

**THE MANAGEMENT AND UTILIZATION OF SCHOOL GRANT  
IN SECONDARY SCHOOL OF ILU ABA BOR ZONE**

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**A THESIS SUBMITTED TO THE DEPARTMENT OF EDUCATIONAL  
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## Declaration

I, the undersigned, declare that this thesis is my original work, has not been presented for a degree in any other university and that all sources of materials used for the thesis have been properly acknowledged and listed in the reference section.

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## **Acronyms/Abbreviations**

ABE	Alternative Basic Education
DEO	District Education Office
DPs	Development Partners
ELQIP	English Language Quality Improvement Program
EMIS	Education Management Information System
ESDP	Education Sector Development Program
ETP	Education and Training Policy
SG	School Grant
GEQIP	General Education Quality Improvement Program
BOFED	Bureau of Finance and Economic Development
IDA	International Development Association
IIEP	International Institute of Educational Planning
KETB	Kebele Education and Training Board
ZEO	Zonal Education Office
MoE	Ministry of Education
NLA	National Learning Assessment
PAD	Project Appraisal Document
PSTA	Parent Student and Teacher Association
SGG	School Grant Guideline
SGP	School Grant Program
SIP	School Improvement Program
WEO	Woreda Education Office
WOFED	Woreda Office of Finance and Economic Development
MDG	Millennium Development Goal

## ABSTRACT

*The objective of this study was to assess the management and utilization of school grant in secondary schools of Ilu Aba Bor zone. Descriptive survey method of research was used by taking six sample woredas, ten secondary schools. Sampling techniques used were simple random sampling and purposive sampling technique. The study was conducted in 10 secondary schools that were drawn from a total of 15 schools in sampled woredas. The data were collected through questionnaire, interview, and document analysis. School principals, woreda education office planning expert and woreda office of finance and economic development accountant and school grant fund budget expert, parent student and teacher association and kebele education and training board representatives were primary sources of data. The data were analyzed using frequency count, percentage and mean value and narratives. The finding point out that the problem of utilizing the budget according to school grant guide line, there were a problem of managing the budget accordingly, current practice of auditing, monitoring and capacity building concerning school grant were in problem, challenges were lack of commitment of school committee, lack of financially trained implementers, mismatch between school grant budget and school needs. In light of the findings, the following conclusion were drawn: Currently the practices of school grant budget management and utilization are in problem, Direct utilization of the school grant budget for its intended purposes is under question. The extent of Monitoring and auditing the school grant budget in school level were seemed very low. Lack of utilizing the budget according to school grant guide line, lack of practice in auditing, monitoring, and capacity building in school, lack of financially trained stake holders, mismatch between school grant budget and school needs were major challenges that resulted ineffective utilization of school grant budget. Therefore, in order to maximize school grant management and utilization and to alleviate challenges encountered, the study forwarded the following recommendations: Capacity building for resource management, Update and redistributed the school grant guideline, hiring financially trained man power for the schools, Building trust through transparency, Devising strategy to fill financial gap.*

# CHAPTER ONE

## INTRODUCTION

This chapter is concerned with the introductory part of the proposal. It states the problem and its approaches. This includes the background, the statement of the problem, basic research questions, and objectives of the study. In addition, it deals with significance, delimitation of the study, operational definitions of key terms and organization of the study.

### 1.1 Background of the Study

The education goals and objectives can be achieved by means of using different resources as inputs. Among the resources as inputs, finance is a key issue to get and utilize all important inputs and to run the task of education at all levels in appropriate ways. This is because among the resources (inputs), finance was more commonly used by schools through a process and mechanism of budgeting (Melaku, 2000). Financial resources are significant resources often assumed to be a part of physical capital. It is actually the basis for the procurement, utilization, and maintenance of all other types of resources. Without strong financial base it will be difficult to produce the right of goods and services in desirable quality and quantity (Chinyere,2010).

In developing countries like Ethiopia, the government is the main sources of finance for the expansion of education. However, the financial, labor and material contribution of the community as well as school's internal income and the support from non-government organizations could have their own contributions. In line with this there are criteria and mechanisms for grants' distribution. The criteria for school grant to be allocated to each school is only based on enrollment. The number of teachers and the class size are not taken in to account.

