

DEPP REPORTS

206

The Education Account

Principles and methods



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April 2016

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INTRODUCTION: HISTORY OF THE EDUCATION ACCOUNT

What is the cost of education? Which economic agents – central government, local government, households, business enterprises – provide the funding? What is the average expenditure per pupil or student for a given level or pathway?

To answer these questions, which cover both French planning needs and the National Accounts, initial work on the Education Account was undertaken in the late 1970s.

In 1978, the first Education Account was produced. In the early 1980s, costing was done using a stabilised method for the period 1974 to 1981. This has since been done every year, in the same way as the National Accounts, with a final Account for year $n - 2$ and a provisional Account for year $n - 1$.

The method has changed over the years:

- In the early 2000s, a thorough review was undertaken to adapt the structure of the Account to the changes in the National Accounts and to facilitate production of the indicators requested by international organisations (OECD, UNESCO, Eurostat).
- The Account then had to adapt – in particular in 2006 – to changes in budget or accounting mechanisms, which affected the education funding method or the sources.
- In 2014, new changes were made, in particular to keep track of conceptual developments in the National Accounts.

To ensure that the series continue to make sense, back-casting of the main indicators has been carried out, so that we now have consistent series from 1980 onwards.

The coverage of the Education Account is as wide as possible, in order to identify the entire national effort regarding education.

As well as the initial education of pupils and students, it also covers continuing vocational training. Activities not directly concerning education but related to it, such as catering or boarding facilities, school transport, school medical services and public support for education, are taken into account. The costs of organising the system and national and local administration are also assessed. Expenditure by families on the education of their children and the cost of continuing vocational training for business enterprises are also included.

The Account provides a summary of the accounting and statistical data on education expenditure, its funding and production costs, etc. It covers expenditure by institutional sectors in a very wide scope of education, for the whole of the economic territory. It is consistent with and is a satellite account of the National Accounts. Consistency is very important as the macro-economic weighting of education is significant: in 2016, education expenditure represented 6.7% of GDP.

The method initially used was presented in the Education and Training Report (*Education et formations*) No. 7 of October 1990. This method was used up to June 2002, for the 2001 provisional Account. As the principles and methods of the Education Account evolved, they were presented in a new DEPP report (No. 199) in May 2011. The results presented cover the period 1999-2009. The method described remained unchanged until the 2012 provisional Account. This report is an update, integrating the methodological changes made in 2014 to produce the final 2012 and provisional 2013 accounts. It contains results recalculated using the new methods, to set up a consistent series for the period 2006-2014.

1. FIRST PART: THE MAIN PRINCIPLES OF THE ACCOUNT

1.1. A SATELLITE ACCOUNT OF THE NATIONAL ACCOUNTS

The central framework of the National Accounts gives a description of the whole economy and enables the monetary flows in different sectors of the economy to be examined.

But the central framework of the National Accounts does not answer the needs of decision makers, administrators or economists interested in a specific field, in our case education. So, for example:

- Some education expenditure is not tracked in the same way as in the central framework. Continuing vocational training in business enterprises is counted as a production cost of the enterprise's activity and does not appear as an education expense.
- The central framework does not distinguish between the financing unit and the production unit.

The French national accountants have therefore developed accounts by field or satellite accounts that can be used to examine a specific scope, while staying consistent with the central framework of the National Accounts. Accounts have therefore been developed in the fields of education, health, social protection, housing and tourism.

The Education Account is a complete information system on the monetary flows of the field of education. It aims to bring all these flows together in a consistent accounting framework, in order to analyse the economics of the education field and examine the funding methods and production costs of the activities it comprises.

To be consistent with the central framework, identical definitions and classifications are used:

- Geographically, the economic territory of the National Accounts is metropolitan France and the French overseas departments. -The Overseas Communities (COM, formerly TOM) and foreign countries represent the rest of the world.
- The financing units are grouped into institutional sectors, government agencies, enterprises and households, identical to the central framework. The criteria of institutional classification are those of the central framework.
- Staff compensation includes, in addition to basic pay, employers' social security contributions. In general, the definition of economic transactions is identical to the central framework.

This correlation with the National Accounts is important. The proximity of concepts, definitions and classification enables comparisons to be drawn between the aggregates of the Education Account and the National Accounts.

The link with the National Accounts must be completely exhaustive. The Education Account is not restricted to public institutions or establishments under the authority of the Ministry of National Education, Higher Education and Research. It covers all the education activities carried out in the economic territory.

On the other hand the requirement to be exhaustive means that the Education Account collects data for which the processes of preparation do not all meet the same conditions of quality. Alongside fully detailed accounting data (for example for the Ministry of National Education, Higher Education and Research budget), there are some areas which only have bare assessments, in particular from surveys or development indices.

1.2. THE EDUCATION FIELD

The Education Account is an information system that seeks to be exhaustive and consistent, by grouping together a large amount of monetary data, the main objective of which is to measure and analyse the effort that France devotes to acquiring knowledge through its "education system".

The pre-requisite for any approach of this kind lies in accurately determining the field covered.

When education is talked about, school and higher education teaching activities immediately come to mind, having in common a curriculum divided into annual cycles, implemented in specialist institutions, such as primary schools, lower secondary schools, upper secondary schools and universities.

This scope undoubtedly constitutes the core of the education system, covering a very large number of pupils and students. Compulsory schooling is from 6 to 16 years of age, but education is offered to children from the age of 2, and nearly all 3- to

5-year-olds attend a pre-primary class. Likewise, the majority of 18-year-olds are still in the education system (75.6% during the academic year 2012-2013). The time spent in education for a young French person can amount to over 18 years of study. The school system therefore accounts for around 15 million pupils or students.

The education system is not limited to schools. It also includes a range of training courses, courses of continuing training, jobseeker training, requalification courses, evening classes and also correspondence courses.

Finally, the national effort to acquire information is not limited to school or extracurricular education. It also covers the definition of teaching content (curricula, educational research), general administration of the system, educational guidance systems, meals services, boarding schools and school transportation.

The extent and complexity of the education system requires a strict definition of the areas covered by the Education Account.

The Education Account covers four areas: teaching, activities related to educational attendance, organisation of the system and financial support for educational attendance.

1.2.1. TEACHING

Our education scope corresponds to the international definition in the 2011 International Standard Classification of Education (ISCED) published by UNESCO.

According to this classification:

- “Educational activities” are “planned activities involving some form of communication intended to bring about learning” in an “organised” and “sustained” way.
- The “communication” requires a relationship between two or more people (teacher and pupils) and excludes the mere improvement of skills through practice and experience.
- The term “organised” supposes a determined order and objectives, i.e. set curricula. It requires an institutionalised social organisation. Learning through mere observation or initiation is therefore excluded from this scope, as are informal training actions such as those between parents and their children or those which take place within the context of work.
- The term “sustained” means that the communication must have elements of duration and continuity. Participating in a one-off seminar or attending a lecture does not therefore fall within this scope. Finally, teaching activities may be exercised as part of school lessons, private lessons, courses, correspondence courses or other forms of distance learning.

This somewhat general definition is appropriate for the school or extracurricular activities already mentioned. Yet some activities that might appear to match this definition are excluded from the scope of education, and certain situations need to be specified:

- All music and dance lessons, whether part of general education in pre-primary, primary or secondary education, or as classes in music conservatories, university classes in artistic disciplines, or private lessons given by independent teachers, fall within this scope.
- By contrast, lessons given by driving or flying schools (aeroplanes, etc.), and lessons that are essentially sports or leisure activities are excluded from the scope, unless they are part of the school curriculum.
- Some forms of education aimed at specific groups are only partially included, just for the part taught by teachers from the Ministry of National Education, Higher Education and Research:
 - education given in medical-educational institutes and similar, to mentally disabled children, separately from health or social care actions;
 - education given in penal institutions, only included for educational actions that are distinct from social reintegration actions.
- Research expenditure is only included for university research (current and capital expenditure) and research into education, which is treated as general organisational expenditure in the education system.
- Compensation for pupils and students or trainees in continuing vocational training is not considered education expenditure. Compensation for trainee civil servants is accompanied by a commitment to work for a certain number of years in a civil service capacity and is therefore interpreted as an investment in human resources. This means that only compensation for trainee educational staff is accounted for in this scope, and is analysed as general organisational expenditure of the education system.

It is important to note that the official definition of educational activities, including the dimensions of organisation and supervision, makes the education field institutional in character. The Education Account is therefore an account for education institutions. This is of course important, as it meets the information needs related to management of the education system. It

is not therefore in a position to respond to requests to analyse education from perspectives focused on specific school sub-populations or other groups in education.

1.2.2. EDUCATIONAL ATTENDANCE RELATED ACTIVITIES

The Education Account includes in its scope a number of activities designed to facilitate or support educational attendance by the beneficiaries:

Boarding facilities and meals

- The boarding and catering activities organised by the education institutions or by specialist institutions such as the National/Regional Centres for Student Welfare (CNOUS / CROUS) are not education activities in the precise meaning of the definition, but contribute to educational attendance.
- The Education Account only includes meals and boarding activities organised by the education system. The CROUS university residences come under this activity and are included in the scope of education expenditure, whereas the cost of housing a student in a private flat is not taken into account. This is also a consequence of the institutional nature of the Education Account.

Medical services

- Expenditure on school and university medical services is included in the Education Account. Other medical expenditure for young people in education is not counted.

Educational guidance

- The aim of educational guidance is to guide individuals in their career paths, through educational activities. It involves providing information on the pathways in the education system and the opportunities available. Guidance activities are mainly exercised by the Information and Career Guidance Centres (CIO) for the school system, or local offices for extracurricular activities, and by the National Office of Information on Education and the Professions (ONISEP). Educational guidance is aimed at pupils, students and their families. This is done by providing printed documentation (brochures, etc.), information sessions in institutions and individual advice. These activities come within the scope. By contrast, information on leaving the education system (information on opportunities provided by an old pupils' association of a school for example) do not come within the education scope, as they constitute a recruitment service activity.

School transport

- The transport of pupils or students between their home and place of education can be organised by individual means or by using collective services. The Education Account only counts transport organised or funded by government agencies in the school transport activity. The transport costs (including any financial contributions by parents) of school transport networks and the costs borne by the government agencies to help with the transport of young people in education are therefore included.

Educational attendance related goods and services

- Attendance at educational institutions requires purchases of books and educational supplies, professional materials for some courses, and equipment for physical and sports activity or for practical work.
- Educational textbooks and supplies for some levels of education are supplied free of charge to pupils. Families complement this equipment and, at the highest levels such as higher education, students are fully responsible for all these costs.

The Education Account takes all this expenditure into account, whether it is made by the educational institutions, government agencies or directly by the families, for all levels of education.

This rule re-establishes a functional view of education by including part of the direct expenditure by families which does not pass through the education institutions.

However, the list of educational attendance related goods and services is strictly limited to the expenditure required or expected by education.

It therefore includes:

- purchases of school textbooks or books requested by the teachers;
- purchases of educational supplies and professional equipment requested by the institutions; purchases of computers are not included in the expenditure accounted for;
- purchases of sports equipment for physical education and sports activities carried out in educational institutions;
- purchases of professional clothing for technical training or overalls for practical work;
- school insurance expenditure and expenditure on stamps and envelopes where requested by the educational institutions;

- individual lessons or extracurricular private lessons that families fund to provide educational support to their children come within the scope of the Education Account and are also considered to be a purchase of a related service and are classified with the corresponding educational level.

1.2.3. ORGANISATION OF THE EDUCATION SYSTEM

These activities include the management and general administration of the education system, exercising regulation and control, centralised management external to the institutions by the central, regional or departmental administrative services of the Ministry of National Education, Higher Education and Research, plus administrative services within the local authorities, for example. Expenditure on these activities is counted within the field of education.

Actions aimed at developing new educational methods are also included. Research into education is grouped with the system's general administrative activities (CNDP – National Centre for Educational Documentation, etc.).

Compensation for students and trainees in continuing vocational training is not considered an education expense, apart from compensation for trainee educational staff.

Compensation for students at public service training schools is counterbalanced by a commitment to work in the public service sector for several years. For example, compensation for students at the National School of Taxation can be analysed as an investment by the tax authorities in training officials, and is not therefore an education expense.

Likewise, compensation for trainees in continuing vocational training must be analysed in the context of social policy, and should not be considered an education expense.

This rule means that only compensation for students and trainees intending a career in education is counted as an education expense.

1.2.4. FINANCIAL SUPPORT FOR EDUCATIONAL ATTENDANCE

The government agencies provide financial support to facilitate access to the education system or support linked to educational attendance.

Some of this support, such as scholarships, comes under education policy and is part of the Ministry of National Education, Higher Education and Research budget or the local authority budget. This support is detailed in the Education Account.

Other support is also listed there, such as the Back-to-school Allowance (ARS), paid by the Family Allowance Funds; this allowance is means-tested and is paid to families with at least one child aged 6 to 18, to help them pay for back-to-school expenses. It varies according to the age of the child.

Other family policy related support is subject to educational criteria. Maintaining family allowances for children in education after the age of 18, income tax credits, assistance with student housing costs or transport discounts are included in this scope. They do not come under the Education Account as there is no counterpart expenditure by households accounted for as an education expense¹. For example, apart from the costs of boarding in university residences (or in boarding schools), the Account does not measure expenditure by households on student housing. To be consistent, public financial support with student housing is not taken into account. However, it could be of interest for the economics of the field to detail this assistance, which is not included in Domestic Expenditure on Education, but may be added to education expenditure by government agencies.

1. It is included in some publications (The State of Higher Education and Research in France, from the 2009 edition onwards).

1.3. THE DIMENSIONS OF THE ACCOUNT

The dimensions of the Account are the areas describing the different aspects of the education system considered in the analysis of costs and funding. There are five dimensions.

