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**Research Report**

## Providing Access to Quality Education through Low Cost Private Schools

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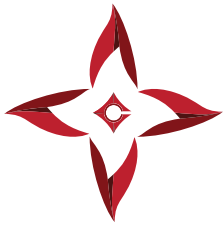
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# Providing Access to Quality Education through Low-Cost Private Schools **A Case Study in Koja, North Jakarta**

by T Sila Wikaningtyas

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**Providing Access to Quality Education through  
Low-Cost Private Schools**  
**A Case Study in Koja, North Jakarta**

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**Jakarta, Indonesia**  
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## Executive Summary

Private schools make up over 35% of all schools in Indonesia, and in some areas they outnumber public schools. Koja, a particularly poor district in North Jakarta, is one of these areas—there are 86 private schools and 77 public schools. 51 of the 86 private schools in Koja are low-cost private schools, which cater to children from low-income families. Regrettably, in Indonesia, this sector has not yet received the public attention it deserves. Although private schools are part of the people's contribution to Indonesia's national education, as mandated by the National Education Law, the national discourse on education focuses almost entirely on public schools. It is time for the public to recognize the important role that private education takes in serving low-income households.

Between the end of the 1960s and the 1980s, low-cost private schools flourished in Koja—28 new schools were established and the local government's initiatives and policies supported the growth of private schools. Community participation was encouraged to serve people in areas without public schools. In contrast, during the 1990s and 2000s, the number of new low-cost private schools established in Koja declined as a result of new regulation of the national education system. In recent years, the government issued two regulations that prescribe minimum requirements for school facilities and infrastructure (Ministry of National Education, Regulations No. 24/2007 and No 40/2008). Requirements for a minimum area of land and minimum building size hinder both the establishment of new and the expansion of established low-cost private schools because there is little land available in built-up urban areas such as Koja. These requirements should be revisited in order to create an environment that is more conducive to helping private schools serve the poor.

Contrary to what many people assume, the quality of low-cost private schools is comparable to other schools in the same area. Low-cost private schools in Koja have been accredited with Grade A and Grade B by the National Accreditation Agency. School quality is also demonstrated through numerous achievements in extracurricular activities in recent years. In other words, parents send their children to these schools because of the perceived quality of the schools. Unfortunately, these same parents are not yet encouraged to participate in school decision-making processes, and so they are not as involved in these processes as they could be. Parents should be encouraged to participate in school decision making processes in ways that go beyond the recently established regulation on the school committee (Ministry of Education and Culture Regulation No.75/2016).

## Number of Private Schools in Indonesia

Private education has played a significant role in the development of Indonesia. Historically, many of the revolutionary movements that lead to the country's independence stemmed from private schools such as Perguruan Tamansiswa and Muhammadiyah (Tilaar, 2003). Over time, and with an increasing government presence, public schools began to play a larger role.

Data from the Ministry of Education and Culture show that overall there are more public schools than private schools in Indonesia (see Table 1). At the primary level (*Sekolah Dasar/SD*), private schools make up just over 10% of primary schools in Indonesia. At the junior secondary level, 40.18% of junior secondary schools are private. This is unsurprising, since the government of Indonesia puts the largest emphasis on basic education, which required that children aged 7 to 15 years undergo 9-year compulsory education. This has recently been expanded to 12-year compulsory education (Setiawan, 2016).

In the areas of senior secondary (*Sekolah Menengah Atas/SMA*), vocational school (*Sekolah Menengah Kejuruan/SMK*), and special education (*Sekolah Luar Biasa/SLB*), the number of private schools far exceeds the number of public schools. At SMK level this is most pronounced, and 74.36% of the schools are private, but among Islamic religious schools (madrasah)<sup>1</sup>, even fewer are public—less than 8% of the total number of madrasah.

Although there are fewer private schools in Indonesia than public schools, private education continues to grow. In a previous study (Rahman, 2016), Center for Indonesian Policy Studies identified that in 2014 there were 14,398 private primary schools (SD); 13,132 private junior secondary schools (SMP); and 14,958 senior secondary schools (combination of SMA and SMK). The number of schools found in this current study is higher than the previous study.

“The proportion of private schools varies across the regions of Indonesia, and in Koja district, North Jakarta, there are more private schools than public schools.”

<sup>1</sup> These are Islamic religious schools and include religious content in their curriculum, but otherwise Madrasah Ibtidaiyah (MI), Madrasah Tsahawiyah (MTs), and Madrasah Aliyah (MA) provide levels of education equivalent to the levels of SD, SMP, and SMA respectively. Because madrasahs adhere to the National Curriculum, participation in a madrasah allows students to transition to general schools in the next level of education, and vice versa.