According to (MoE,(2002))ss schools have governmental source of finance(block grant budget) and nongovernmental source of finance(school grant budget) in addition to generating its own internal sources of finance. Based on school grant budget guidelines, the school grant should be used to improve the provision of quality education, with a focus on General Education Quality Improvement Program (GEQIP) and School Improvement Program (SIP) related items: the teaching-learning process, the school environment, community empowerment, student achievement and schools' capacity to manage change. According to this guide line, six items are excluded from the list of expenditures with

the school grant: construction of new buildings (construction of toilets is however permitted), purchase of televisions and DVD players, payment of salaries and per diems, payment to individuals, and purchase of fuel or weapons (SREB, 2015).

The planning of school finances usually begins with the drafting of a budget. Budgeting is an ongoing and dynamic process that is typically marked by regular phases, such as, planning, needs assessment and priority setting. Budgeting is a forward looking process which should be guided by the schools vision for the future and a realistic assessment of the risks (Clarke, 2007). Therefore, building the implementation capacity of woredas' and other stakeholders based on training needs identification through short term domestic and/or abroad training programs on educational management, supervision, finance, purchasing and major strategy are undertaking(MoE,2002).

Of the implementation levels of the program, fourteen (14) woredas are found in Ilu Ababor Administrative Zone, which is found in the South-Western Oromia National Regional State. The school grant fund began to be disbursed to the schools starting from 2002 E.C based on the data of the students enrolled in 2001 E.C. In the year 2001 E.C grade 1-4= 179,027 grade 5-8= 95,381 grade 9-10= 26547 grade 11-12= 937 students were enrolled and the fund was allocated 10birr, 15birr and 20birr respectively per student. The allocation for grade 9-12 was the same (20birr).When it is calculated by the number of the students, it was 1,790,270 birr for grade (1-4), 1,430,715 birr for grade (5-8) and 549,680 birr for grade 9-12 was allocated to help the schools improve the quality of education in each grade level(zone education statistics,2001)

Therefore, this study was designed to draw heavily and try to screen out assessing the management and utilization of school grant in Ethiopian context, Oromia regional state, specifically in Ilu Aba Bor zone of secondary schools, determine the factors affecting the implementation of school grant and to suggest possible recommendation to improve the management and utilization of school grant in secondary schools of Ilu Aba Bor zone.

## **1.2 Statement of the Problem**

The rapid expansion of the education system has left a considerable financing gap between available funds and the anticipated cost of investments needed to improve and maintain quality. At the same time, a high proportion of the education recurrent budget for primary and secondary education is allocated to teacher salaries (over 90 percent). In fact, the non-salary education budget at the woreda level has actually decreased from 1998 to 1999 Ethiopian fiscal year(JRM 2006).

This has the effect of constraining the availability and predictability of resources for other inputs critical to support effective teaching and learning (e.g. training, textbooks and other materials, assessment, monitoring and evaluation systems, etc.) to enhance learning outcomes. The capacity to plan, manage and monitor is limited. In Ethiopia, the management and financing of primary and secondary education is the responsibility of regions and woredas based on the national policy and standards developed and approved by the Ministry of Education (MOE). However, some regional and woreda governments have weak capacity to gather and report on key performance indicators on time in order to manage and monitor effectively the implementation of education reforms.

As stated in the Education and Training Policy (ETP, 1994), improving the system of educational financing (by increasing the allocation of government budget primarily for building infrastructure and provision of educational materials) will remain the priority agenda of the government (FDRGE, 1994). Above all, providing free of fee general education (grade 1-10) for all citizens, ensuring the implementation of fiscal decentralization, creating conditions for schools to generate their own income, providing special support for the disadvantaged regions and girls' education are among the key issues articulated in the policy document (ETP, 1994: PP. 31). In the implementation of these and other related issues, the government of Ethiopia launched twenty years Education Sector Development Program (ESDP I-IV) since 1997. ESDP I (1997/98 – 2001/02) and II (2002/03 – 2004/05) focused on increasing access and alleviating inequities. ESDP III (2005/06 – 2009/10) did spotlight on provision of quality education while ESDP IV (2010/11 -2014/15) intended to give grand attention to the provision of quality education (MoE, 2010). Overall, the restructuring of the education system and the attention given to the local echelons - have changed the landscape of the education system of Ethiopia along with its financing system (fiscal decentralization) than ever before(IIEP/SEM321.5/National diagnosis-Ethiopia Draft version -The use and usefulness of school grants, Policy Seminar March 2012 ).