The education levels help to break down expenditure into pre-primary and primary, secondary, higher education or extracurricular education. There are also more detailed levels within each of the main levels.

The financing units are the economic agents that bear the cost of education expenditure. They do not directly perform education activities. These belong to central government, broken down into: Ministries or missions since the LOLF law (Organic Law on Finance Laws), the local authorities, other government agencies, households, business enterprises and other private funders, together with the rest of the world (European Union and other foreign countries).

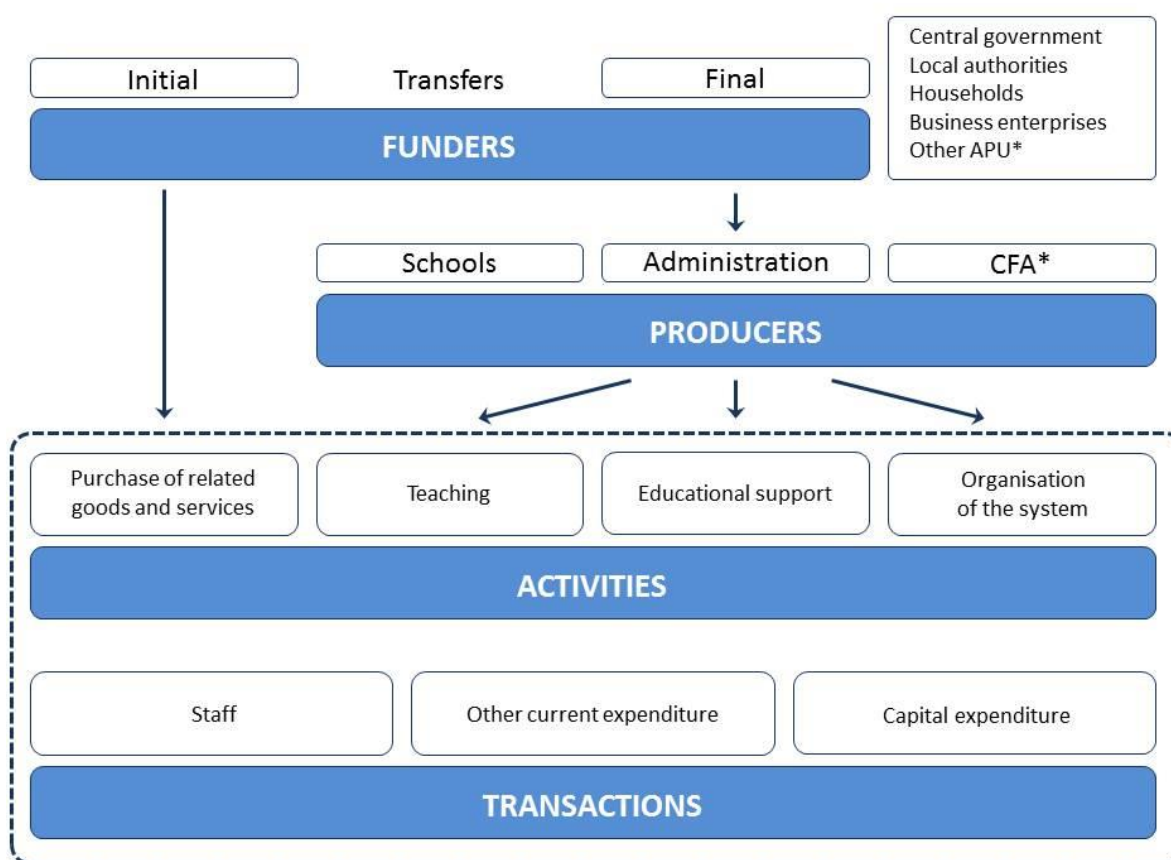
The production units are economic agents with an educational or related activity (boarding facilities, catering, etc.) which use the resources provided by the financing units.

The activities represent the different aspects of the field of education for which the Education Account provides information. They consist of teaching activities, educational support, the organisation of the system and the purchase of related goods and services. The latter involve school transport, books and supplies, individual lessons, clothing and other goods. Transfers between funders come also under this dimension.

The economic transactions differentiate the type of expenditure: staff compensation, current and capital.

In each of the levels, two categories of economic agents are involved in education: the financing units or funders, and the production units or producers. The diagram below demonstrates the connection between the different dimensions or analyses of the Education Account.

FIGURE 1. DOMESTIC EXPENDITURE ON EDUCATION (FOR ALL LEVELS)



*CFA: Apprentice training centre.

**APU: Other government agencies.

Theoretically, the account data can be analysed at a very detailed level by cross-matching the five dimensions. However, some cross-matching is meaningless. For example, “primary” *level* education cannot be assessed from the point of view of the “university” producer; likewise, the “administration” producer cannot exercise a “teaching” *activity*. From a practical point of view, other cross-matching is less relevant due to a lack of precision in the data. For example, general subsidies for a *producer* (a type of institution) cannot always determine the share of expenditure for a given activity (such as catering).

1.3.1. EDUCATION LEVELS

The education levels represent divisions in the field of education. There are four main levels: pre-primary and primary, secondary, higher education and extracurricular education. More detailed levels of education are represented by the International Standard Classification of Education (ISCED²) used for international surveys. Every year, the DEPP responds to requests for harmonised information from UNESCO, the OECD and Eurostat (known as UOE data collection), sending data for the purposes of international comparisons, either on a regular basis or for *ad hoc* or one-off surveys.

TABLE1. LEVELS (CORRESPONDS TO ISCED 2011)

Pre-primary and primary education	
11. Pre primary	ISCED 02
12. Primary	ISCED 10
Secondary education	
21. Lower secondary	ISCED 24
22. Special secondary education	ISCED 24, 35
23. General and technological upper secondary	ISCED 34
24. Vocational upper secondary	ISCED 35
25. Apprenticeship	ISCED 35
Higher education	
31. Post-secondary non tertiary education	ISCED 44, 45
32. Short cycle tertiary education	ISCED 55
33. Long cycle tertiary education	ISCED 64, 65, 74, 75, 76, 84
34. Higher level apprenticeships	ISCED 44, 55, 645, 75
Extracurricular education	
41. Continuing vocational training	
42. Other extracurricular education	

Pre-primary education (also known as nursery school or kindergarten) is not compulsory. It is designed for children between the ages of 2 and 5, to prepare them for primary school. It is provided in pre-primary schools or in the pre-primary classes of primary schools, sometimes in pre-primary sections within multi-level classes.

Pre-primary education corresponds to ISCED 02.

2. The International Standard Classification of Education (ISCED) was designed by UNESCO in the early 1970s as “an instrument suitable for assembling, compiling and presenting statistics of education both within individual countries and internationally.” The classification was revised in 1997 and 2011.

For the Education Account, it is provided by three groups of producers: public pre-primary and primary schools; private pre-primary and primary schools under contract (subsidised); and private pre-primary and primary schools not under contract (independent).

Primary education is compulsory. It covers 5 years of study and is designed for children between the ages of 6 and 11.

At each level, in a school year, the education curriculum consists of 24 hours³ of weekly teaching for pupils. In addition to the basic subjects, the teaching also includes early learning activities and physical and sports education.

Primary education corresponds to level 10 of the ISCED.

It is provided in primary schools by the following producers: public pre-primary and primary schools; private pre-primary and primary schools under contract (subsidised); private pre-primary and primary schools not under contract (independent); and National Centres of Distance Learning (CNED).

Special needs primary education is no longer differentiated from primary education in the Education Account since 2012⁴. In primary schools, special educational inclusion classes (CLIS) are designed for pupils with a physical, sensory or mental disability, but they may also benefit from adapted education in mainstream education. These pupils may also be taught in specialist schools, regional primary schools, etc. and in other “hospital”, “medical-educational” or “social” institutions attached to the Ministry of Social Affairs. For specialist schools, the Education Account only counts education expenditure, excluding medical or social integration expenditure.

Lower secondary education covers four years, from Grade 6 to Grade 9. It is for pupils who have completed primary education. Its aim is to give all young people the same fundamental knowledge and help them prepare for their educational and vocational path.

The curricula are standardised and not divided into streams. However, some of the pupils may have been educated in preparatory and technological Grade 8 and 9 classes (closed down at the start of the 2005-06 school year), preparatory apprenticeship classes or pre-vocational introductory work-study classes (CLIPA), replaced by the introductory work-study training system (DIMA).

Lower secondary level education corresponds to ISCED 24.

Lower secondary classes are mainly taught in public or private lower secondary schools. They may also be taught in some upper secondary schools; the type of education determines the level in the classification, not the type of institution.

For the Education Account, lower secondary education is mainly provided by four groups of producers: public lower and upper secondary schools, private lower and upper secondary schools under contract (subsidised) and private lower and upper secondary schools not under contract (independent), as well as the CNED.

Special needs secondary education is provided in Regional adapted teaching institutions (EREA), Adapted general and vocational education sections (SEGPA), specialist schools under the authority of the Ministry of Social Affairs, or supervised education institutions under the authority of the Ministry of Justice. Depending on the case, these classes are designed for children with major educational or social difficulties (SEGPA), with more significant motor or visual disabilities (EREA and specialist schools) or young people subject to a court order (supervised education).

Adapted general and vocational education sections (SEGPA) are provided in lower secondary schools.

Special secondary education corresponds to ISCED 24 or 35.

For special needs schools, the Education Account only counts the education expenditure of these structures, excluding medical expenditure, legal guardianship or social integration expenditure.

For the Education Account, special needs secondary level education is provided by three groups of producers: public lower and upper secondary schools, public specialist education schools and private lower and upper secondary schools under contract (subsidised).

Upper secondary general and technological education covers three years, from Grade 10 to 12. It is designed for young people who have completed lower secondary education and are moving into the general and technological upper secondary. It prepares them for the general or technological *Baccalauréat* exams, or the *Brevet de technicien* (technician certificate).

From Grade 11, the classes are separated as follows.

3. 24 hours from the school year 2008-2009 (Order of 9 June 2008); previously the weekly duration was 26 hours.

4. The estimate was not sufficiently robust. Therefore, there is no longer a differentiation of specialist education at pre-primary and primary level.

General and technological upper secondary education which corresponds to ISCED 34.

General and technological upper secondary classes which are taught in public or private upper secondary schools. Some institutions may come under a different authority to National Education (i.e. Agriculture, Defence).

As for the Education Account, this is mainly provided by four groups of producers: public secondary schools, private secondary schools under contract (subsidised), private secondary schools not under contract (independent), as well as by the CNED.

At the upper vocational level of secondary education classes prepare for vocational qualifications: the *Certificat d'aptitude professionnelle* (CAP – Certificate of Vocational Aptitude), the *Brevet d'études professionnelles* (BEP – diploma of vocational education), the vocational *Baccalauréat* (Bac pro) or the *Brevet des métiers d'art* (Arts and crafts certificate).. It is intended for young people who have completed their lower secondary education, and begin studies that last between one and three years.

Vocational secondary education corresponds to ISCED 35.

Vocational upper secondary classes are taught in public or private vocational upper secondary schools. Some institutions may come under a different authority to National Education (e.g. Agriculture).

As for the Education Account, it is mainly provided by four groups of producers: public secondary schools, private secondary schools under contract (subsidised), private secondary schools not under contract (not subsidised), as well as by the CNED.

Secondary level apprenticeship. Apprentices are young people over the age of compulsory education (sixteen) who are learning a trade in a business enterprise to which they are bound by an apprenticeship contract under the responsibility of an apprenticeship tutor. In-company training is complemented by lessons in Apprentice Training Centres (CFA). These centres have been created by agreements between central government and the managing bodies, which may be local councils, Chambers of commerce and industry, Chambers of trade, private organisations, business enterprises or public education institutions. Since the start of the 1984 school year, apprenticeships have been under the responsibility of the Regions, which enter into agreements and pay the subsidies that were previously part of the central government budget. Some CFA are subject to national agreements due to their type of recruitment, and they remain under the direct authority of central government. Apprentices prepare for vocational qualifications at all levels.

Secondary level apprenticeship is classified ISCED 35.

For the Education Account, secondary level apprenticeship includes classes preparing vocational secondary level qualifications that are provided by apprentice training centres and by the apprentice preparatory classes they are linked with. It does not include training given in the workplace. The expenditure listed in the Account does not therefore include apprentice compensation.

Apprenticeship is provided by three Education Account producers: public CFA managed by local authorities or public education institutions; private CFA with predominantly public funding, managed by Chambers of commerce and industry, Chambers of trade or associations; and private, independent CFA managed by business enterprises.

Post-secondary non-tertiary education is classified under levels 44 or 45 of the ISCED. It consists of preparatory classes for the basic legal qualification (Capacité en droit), the university entry diploma qualification (Diplôme d'accès aux études universitaires – DAEU), language training, a preparatory year for some BTS diplomas (Brevet de Technicien Supérieur – Higher Technician Certificate), complementary post-Baccalauréat courses and some healthcare and social work courses (mainly specialist educator).

For the Education Account, this level is provided by multiple producers: public upper secondary schools, subsidised or independent private upper secondary schools, public universities, other public higher education institutions, subsidised private higher education institutions and independent Écoles Supérieures (Higher National Schools).

Short cycle tertiary education covers courses leading to a higher education qualification below the level of a Bachelor degree. It mainly includes courses preparing for the Brevet de technicien supérieur (BTS – Higher Technician Certificate), Diplômes universitaires de technologies (DUT – University degrees in technology) or paramedical training at Bac +2 level⁵. These courses correspond to level 55 of the ISCED.

Classes preparing for admission to the *Grandes Ecoles* (elite schools) and initial university cycles are considered part of long cycle tertiary education and are not classified at this level.