**Table 1**  
**Number of Schools in Indonesia**

Level of Education	Status		No. of School	% private
	Public	Private		
<b>SD</b>	132,882	15,807	148,689	10.63%
<b>SMP</b>	22,702	15,249	37,951	40.18%
<b>SMA</b>	6,503	6,661	13,164	50.60%
<b>SMK</b>	3,407	9,880	13,287	74.36%
<b>SLB</b>	188	377	565	66.73%
Sub-Total	165,682	<b>47,974</b>	213,656	
Percentage	77.55%	<b>22.45%</b>	100%	
<b>MI</b>	1,686	22,874	24,560	93.14%
<b>MTs</b>	1,437	15,497	16,934	91.51%
<b>MA</b>	763	7,080	7,843	90.27%
Sub-Total	3,886	<b>45,451</b>	49,337	
Percentage	7.88%	<b>92.12%</b>	100%	
<b>Total</b>	169,568	<b>93,425</b>	262,993	<b>35.52%</b>

Source:

1. Kemdikbud (2017) and Kemenag (2016)
2. *Madrasah Ibtidaiyah* (MI) is the Islamic equivalent of SD.
3. *Madrasah Tsanawiyah* (MTs) is the Islamic equivalent of SMP.
4. *Madrasah Aliyah* (MA) is the Islamic equivalent of SMA.

The proportion of private schools varies across the regions of Indonesia, and in Koja district, North Jakarta, there are more private schools than public schools. With a population of 305,749 people, Koja is the fourth most populous district in North Jakarta. The most recent data from BPS Jakarta Utara (2016) shows that Koja has the highest population density in North Jakarta, with 24,950 people per square kilometre, illustrating that most of the district is a heavily populated residential area.

In 2015, there were 12,646 Target Households (*Rumah Tangga Sasaran*) for the 'rice for the poor' (*Raskin*) assistance program in Koja. Koja is the second poorest district in North Jakarta, after Cilincing, which had 18,029 Target Households (BeritaJakarta.id, 2015).

According to the North Jakarta Statistics Bureau, 70% of Koja's population is of the working age (15 to 64 years old), and there are 72,034 school aged people<sup>2</sup> (5 to 19 years old) (BPS Jakarta Utara, 2016).

There are currently 163 schools operating in Koja. Data from the Ministry of Education and Culture show that 143 are registered general schools in Koja (Kemdikbud, 2016), including primary, junior secondary, senior secondary and vocational schools. There are also 20 schools registered with the Ministry of Religious Affairs as *Madrasah Ibtidaiyah* (MI), *Madrasah Tsanawiyah* (MTs), and *Madrasah Aliyah* (MA) (Kemenag, 2016). Table 2 shows the number of private schools in Koja based on school levels.

<sup>2</sup> The number of school aged people is based on a 2010 projection, as stated in the report by the North Jakarta Statistics Bureau (BPS Jakarta Utara).



**Table 2**  
**Number of Schools in Koja District**

No	Level	Status	No. of School	Sub-Total	%
1	SD	Private	23	88	26%
		Public	65		74%
2	MI	Private	8	9	89%
		Public	1		11%
3	SMP	Private	22	31	71%
		Public	9		29%
4	MTs	Private	8	8	100%
		Public	0		0%
5	SMA	Private	6	8	75%
		Public	2		25%
6	MA	Private	3	3	100%
		Public	0		0%
7	SMK	Private	16	16	100%
		Public	0		0%
Sub-Total Private Schools				86	53%
Sub-Total Public Schools				77	47%
Total				163	100%

Source: Collated from Kemendikbud (2016) and Kemenag (2016).

As at the national level, in Koja public schools dominate at the primary level while private schools tend to dominate at the secondary levels, and there are more private than public madrasah in Koja.

In the 2016 study, Center for Indonesian Policy Studies showed that although there were fewer private than public primary schools, the growth rate of private primary schools between 2009 and 2014 was higher than that for public primary schools, growing 13.03% and 1.81% respectively (Rahman, 2016). As a result, private schools are increasingly important both for providing access to education for Indonesian children and as a source of employment for people working in the education sector.

## Low-Cost Private Schools: Catering for Low-Income Families in Koja

The school data available from the Ministry of Education and Culture and Ministry of Religious Affairs do not classify the private schools based on their cost or affordability, but our study found 51 low-cost private schools in Koja. A private school is considered low-cost if it charged a monthly tuition fee of IDR 300,000 (USD 23) or less.<sup>3</sup> This figure is less than 10% of the current provincial minimum monthly wage in the DKI Jakarta Province, which is IDR 3,355,750. Table 3 combines general schools and the madrasahs to show the number of low-cost private schools at each level.

**Table 3**  
**Number of Low-Cost Private Schools in Koja**

Level	No. of Schools
SD/MI	16
SMP/MTs	19
SMA/MA	8
SMK	8
<b>Total</b>	<b>51</b>

Low-cost private schools make up to 59% of all private schools in the Koja district and 31% of schools in Koja.

The number of low-cost private schools in each sub-district of Koja is presented in Table 4.

**Table 4**  
**Number of Low-Cost Private School per Sub-District**

Sub-District	Number of LCPS
Koja	6
Lagoa	22
Rawabadak Selatan	3
Rawabadak Utara	2
Tugu Selatan	5
Tugu Utara	13

Lagoa sub-district is host to the most low-cost private schools in Koja. Interestingly, it is also the area with the fewest public schools among the sub-districts. According to data from the Ministry of Education and Culture (2016), there are only nine public schools in Lagoa (seven primary schools and two junior secondary schools).

We classify the schools into three different categories: In Category 1, schools charge IDR 0 (free) to IDR 100,000 per month; in Category 2, schools charge IDR 100,001 to IDR 200,000 per month; and in Category 3, schools charge IDR 200,001 to IDR 300,000 per month. The number of schools in each category is presented in Table 5.

