694	164,472	8,500	8,500	-	181,472
Argentina (Buenos Aires)	Associate *	23,777	3,318	27,095	8,500	-	10,700	46,295
Bulgaria	Associate *	23,777	772	24,549	-	-	-	24,549
Colombia	Associate *	23,777	5,487	29,264	-	-	10,700	39,964
Latvia	Associate *	23,777	563	24,341	-	-	-	24,341
Lithuania	Associate *	23,777	670	24,448	-	-	-	24,448
Romania	Associate	23,777	2,715	26,493	-	-	10,700	37,193
Saudi Arabia	Associate *	23,777	12,270	36,047	-	-	10,700	46,747
Singapore	Associate *	23,777	4,698	28,476	-	-	-	28,476
Brazil	Participant	23,777	-	23,777	-	8,500	-	32,277
China (Shanghai)	Participant	23,777	-	23,777	-	8,500	-	32,277
Croatia	Participant	23,777	-	23,777	-	8,500	-	32,277
Georgia	Participant	23,777	-	23,777	-	-	10,700	34,477
Kazakhstan	Participant	23,777	-	23,777	-	-	-	23,777
Russian Federation	Participant	23,777	-	23,777	-	-	-	23,777
UAE (Abu Dhabi)	Participant	23,777	-	23,777	-	-	-	23,777
UAE (Dubai)	Participant	23,777	-	23,777	8,500	8,500	10,700	51,477
Vietnam	Participant	23,777	-	23,777	8,500	8,500	10,700	51,477

*Pending formalisation of arrangement through exchange of letters with the OECD Secretary-General.

Update on preparations for the TALIS 2017-18 PWB preparations

23. This final section aims to update the TGB on the process for the approval of the TALIS Programme budget for the 2017-18 biennium.

24. The retro-planning process is the following:

- Draft Programme of Work and Budget proposals for Part II Programmes shall be submitted to their respective governing bodies by 31 October of the year preceding the start of their next Programme of Work and Budget cycle. These proposals shall be transmitted to the Budget

Committee no later than 15 November and the recommendations of the Budget Committee to Council shall be transmitted by 1 December.

- Since the TGB will meet on 15-16 September 2016, a discussion of the 2017-18 PWB will be part of the agenda for that meeting. The TGB will be requested to approve:
 - The revised PWB for 2016, taking into account additional participants that have joined TALIS subsequent to the adoption of the current PWB [[C\(2015\)148](#)];
 - The draft PWB for 2017-18, also based on the final list of TALIS participants.
- Given the need to Submit draft PWB documents to the Office of the Secretary-General for review prior to submission to the TGB, this means that the list of participating countries for TALIS 2018 will have to be finalised in mid-August.

25. The implication is that all countries will have to finalise the arrangements for their participation in TALIS before the end of June – whether in terms of participation in the core survey or its international options. Beyond that date, countries will no longer be able to join TALIS 2018 or additional options.

26. Finalising arrangements entails:

- For OECD member countries: making sure that a formal notification is sent to the OECD Secretary-General stating your country's acceptance of the invitation received. Countries for which this process is not yet completed are identified by an asterisk in Table 7. The Secretariat can provide a template of the notification letter upon request.
- For non-OECD associates in TALIS: some of the invitations are delayed, but they should reach each country shortly. Likewise, countries will have to send a formal notification to the OECD Secretary-General stating their acceptance of the invitation received.
- For non-OECD participants in TALIS: a notification to the Secretariat is sufficient, but should agreements be needed to proceed to payment, they should be initiated in May to account for delays of legal/budget review and complete the process before the summer break.

27. By mid-August, the final list of TALIS participating countries and the outstanding elements of Part II Programme costs will be known, and it will be possible for the Secretariat to derive firm estimates of assessed country contributions for 2017.