During the first wave of decentralization (Jeilu, 2007; Taye&Tegegne, 2007), the Regional Education Bureaus takes the responsibilities of requesting and allocating educational budget to their respective Zones, Woredas and Schools based on the budget request submitted to them. However, this did not work as it created another colossal structure (Administrative Zones) at the hub of the intact operation (Taye&Tegegne, 2007). After realizing this, the government do move decision making authorities to the Woreda level (the second wave of decentralization) in conjunction with a new approach of educational financing named as a Block Grant (MoE, 2002). (IIEP/SEM321.5/National diagnosis-Ethiopia Draft version -The use and usefulness of school grants, Policy Seminar March 2012As suggested by MoE (1994), sufficient budget allocation and proper utilization of the education budget for the intended purpose is critical issue. There is a strong need to create transparency system in schools that clearly indicates the sources of finance and allocation as well as its utilization. The misuse of school grant can affect the quality of education in general and the involvement of school community, parent and donors in financial support to school in particular. It also affects the cooperativeness among teachers, students, school principals and PSTA.

School principals are expected to be appointed on the basis of experience, services and qualification related to the position (MoE,1994), but from my experience many principals do not have the required qualification in the area of financial resource management, allocation, and utilization The school grant budget is an initiative taken by the MoE in collaboration with development partners in order to improve school performances and the provision of quality education. As stated in the school grant guideline, the school grants budget support is designed to fill in the gaps from block grant (running cost or non-salary expenditures) allocations to schools, and covers all government schools (primary and secondary) and Alternative Basic Education (ABE) centers.

Lack of planning capacity in the Ethiopian education system is on top of the agenda of both the government and donor's since 1997(Tesfaye, 2008). As indicated in ESDP-IV (2010), many offices that are education however, do not have the required capacity to exercise their responsibilities effectively. The challenges stated by Melaku (2000), are local community members who contribute to school are not in the appropriate position to appraise the efficiency of the school principals and others in managing finance.

School Grant policy of Ethiopia since 2009, says in Ethiopia school grant have been allocated to all public primary and secondary schools, and alternative basic education centers (ABEC). This grant are introduced to cover schools' running costs and improve the quality of education objectives, such as teaching and learning materials, paying for temporary teachers, and maintaining and renovating school facilities. But in case of Ilu Aba Bor Zone there is a gap between the policy guide line and what is intended in the zone.

The researcher had initiated to conduct this study to fill the following gaps.

- In adequate support in the area of school grant management and utilization from zonal or woreda finance and economic development office, more focusing on maintenance rather than focusing on students' academic achievement. However, MoE (2007) show that as if there is weak administrative capacity of educational finance management, low capacity to practice finance, lack of training or inadequate training, unqualified personnel to manage school finance to solve such challenges. According to Ogbonnaya(2000) the main purpose of financial management is to ensure that funds sourced are utilized in the most efficient and effective manner. Most specifically, training appears to be an important element of any school-based management reform (Carr-Hill et al. 2016:84;Bruns et al. 2011:102).This fact based that from the researcher finding there were ineffectiveness of the SG budget utilization with lack of following school grant guide line (SG financial rule and regulation) and community participation problem to increase schools financial income. There for, schools can use SG budget for current financial faced problem.
- In efficiency and in effectiveness of school principals and other stakeholders who directly or indirectly involve in utilization of school grant. In school administration, education resources are not only limited but can be effectively and efficiently managed when management activities are properly harmonized, organized, coordinated and controlled by school management team. This is in agreement with Bunt's (1990) opinion that: it is not the availability of these resources alone that guarantees effective performance of school, but their adequacy and effective utilization and management.From the researcher finding there were in effectiveness of the direct implementers of the SG budget utilization. These was because, the quality of education(students academic

achievement) were not as match as it intended after SG budget was released for those government schools. The researcher noticed the problem that poor management and utilization of the fund leads to misuse of the resource. Sometimes people call it “Director Grant” rather than saying school grant. This shows that there is poor management. These also because of timely auditing problems and un visible quality education in school level.

- In another way although the purpose of the grant is improving the education quality by enhancing internal and external efficiency, ignoring the 10% school grant fund for continues teacher professional development was one of the challenge that resulted ineffective utilization of SG budget.