<sup>3</sup> We determine whether a private school is low-cost by using a ratio of the monthly school fee to the approximate monthly income of the head of a household. See Annex 1 for notes on methodology.

**Table 5**  
**LCPS Category based on Monthly Tuition Fee**

Category	Number of Schools
1	10
2	29
3	12
<b>Total</b>	<b>51</b>

“Low-cost private schools make up to 59% of all private schools in the Koja district and 31% of schools in Koja.”

The monthly tuition of most low-cost private schools in Koja puts them under Category 2. A majority of low-cost private schools in Koja still receive government subsidies through the programs School Operational Assistance (*Bantuan Operasional Sekolah/ BOS*) and/or the Jakarta Smart Card (*Kartu Jakarta Pintar/KJP*). Out of 51 schools surveyed, 29 schools reported that they received a subsidy through the BOS grant, 16 schools that they received both the BOS and the KJP grants, and three school did not receive a government subsidy, while the other three schools did not respond to this part of the survey. Two of the schools that did not receive a subsidy were not yet registered or accredited at the Ministry of Education and Culture at the time of the survey.

In a town called Bihar in India, there are three types of schools based on funding and management type, namely government, private aided, and private unaided schools (Rangaraju, Tooley & Dixon, 2012). Government schools are schools whose funding and management are under the full responsibility of the government. Meanwhile, private aided schools are private schools that receive partial funding by the government but still maintain their private ownership and management. Private unaided schools, on the other hand, are schools that do not receive government funding at all.

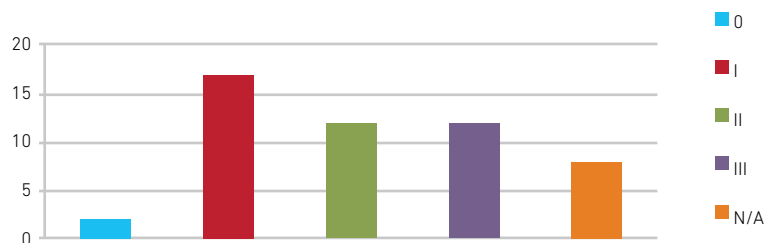
In Indonesia, even when many private schools receive government funding, there is no such categorization of private schools. Private schools maintain their private ownership and management regardless of whether they receive government funding.

Low-cost private schools can also be categorized based on the initial registration fee they charge at the beginning of a school year. This fee is normally used to cover operational costs related to building maintenance or rehabilitation, uniforms, textbooks, and extracurricular activities such as school outings, but it can also be used to cover new investments, such as additional school facilities and infrastructure. This study categorizes low-cost private schools based on the amount of registration fees, as follows:

- Category 0: Schools that do not charge registration fee (2 schools);
- Category I: schools that charge IDR 1 to IDR 500,000 (17 schools);
- Category II: schools that charge IDR 500,001 to IDR 1,000,000 (12 schools);
- Category III: schools that charge more than IDR 1,000,000 (12 schools).

Eight schools did not respond to this part of the survey and are marked as 'N/A' in Figure 1.

**Figure 1**  
**LCPS Categories Based on Registration Fee**



24 low-cost private schools in Koja (47%) charge a registration fee of more than IDR 500,000. At these schools, although the monthly tuition fee is low, parents need to come up with a larger sum of money at the beginning of a school year.

School principals reported that even when the registration fee is relatively low, many parents are not able to pay it in full. School management is usually open to negotiations regarding the terms of payment for the registration fee (Personal Interview, May 2017). SMK Al Irsyad Al Islamiyah, in Koja sub-district, and SMP Nurul Fikri, in Tugu Selatan sub-district, are two schools that allow parents to pay the registration fee in instalments.