5. And Bac+3 to obtain a State nursing degree: Decree No. 2009-1540 of 10 December 2009 and Order of 31 July 2009.

Producers providing education services at these levels operate in the Higher Technical Sections of public or private upper secondary schools, or in private *Écoles Supérieures* (Higher National Schools) for classes preparing for the BTS diplomas, in University Institutes of Technology (IUT), public universities, and in specialist higher education institutions for other courses.

Long cycle tertiary education covers courses leading to a higher education qualification at least equal to a Bachelor degree.

Following the establishment of the European Higher Education Area, the structure of higher education has been divided into three grades in the "LMD" system: Bachelor (*Licence*) (Bac+3), Master (Bac+5) and Doctorate/Ph.D. (Bac+8).

Long cycle tertiary education includes all courses at this level provided by universities or in public or private *Écoles Supérieures* that take students from classes preparing for admission to the *Grandes Écoles* or after the *Baccalauréat*.

Classes preparing for admission to the *Grandes Écoles* in secondary schools or in *Écoles Supérieures* also come within this scope. In general, they prepare over a two-year period the entrance examinations for certain engineering schools, business schools or other specialist higher education institutions.

These courses correspond to levels 64, 65, 74, 75, 76 or 84 of the ISCED.

Compensation for pupils or students in public service higher education institutions is not considered a higher education expense. For the Education Account, only compensation for trainee teachers is considered an education expense and is included in education expenditure.

For the Education Account, long cycle tertiary education is provided by seven producers:

- public secondary education institutions for the classes of these institutions preparing for admission to the *Grandes Écoles*;
- public universities including engineering courses;
- other public higher education institutions. This type of producer includes schools with the status of a public institution with accounting autonomy, as well as public service schools without public institution status that train senior civil servants;
- subsidised private secondary education institutions under an association contract, for classes preparing for admission to the *Grandes Écoles*;
- subsidised private higher education institutions including private institutions receiving public funds such as Catholic institutions, etc.;
- independent private secondary education institutions not under an association contract, for classes preparing for admission to the *Grandes Écoles*;
- independent private higher education institutions including private institutions not receiving public funds.

Tertiary level apprenticeship covers preparatory classes for short or long cycle higher education qualifications as part of an apprenticeship. The methods are similar to those for secondary level apprenticeship.

Higher level apprenticeship can be classified at levels 45, 55, 65 or 75 of the ISCED.

The Education Account treats separately all courses taken as part of an apprenticeship, even if they are linked to a traditional university framework. The production unit is grouped with the apprentice training centres.

Continuing vocational training covers all continuing education actions aimed at employed people or those not in work (unemployed, young people), including continuing vocational training within government agencies or business enterprises.

Compensation for staff on a continuing training course is not considered an education expense in the Education Account, unless it is for trainee education staff.

Continuing training actions are mainly funded by central government, local authorities (for their own staff and for jobseekers or programmes designed for young people aged 18-25) and business enterprises. The latter are required to devote a percentage of their payroll to the continuing training of their employees.

The activities of the National Conservatory of Arts and Crafts (CNAM) and associated centres are all classed in this activity. These organisations provide both initial and continuing training actions, but for technical reasons these activities cannot be separated.

Other extracurricular education includes artistic education provided at local council conservatories, schools, evening classes, etc.

Assistance provided by parents for their children's studies is not counted, as it does not involve a monetary exchange.

Individual lessons or school support for pupils, related to subjects on the curriculum, is classified with the pupil's corresponding level of education.

1.3.2. ACTIVITIES

The activities form the basis of the definition of the field of education (see part 1.2.). The activities in the Education Account are organised into five main categories: teaching activities, educational support, organisation of the system, purchases of related goods and services, and transfers.

Teaching activities, educational support and organisation of the system are provided by educational producers using funds provided by the financing units. The Education Account details their funding and production for each level of education. "Purchases of related goods and services" are not made by the producers of the field. Only their funding is detailed for each level.

Transfers means the financial flows between the initial funders who bear the financial cost, and the final funders, who pay the funds to the producer institutions or directly carry out the expenditure. Within the Account, transfers are not treated as a separate dimension, but are included in the "activities" category.

TABLE 2. ACTIVITIES

A. Production unit activities	1. Teaching
	10. Teaching 11. Research
	2. Educational support
	21. Catering and boarding facilities 22. School medical services 23. Career guidance
	3. Organisation of the system
	31. General administration
B. Expenditure outside production units	4. Purchase of related goods and services
	41. School transport 42. Books and supplies 43. Private lessons 44. Clothing and other
	5. Transfers
	51. Scholarships and transfers to households 52. Others transfers paid 53. Transfers received

The teaching activity is carried out at each level of education described in the previous section. It corresponds to the day school concept as practised in educational institutions. In addition to the actual teaching itself, it also includes also the expenditure on administration and management tasks at the level of the educational institutions. This activity is carried out by all producers, with the exception of the administrative services and public organisations producer.

Compensation for teacher-researchers is fully included in the teaching activity but cannot be split between teaching and research. Only the operating costs of university research (in budget programme 150 for actions 06 to 12) are allocated to the research activity. Non-teaching staff expenditure and capital expenditure on research cannot be identified separately and are also included in the teaching activity.

Likewise, local authority expenditure on childcare-centres and the study period at school (optional, supervised, after-school homework sessions for primary school children) are included in the teaching activity.

Educational support activities include boarding and catering facilities, medical services and educational guidance.

The boarding and catering activity covers meals, boarding facilities, university catering and residences for pupils and students, provided by the educational institution or by the CNOUS and the CROUS (National/Regional Centres for student welfare) for

higher education. It does not include meals taken by pupils and students that are not organised by the institutions or the CROUS.

This expenditure includes compensation for administrative or maintenance staff in the institutions, for the part of their working time dedicated to this activity, plus other current and capital expenditure needed to keep the facilities operating properly.

The restaurants or canteens activity for administrative staff is included not in the school meals and boarding activity but with general administration.

Most of the Education Account producers have a boarding and catering activity.

The boarding and catering activity provided by the “administrative services and public organisations” producer corresponds to the National / Regional Centres for student welfare (CNOUS / CROUS) which manage university catering services and residences.

The medical services activity covers services provided by doctors and nurses for pupils and students. It does not include medical care given to pupils and students outside this framework.

The medical services activity primarily includes organisation of preventive medical examinations, compensation for doctors and nurses and the operation of infirmaries. It covers all healthcare activities aimed at pupils and students. The occupational health care expenditure on infirmaries for administrative staff is counted with the general administration activity. In practice, however, this activity cannot be isolated for all the production units.

Capital expenditure cannot usually be taken into account.

The educational guidance activity covers activities by careers counsellors and the ONISEP (National Office of Information on Education and the Professions). Their purpose is to inform pupils and their families about the various educational pathways and career opportunities. It also includes advisory services provided as part of continuing vocational training. In the Education Account, this activity is provided by the administrative services and public organisations producer.

General administration brings together central or local administrative services activities: the central administration of the Ministry of National Education, Higher Education and Research, regional education offices, regional educational inspections services, services by different authorities (including the administrative Regions and the Departments), whose task is to organise, manage and govern the education systems. In the Education Account, this activity is managed by the administrative services and public organisations producer.

The activities of study and research into qualifications (CEREQ) and the educational documentation of the national network of the Culture, Publishing, and Resources Services for National Education (SCÉRÉN)⁶, which group together the National Educational Documentation Centre (CNDP) and its regional (CRDP) and departmental centres (CDDP), are included in the general administration activity.

The school transport activity covers all actions carried out by government agencies to assist in transporting pupils between their home and the education institution they attend.

This action may take several forms: organising bus transport, allocating funds to organisations providing bus or train transport for pupils, or making individual transport grants.

From the start of the 1984 school year, the school transport function was transferred to the Departmental Councils or the competent authorities for the organisation of urban transport (ACOTU). Expenditure that was previously part of the Ministry of National Education, Higher Education and Research budget was transferred to the allocations for general decentralisation.

The Education Account does not examine the production of school transport activities which is treated as a related service. Transport expenditure is only examined from the point of view of its funding.

Books and educational supplies are purchased by government agencies and by the families.

The local authorities purchase books and educational supplies for pre-primary and primary education. The central government purchases educational books for lower secondary classes. Household expenditure corresponds to additional expenditure by the families for pupils in primary and lower secondary education: school bags, stationery, various supplies, books requested or recommended by the school (dictionaries, notes on drama, etc.). In upper secondary education and in

6. In February 2014, the SCÉRÉN-CNDP network changed its name to become the CANOPÉ network.

higher education, all expenditure on books and supplies is made by households; however regional councils are increasingly funding some of the educational books for upper secondary school pupils.

Private lessons activity only covers lessons initiated by the families to provide support for pupils in subjects on the curriculum.

Music or art lessons given in conservatories or arts schools are classified as an extracurricular activity. Others are considered leisure activities and are not included in the Education Account.

Clothing expenditure and other expenses related to school attendance covers purchases requested by the school: overalls for practical work, sports clothing, and participation in leisure activities organised by the school.

This item of expenditure also covers various expenses such as envelopes, stamps and school insurance.

Transfers covers specific financial flows which may transit via an intermediate financing unit before reaching the recipient production unit. In the Account, transfers to households, including scholarships, back-to-school allowances and funding of interest-free loans, are differentiated from transfers between other funders such as central government, the local authorities and the European Union. All transfers are counted twice: negatively for the funder paying them and positively for those receiving them.

Transfers related to the decentralisation laws are only isolated when allocated to education expenditure. Equipment allocations (DREC (Regional grant for school equipment) and DDEC (Departmental grant for school equipment)), accompanying the transfers of powers related to capital expenditure in upper and lower secondary schools, were therefore considered as transfers from the initial central government funder to the final Regional or Departmental funders. Since 2007, these allocations have been funded by allocated taxes and are no longer considered as transfers. However, the transfers of powers offset by the general decentralisation allocations (DGD General decentralisation grant) have never been detailed in the Account, as the DGD represents a general transfer of resources without allocation.

The start-up fund paid by central government to the local councils to set up new school timetables does not represent an education expense in terms of the Account. It is intended to help the local councils put in place or reinforce extracurricular activities. However, sports or cultural activities of this kind offered in schools, like those in leisure centres, comes under the Sports and Youth function in the local council accounts, not the Education function. Its funding is not included in Domestic Expenditure on Education (DEE).

1.3.3. THE FINANCING UNITS

The financing units, or funders, are the economic agents that bear the cost of the activities in the sector. They do not perform these activities. The expenditure by the financing units represents the funds for the production units performing the activities. A "Rest of the World" category of funders is added to describe funding from the European Union or abroad (Grants). With the introduction of the LOLF law from 2006, the "Central government" financing unit is broken down not only by ministry but according to the different missions and programmes. The classification is identical for all levels, but some funders cannot act for all education levels.

These financing units are also consistent with the institutional sectors of the National Accounts: the government agencies (including central government, the local authorities and other government agencies), households, business enterprises and other private funders, and the rest of the world. The classification used enables a slightly more detailed analysis of the funding.

Transfers between funders helps to differentiate the initial funding from the final funding. For example, in the case of scholarships, the relevant financial flows can be allocated to central government, the main funder. This is the initial funder. If allocated to households, the last funder, the term used is final funder.

The examination of the final funder helps us to understand the actual destination of the funding. For this reason, the Education Account focuses on the examination of the final funder.

However, the transfers between funders are listed and help to establish the actual cost borne by each initial funder, for each level of education.

TABLE 3. FUNDERS

1. School Education and Higher Education Missions

Interministerial School Education Mission (MIES)

130. Education Curricula

140. Agricultural Technical Education Curriculum

Interministerial Higher Education and Research Mission (MIRES)

150. Higher Education and Research Mission

160. Agricultural Higher Education and Research Curriculum

170. Higher Education and Research Curricula excluding MESR (from 2009)

2. Other missions*

200. Central government (other ministries)

221. Central government external action Mission

222. Central government general and regional administration Mission

223. Agriculture, Fishing, Food, Forests and Rural Affairs Mission

224. Public Development Aid Mission

225. Veterans, commemoration and connections with the nation Mission

226. Central government advisory and control Mission

227. Culture Mission

228. Defence Mission

230. Government action management Mission

231. Ecology, development and sustainable planning Mission

232. Central government funding commitments Mission

233. Management of public funds and human resources Mission

234. Justice Mission

235. Media Mission

236. Overseas Mission

237. Local government policy Mission

238. Government Mission

239. Provisions Mission

240. Social welfare and pensions Mission

241. Local authority relations Mission

242. Refunds and rebates Mission

243. Health Mission

244. Security Mission

245. Civil security Mission

247. Solidarity, integration and equal opportunities Mission

248. Sport, youth and associations Mission

251. Work and employment Mission

252. Cities and housing Mission

253. Flight control operation Mission

254. Immigration, asylum and integration Mission (from 2008)

255. Economy Mission (from 2009)

256. Plan to relaunch economic growth Mission (from 2008)

3. Local authorities

310. Regions

320. Departments

330. Local Councils

4. Other government agencies

410. Other government agencies

420. Family Allowance Fund

5. Business enterprises and other legal entities

500. Business enterprises (Apprenticeship tax, training contracts with businesses)

550. Other private funders (Financial income, sale of products and services) (from 2008)

6. Households

600. Households

7. Rest of the world

710. European Union
720. Foreign countries
750. Self-funding (Banks, financial income, sale of products, services) (until 2007)

8. Fictional funder for expenditure

800. Expenditure

9. Fictional funders for balances

900. Balances

* The classification of the programmes and missions may vary from one year to the next, in order to meet the priorities set for implementation of the central government budget.