These problems initiated the researcher to study the implementation of school grant in Ilu Aba Bor Zone secondary schools. Despite the presence of the problem, no study was conducted in the study area and no research exists as to their effectiveness or ineffectiveness of school grant in Ilu Aba Bor zone secondary schools and also monitoring and evaluation of school administration is not sufficient for the utilization of school grant. So this study will fill the gap that face on the management and utilization of school grant Ilu Aba Bor Zone. In order to address this, the study seeks to answer the following basic questions:

### **Research Basic Questions**

1. What is the current practice of school grant management and utilization in Ilu Aba Bor zone secondary schools?
2. To what extent do the schools effectively utilize the grant directly for improving the quality of education?
3. To what extent does the school grant utilization are audited and monitored in government secondary schools of Ilu Aba Bor zone?
4. What are the challenges of managing and utilizing the school grant in Ilu Aba Bor zone?

## **1.3 Objectives of the Study**

### **i. General Objective**

The main objective of this study was to assess the management and utilization of school grant in Ilu Aba Bor secondary schools of Oromia Regional State.



## **ii. Specific Objectives**

Based on the general objective stated above the study is intended to accomplish the following specific objectives:

- To assess the practice of school grant management and utilization in Ilu Aba Bor secondary schools.
- To examine whether the grant are use directly for the educational quality.
- To assess whether appropriate auditing and monitoring system exist regarding to school grant utilization.
- To analyze challenges of managing and utilizing the school grants.

### **1.4 Significance of the Study**

In effort to enhance quality of general education in Ethiopia, the government had tried to allocate as much finance as possible. In addition to the finance allocated from the block grant of the country, the government has done many projects through which quality of education addressed.

School grant is one of the projects designed with the aid of World Bank which in turn aided by different countries or development partners. As this grant is newly introduced in Ethiopian schools, there is problem of managing and utilizing the finance in proper manner. Thus, the study expected to have the following contributions.

- It was dig out the problems schools are facing in managing and utilizing the fund and some solutions for better management and utilization of school grant in Ilu Aba Bor Zone.
- Since the school grant are introduced for the improvement of quality education in our country and research have not been conducted in its management and utilization, this study initiates other researchers to do more to carry out further, broader, and deeper study in this subject.
- It may offer an insight to government school leadership, BOFEC and the education system atlarge and particularly, school principal, WOFED, WEO, and PSTA to understand and build up the synergies to revisit the grant guideline so that can solve practical problem.
- It may inform stake holders on the existing modality of school grant disbursement, amount available against the standard, and to look for better way of

managing, as well as seek for additional financial resources to run teaching and learning process in a suitable way.

- It can contribute to reshape policies that will maintain fair and equitable financial resources distribution, so that accountability and transparency are effectively exercised in financial allocation and utilization procedures.
- It may encourage succeeding researchers and serve as a springboard for further investigation in the area.

### **1.5 Scope /Delimitation / of the Study**

These were boundaries of the study or the scope (Orodho, 2005) the study was restricted to some selected Government secondary schools of Ilubabor zone. In order to make the study more manageable, geographically, the study was delimited to six woredas of Illu Aba Bor zone. Primary schools, private, religious and nongovernmental secondary schools were purposely excluded from the study.

Conceptually the researcher observed the pressing problems in managing and utilization of school grant and in the study area as he has been working for fourteen years in education sector. Many researchers conducted on different education issues that thought in secondary schools. In order to make it manageable, the study was delimited to the management and utilization of school grant in government secondary schools.

### **1.6. Operational Definition of Key Terms**

**School Grant:** It was not repaid fund that is donated from non-government bodies (foreign donors') for the purpose of quality of education.

**Management:** In this study, this term used to indicate the organization and supervision of Schools grant.

**Utilization:** utilization in this study, it was to mean use, operation, and employment of fund.

**Grant:** In this study, this term used to imply funding.

**Public secondary schools:** -were government schools of FDRE that offer formal education for grade 9-12 which were managed, maintained and funded by the government.

**School finance:** - refers to the money given to school by the government, and or obtained by the school from different sources such as donors NGOS, internal income and community contribution.

### **1.7. Limitations of the study**

It is obvious that research work could not be free from limitation. One of the constraints of this study was that most of respondents were burdened by routine office activities and they were not devoted to fill the questionnaires and interviews on time. Whatever the inconvenience is there the researcher tried to move time and again to the respondents and convince the above bodies by approaching politely and telling them the importance of the study. Then, there were willing to collaborate with the researcher in giving information needed in the study.