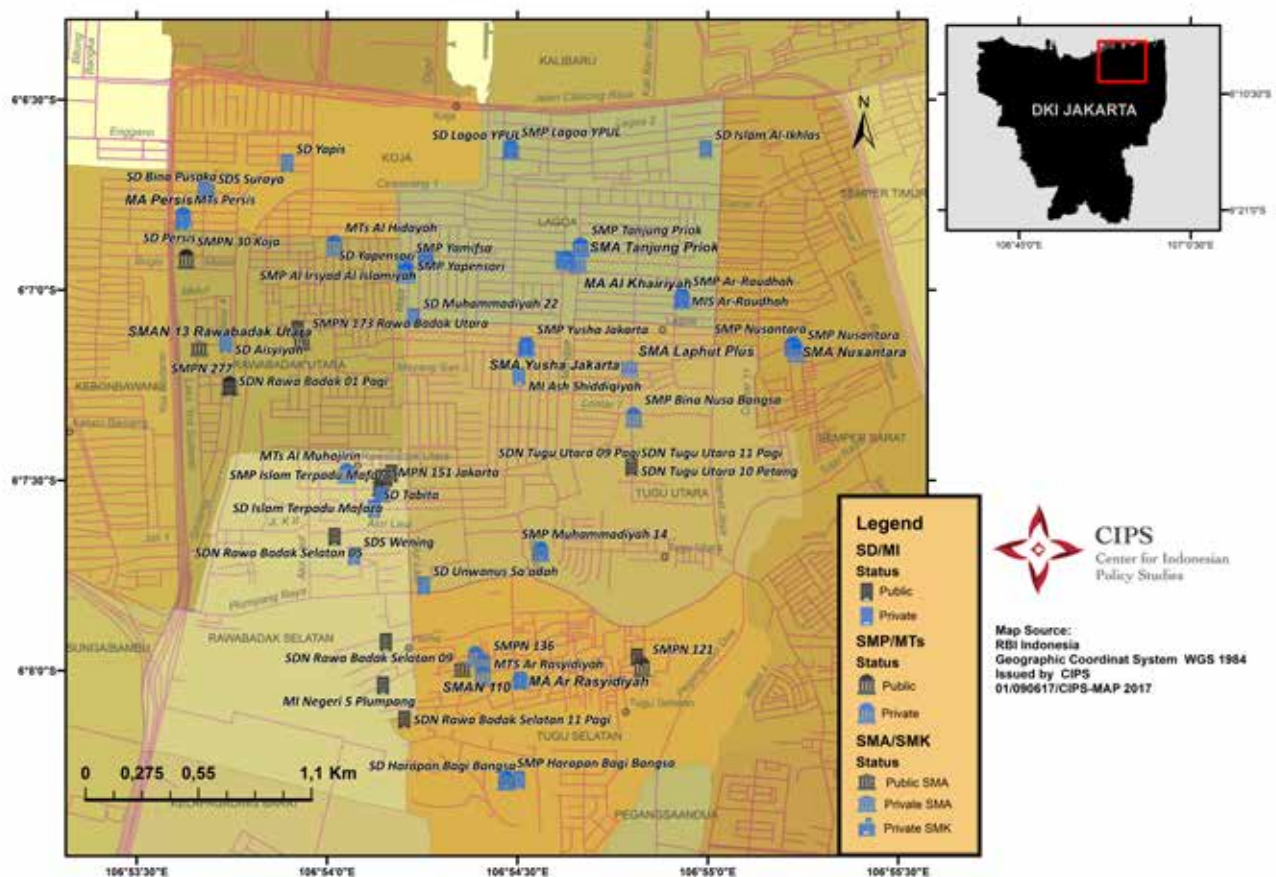
“Many low-cost private schools are open to negotiations on the terms of payment for school registration fee.”

## Location of Low-Cost Private Schools in Koja

This study mapped school locations using GPS. The map (Figure 2) allows us to see the exact locations of low-cost private schools in Koja. The locations of some public schools in the same area are also marked, allowing us to see the proximity between the low-cost private schools and public schools.

This field data collection revealed that low-cost private schools in Koja are mostly located in residential areas. The sub-district with the most low-cost private schools is Lagoa. As stated earlier, the number of public schools is the lowest in Lagoa, which is the second most populated sub-district in Koja.

**Figure 2**  
**Map of Low-Cost Private Schools in Koja<sup>4</sup>**



<sup>4</sup> An online version of this map is available on CIPS Indonesia's website: <http://cips-indonesia.org/en/low-cost-private-schools-map/>

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## National Discourse on Education

The national education system was established to benefit all citizens. The rights to basic education and the obligation of Indonesian citizens to attain this education are stated in Article 31 of the Indonesian Constitution (Undang-Undang Dasar 1945). The same article also states the government's obligation to fund basic education. As a result, the government allocates 20% of the national budget to education.

Private schools are the manifestation of communities' participation in the planning, implementation, monitoring and evaluation of the national education system, as mandated in Law No. 20/2003 on the National Education System. The law also obligates communities to provide resources to support the organization of education.

In spite of this, private schools tend to be left out of the national discourse on education. Rather than addressing the issues faced by both public and private school sectors, government policies in Indonesia seem to be designed to favour public schools.

“Private schools tend to be left out of the national discourse on education”

For example, Government Regulation No. 53/2010 on the Discipline of Civil Servants required all civil servants to work exclusively in government institutions. Implementation of this policy would have meant that teachers with civil servant status who were placed to assist private schools would have to withdraw from these roles (CNN Indonesia, 2017). Although, in a follow up statement, the Minister of Education and Culture stated that civil servants would not be withdrawn from private schools (Republika.co.id, 2017), some regions still implemented the regulation and removed the teachers, such as in Pekanbaru, Riau (Riaupos.co, 2017). This put a strain on private schools (especially low-cost private schools), which rely on teaching assistance from civil servant teachers. This was not the first time such a policy was implemented: in 2005, Government Regulation No. 48/2005 on the Appointment of Honorary Workers as Civil Servants resulted in the withdrawal of honorary teachers from private schools (Tempo.co, 2010).

Most recently, the government effectuated zoning and quota systems for new student enrolment in public schools. Ministry of Education and Culture regulation No. 17/2017 stipulated that 90% of the total number of new students in public schools (except SMK) must live within a certain distance of the school. This must be reflected in the 'family card' issued by the local authority at least six months prior to school enrolment. The regulation also stipulated what percentage of admissions is allowable for students who live outside the defined zones.