Some economic agents considered here as financing units may produce education activities themselves. For example, the Ministry of Education performs the general administration of the system, or business enterprises may carry out training for their staff. For the Education Account, a distinction needs to be made between the financing unit and the production unit. This distinction helps to develop analyses of the Account: the Ministry of Education is therefore a financing unit (due to its budget) which funds, among other things, the “*administrative services*” production unit that performs the activity of general administration.

The Ministry of National Education, Higher Education and Research, together with the MIES (school education) and MIRES (research and higher education) interministerial missions, is the main funder of education. Its budget funds compensation for teachers in public and private institutions under contract in pre-primary, primary and secondary education, non-teaching staff in public institutions (excluding ATTEE – local technical assistants in educational institutions) and administrative staff working in central government services. It also pays various grants to public or private institutions – in particular operating subsidies to universities and institutions with extended responsibilities and powers (RCE), which now manage their payroll independently.

The distinction between school education and higher education is currently observed in two specific missions and programmes, to use the terminology of the LOLF law. For higher education, this new presentation of the state budget has made the treatments in the Education Account more complex, as it is no longer possible to single out certain expenditure. Therefore, non-teaching personnel expenditure and current or capital expenditure⁷ by university research laboratories which, before the LOLF law, had been removed from the Education Account, is now part of it (see “teaching activities” above). Likewise, expenditure relating to the central administration of MENESR (Ministry of National Education, Higher Education and Research) for the research part is also counted as higher education related, as a breakdown between higher education and research is no longer possible.

Unlike the budget structure prior to the LOLF law, the payroll presented in the budget now includes social security contributions relating to compensation for civil servants, including pension contributions managed in the special allocation account for state pensions (CAS pensions: see 1.3.5).

Staff expenditure in the Education Account is therefore consistent with the National Accounts definition. It includes both compensation paid to employees and social security contributions paid by employers.

The other ministries, under “Other Missions”, include all the central government agencies carrying out education expenditure. Some ministries, such as Agriculture, Health or Defence, manage education institutions. They all carry out expenditure on the continuing vocational training of their staff.

The tables published use a simplified classification that only shows the ministries carrying out the most significant education expenditure and groups the others into one category.

The local authorities include the Regions, Departments and local councils. The local authorities have powers in terms of education and training, set out by the decentralisation laws. For example, the Regions are involved in funding upper secondary schools, vocational training and in particular apprenticeship expenditure, as well as higher education relating to healthcare and social work training. They may also fund activities beyond their mandatory involvement. The Education Account tracks all these expenses.

The “local councils” financing unit includes the local councils, groups and syndicates of local councils, town councils and the school funds.

Public pre-primary and primary schools do not have legal and financial autonomy; they are managed by the local councils and included in their accounts. The Education Account considers schools as a separate production unit. Funding of school activities is separated within the local councils' accounts. Thus payments by families for school meals are considered as household funding for education and are not tracked in the local council accounts.

Other government agencies carrying out education expenditure include consular organisations, Chambers of commerce and industry, Chambers of trade, Chambers of agriculture, and hospitals and social security organisations.

The ASP (Services and Payment Agency) is also included under payment of staff on a subsidised contract.

The Family Allowance Fund is separate, due to its payment of the back-to-school allowance.

The “business enterprise” financing unit includes public and private business enterprises, and professional associations serving the business sector.

In particular, business enterprises are involved in funding apprenticeships (public or private), also funded by the Regions. Funding by business enterprises is linked to the apprenticeship tax system. The apprenticeship tax is a government tax on the gross payroll paid by business enterprises. The tax rate is 0.5 %⁸ except in the Moselle, Bas-Rhin and Haut-Rhin Departments

7. Which cannot be separated.

8. Companies with over 250 employees in which the proportion of young employees on work-study contracts is less than 3% pay an additional tax of 0.1% (allocated to the CFA). From 2010 (Law of 24 November 2009), this additional tax is replaced by an additional apprenticeship contribution (CSA) paid to the FNDMA (National Fund for Development and Modernisation of Apprenticeship).

where the tax rate is 0.26 %. From the amount due to the Public Treasury, companies can deduct certain tax-exempt expenses: part of the apprentices' salary, grants paid to the CFA or to public or private education institutions providing initial technological training, operating costs, initial facilities, renewal of existing equipment and additional facilities for the CFA or schools organised by the business enterprises.

The share of apprenticeship tax as tracked in the Education Account corresponds to payments made to the CFA and the education institutions. These grants are considered as direct expenditure by business enterprises. The passage of sums paid to education institutions by the collecting organisations is not tracked in the Education Account.⁹

The **“other private funders” category** groups together all the institutions' resources from financial income, sales of products or services, leasing, patents, etc.

The **household financing unit** corresponds to the National Accounts definition. Households fund the activities of educational institutions by paying enrolment fees, tuition fees or contributing to catering costs. They also contribute to extracurricular activities and directly purchase books and school supplies or pay for private lessons.

The **rest of the world** corresponds to the funding of education expenditure in the national territory by non-resident economic agents. The European Union, which mainly acts via the European Social Fund or the Regional Development Fund, is separate from other non-resident funders.

“Fictional” funders for expenditure (800) and for balances (900) are created to enable the accounting entries in the Education Account to balance the expenditure and income of the production units (see Chapter 2.1.2.).

1.3.4. THE PRODUCTION UNITS

The **production units**, or producers, are economic agents that carry out activities in the sector using resources provided by the financing units.

In most cases, these are education institutions. Usually, the producers carry out activities in a small number of education levels, or only one level. However, some producers, such as public secondary education institutions, can act at several different levels: lower and upper secondary, higher education with classes preparing for admission to the *Grandes Écoles* and Higher Technical Sections, extracurricular education with continuing vocational training in the GRETA (Local Shared Adult Training Network).

The production units may be public and private institutions with accounting autonomy, or entities related to structures with activities other than education (for example public primary schools, in which local councils play a specific role). For the purposes of the Education Account, all the entities carrying out education activities are treated separately, whether autonomous or not. The continuing vocational training expenditure internal to government agencies or business enterprises is allocated to specific production units.

The classification of the production units is based on four main groups of producers¹⁰, these being public education institutions, private subsidised institutions, independent private institutions and also an “administrative services and public organisations” producer, used for the system's expenditure on general organisation. A more refined producer concept is also used. To make arbitration easier, producers are broken down between several homogeneous sub-units from the point of view of the accounting sources used.

⁹ Financing by business enterprises paid directly to the Public Treasury is not considered an education expense. The same applies to apprenticeship tax or the mandatory contribution for vocational training, considered as direct expenditure by the business enterprises, which the Education Account does not track as it is taxation-related.

¹⁰ The education institutions are classified according to their legal form and the provision or otherwise of public funds.

TABLE 4. PRODUCERS

1. Public education institutions	11. Public primary institutions 110. Public pre-primary and primary schools
	12. Public lower and upper secondary schools 121. Public lower and upper secondary schools - Education 123. Public lower and upper secondary schools - Agriculture 124. Public lower and upper secondary schools - Defence 125. Maritime and aquaculture vocational upper secondary schools
	13. Public Apprentice Training Centres (CFA) 131. Public non-agricultural Apprentice Training Centres 133. Public agricultural Apprentice Training Centres
	14. Universities 140. Universities
	15. Other public higher education institutions 151. ODAC (Other central government bodies) 152. CFI APU (government agency internal training centres)
	16. Public artistic education centres 160. Public artistic education centres
	17. Public special education centres 171. Public special education centres 172. EREA (regional adapted teaching institutions) 175. Special public education centres – Health 176. Special public education centres – Justice
	18. Distance learning organisations 180. Distance learning organisations
	19. Extracurricular training organisations 190. Extracurricular training organisations
	2. Private subsidized institutions
22. Lower and upper secondary schools under contract 222. Private lower and upper secondary schools under contract - other Education 223. Private lower and upper secondary schools under contract - Agriculture	
23. Private subsidized CFA (apprentice training centres) 231. Private subsidized non-agricultural CFA (apprentice training centres) 233. Private subsidized agricultural CFA (apprentice training centres)	
24. Private higher education institutions 241. ODAC PRI (private other administrative bodies) 242. CFI APRI (private internal training centres)	
25. Private special education centres 250. Private special education centres	
26. Private subsidized extracurricular education organisations 260. Private subsidized extracurricular education organisations	

3. Independent private institutions	31. Private primary schools not under contract 310. Private pre-primary and primary schools not under contract
	32. Private secondary schools not under contract 320. Private secondary schools not under contract
	33. Corporate CFAs (apprentice training centres) 330. Corporate CFAs (apprentice training centres)
	34. Independent private higher education institutions 341. Corporate CFI (corporate internal training centres) private higher education institutions 342. Consular organisation private higher education institutions 343. Other private higher education institutions BIC (industrial and commercial profits)
	36. Private extracurricular education organisations 361. Private extracurricular education organisations Corporate CFI (corporate internal training centres) 362. Private extracurricular education organisations Consular organization 363. Private extracurricular education organisations BIC (industrial and commercial profits)
4. Independent private institutions	40. Public administrative departments and organisations 400. Public administrative departments and organisations
9. Fictional producer for expenditure outside production units	90. Fictional producer 900. Fictional producers

The “public pre-primary and primary schools” producer comes under the authority of the Ministry of National Education, Higher Education and Research.

Operational management of the public pre-primary and primary schools is carried out by the local councils, with the exception of ten Regional pre-primary and primary schools under the responsibility of the Regional Councils since 1986.

They produce education activities at pre-primary and primary level. They also provide a boarding and catering activity.

Funding of public pre-primary and primary schools is mainly provided by the Ministry of National Education, Higher Education and Research and the local councils. The Ministry of National Education, Higher Education and Research is responsible for teacher expenditure. The local councils are responsible for current expenditure, including compensation for non-teaching personnel and capital expenditure.

The local councils also pay most of the catering costs. Households contribute to these costs and provide some extra funds for educational activities.

Sources used

The school accounts are constructed by examining the local council administrative accounts, complemented by the expenditure in the central government budget, the ASP expenditure (Services and Payment Agency) for compensation of subsidised contracts and household expenditure from a DEPP survey.

The “public lower and upper secondary schools” producer groups together lower secondary schools, upper secondary schools and vocational upper secondary schools under the authority of the Ministry of National Education, Higher Education and Research or the Ministry of Agriculture. Some institutions come under the authority of the Ministry of Defence.

On 1st January 1986, the date on which the decentralisation laws came into effect, institutions which were managed by central government or had been nationalised became local public institutions, with the exception of the institutions in French overseas territories or Departments in the matter of investment, of the Lycée Jean Zay and of the self-governed Lycée Autogéré de Paris, and of the Internats d'Excellence boarding schools, which are entirely managed by central government. The lower secondary schools are managed by the Departments, the general and technological upper secondary schools and the vocational upper secondary schools by the Regions.

Public lower and upper secondary schools produce teaching activities at different levels of secondary education: lower secondary, general and technological upper secondary, vocational upper secondary, and special secondary education. They also carry out teaching activities in a long cycle (classes preparing for admission to the *Grandes Écoles*) or a short cycle (Higher Technician Sections) tertiary education and continuing vocational training activities, plus related activities such as boarding facilities, catering and school medical services.

The Ministry of National Education, Higher Education and Research is the main funder of public secondary education institutions, financing teaching and non-teaching personnel costs. The Departments (for lower secondary schools) and Regions (for upper secondary schools) fund the operating subsidies and gradually, from 2006, manage the ATTEE staff, the local technical assistants in educational institutions (formerly TOS – technical, unskilled and service personnel).

Families make a contribution to boarding facilities and catering expenses and provide additional revenue for teaching activities.

Sources used

The public secondary education institutions account is constructed from the financial accounts of institutions under the authority of the Ministry of National Education, summarised by the DEPP. These accounting documents do not cover direct payment by central government of staff costs and are complemented by information from the central government budget.

The public agricultural secondary education institutions account is constructed from the Ministry of Agriculture's budgets.

Information on the institutions under the authority of the Ministry of Defence completes the previous sources.

The “public apprentice training centres” producer (CFA) includes the apprentice training centres managed by local authorities or by public education institutions.

The public CFAs may be under the authority of the Ministry of Agriculture, the Ministry of National Education, Higher Education and Research, or other ministries.

Since the start of the 1984 school year, the CFAs have been under the responsibility of the Regions, which have taken over funding from central government.

The public CFAs produce a teaching activity at secondary or higher education level, depending on the courses followed by the apprentices and by the pupils in the preparatory classes associated with the centres. They also produce a catering activity.

Only expenditure internal to the apprentice training centres is taken into account. Expenditure on apprentices in their placement company is not counted.

Apprenticeship funding (public or private) is mainly provided by the Regions and business enterprises. The apprentice training centres may also receive funds from other local authorities. Households contribute to catering expenses. Funding by business enterprises is linked to the apprenticeship tax system.

Sources used

The public apprenticeship institutions account is constructed from the financial balance sheets of the CFA, summarised by the National Council of Employment, Training and Vocational Guidance (CNEFOP).

The “public universities” producer groups together the universities, the ESPEs (Higher School for Teacher Training and Education formerly IUFM), and the internal or connected engineering schools. Since 2006, the LOLF reform no longer separates the expenditure of the IUTs, which has been integrated with that of the universities.

Public universities carry out teaching activities at higher education level (post-secondary, short cycle tertiary, long cycle tertiary), continuing vocational training, and student medical services activities. Since 2006, research activity has also been included (see 1.3.2).

The universities are mainly funded by the Ministry of National Education, Higher Education and Research, under the LRU Law of 10 August 2007. Since 2013, all universities have become autonomous in terms of their budget and management of human resources (including staff compensation) and are likely to become the owners of their own real estate. Consequently, a general subsidy for payroll and operating expenses is paid by central government to each institution.

They also receive funding from local authorities and business enterprises through apprenticeship tax.