### **1.8. Organization of the Study**

The study was encompassing three chapters. The first chapter deals with the research background including the statement of the problem, significance, objective, scope, and limitation. Chapter 2 presents review of related literature. The third chapter contains research design and methodology, which includes description of the study, research design, research method, source of data, population, sample size, sampling techniques, data gathering tools, procedures of data collection, pilot test, methods of data analyze and ethical consideration. The fourth chapter contains presentations, analysis and interpretation of data and the last chapter contains about summary, conclusions and recommendations.

## **CHAPTER TWO**

### **REVIEW OF RELATED LITERATURE**

#### **2. Introduction**

There was a generally accepted view that education is a means of promoting scientific and technological development. This was a universally accepted view. One of the aims of education, particularly in developing countries like Ethiopia, is the transmission of knowledge skills that will equip children to be responsible citizens who contribute to scientific and technological development, which promotes social betterment. This means that education plays a key role of integrating young people in to the social system of particular country (Education and Training Policy, 1994). It is for this key significance of education that countries allocate huge amount of financial resource of sector. Finance is an indispensable resource, which facilitates the ground for the human and physical resources to function properly in educational activities.

#### **2.1 The Concept and Characteristics of Financial Management**

Management used to mobilize human, material, financial and time resources effectively for the attainment of organizational goals. Brown and Moberg (in Ayalew, 1991) explain that management is marshaling both human and material resources towards common organization goals. Hampton (1994) in business concept further emphasized that management must be concerned with all aspects of the firms operations; including production of goods and delivery of services sales and marketing activities, and supporting functions. Knight (1993) further reflects that management is the application of the inspiration imagination, and empathy to the improvement of school.

Financial management is a broad concept comprising of different kinds of functions in various organizations. It is critical to the success and survival of a wide variety of organizations. In emphasizing the importance of management an influence of managers in financial activities of a business firms, Hampton (1994) further adds that, The Training, skills, and natural abilities of the personnel working on the financial problems have an important influence on the structure of financial functions.

## **2.2 Financial Management in Education**

It is to be noted that financial management in educational activities embraces allocation of revenue for various departmental tasks, and controlling whether it is properly utilized according to the educational plan or not. The educational leaders, financial personnel, and auditors have a great responsibility for proper management.

This activity, of course, needs proper knowledge on financial management. In this study, Tidwell in Hough (1991) emphasized the management of finance in educational activity as financial management involves dealing with problems relating to receiving the maximum revenue available to the school district, safeguarding all financial resources, and controlling expenditures and financial commitments throughout the physical period as directed by the budget adopted by the board of education.

More importantly in any society educational financial management is increasingly recognized as a vital instrument in enabling the teaching-learning process to grow strong. That it is imperative for better instructional programs to upgrade teachers by training, improving the quality of education, etc. and for raising and utilization of finance. The financial management of the education sector should take its own rational process for effective utilization of education finance. Levacic (1995) lists standard sequential stages of financial management as follows: The first stage is the acquisition of resource, the second stage of financial management is the allocation of resource and planning the budget, the third stage of the budgetary cycle is its implementation and the fourth stage of the financial management cycle is evaluation of the implementation of the budget plans.

The development of education heavily relies on financial resources and that educational activity has become a leading branch of the development process. The World Bank (2000) in its study of finance for education in sub-Saharan Africa stressed that: Education financing is typically one of the largest items of government expenditure, often claiming as much as one-fifth or more of the total budget. Spending on education increases in line with population and income growth and is a long-term investment that requires a predictable income source.

Education sector, as some other nonprofit-organizations is not very much concerned with the financial returns of repayment. Instead, they are highly concerned with the social returns. Therefore, the effective and efficient utilization and rising of finance is a prime concern of the sector. For the efficient and effective utilization of finance education sector in its various

stages, need to have effective managers, administrators, personnel, finance officers, finance controllers, cashiers, etc., with basic knowledge of the principles and functions of financial management. As indicated by Knezevichi in Haile Silase (1995) this in turn protects from misusing of funds and helps managers spend a minimum amount of time on financial activities and are free to spend a maximum amount of time on other educational or academic affairs. Generally, the scarce financial resources used in education sector require good financial management to ensure that the educational goals and objectives are achieved.

According to Mbua (2002) in educational systems throughout the world, financial management has become and continues to become of much increased importance. This is because: the onerous financial constraints under which educational systems now have to operate, the terms in many countries towards delegating at least some degree of financial control to individual schools and colleges, and the moves towards increased accountability in all public service system

### **2.3 Sources of Finance**

In identification and classification of financing sources of education Fernando de Esconarillas (1967) in Jacque Hallak identified in the following four sectors.