As a result of Regulation No. 17/2017, many prospective students were not admitted to the public schools in their area of residence. The repercussion of this policy was experienced by private schools, as stated in a report from Tangerang, Banten (Indopos.co.id, 2017). The Mayor of Tangerang requested 96 Junior Secondary Schools (SMP) to accommodate the students who

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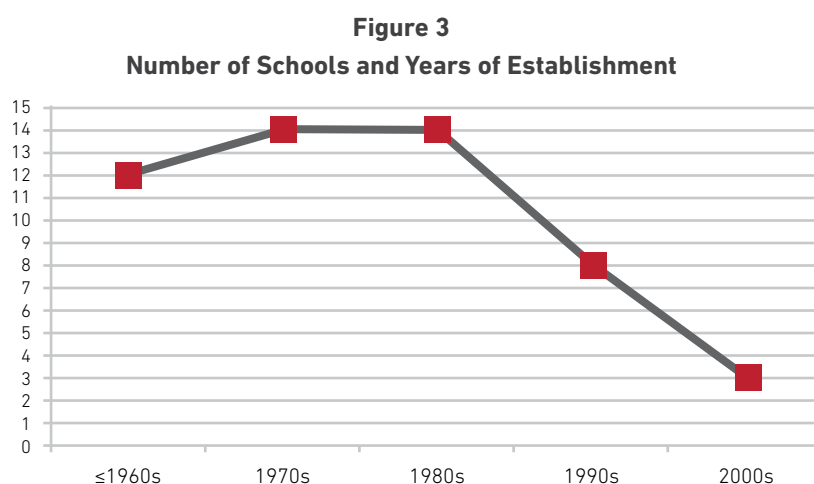
were not accepted to public SMP. In doing so, the Mayor, promised free tuition for the students who were accommodated in the private schools. This meant that the private schools would not be able to charge tuition fees like they normally do. This announcement was premature because at the time it was instigated, there still had not been an agreement between the Mayor, the Tangerang Education Office, and the affected private schools, on how this plan will be carried out.

The government is not the only actor that neglects private schools in its policies and activities. Research and development activities carried out by groups such as NGOs and international development agencies also seem designed to focus on public education (see Kemdikbud, 2013; ACDP Indonesia, 2014; World Bank, 2015). In spite of this, their research results tend to generalize across the whole education sector in Indonesia.

These are only a few examples that illustrate both how the national discourse on education in Indonesia has over-emphasised public schools and the need to include private schools in the discourse and decision making considerations.

## Policies that Affect the Growth of Low-Cost Private Schools

Our survey also looked at the period of establishment of the low-cost private schools. The decades in which they were established help to paint a picture of the growth of the low-cost private school sector in Koja illustrates how many schools were established in each decade.



The period between the 1960s and 1980s saw the highest number of low-cost private schools established in Koja. Growth in the sector declined during the 1990s and was even lower in the 2000s.

Jakarta underwent a significant transition from the end of the 1960s through the 1980s. On 31 August 1964, Jakarta was made the official capital city of the Republic of Indonesia through Law No. 10/1964, and officially became The Special Capital Region of Jakarta Raya (DKI Jakarta Raya) (Jakarta.go.id, 2008). This was followed by the appointment of Ali Sadikin as the new governor in 1966. As a governor, Ali Sadikin strove to improve the development of the region by implementing five strategic policies, one of which involved the mobilization of community contribution (Jakarta.go.id, 2014). During this and successive administrations between the end of the 1960s and the 1980s, DKI Jakarta expanded rapidly not only in terms of population and land area but also in terms of the provision of public services, facilities, and infrastructure. Both the transition to a capital region and policies under Ali Sadikin may help to explain the higher number of low-cost private schools established during that period.

“The period between the 1960s and 1980s saw the highest number of low-cost private schools established in Koja. Growth in the sector declined during the 1990s and was even lower in the 2000s.”

The lower number of schools established in the 1990s and 2000s might be due to a number of government regulations passed in the early 1990s, such as the Government Regulation No. 28/1990 on Primary Education, Government Regulation No. 29/1990 on Secondary Education, and Government Regulation No. 39/1992 on Community's Participation on National Education. In 1994, the Soeharto regime launched the “9-year compulsory education program”, which strengthened the public school system and further reduced private schools' prevalence (Tempo.



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co, 2010). These regulations were later replaced with Government Regulation No. 17/2010 on the Management and Organization of Education, which regulates all levels of education (Primary, Secondary, and Tertiary) in formal, non-formal and informal settings.

The government also published Government Regulation No. 19/2005 on National Standards for Education, which stipulates the eight components of the National Standards, covering: (1) Educational Content; (2) Educational Process; (3) Graduates' Competencies; (4) Teachers and Educational Staff; (5) Educational Facilities and Infrastructure; (6) School Management; (7) School Funding/Financing; and (8) Educational Assessments—all of which are assessed in the accreditation process.

There are also derivative regulations for each of these areas, including Ministry of National Education Regulation No. 24/2007, which regulates the facilities and infrastructure of Primary and Secondary Schools (SD/MI, SMP/MTs, and SMA/MA), and Ministry of National Education Regulation No. 40/2008, which regulates the facilities and infrastructure of Secondary Vocational Schools (SMK/MAK). These regulations hinder the establishment of new low-cost private schools, especially in urban areas where land is limited, by stipulating the minimum areas of land and buildings required to establish each level of school. Due to limited availability of land in urban areas, the regulation can be difficult to meet by people who would like to establish new low-cost private schools in built-up urban areas, following the publication of this regulation. This could also help explain the falling numbers of new low-cost private schools established in Koja in the 2000s.