Household contributions correspond to the enrolment fees paid by students and various payments, such as handouts.

Sources used

The “universities” account is constructed from the accounts of other central government organisations (ODAC) collected for the National Accounts by the General Department of Public Finances.

The universities’ accounts are complemented by staff or capital expenditure in the budgets of the Ministry of National Education, Higher Education and Research.

The “other public higher education institutions” producer groups together public higher education institutions having public institution status and schools that are not autonomous in accounting terms.

The first group have accounting autonomy and are all classified by the National Accounts as Other central government organisations (ODAC).

This distinction according to accounting autonomy includes training schools for senior civil servants. Some schools such as the National School of Administration have public institution status. Other schools (CFIAPU, public authority internal training centres) such as the National School of Taxation or the National Naval School do not have accounting autonomy and operate as administrative departments of the ministries.

These institutions carry out teaching activities for long cycle tertiary education and continuing vocational training activities, plus student medical services, boarding facilities and catering.

Sources used

The “other public higher education institutions” account is constructed from the accounts of other central government bodies collected for the National Accounts by the General Department of Public Finances.

The institutions’ accounts are complemented by staff or capital expenditure from the budgets of the different ministries.

Expenditure for non-autonomous institutions is fully deducted from the budgets of the Ministries to which they are attached.

The “public centres of artistic education” producer groups together the schools or conservatories of arts of Departments or local authorities.

The national schools, national conservatories and schools of architecture are considered to be higher education institutions. They are classified with other public higher education institutions by level of education.

The accounts of Departmental and local authority conservatories are included in the local government accounts. These institutions have been separated, as have all education institutions managed by the local authorities. They produce a single activity, artistic education, classified as other extra-curricular education.

Sources used

The accounts are constructed from the administrative accounts of the local authorities.

The “public special needs education centres” producer groups together the Regional primary education schools (ERPD), the Regional adapted teaching institutions (EREA), supervised public education institutions and medical institutions.

The public supervised education institutions are under the authority of the Ministry of Justice. They take in young people who are subject to a court order. Expenditure by these institutions is only included in the Education Account for the part corresponding to education. Expenditure related to the legal guardianship and social integration of young people is not included.

Education provided to young people under the responsibility of the supervised education services and placed in national education institutions is counted with the teaching activity of the host institution.

The public special needs education centres produce a teaching activity at primary and secondary special education level, a boarding and catering activity and a schools medical services activity.

Funding is mainly provided by central government. The Regions pay operating grants to the EREA and ERPD, while business enterprises provide funding via the apprenticeship tax, and households contribute to boarding facilities and catering expenses.

Sources used

The Regional adapted teaching institutions accounts have been summarised by the DEPP.

These accounts are complemented by expenditure made directly by central government, i.e. staff and capital expenditure.

The expenditure of supervised education institutions is based upon the Ministry of Justice budget.

The “public distance learning centre” producer is the National Centre of Distance Learning (CNED).

The CNED produces teaching activities at all levels of the education system, with the exception of pre-primary.

Sources used

The main sources are the CNED's financial accounts. Funds and expenditure are broken down by level, taking into account the numbers enrolled.

The “public extracurricular education organisations” producer groups together the National Conservatory of Arts and Crafts (CNAM) in Paris, the Sports performance, expertise and resources centres (CREPS) and all autonomous or non-autonomous centres within government agencies that carry out continuing vocational training activities.

The Conservatory of Arts and Crafts in Paris mainly organises evening classes. Its activities come under adult education, although some of its institutes may in fact be initial education institutions. The whole of the CNAM's activity is classified under “continuing vocational training”. The regional centres related to the CNAM are associations under private law. They are grouped with the “private subsidised extracurricular education institutions” producer.

Sources used

The public extracurricular education organisations account is constructed from the financial accounts of the CNAM and the CREPS, based on the administrative accounts of the local authorities for the centres they manage.

These accounts are complemented by all the internal continuing training expenditure made directly by the various authorities and transmitted by the Department of Research, Studies and Statistics (DARES) of the Ministry of Labour, Employment, Vocational Training and Social Dialogue.

The “private pre-primary and primary schools under contract” producer consists of private pre-primary and primary schools including classes under an association contract or a direct contract with the state.

In the infrequent case of a private school having both classes under contract and classes not under contract, only the teaching activity corresponding to the classes under contract is detailed for the producer. The teaching activity for the classes not under contract is included with the “independent education institutions” producer.

The private pre-primary and primary schools under contract carry out pre-primary and primary teaching activities and a catering activity.

The Ministry of National Education, Higher Education and Research pays the teaching staff. The local authorities may pay grants towards the everyday running of the schools; these payments are mandatory for classes under an association contract. Households pay school fees and entirely fund the catering activity.

Sources used

In the absence of a summary of these institutions’ financial accounts, the private pre-primary and primary schools under contract account is calculated from the central government budget, the local authorities’ accounts and the fees applied by the schools.

The “private lower and upper secondary schools under contract” producer consists of lower and upper secondary schools under an association contract or a simple contract. Nearly all the classes operate under the association contract system.

They come under the authority of the Ministry of National Education, Higher Education and Research or the Ministry of Agriculture.

In the infrequent case of a private institution having both classes under contract and classes not under contract, only the teaching activity corresponding to the classes under contract is detailed for the producer. The teaching activity for classes not under contract is included with the “independent education institutions” producer.

The private lower and upper secondary schools under contract perform teaching activities in the four levels of secondary education (lower secondary, special education, general and technological upper secondary, vocational upper secondary), short cycle tertiary (Higher Technician Sections) and long cycle tertiary (classes preparing for admission to the elite *Grandes Ecoles*). They also carry out continuing vocational training, boarding and catering activities.

The Ministry of National Education, Higher Education and Research or the Ministry of Agriculture pays the teaching staff. They also pay a flat fee per pupil which varies according to the level. Since decentralisation, the Departments (for lower secondary schools) and the Regions (for upper secondary schools) have provided the part of this fee corresponding to the compensation of ATTEE staff. These authorities may also pay grants towards the everyday running of the institutions; these payments are mandatory for classes under an association contract. Households also pay school fees and fund the whole of the boarding facilities and catering activities.

Sources used

In the absence of a summary of these institutions’ financial accounts, the private lower and upper secondary schools under contract account is calculated from the central government budget, the local authorities’ accounts and the fees applied by the schools and, where applicable, the apprenticeship tax paid by business enterprises.

These sources are complemented by the pedagogical assessments for continuing training actions.

The “private subsidised apprentice training centres” producer includes the apprentice training centres managed by consular organisations or associations.

The private subsidised CFAs may be under the authority of the Ministry of Agriculture, the Ministry of National Education, Higher Education and Research or other ministries.

Since the start of the 1984 school year, the CFAs have been under the responsibility of the Regions, which have taken over funding from central government.

The CFAs produce a teaching activity at secondary or higher education level, depending on the courses followed by the apprentices and by the pupils in preparatory classes connected to the centres. They also produce a catering activity.

Only expenditure internal to the apprentice training centres is taken into account. Expenditure on apprentices in their placement company is not counted.

Funding of apprentice training centres is provided by grants from the Regions and by grants from business enterprises via apprenticeship tax. The centres may also receive funds from other local authorities. Households contribute to catering expenses.

Sources used

The private subsidised Apprentice Training Centres account is constructed using the financial balance sheets of the CFA, summarised by the National Council of Employment, Training and Vocational Guidance (CNEFOP, formerly CNFPTLV) for the apprentice training centres.

The “private subsidised higher education institutions” producer groups together the private higher education institutions receiving central government funding.

They carry out a teaching activity at higher education level and a continuing vocational training activity. The boarding and catering activity cannot be separated.

These institutions receive funds from government agencies, mainly the Ministry of Higher Education and Research, the Ministry of Agriculture or other ministries for certain *Écoles Supérieures* (National Higher Schools).

They also receive funding from local authorities and business enterprises through apprenticeship tax. Households contribute to their funding by paying tuition fees.

Sources used

In the absence of a summary of these institutions’ financial accounts, the private higher education institutions account is calculated from the central government budget, the tuition fees applied by the schools and the apprenticeship tax paid by business enterprises.

These sources are complemented by the pedagogical assessments for continuing training actions.

The “private subsidised extracurricular education institutions” producer groups together the National Adult Vocational Training Association (AFPA) which performs a continuing vocational training activity, and the Regional Centres linked to the National Conservatory of Arts and Crafts, whose activity is classified under “continuing vocational training”. It also includes continuing education bodies operating under association status.

Sources used

The “private subsidised extracurricular education institutions” producer account is constructed from the ODAC AFPA account provided by the Department of Public Accounts until 2011, then from pedagogical assessments of the continuing training centres summarised by the DARES.

The “private pre-primary and primary schools not under contract” producer consists of private pre-primary and primary schools which only have classes not under contract, and also includes classes not under contract in private schools offering both classes under contract and not under contract. Only the teaching activity corresponding to classes not under contract is detailed for this producer. The teaching activity for classes under contract is included with the “private subsidised education institutions” producer.

Private pre-primary and primary schools not under contract carry out pre-primary and primary teaching activities. The catering activity cannot be separated.

These institutions are entirely funded by the school fees paid by families.

Sources used

The accounts are constructed from an estimate of the school fees.

The “private lower and upper secondary schools not under contract” producer consists of private lower and upper secondary schools which only have classes not under contract, and also in those private schools, that contain both classes under contract and not under contract, of the classes not under contract. Only the teaching activity corresponding to classes not under contract is detailed for this producer. The teaching activity for classes under contract is included with the “private subsidised education institutions” producer.

Private lower and upper secondary schools not under contract produce teaching activities at three levels of secondary education (lower secondary, general and technological upper secondary, vocational upper secondary), and at the different levels of higher education.

These institutions are fully funded by the school fees paid by families.

Sources used

The accounts are calculated from an estimate of the school fees, and payments of apprenticeship tax.

The “independent private apprentice training centres” producer consists of the apprentice training centres managed by business enterprises.

The CFAs produce a teaching activity at secondary or higher education level, depending on the courses followed by the apprentices and by the pupils in preparatory classes connected to the centres. They also produce a catering activity.

Only expenditure internal to the apprentice training centres is taken into account. Expenditure on apprentices in their placement company is not counted.

Business enterprise CFAs are mainly funded by expenditure exempt from apprenticeship tax.

Sources used

The independent private apprentice training centres account is constructed using the financial balance sheets of the CFA, summarised by the National Council of Employment, Training and Vocational Guidance (CNEFOP, formerly CNEPTLV) for the apprentice training centres.

The “independent private higher education institutions” producer groups together the private higher schools, *Écoles Supérieures*, not receiving central government funding.

These institutions carry out a higher education teaching activity. The boarding and catering activity cannot be separated.

They may receive funding from business enterprises through apprenticeship tax. Households contribute to their funding by paying tuition fees.

Sources used

The accounts are constructed from an estimate of the tuition fees, and from payments of apprenticeship tax.

The “independent private extracurricular education institutions” groups together training centres with business enterprise status and in-company training. It also includes trainers working as independent professionals.

They carry out continuing vocational training activities funded by business enterprises, or extracurricular education activities for activities performed by independent professional trainers.

Sources used

The “independent private extracurricular education institutions” producer account is estimated from summaries provided by the DARES.

The “administrative services and public organisations” producer groups together entities that are autonomous or internal to government agencies that perform activities other than teaching activities. It includes:

- the central government administrative services of the Ministry of National Education, Higher Education and Research, the regional education offices, the regional education inspection services and some services of the Ministry of Agriculture, Defence or other ministries that perform a general administration activity. These units are fully funded by central government.
- the information and career guidance centres (CIO) managed by central government or the local authorities, which provide educational guidance. These centres are mainly funded by central government and the local authorities, but may receive additional funding from business enterprises through the apprenticeship tax.
- local authority services with related activities in the sector, which cannot be attached to the teaching production units as these, are separate with the local authorities, for example the general administration activity.
- public institutions which operate in the education sector but do not carry out teaching activities. These institutions only have related activities. They include the National Office of Information on Education and the Professions (ONISEP) which provides a guidance activity, the Centre for study and research into qualifications (CEREQ), the National/Regional centres for student welfare (CNOUS / CROUS) which manage university restaurants and residences and therefore provide a boarding and catering activity, the former National Institute for Educational Research (INRP¹¹) which has an educational research activity, the national network of Culture, Publishing, and Resources Services for National Education (SCÉRÉN)¹² which brings together the National Educational Documentation Centre (CNDP) and its regional (CRDP) and departmental centres (CDDP). These are all public institutions and produce financial accounts.

Sources used

Central government expenditure on the general administration activity is extracted from the analysis of the different ministries’ expenses. The assessment of the resources of units producing the guidance service is complemented by an assessment of the contributions by local authorities taken from an analysis of these authorities’ accounts.

The main public institutions cited produce financial accounts which are analysed each year to obtain simplified accounts, included in the Education Account.

1.3.5. ECONOMIC TRANSACTIONS (TYPE OF EXPENDITURE)

Economic transactions are detailed by a simple classification of the **type of expenditure**: personnel, current or capital expenditure. Teaching staff and non-teaching staff expenditure is differentiated, to take account of the importance of teachers in the production of educational activities. This information is also requested by international organisations.

The definitions of these transactions correspond to those used in the National Accounts.

The type of expenditure is analysed from the point of view of the economic agent carrying out the expenditure. For example, central government makes a general operating grant to an educational institution. In the tables showing the financing units,

¹¹. Since 18 April 2011, the INRP no longer exists as such but is attached to the ENS Lyon and has become the French Education Institute (IFE).