The first one is public sector in which national or federal income, provincial or state income and municipal income would be included. The manner in which these contribute to education may be direct expending in education and/or transfer of funds to the institutions which provide educational services.

The second source can be business sector whose contribution could be voluntary or compulsory, to the institutions, which provide educational service, payments to educational institutions in return for research or educational service, or merchandise produced by such institutions and loans granted to educational institutions for investment purposes, either in terms of money or in terms of sales on credit.

The third source of educational finance can be family sector formed by the income of families whose contribution could be payment for educational services, voluntary contributions to the educational institutions either in money or in kind (goods and/ or services) and the fourth financial source for education is external sector whose form of contribution to educational expenses could be in the form of technical assistance which is difficult to evaluate in such a way as not to throw out of the balance the conclusion of the

analysis, donations and credits made available to educational institutions. Generally, as noted by UNESCO (2002) educational finance incorporates the three main sources of funding for education, i. e., the public, the private and international sources.

## **2.4 Methods of Financing Educational Institutions**

According to Mbua (2002), educational institutions (schools) are financed in several ways. These are through payment of tuition and other related fees by pupils or students. Government budgetary allocations, subventions or grants in aid, donations (endowment funds) and revenues from projects. The author further explained the methods or ways of financing as follows.

Tuition and other fees are when pupils or students attend school at any level, they may be asked to pay for the teaching they are going to receive. When such payments are made, we say that “tuition fees” are paid by such pupils or students. Also pupils or students may have to pay registration, examination, laboratory and development fees, and pay for uniforms as the case may be. All these are possible forms of raising funds from the pupils or students. Educational institutions that are owned by government (public schools) are financed through budgetary allocations given by government. Parent Teacher Association (PTA) also charge dues or levy for children attending school. These are used for projects such as construction of classrooms, fence, office, library facilities, recruitment of supplementary personnel, etc these deal more with capital projects. Additionally schools are financed by revenue yielding projects. This method of financing education is through the establishment of projects by schools or educational establishment that will yield revenue. Such revenue yielding projects include the establishment of school farms, renting of band or musical services and so on. However, the revenue raised through this source is very insignificant.

Among the sources of educational finances school grant is the financial resource that comes from external source (donation) which is being used by many countries. The grant is used in many parts of the world in different ways and for different purposes

## **2.5 Contributions (Purposes) of School Grants:**

### **Experiences of different countries**

School grants are used in developing countries for access, equity and quality. The following are some countries which use school grants for different purposes.

### **A. Ghana and Lesotho**

This policy was implemented in Ghana and Lesotho to accompany the abolition of school fees and thus to address the low enrolment figures (i.e. 30% of Ghanaian children were not enrolled in primary school in 1996). ([www.iiep.unesco.org](http://www.iiep.unesco.org): Can school grants lead to school improvement? An overview of experiences of five countries, 2011)

### **B. Nicaragua and Sri Lanka**

The situation in Nicaragua and Sri Lanka was different as enrolment rates were rather satisfactory. In Nicaragua, the ASP, implemented in 1993 through a pilot programmed and extended at the national level in 2006, was a much more radical educational decentralization reform meant mainly to improve the quality of education. It gave full autonomy to schools, transferring key management functions from the central level to the school councils, widening the mandate of the councils from greater local participation to greater local autonomy. ([www.iiep.unesco.org](http://www.iiep.unesco.org): Can school grants lead to school improvement? An overview of experiences of five countries, 2011)

### **C. Indonesia**

The situation in Indonesia was quite specific as the introduction of the Scholarships and Grants Program (SGP) in 60% of schools in 1998 was meant to anticipate and counter the consequences in the education sector of the radical 1997 Asian financial crisis. When this latest struck, the Ministry of National Education (MoNE) and the lending agencies immediately recalled the consequences of the economic crisis of 1986/1987: the gross enrolment rates fell from 62% to 52% between 1988 and 1992 at the junior secondary level. This programmed was therefore meant to maintain enrolments in a context of financial and economic crisis. However, a second phase of the programmed called the School Improvement Grants Program (SIGP) was introduced in 2001 in 133 districts in poor schools dealing with internally displaced students and schools affected by catastrophes. SIGP was thus specifically concerned with poverty reduction. ([www.iiep.unesco.org](http://www.iiep.unesco.org): Can school grants lead to school improvement? An overview of experiences of five countries, 2011)