There is a clause in the Ministry of National Education Regulation No. 24/2007 that allows exceptions to the minimum requirements in cases of a school that caters to remote residential areas with populations of less than 1000 people that cannot access another community safely via a three-kilometre walk. This exception may allow for the establishment of low-cost private schools in other parts of Indonesia, especially in rural areas, a question that warrants further investigation.

“Regulations such as minimum requirement for land and building size hinder the growth of low-cost private schools in urban areas like Koja.”

## Quality of Schools

A common concern about low-cost private schools is that due to the low cost, the schools' quality must be compromised. In this study, we examine the quality of these schools using their school accreditation grade, school extracurricular achievements or awards, and parents' perception.

## School Accreditation

According to Government Regulation No. 19/2005 on National Standard for Education, school accreditation is part of the quality assurance of schools. The process of accreditation is undertaken by the independent National Accreditation Agency using accreditation criteria stipulated in the Ministry of National Education Regulations No. 11/2009 (for SD/MI); No. 12/2009 (for SMP/MTs), and No. 13/2009 (for SMK/MAK) and No. 004/H/AK/2017 (for SMA and MA). A school accreditation grade is valid for five years, after which the school must undergo a reaccreditation process.

In the accreditation process, a school is assessed against the eight components of National Standards. According to the accreditation guidelines, a school or madrasah is deemed accredited if they:

- Scored at least 56 out of 100 as their Final Accreditation Score;
- Have no more than two scores below 56 out of 100 in any of the Accreditation Components;
- Have no score of below 40 out of 100 in any of the Accreditation Components.

The same guidelines also stipulated the accreditation grading as follow:

- Grade A/Excellent: if a school has a Final Accreditation Score between 86 and 100
- Grade B/Good: if a school has a Final Accreditation Score between 71 and 85
- Grade C/Fair: if a school has a Final Accreditation Score between 56 and 70

Most of the low-cost private schools in Koja have gone through an accreditation process and their grades are summarized in Table 6. Being accredited is important for low-cost private schools in part because it is required to apply for government subsidies.

**Table 4**  
**Accreditation Grades of Low-Cost Private Schools in Koja**

Accreditation Grade	Number of Schools
A	8
B	40
Not yet accredited	1
Did not answer	2

The majority of low-cost private schools in Koja are accredited with a 'B' grade, and some are even accredited with 'A' grade. This illustrates that the quality of low-cost private schools meets national standards.

## School Achievements

Since low-cost private schools are not only competing with the nearby public schools but also with other private schools in the area, many low-cost private schools encourage their students' participation in various extracurricular activities to help boost their competitiveness. Some of these activities include participation in competitions related to music/arts and in academic quizzes. Some of the schools surveyed reported their achievements in various competitions, which indicates that they strive for not only academic but also the extracurricular achievements of their students.

**Table 5**  
**Low-Cost Private Schools' Extra-Curricular Achievements**

Name of School	Achievement(s)
SD Bina Pusaka	Rank 6 <sup>th</sup> at the 2017 District-level National Examination Try-Out; Participated in various musical/choir competitions
SD Yapis	3 <sup>rd</sup> place in Inter-School Quiz Competition
SD Uswatun Hasanah Pagi	1 <sup>st</sup> place in sub-district Khasidah (Islamic vocal group) Competition
MTs Al Khairiyah	3 <sup>rd</sup> place in City-level Marching Band Competition 2017
MTs Persis	2 <sup>nd</sup> place in Students Mathematics Competition held by Islamic State University
SMP Yusha	1 <sup>st</sup> place in North Jakarta Scout competition
SMK Al Khairiyah 2	Winner in Flag-Raisers Squad Competition 2016
SMK Lagoa YPUL	High National Examination Integrity Index Award in 2015
MA Persis	1 <sup>st</sup> runner up in Madrasah Science Competency Competition (Geography subject)

The achievements of low-cost private schools in Table 5 provide more evidence that low-cost private schools can provide quality experiences for students despite their low cost. Our interviews with school principals also reveal that non-academic awards and achievement in extracurricular activities are part of the schools' strategy to maintain their quality and competitiveness. According to these principals, in cases where a school's average national examination scores are low, they make up for it through the extracurricular achievements.

“many low-cost private schools encourage their students' participation in various extracurricular activities to help boost their competitiveness.”

## Parents' Perception and Reasons for Sending Kids to Low-Cost Private Schools

We interviewed 47 parents whose children attend low-cost private schools at various levels of education and asked about the reasons why they send their children to low-cost private schools when there could be other options (i.e. public schools). Their responses can be classified into five major reasons: perception of quality, distance from home, easy enrolment requirements, religious reasons, and cost. Perhaps surprisingly to many readers, the cost is the least-mentioned reason for sending children to low-cost private schools. The most common reasons were proximity to the schools and the perceived good quality of the schools (see Table 6).