¹². In February 2014, the SCÉRÉN-CNDP network changed its name to the CANOPÉ network.

the grant is considered as other central government current expenditure, even if it is used to pay staff or make capital investments. By contrast, in the production unit expenditure tables, the use of this resource is described and the staff or capital expenditure may be detailed.

TRANSACTIONS (TYPE OF EXPENDITURE)

1. Staff compensation 10. Teachers 11. Other staff
2. Current operational expenditure 2. Other operational expenditure
3. Capital expenditure 3. Capital expenditure

Staff compensation expenditure includes employees' pay and employer's social security contributions. Staff expenditure by the different ministries includes employer's social security contributions paid by central government.

The LOLF law created a Special allocation account for all the pensions and ancillary benefits paid by central government: the "CAS pensions" special allocation account.

A special allocation account tracks the budget transactions funded by specific revenue directly related to the expenditure. The CAS pensions account collects employer contributions from central government and pension contributions from the employees, in order to fund civil servants' pensions. Employer contributions, the rate of which changes every year, ensure the balance of the civil servants' pension scheme and correspond to the principle of contributions payable by the National Accounts. In 2012, the applicable rate for civil servants was 69.25% (including 0.33% for the temporary disability allowance).

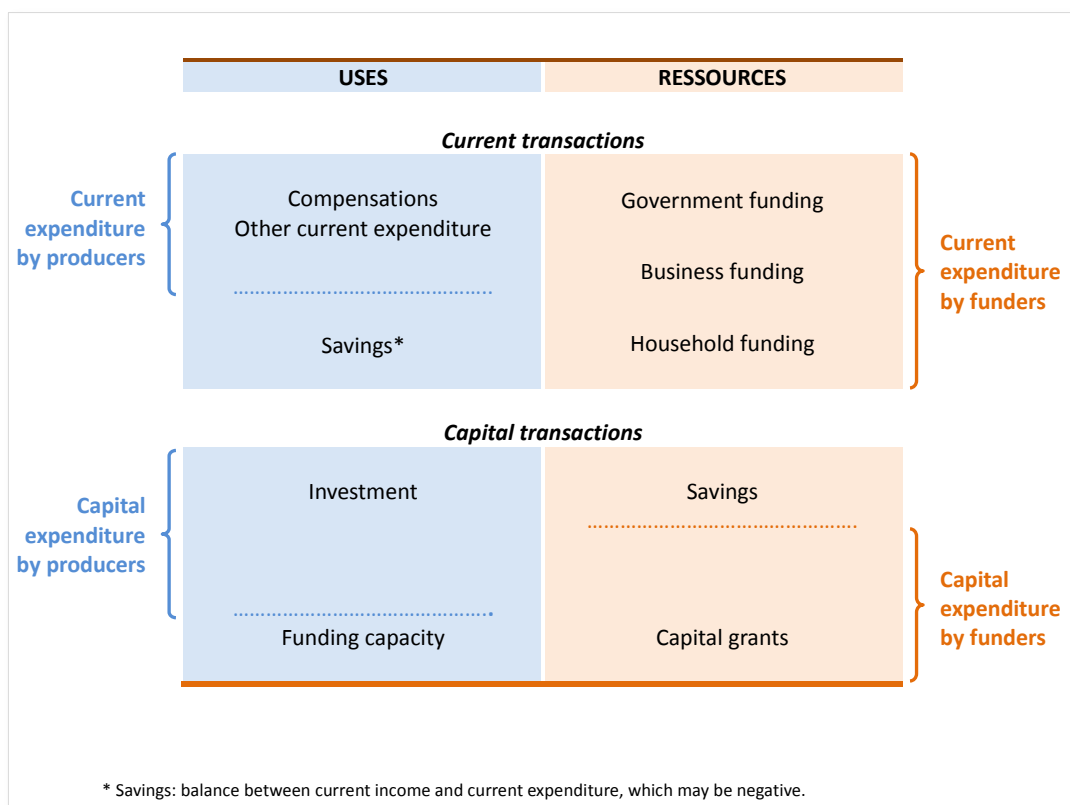
The Education Account does not consider compensation paid to pupils and students in initial education or trainees in continuing vocational training as an education expense. Compensation for trainee civil servants is accompanied by a commitment to perform a certain number of years' work in a public office and is therefore interpreted as an investment in human resources. This means that only compensation paid to trainee educational staff is counted as an education expense.

Staff expenditure is divided between teaching staff and expenditure on other personnel.

Current operational expenditure means expenditure other than staff expenditure, which is not capital expenditure. This therefore includes current expenditure by the production units (e.g. utilities such as heating, electricity and water), expenditure by households on goods and services related to school attendance (e.g. purchasing school supplies or paying for individual lessons) or services for the institutions (e.g. payment of school fees or catering costs).

Capital or investment expenditure means fixed accounting expenditure: constructions, major repairs, and major equipment. The Education Account does not track depreciation. Total expenditure is accounted for in the year in which it takes place. Borrowing transactions are not tracked, and interest is considered as current expenditure.

DIAGRAM: EXPENDITURE TRANSACTIONS FROM THE POINT OF VIEW OF FUNDERS AND PRODUCERS



1.4. THE SATELLITE ACCOUNT FOR EDUCATION: HOW IS IT LINKED TO THE CENTRAL FRAMEWORK OF THE NATIONAL ACCOUNTS?

The difficulty of linking the satellite account for education with the central framework of the National Accounts is due to the fact that they are not based on the same concepts. Thus, the basic concept of the satellite account is expenditure whereas it is the concept of production that has a predominant role in the central framework. The concept of expenditure is only secondary in the central framework, representing certain transactions. However, the two approaches are not irreconcilable and the Education Account can be interpreted through the prism of the central framework.

The production of education can be analysed by introducing the concept of the education production unit (EPU), which in the case of education is an adaptation of the homogeneous production unit (HPU) used by the National Accounts. The education activities used in the Education Account can be defined by specific items in the classification of French industry (NAF). Transactions tracked in the central framework and in the Education Account can be matched up. Finally, although the concept of the satellite account funding sector does not appear as such in the central framework, a joint analysis of the funding can still be carried out.

This ultimately results in a fairly close link between education expenditure and the transactions of the central framework.

1.4.1. ESSENTIAL CONCEPTS: “EXPENDITURE” VERSUS “PRODUCTION”

In the satellite account for education, the concept of expenditure is directly linked to the operation of the financing units (central government, local authorities, etc.). The expenditure undertaken by the financing units represents all the expenditure in the satellite account: it is intended to fund the whole of the education system. By comparison, the expenditure undertaken by the production units in the field of education (the secondary education institutions or EPLE – local public sector schools – for example) is different. Strictly speaking, it does not fund the whole of the education system but represents the production costs of their different activities.

More generally, the scope of expenditure, a concept more common in a satellite account, differs from that of production, which is more specific to the central framework. Therefore, alongside transactions on goods and services (such as intermediate consumption), expenditure may represent transfers (such as general operating allocations or capital grants) and capital transactions (such as gross fixed capital formation or capital expenditure).

However, within the satellite account for education, production and expenditure have connecting points. The production of education services, measured by the sum of the costs in the case of government agencies, represents at least in part a resource for the production units. Therefore, the same amount of expenditure is accounted for both in uses, for a financing unit of the education system, and in resources, at least in part, for the production units that actually provide education activities.

In the central framework of the National Accounts, production is not confused with the revenue from a production unit. This comment applies to market and non-market production, the latter being predominant in the field of education.

In a word, we are only interested here in non-market production. As previously stated, production by government agencies and more generally by the non-market sectors is assessed by the sum of the production costs: intermediate consumption, staff compensation, production-related taxes, fixed capital consumption (the latter has not been assessed in the Education Account).

The current transactions account of the production unit concerned will have, as resources, the share of current expenditure carried out by the financing units in the sector and received by this production unit. The difference between the production unit's uses and sources corresponds to the balance of the current transactions account (savings) of this unit, i.e. before the capital account.

By way of illustration, the current transactions account of public lower secondary schools in 2012 was as follows.

CURRENT TRANSACTIONS ACCOUNT FOR PUBLIC LOWER SECONDARY EDUCATION PRODUCERS

USES		RESOURCES	
		Current expenditure by funders	
Staff cost	16,677.8	Central government	15,218.8
Other operating costs	2,261.8	Local authorities	2,588.5
		Other government agencies	146.7
		Business enterprises	12.3
		Households	918.0
Savings	25.2	Other private funders	75.8
		Rest of the world	4.7
TOTAL	18,964.8	TOTAL	18,964.8

Source: Education Account, millions of euros

To simplify matters, the concern here is not with the breakdown of production by these institutions between teaching and catering services (which creates residual sales of market services¹³).

Therefore, production by these institutions is measured by the sum of their costs, i.e.:
 $16,677.8 + 2,261.8 = \text{€ } 18,939.6$ million.

The share of current expenditure allocated to these production units is measured by the sum of the resources in this account: € 18,964.8 million.

The difference (€ 25.2 million) represents the gross savings by these production units, or “profit” before allocation of any capital expenditure.

13. Residual sales are sales of market goods or services by non-market sectors, in addition to their main non-market activity.

1.4.2. ANALYSIS OF PRODUCTION IN THE TWO APPROACHES

The Education Account describes the production of activities that are “characteristic” of the field in a similar way to the central framework. This is based on the concept of the homogeneous production unit¹⁴ which defines the “characteristic activity” as a grouping of these units, in the same way as the central framework defines the sector of activity as the grouping of homogeneous production units. However, although identical in principle, the two approaches have differences, mainly due to the definition of the homogeneous production unit. The Education Account defines a homogeneous production unit that is specific to it, which may be known as an “education production unit” (EPU). This unit has the following two characteristics:

- An EPU may be a group of homogeneous production units belonging to different institutional units;

The two examples below illustrate this point:

- the case of public primary schools:

In the central framework, public primary schools are not identified as such. The teaching activity they perform is fragmented between several institutional units. Firstly, it is included in central government production, which bears the cost of staff compensation and a portion of capital expenditure, and secondly, in that of the local authorities, which are responsible for other current and capital expenditure. By contrast, in the Education Account, public primary schools are education production units (EPU) in their own right, which exercise two types of activity: teaching and catering services. They are therefore producers within the structure specific to the Education Account, regardless of how their funding is organised (which is known from other sources).

- the case of boarding and catering services:

In the central framework, the boarding and catering activity in the government agencies sector is not separated. It is included in the teaching activity to which it relates. By contrast, the Education Account defines boarding and catering services as a “characteristic activity”, grouping together the homogeneous education production units that perform these services. Therefore, as these units are defined in the government sector, their production is thus described as such.

- An EPU may consist in the fragmentation of homogeneous production units.

The example of continuing vocational training provided within business enterprises illustrates this second characteristic of EPUs. Some business enterprises have a teaching activity of their own. In the central framework, this activity is not described as such, meaning that there is no teaching production unit associated with it. The corresponding costs are taken into account but are allocated to non-teaching production units.

In the Education Account, by fragmenting the homogeneous production unit of these business enterprises and creating an EPU relative to their teaching activity, the latter can be explicitly shown. Therefore, continuing education production can be allocated to them, assessed by the sum of the costs¹⁵.

These two characteristics of EPUs have the following consequences:

- the structuring of the sector is more detailed in the Education Account than in the central framework. However, this structuring follows a classification that may be connected to that of the central framework;
- the description of the sector’s production is more specific in the Education Account.

¹⁴. For the National Accounts, one sector (or sector of activity) groups the homogeneous production units, i.e. the units that make products (or provide services) belonging to the same classification of economic activity.

¹⁵. This phenomenon is not specific to the Education Account. It is also seen in other satellite accounts. For example, there is the case of occupational medical services internal to business enterprises in the healthcare account. In the central framework, this is accounted for by the business enterprises as part of their production activity. It does not therefore appear as a healthcare activity, whereas it is identified in the healthcare account and treated as an “auxiliary” activity to healthcare services.

Correspondence of activity classifications

The correspondence between the scope of teaching activities described in the Education Account and that of the central framework can be summarised as follows:

- *the central framework* counts as teaching activities the market and non-market activities classified in division 85 of the NAF 2008;
- *the Education Account* counts all these activities, except class 85.53Z (driving lessons) of the NAF 2008.

1.4.3. TRANSACTIONS BY PRODUCERS

Although the Education Account gives a more detailed analysis of the production of education than the central framework, the classification of the transactions used to describe producers' activity is simpler than in the central framework. The two classifications may however be connected (see table below).

CORRESPONDENCE BETWEEN CLASSIFICATIONS OF TRANSACTIONS (IN USES)

EDUCATION ACCOUNT	CENTRAL FRAMEWORK
Staff costs	<ul style="list-style-type: none"> • Employee compensation
Other operating costs	<ul style="list-style-type: none"> • Intermediate consumption • Production-related taxes* • Interest paid
Investments	<ul style="list-style-type: none"> • GFCF (gross fixed capital formation) • Stock variation • Net acquisitions of land and intangible assets

* Not consolidated with grants received.

1.4.4. ANALYSIS OF FUNDING

The funding sector, a concept in the satellite account, does not have a direct equivalent in the central framework. However, any financing unit of a satellite account is either part of an institutional unit (Ministry of National Education, Higher Education and Research, for example) or an institutional unit in its own right (household for example). It is therefore still possible to match the classification of the funding sector in a satellite account with that of the institutional sectors in the central framework. Moreover, the fact that a financing unit can be a part of an institutional unit means that some flows are explicitly detailed in the satellite account, whereas they are consolidated in the central framework, since they are internal to the same institutional unit.

With regard to the type of transactions carried out by the financing units, the connection between the central framework and the satellite account is more complex. Differences exist, the origin of which lies in the treatment of transfer transactions.

It appears as if the procedures and consolidation followed different rules in the two groups. In the central framework, consolidation can only be carried out between units belonging to the same sector or institutional sub-sector. The satellite account for education however allows consolidation between units belonging to two different institutional sectors.