### **D. Uganda and Malawi**

In Uganda the grant is used as Universal Primary Education (UPE) Capitation Grant. (UPE Capitation Grant Tracking Study FY 2005-2006: Draft Report, 31 August 2006) The Government of Malawi does not yet have a policy on school grants but since the introduction of Free Primary Education in 1994, two main school grants have been implemented -Direct



Support to Schools and the Primary School Improvements Program/ Grant. While Direct Support to Schools started in 2006, after 12 years of the FPE policy, PSIP was only being piloted in 2010 and is in the process of being rolled out in 2011. The purpose of the initial DSS grant for Malawi from World Bank was to help schools purchase basic teaching and learning materials in order to enhance the quality of teaching and learning. After two phases of World Bank Funding, Donation for International Development joined the former in school financing. The purpose of Donation for International Development additional funding was to help schools perform small maintenance and rehabilitation works at the school. Thus while the teaching and learning materials only grant was given in 2006, 2007 and 2008, in 2009, schools received maintenance and rehabilitation grant as well. (IIEP/SEM321.6/National diagnosis - Malawi Draft version - not for quotation - not for distribution Policy Seminar, 14-16 March 2012)

Access to basic education in Sub Sahara Africa has been growing tremendously and Sub Saharan Africans making promising progress towards the MDGs. Political will, coupled with targeted investments, yielded widespread progress in primary school net enrolment to 71 percent by 2006. But these countries 2006 still did not achieve universal primary education. Achieving universal primary education means more than full enrolment (MDG report, 2008). It also encompasses quality education, meaning that all children who attend school regularly learn basic literacy and numeracy skills and complete primary school in time. But in Sub-Saharan Africa, substantially more children of secondary school age attend primary rather than secondary school. One important point to stress here is that progress is being made. The proportion of children in developing countries who have completed primary education rose from 79 per cent in 1999 to 85 per cent in 2006 (MDG report, 2008). The problem is, education quality improvement in Sub Saharan Africa has not, generally, kept pace with increases in access. As school fees are reduced or eliminated, national budgets are hard pressed to keep up with the costs of educating burgeoning school-age populations, e.g., additional classrooms and qualified, trained teachers (USAID, 2001). Despite improvements in many countries, quality remains uneven, and the average time needed to complete each cycle of education is increasing. Although girls are enrolling in greater numbers, they remain likelier than boys to dropout.

To improve the quality of education in Sub-Saharan Africa various efforts has been made. USAID's Africa Bureau has been working to improve educational quality at the school and classroom levels, a process that requires the involvement of parents, teachers, school

administrators, and policymakers. Indeed, there is change in attitude with regard to community participation in education as well as new inductive curricula that could help African children on how to probe into, raise question, think, and solve problems. However, there is growing concern over the government's inability to supply quality education for their burgeoning school-age populations.

Inline to this, USAID has also financed basic education reform programs in 11 countries: Benin, Ethiopia, Ghana, Guinea, Malawi, Mali, Namibia, Nigeria, South Africa, Uganda and Zambia. Following that, the Countries have achieved strong enrollment gains and much greater equity for girls. Along with this, the Program also significantly increased public expenditure on primary education, improved qualifications and conditions of service for teachers, reduced numbers of subjects taught to young children, increased decision making authority and resources devolved to local and regional levels, improved education management information systems in the countries mentioned.

There was also another program backed by UNESCO that supports a holistic and comprehensive reform of basic education in line with EFA targets and MDGs. This program called Basic Education in African Program provides a framework for curriculum renewal linked to a variety of complementary initiatives, which together may assist towards improving quality and, relevance and equity in education (BREDA, 2009). Basic Education in African Program's main concern includes curriculum development, assessment and certification, teacher education, learning materials support, modes of provision, school improvement governance and community participation among others. It is neither a parallel program nor a project, it links up with existing initiatives and engages like-minded donors and development agencies already involved in country –led reform. In Ethiopia, a draft roadmap for BEAP's implementation was developed in line with GEQIP, and Basic Education in African Program assists Ethiopia to implement the objectives of GEQIP in the development of contextualized curriculum materials which at the end empower teachers in their day to day class room assignments.