**Table 6**  
**Reasons for Sending Children to Low-Cost Private Schools**

Reason	Number of Times Mentioned by Respondents
Low Cost (Registration fee, monthly tuition fee, etc)	12
Religious Reasons (Islamic teaching is part of curriculum)	15
Easy Enrolment Requirements (Min. age, documents, exam scores)	16
Distance (School is close from home)	17
Perceived Quality (School more attentive, more disciplined, not prone to inter-school fights)	17

The close distance between the schools and their homes mean that parents would not have to spend more money on transportation cost. Additionally, in a densely populated urban area like Kojā, where there is always a heavy traffic on the main roads, parents also feel their children will be safer getting to and from a low-cost private school in their own neighbourhood.

Parents naturally want their children to have a good quality education, and are willing to pay for that quality even when they have low incomes. This is illustrated by the number of parents who mentioned quality as the reason they sent their children to low-cost private schools.

“Parents naturally want their children to have a good quality education, and are willing to pay for that quality even when they have low incomes.”

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*“The quality of teaching and learning in this school is better compared to other schools. We look for a good quality school, not because it’s free...”*

(Parent of a student at SD Bina Pusaka)

Unlike in public schools where teachers and principals are civil servants who report to the government bureaucracy, low-cost private schools' teachers and principals answer directly to the parents of children who study at their schools. Furthermore, since low-cost private schools are usually embedded in a residential area, the founders are usually community members whose personal reputation is at stake.

*“My child used to go to a public school, but the students there often get into brawls with another school. His school could not control the students so I decided to move him to this private school. The school has better discipline and the teachers here are more diligent.”*

(Parent of a student at SMP Nusantara)

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## Parents and School Decision Making

Parents have the freedom to choose which school they send their children to and they pay for their children's education, so they need to have a say in some of the ways the school is run, as well. Unfortunately, the parents that we interviewed in Koja reported that they have not been involved in school decision making, including regarding the school budget and expenditures. A recent report from OECD/Asian Development Bank (2015) suggests that this has become the norm in Indonesia.

Although parents did not have a say in school management, the OECD/Asian Development Bank report observed parents waiting outside the schools for a long period during school hours, which our survey team in Koja also witnessed, especially at primary schools. One parent explained that this allows them to meet and chat with other parents about the issues related to the school (Personal Interview, May 2017). This demonstrates a desire to be more involved.

Most parents that we interviewed reported that their only direct communication with the schools was with their children's homeroom teachers regarding the child's academic achievements. A few reported involvement in some kind of parent-teacher association, which can be a powerful forum through which parents can express concerns and provide input regarding their children's performance and on school management. In other words, it can be a way for parents to be more involved in school decision-making.

In the Indonesian education system, the 'school committee' is an integral part of school management. The school committee consists of representatives from parents, community members, and education experts. To encourage the participation of local communities and to improve accountability, a policy reform providing the legal basis for the school committee and school-based management was made in 2003 (World Bank, 2015). In spite of this policy change, the school committee is still an underutilized resource, not actively involved in school decision making (OECD/Asian Development Bank, 2015; World Bank, 2015). In 2016, the government issued Ministry of Education and Culture Regulation No.75/2016, which aims to promote a more effective role of the school committee. In our study, only two of 47 respondents reported involvement in the school committee, and two others reported having been involved in the school committee in the past.

Parents' level of education and awareness of their right to have a say in school management may affect their level of involvement in school decision making. Since children who go to low-cost private schools come from low-income families, it is possible that their parents are less educated and therefore have low awareness of these rights. Education and encouragement may be important for improving their participation.

“Parent-teacher association can be a way for parents to be more involved in school decision-making.”

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## Conclusion and Recommendations

In conclusion, private school sector continues to grow in Indonesia, and low-cost private schools have proven important to providing access to education for children from low-income families. This report examined Koja, a populous urban environment that is the second poorest district in North Jakarta. In Koja alone, we found 51 low-cost private schools providing all levels of education and catering to children from low-income families in the district. Over half of the low-cost private schools in Koja are Category 2, which means that they charge a monthly tuition fee of between IDR 100,001 and IDR 200,000. Most parents consider this good value for money given the quality of education that their children receive in these schools.

Low-cost private schools are generally comparable in quality to public schools. The schools studied in Koja meet the national education standards, as indicated by their accreditation grades, and emphasise extra-curricular achievements, as illustrated by awards in various inter-school competitions. These extra-curricular achievements contributed to schools' competitiveness not only with nearby public schools but also with other private schools when attracting parents.

It is evident that the low-cost private school sector should be encouraged to grow. Many existing schools were founded by individuals out of their concern about the lack of educational opportunities for children in their area. Unfortunately, current government regulations hinder the establishment of new low-cost private schools. There are several laws and many regulations that govern the ways to manage education in Indonesia.

Minimum requirements for land and building area for schools hinder the growth of new and the expansion of established low-cost private schools because there is little land available in urban built-up areas like Koja. These requirements should be revisited with the aim of creating a more conducive environment for expanding the private school sector to serve low-income households. Overall, parents have a positive perception of low-cost private schools and send their children to these schools less because of their low cost than because of the closer proximity to their house and the perceived high quality of the schools.