In the Education Account, expenditure is measured by the sum of the final funding carried out by the units in the sector, regardless of the type and origin of their resources. Therefore, some flows are not recorded in expenditure, if they do not correspond to a final funding.

By contrast, in the central framework, these flows are generally present, since a flow between two institutional units belonging to separate institutional sectors is recorded in the resources of the "receiving" unit's account and in the uses of the "paying" unit's account. Only flows between two institutional units belonging to the same institutional sector may not be recorded.

In the satellite account however, flows between initial and final funders are detailed, as all flows to a unit in the sector (whether a production unit, beneficiary or financing unit) are financing transactions:

- if the receiving unit is a production unit or a beneficiary, there is final funding in the sector and the transaction is recorded as expenditure;
- by contrast, if the receiving unit is itself a financing unit in the sector, the flow in question is not final funding.

Therefore, by taking into account all the financing transactions in the sector by the units concerned, it is possible to establish the “connection” to the central framework.

1.4.5. CONNECTION BETWEEN EDUCATION EXPENDITURE AND CENTRAL FRAMEWORK TRANSACTIONS

As we have seen in the previous developments, expenditure is the sum of financing transactions made by the units grouped together in one financing sector. The sector itself is structured according to a classification taking into account the classification of the institutional sectors in the central framework. Central framework transactions, which may be diverse in nature, correspond to these financing transactions. It is therefore necessary to describe the specific “connection” between education expenditure and the central framework.

The “connection” to the National Accounts aggregates

This “connection” is as follows:

- Current education expenditure = Final consumption by households of education goods and services
- + Final consumption by government agencies of education goods and services
 - + Intermediate consumption by business enterprises of education goods and services
 - + Intermediate consumption by “auxiliary” education services
 - + Current transfers and operating subsidies

CORRESPONDENCE BETWEEN FINANCING TRANSACTIONS IN THE EDUCATION ACCOUNT AND IN THE CENTRAL FRAMEWORK TRANSACTIONS CLASSIFICATION

EDUCATION ACCOUNT	CENTRAL FRAMEWORK
Household expenditure	<ul style="list-style-type: none"> • Final market and non-market consumption (partial payments) by households for education services, catering, etc.
Business enterprise expenditure	<ul style="list-style-type: none"> • Intermediate consumption by business enterprises of education and training services¹. • Intermediate consumption in “auxiliary” education services².
Current expenditure by government agencies	<ul style="list-style-type: none"> • Final consumption by government agencies • Operating subsidies • Current transfers³
Capital expenditure by government agencies	<ul style="list-style-type: none"> • Gross fixed capital formation⁴

1. Including apprenticeship tax paid directly to market education institutions.

2. This is the counterpart of the production of activities not identified as education activities in the central framework. The services are produced by the business enterprise internal training centres (continuing training).

3. Excluding transfers between government agencies.

4. Deduction made for savings.

Final non-market consumption by government agencies

In the central framework, an assessment is made using the breakdown of expenditure by government agencies according to the COFOG (Classification of central government functions). In this classification, the expenditure in function 9 (teaching-education) is used for transactions corresponding to production costs.

The education function (or division) is broken down into several sub-functions (or groups): 9.1. Pre-primary and primary education; 9.2. Secondary education; 9.3. Non-higher post-secondary education; 9.4. Higher education; 9.5. Education not defined by level; 9.6. Education-related services; 9.7. R&D in the education sector; 9.8. Education not classed elsewhere.

In the case of local authorities, a specific functional coding exists for each type of authority (example of classification M14 for local councils). The central framework uses function 2. *Education-Training*, which is broken down into several sub-functions (20. *Common services*; 21. *Primary education*; 22. *Secondary education*; 23. *Higher education*; 24. *Continuing education*; 25. *Education related services*).

The Education Account uses the same functions (after reclassifying some institutions¹⁶). More detailed levels of sub-functions are also used.

Comment: in the central framework, the consumption of services provided by driving and flying schools (class 85.53Z, driving lessons in NAF 2008) appears in the household consumption of education services, whereas it is not included in the scope of the satellite account for education.

¹⁶. Some ODAC (Other central government organisations) coming under the authority of the Ministry of Education are in fact wrongly classified as general services of the government agencies: such as the CINES (National Computing Centre for Higher Education), MSH (Human Science Centre), OBPA (Paris Observatory), OCA (Côte d'Azur Observatory) or the Collège de France. Likewise, three ODAC classified in the Leisure, culture and religion function have been placed in the education function for the Account: the Higher Education Libraries Agency, the University Library of Languages and Civilisations and the Overseas Academy of Sciences.

Music and dance conservatories coming under the local authorities have also been reintegrated into function 2 for the Education Account together with that part of the administration by local authorities allocated to education.

2. PART TWO: SOURCES, AGGREGATES AND PRESENTATION OF RESULTS

2.1. INFORMATION SOURCES USED AND THEIR TREATMENT

The assessments of the Education Account are based on a wide range of accounting or statistical information sources.

The accounting sources may relate to the activity of a financing unit, such as the budget implementation documents of the different ministries or the activity of a production unit such as the financial accounts of the local public education institutions or of the universities.

The information used may also come from the accounts of institutions that are also treated for the purposes of the National Accounts as accounts of higher education institutions (ODAC), summarised by the General Directorate of Public Finances (DGFIP).

Other sources of information are more statistical in nature, such as household surveys on back-to-school expenses.

The sources of information used are classified into two different categories:

- The data sources on financing units describe the expenditure carried out by the funders. They are treated by placing all the expenditure in the account classifications according to the level of education, the recipient production unit, the activity funded and the type of economic transaction. Treatment of these sources results in the creation of funding tables specific to each financing unit.
- The data sources on production units detail the resources and uses of education producers. They are treated by placing the income and expenditure in the Account classifications. The data are classified according to the level of education concerned, the original financing unit, the funded activity and the type of economic transaction from the funder's point of view. The expenditure is classified according to the level of education, the funded activity and the type of economic transaction of the expenditure. Treatment of these sources results in creation of the income and expenditure table.

2.1.1. SUMMARY OF INFORMATION SOURCES

2.1.1.1. ON THE FINANCING UNITS

FINANCING UNIT	SOURCES USED
Ministry of Education (School education + Higher education)	<ul style="list-style-type: none"> • Central government budget implementation (INDIA application, then CHORUS)
Other ministries	<ul style="list-style-type: none"> • Central government budget implementation (DGFIP) • Ministry of Defence survey
Regions	<ul style="list-style-type: none"> • Accounts of the Regions (DGFIP, DGCL)
Departments	<ul style="list-style-type: none"> • Accounts of the Departments (DGFIP, DGCL)
Local councils	<ul style="list-style-type: none"> • Accounts of local councils, groups of local councils, syndicates and school funds (DGFIP)
Other government agencies	<ul style="list-style-type: none"> • Continuing education in hospitals
National Family Allowance Fund (CNAF)	<ul style="list-style-type: none"> • CNAF Publication
Business enterprises	<ul style="list-style-type: none"> • Apprenticeship tax survey up to 2012 (DEPP) • Declaration of continuing education expenditure (DARES)
Households	<ul style="list-style-type: none"> • Survey on back-to-school expenses (DEPP)

DGFIP: General Directorate of Public Finances, Ministry of Public Finances and Accounts (formerly DGCP: General Directorate of Public Accounts).

DEPP: Evaluation, Forward Planning and Performance Directorate, Ministry of National Education, Higher Education and Research.

DGCL: General Directorate of Local Authorities, Ministry of the Interior.

DARES: Department of Research, Studies and Statistics, Ministry of Labour, Employment, Vocational Training and Social Dialogue

2.1.1.2. ON THE PRODUCTION UNITS

PRODUCTION UNIT	SOURCES USED
Public pre-primary and primary schools	<ul style="list-style-type: none"> • Primary schools do not have accounting autonomy. No specific source. The accounts are constructed from the financial sources.
MENESR Public lower and upper secondary schools	<ul style="list-style-type: none"> • Financial accounts of the EPLE (DEPP)
Defence public lower and upper secondary schools	<ul style="list-style-type: none"> • Ministry of Defence survey
Public CFAs	<ul style="list-style-type: none"> • Financial accounts of the apprentice training centres
Public universities	<ul style="list-style-type: none"> • Universities' administrative accounts (DGFIP)
Other public higher education institutions	<ul style="list-style-type: none"> • ODAC Accounts (DGFIP)
Public artistic education centres	<ul style="list-style-type: none"> • No specific source
Public special education centres	<ul style="list-style-type: none"> • EPLE Financial accounts (DEPP)
Public distance learning organisations	<ul style="list-style-type: none"> • Financial accounts and business report of the CNED
Public extracurricular training organisations	<ul style="list-style-type: none"> • Pedagogical assessments of continuing education centres (DARES) • CNAM accounts
Private institutions under contract with central government MENESR	<ul style="list-style-type: none"> • Survey of Prefectures (DEPP)
Subsidised apprentice training centres	<ul style="list-style-type: none"> • CFA financial accounts (DEPP and CNEFOP)
Subsidised private higher education institutions	<ul style="list-style-type: none"> • ODAC Accounts (DGFIP)
Subsidised private extracurricular training organisations	<ul style="list-style-type: none"> • Pedagogical assessments of the centres
Private extracurricular training organisations	<ul style="list-style-type: none"> • Pedagogical assessments of continuing education centres (DARES)
Administrative services and public organisations	<ul style="list-style-type: none"> • CNDP, ONISEP, CEREQ, INRP financial accounts

2.1.2. GENERAL DIAGRAM OF TREATMENT OF THE INFORMATION

When the level of detail provided by the sources is not adequate, distribution keys can be used to divide the amounts between different occurrences of an account dimension. Usually, they are calculated on the basis of the number of pupils or teachers, or from budget documents. For example, the grants for supply teachers appearing in the budget are distributed on the *pro rata* basis of the number of teaching staff posts for each level.

Once all the treatments are complete, all the financial flows are placed in the Account classifications.

All the funding table information is carried over to the resources and expenditures tables of the producers to enable comparison and arbitration between the assessments from the different sources, and a consolidation of the financial flows.

For example, public lower and upper secondary schools have financial autonomy and draw up financial accounts every year. However, the staff in these schools are paid directly by central government or the local authorities, and do not appear in these institutions' accounts. The information from different sources is consolidated to construct a comprehensive view of the funding and costs in the producers' category.

Then, arbitration will consist in selecting the amounts that will be used for the Account, according to all the available information. For example a choice will be made between the amount of operating subsidies paid by the Regions to upper secondary schools (from the Regions account) and the amount of subsidies received by the upper secondary schools from the Regions (from the institutions' account).

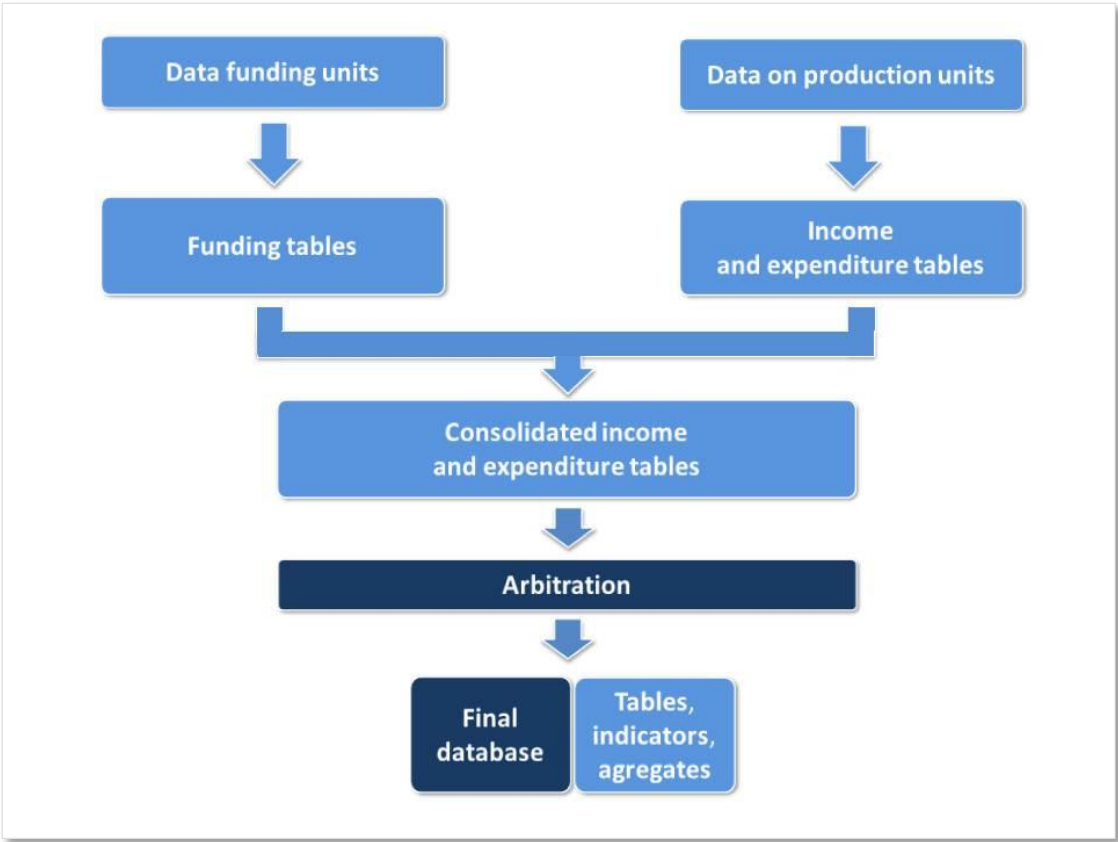
Finally, calculating the accounting balances enables the expenditure and resources of the production units to be balanced. To do so, fictional funders 800 (producers' expenditure) and 900 (balances) are used.

Where there are financial accounts for a producer (public upper secondary schools, ODAC, universities, etc.), the balances observed are allocated to funder 900. Expenditure (funder 800) is calculated from the difference between all the resources¹⁷ and the balances.

Where there is no account for a producer (public primary schools, etc.), the balances are arbitrarily put at zero and the expenditure is set at the level of this producer’s income. For independent private education producers, a theoretical profit is estimated and included in the total balance.

The consolidation and arbitration phase is essential to ensure the exhaustiveness and consistency of the information. It enables a complete, consistent database to be drawn up and summary tables to be produced.

GENERAL DIAGRAM OF INFORMATION PROCESSING



2.1.3. RESETTING THE BASE AND BACK-CASTING

In the National Accounts vocabulary, the base represents a fixed set of concepts, classifications and methods. The changes of base help the conceptual framework and methods used to develop. Depending on the case, their impact on the satellite account for education varies in significance. The most recent base of the French National Accounts, following the European System of Accounts, is 2010.

For the Education Account, the structure and method had been modified in 1999 to respond more effectively to international requests. In addition, the transition to the LOLF law in 2006 led to changes in scope and method. This resulted in two breaks in series, despite the back-casting of the DEE in 1999.

In order to take account of these changes, it was decided to reset the base for the final 2012 Account, then to back-cast the data to ensure consistent statistical series over an extended period.

¹⁷. Including direct expenditure by central government or local authorities such as, among other items, staff costs not listed in the institutions’ financial accounts.

2.1.3.1. Transition to the 2010 accounts base

The transition to the 2010 base of the National Accounts was an opportunity to reset the base of the Education Account, responding to several needs:

- to maintain consistency between the central framework of the accounts and the satellite account;
- to revise household expenditure on education to include the results of a recent DEPP survey on the matter;
- to modify the sources used for continuing education expenditure: the DARES has more complete data than is present in the budgets of other ministries for this level, and the timetable is now compatible with that of the Education Account;
- to correct two errors in the previous base regarding the treatment of local council expenditure on general administration and on catering services.

Transition of the National Accounts to the 2010 base

The INSEE sums up the National Accounts change in base on its website:

"On 15 May 2014, as happens at the same time every year, the INSEE publishes the macroeconomic data of the "National Accounts", updated for the last three years (i.e. 2011, 2012 and 2013 this year), taking account of new information that has appeared since the previous edition of the National Accounts.

However, this year the changes are greater than usual. The concepts governing the production of these figures have been given a facelift, what is known in National Accounts terminology as a "change of base". This means that the exact definition of many data and the profile of all the main aggregates (GDP, consumption, investment, balance of government agencies, etc.) have changed. At the same time, the level and, to a lesser extent, the timing of these data have been modified for the whole period covered by the National Accounts, i.e. since 1949.

In the 2010 base, for example, the INSEE records as investment the sums that the economic agents (private enterprises, but also public organisations) spend on R&D, whereas until now they were recorded as intermediate consumption. Why this change? Because the INSEE is applying the new national accounting standards issued by the National Accounts System (SCN 2008) and its European version, the European System of Accounts (ESA 2010). The accounting framework must be adapted to better reflect changes in the economy. Treating investment as R&D expenditure will for example give a better picture of the increasingly significant weighting of the assets from intellectual property in today's economy.

However, the 2010 base contains many other changes in addition to this new treatment of R&D: other conceptual or methodological innovations are introduced, while estimates have been modified to take advantage of improvements in the sources used when drawing up the accounts. All the changes made have resulted in a substantial upwards revision of the level of GDP (+3.2% in 2010, or € 61.8bn) with a much lower impact on rates of change."

The changes described above do not have an impact on the Education Account treatments. University research expenditure is still listed as such, with transactions differentiated between staff, current and capital expenditure.

The only real impact of the central framework change in the base for the Education Account is the inclusion of Mayotte, which in 2011 became the 101st French Department.

The inclusion of Mayotte in total DEE in 2012 is assessed at + € 0.3 bn.

Revision of household expenditure on education at primary and secondary level

Education expenditure by households with children, educated as pupils or apprentices in primary, lower and upper secondary schools, is assessed from a DEPP survey of a representative sample of families. The questions relate to expenditure carried out at the start of the school year and during the year: enrolment fees, school insurance, catering and boarding, books, supplies, equipment and clothing, support lessons, school trips, etc.

The survey is not carried out every year; the two most recent surveys are from 2008 and 2013. In the interval, household expenditure is estimated from the change in the prices of the goods and services concerned (INSEE source). The 2013 survey was used to revise the estimates made in previous years.

The impact of the inclusion of the new results on household expenditure in 2012 is assessed at – € 0.4bn.

Changes in treatment of continuing education expenditure

The sources used in the Education Account to cost expenditure on continuing education have become inadequate over the years, particularly in terms of an exhaustive account of business enterprise expenditure. As the Department of Research, Studies and Statistics (DARES) of the Ministry of Employment now has better quality data on continuing education, it has been decided to use these data for the Education Account. The level of expenditure incurred is much higher than that obtained previously.

The impact of the inclusion of the new source on continuing education expenditure in 2012 is assessed at + € 3.8 bn.

Treatment of general administration expenditure in the local councils' account

Part of the general administration expenditure by the local councils must be allocated to education expenditure to take account of the fact that the supervising of schools requires the local councils to perform general administration tasks. The data from the local councils' accounts does not accurately measure the part to be used. When the Account base was changed, the method of estimating this part was redefined. It is now determined as the ratio between local council education expenditure identified as such in the classifications, against total local council expenditure. The amounts calculated are then distributed by level of the education activity.

The impact of this change on total local council education expenditure in 2012 is assessed at + € 0.6 bn.

Treatment of catering expenditure in the local councils' account

Expenditure by the local councils to finance catering in pre-primary and primary education no longer includes the part paid by households.

The impact of this change on total local authorities education expenditure in 2012 is assessed at – € 1.5 bn.

2.1.3.2. Back-casting

Following the resetting of the Education Account base in 2012, and to enable chronological monitoring, two back-casting operations were carried out: firstly a detailed back-cast from 2011 to 2006 and then a back-cast of some main indicators from 2005 to 1980.

Initially, from 2011 to 2006, the available data was used to reconstruct the detail of the Accounts. This meant that a series of full accounts could be produced over the five dimensions (funder, type, activity, producer and transaction), integrating the changes related to the new base:

- Inclusion of Mayotte: available data;
- Household expenditure: indices of available prices (INSEE);
- Continuing education: available DARES data;
- Local authorities' account: development indices of total local authority expenditure available (DGCL).

Then, from 2005 to 1980, only a few main indicators were back-cast, retaining the annual change rates obtained in the old base:

- DEE by levels (primary, secondary, higher, continuing education and extracurricular);
- DEE by funders (Ministry of National Education, Higher Education and Research, central government, local authorities, business enterprises, households, other government agencies);
- average expenditure per pupil at detailed levels (pre-primary, primary, first cycle of secondary, special secondary education, general and technological upper secondary, vocational upper secondary, secondary level apprenticeship, post-secondary training, short cycle tertiary, long cycle tertiary, higher education apprenticeship).

However, no back-casting was carried out by activity or by transaction.

2.2. PRESENTATION OF RESULTS

In September of year n , the final Account for year $n - 2$ and the provisional Account for year $n - 1$ are published.

2.2.1. THE PROVISIONAL ACCOUNTS

After the construction in year n of the final Account for year $n - 2$, taken from the different statistical and accounting sources and an arbitration phase, the "provisional" Account for year $n - 1$ is produced.

This Account is called provisional as when it is drawn up, we do not have all the definitive data required; forecasts are made from the final Account of the previous year.

The different elements used in the provisional Accounts are not reliable to the same degree:

- During year n , we already have an assessment of the implementation of the Ministry of National Education, Higher Education and Research budget for the year $n - 1$;
- However, for the local authorities, only rudimentary budgets are available, which may sometimes be significantly different from the actual expenditure. They are used only to calculate a rate of change between years $n - 2$ and $n - 1$;
- Expenditure by other funders (in particular households and business enterprises) are forecast using various indices calculated by the INSEE; evolving GDP, the price of education services, passenger road transport, meals at a school or university, accommodation in a boarding school, press, books, stationery, evolving gross salaries and wages, etc.

The provisional Account is revised when the sources are available, so that it becomes the final Account of reference in the following year.

In this document, the summary tables for the final Accounts from 2006 to 2013 are published, together with those from the 2014 provisional account.

2.2.2. THE MAIN AGGREGATES AND RATIOS

2.2.2.1. Domestic expenditure on education (DEE)

DEE is the main aggregate produced by the Education Account. For a level of education, it corresponds to all the expenditure by funders for the characteristic activities and purchases of related goods and services.

Domestic expenditure on education for a given level may be analysed from the point of view of the final funder or of the initial funder. However, the breakdown in funding of domestic expenditure on education by activity or by producer can only be conducted from the point of view of the final funder.

Domestic expenditure on education for a given level may also be analysed as the sum of the producers' resources at this level, plus purchases of related goods and services.

Domestic expenditure on education for all levels is the sum of domestic expenditure on education for the detailed levels. It is interpreted as the national effort for education and may be compared against the GDP.

2.2.2.2. Average expenditure per pupil or student

The organisation of the Education Account by level of education and by production unit helps to make the link between funding and expenditure on one hand, and the beneficiaries on the other. For a level and category of institution (producer), the beneficiaries are the pupils and students in the level concerned in the institution category.

The numbers of pupils and students are counted each year by the DEPP and by the statistical service of higher education and research (SIES). These numbers are completed by the numbers in education in institutions under the authority of other ministries.

For each level of education and each category of institution, it is therefore possible to compare the funding received for teaching activities, related activities or purchases of related goods and services, with the number of pupils in education. It is however necessary to calculate this for the calendar year to which the Account relates. This is done by using $\frac{2}{3}$ of the numbers enrolled for the school year $\frac{n-2}{n}$ and $\frac{1}{3}$ of the numbers enrolled for the school year $\frac{n}{n+1}$.

The ratio between funding and numbers represents the average expenditure per pupil by funders. This is potentially available for each level of education.

The cumulative amount of average expenditure calculated for a given year can be used to construct theoretical costs for a full education. The theoretical calculation takes into account the standard length of education (with or without repeat years) and evaluates it using the average expenditure for the year. Therefore, the theoretical cost of education leading to a general *Baccalauréat* will be calculated by adding the average expenditure for 3 years in pre-primary, 5 years in primary education, 4 years in lower secondary and 3 years in upper secondary education.

2.2.3. THE SUMMARY TABLES

The summary tables for the Education Account group together most of the information requested by users of the Account. These tables are connected to show the consistency of the whole Account and to aid understanding of the links.

The final Accounts are presented from 2006 to 2013, with the provisional Account for 2014 (see part 2.2.1, “provisional Accounts”).

Table 1 describes education expenditure by detailed level and activity.

This table analyses the breakdown of funding in the sector per level of education by line, and per type of activity by column.

The total of the initial funding and final funding columns (see part 1.3.3, “Financing units, transfers between financing units”) corresponds to domestic expenditure on education (DEE).

In 2012, France spent € 140,778 million on education activities. Secondary education, with € 56,118 million (40% of DEE) receives the largest share of the funding. Of this lower secondary, which educates four complete generations of pupils, receives € 26,740 million alone (19% of total DEE).

The weighting of other levels of education can be observed in the initial funding or final funding column.

Teaching activities represents the largest share of expenditure with € 119,589 million in 2012 (85% of total domestic expenditure on education). The boarding and catering activity represents € 10,436 million (7% of DEE).

Tables 2 show domestic expenditure on education according to initial (2i) or final (2f) funding sources. They detail the funding of each level of education in more detail and are consistent with the totals in table 1.

In 2012, the local authorities contributed € 33,341 million in initial funding and € 33,781 million in final funding.

Tables 3 details the funding of DEE according to activity. Tables 3.1 to 3.4 break down this funding into four main education levels (primary, secondary, higher, extracurricular). For example, they make it easier to see the destination of household funding between the funding of teaching activities (enrolment and tuition fees, mainly in private institutions), catering and boarding activities or purchases of school books and supplies.

In 2012, households therefore spent € 15,541 million on education but received € 4,811 million in the form of scholarships and back-to-school allowances. Their actual expenditure (initial funding) is € 10,730 million (8% of total DEE).

Tables 4 detail the source of funding for production units (broken down into four tables by main levels and numbered 4.1 for primary, 4.2 for secondary, 4.3 for higher and 4.4 for extracurricular). They detail the origin of the funding for each production unit. The total in table 4 corresponds to the production units’ funding column in table 1 (“Total Activities of Production Units” of the final funding), i.e. € 134,229 million in 2012.

Table 5 describes the expenditure of the production units by activity and type of expenditure (or transaction). It gives information by activity (teaching, school support, organisation of the system), by type of expenditure (teaching and non-teaching staff, current and capital), by sector (public, subsidised and independent private) and the type of institution.

The difference with table 4 corresponds to the difference between the funding and expenditure of the production units.

Therefore in 2012, the producers' total funding is € 134,229 million (table 4) and their expenditure is € 133,522 million (table 5).

Table 6 details the average expenditure per pupil or student according to level and to the initial source of funding. The numbers shown include all pupils at that level, including those not receiving funding from government agencies (for example, the average expenditure presented for the central government funder includes the numbers in independent institutions within the denominator).

Table 7 details the average expenditure per pupil or student according to level and activity.

The tables are available in the French version of this document:

<http://www.education.gouv.fr/cid56921/le-compte-de-l-education.html>