Nevertheless, there is still a lack of parental involvement in school decision-making in Koja, as indicated by the paucity of parents involved in the school committee. There are parent-teacher forums, and these should be developed in order to empower parents to exercise their right to have a say in their children's education. The government must go further than its regulation to promote the school committee by informing and encouraging parents to participate in school decision making processes.

It is time for the public to recognize the importance of private education in serving low-income households. There is an urgent need to include private schools in the discourse on national education and in considerations for decision making.

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# Annex 1

## Methodology

### Research Location and Rationale for Selection

Koja is a district located in North Jakarta with an area of 12.25km<sup>2</sup> (BPS Jakarta Utara, 2016). North Jakarta itself has an area of 146.66km<sup>2</sup> and is made up of six districts: Cilincing, Kelapa Gading, Koja, Pademangan, Penjaringan and Tanjung Priok. There are six sub-districts in Koja: Koja, Lagoa, Rawabadak Utara, Rawabadak Selatan, Tugu Utara and Tugu Selatan. Tanjung Priok, which is a port district, borders Koja on the west, Cilincing on the east, Kelapa Gading in the south, and with its location on the northeast side of North Jakarta, the Java Sea in the north.

Having a population of 305,749 people, Koja is the 4<sup>th</sup> most populous district in North Jakarta. However, current data from the North Jakarta Statistics Bureau (2016) shows that Koja is a district with the highest population density in North Jakarta with 24,950 people/km<sup>2</sup>, which means that most part of the district is a highly populated residential area.

Based on 2015 data (BeritaJakarta.id, 2015), there were 12,646 households recorded as the Target Households (*Rumah Tangga Sasaran*) of the 'rice for the poor' (*Raskin*) assistance program. This means that Koja is the 2<sup>nd</sup> poorest district in North Jakarta, after Cilincing, which has 18,029 Target Households.

According to the North Jakarta Statistics Bureau, 70% of Koja's population is of the productive age group of 15 to 64 years old, while the number of school aged people (5 to 19 years old) makes up to 72,034 people (BPS Jakarta Utara, 2016).

All the factors above formed the basis of our selection of Koja as our research location.

### Design

This research utilizes a case study method, with low-cost private schools in Koja district, North Jakarta as the object of research. Semi-structured interviews, school surveys, and mapping of schools using GPS technology were used to collect our data. In addition to primary data gathered from the field, this study uses publicly available secondary data related to education from the Statistics Bureau, Ministry of Education and Culture, Ministry of Religious Affairs, and other relevant sources.

In his book *The Beautiful Tree*, James Tooley defines a private school as low-cost if it charged 10% or less of the monthly wage of parents (Tooley, 2013). We use a similar approach. To determine whether a private school is low-cost, we use a ratio of the monthly school fee to the approximate monthly income of the head of a household. Using the current provincial minimum monthly wage in the DKI Jakarta Province, which is IDR 3.355.750, we define a private school as low-cost if it charged a monthly tuition fee of IDR 300,000 (USD 23), representing 10% of the minimum monthly wage, or less. Using this method, the maximum monthly tuition fee may differ if a similar study is done in other parts of Indonesia.

### Data Gathering Period and Process

Data collection in the field was conducted during a two-week period between 8 and 19 May 2017. A team of 12 enumerators was deployed to gather data from the field. Three sub-districts were surveyed in the first week (Koja, Rawabadak Utara, and Rawabadak Selatan), and another three sub-districts in the second week (Tugu Utara, Tugu Selatan, and Lagoa). The team of enumerators was divided into three groups of four people, with each group surveying one sub-district per week.

During the course of two weeks, the enumerators 'swept' the district lane by lane to check the presence of low-cost private schools in the districts. Prior to field data collection, secondary data of private schools in Koja were obtained from the Ministry of Education and Culture website, but this data did not differentiate between low-cost private schools and regular private schools. The sweeping of the lanes, therefore, was done in order to check the actual situation against the available data on the Ministry's website.

When a private school was located, the enumerators proceeded by inquiring with the school manager whether or not the school was a low-cost private school. Upon confirmation of the low-cost private school status, an interview was requested with the school principal or administrator, and with parents whose children go to the respective school.

**Table 7**  
**Number of Survey / Interview Subjects**

Survey/Interview	Number of Subjects
Schools	51
School Principals/Representatives	48
Parents	47

The GPS mapping of the low-cost private schools was done on the same day as the interview using a mobile app named Latitude Longitude, which was available on the Android OS and iOS for free. Coordinates were taken of low-cost private schools and a number of public schools located in the same neighbourhood, compiled, and later cross-checked for accuracy using Google Street View.

### Research Objectives

There are a number of research objectives that guide this study, they are:

1. To identify the existence of low-cost private schools in Koja;
2. To examine the role of low-cost private schools in providing access to education for members of community;
3. To examine the challenges that hinder the growth of the sector, and to identify relevant policies that contribute to these challenges;
4. To record the schools' positions and pin them in a low-cost private school map.



## ABOUT THE AUTHOR

**Sila Wikaningtyas** leads the Center for Indonesian Policy Studies' research on Low-Cost Private Schools. Previously, she worked issues related to education and environment for a number of international development organization and NGOs such as United Nations Development Programme, Save the Children and CARE International.

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