There have been efforts made also at country level to enhance the quality of education through equitable financing strategies, mostly by way of School Grant Programs (SG). In Cambodia lack of budget resulted in very little resources to trickle down to the provinces and schools beyond the salaries of teachers. The ministry, with the assistance with the World Bank, looks for the ways to get resources directly to schools. Grants are given to cluster

schools in selected provinces based on cluster proposal on effective schooling, their needs and priority and quality improvement plan. The pilot project generated a great deal of enthusiasm among school staffs and communities who had little resource previously. The appearance and activity level of school class rooms and grounds showed marked improvements and rates of enrolment, attendance and pupil promotion began to exceed provincial norms. In general in Cambodia, Education Quality Improvement Program promotes development of effective schools with grants to school clusters for books and materials to improve the quality and relevance of school inputs.

Concerning the experience of school grant program in Africa, several governments in sub-Saharan Africa, including those of Ethiopia, Ghana, Kenya, Madagascar, Mozambique, Uganda and the United Republic of Tanzania, have developed various approaches aimed at making spending more equitable. Among these are provision of School Grants and the elaboration of funding formulas in which allocations are adjusted according to need. However, outcomes have been mixed. In Kenya, the government established a School Grant of US\$14 per student to enable schools to cover losses from the withdrawal of tuition fees and to increase spending on materials, maintenance and operations. The grants have improved availability of textbooks and other related materials. They have also been used to fund boarding schools to improve access for children living in sparsely populated areas.

The World Bank stated these countries' experiences for that they are in similar situation in economic status as well as in achieving the Millennium Development Goals especially in education sector; they are the countries that have to strive in great effort. When it is seen in comparison with Ethiopia, better practices and achievements gained by these countries are useful for Ethiopia to use school grant in the country for better performance of teaching learning process. The experiences of these countries helped Ethiopia to formulate school grant program.

## **2.6 Education Policy of Ethiopia**

The Government of Ethiopia considers education as an important factor for the process of human resource development in order to break the vicious circle of poverty that the country has been entangled in. The importance given to education was articulated in ETP in the following manner:

Education is a process by which man transmits his experiences, new findings, and values accumulated over the years, in his struggle for survival and development, through generations. Education enables individuals and society to make all-rounded participation in the development process by acquiring knowledge, ability, skills and attitudes (ETP, 1994).

In relation to this, the World Bank (1991) has also stated that: Education is a cornerstone of economic growth and social development and a principal means of improving the welfare of individuals. It increases the productive capacity of societies and their political, economic, and scientific institutions. It also helps reduce poverty by increasing the value and efficiency of the labor offered by the poor and by mitigating the population, health, and nutritional consequences of poverty.”(School grants Rapid Assessment, 2009).

## **2.7 The Reform Program (GEQIP)**

In response to this, the Government of Ethiopia initiated nationwide reform program to improve the quality of general education (Grades 1-12). The objectives of the reform are to increase measured learning outcomes, primary completion rates, and secondary entrance rates of both boys and girls. The program will be implemented over the next eight years in the form of a two-phased General Education Quality Improvement Program (GEQIP).

Since the introduction of the national Education and Training Policy in 1994, there has been a considerable improvement in access to education. For instance, from 1994 to 2007/08, the gross enrolment rate (GER) increased from 61.6 to 91.3 percent and net enrolment from 52.2 to 77.5 percent. Repetition rates dropped significantly from 15.7 percent and 18.6 percent for boys and girls, respectively, in 1996/97, to 3.8 percent and 4.0 percent for boys and girls, respectively, in 2003/04. First cycle secondary enrolment trends show significant increases (GER from 17.1 percent in 2001/02 to 37.1 percent in 2007/8 and although second cycle secondary enrolment rate is low 5.8 percent it is increasing. This has been a remarkable achievement and has occurred at the same time as a major expansion of both the Technical and Vocational Education and Training and higher education sub-sectors (World Bank 2008, MoE 2007/08). GEQIP takes a holistic approach to improving the quality of general education by adapting the concept of the school effectiveness model (World Bank 2000). The framework is particularly suitable for GEQIP given the politically and fiscally decentralized structure of the Ethiopian education system, paired with the Government’s recent efforts to implement a broad sector reform to improve the quality of education. While GEQIP does not

address all eight domains of the school effectiveness model, the components of the first phase Project are designed to align with on-going sector activities supported by the Government and development partners. The “value added” contribution of GEQIP, towards fulfilling the objective of improving the quality of general education, rests on the extent to which the components are implemented in coordination with other inputs. GEQIP will contribute to the overall quality improvement of the Ethiopian education system by providing support for activities that complement inputs in other domains, such as teacher salaries and school construction, financed mostly through PBS and the government budget.

GEQIP's design is based on findings from school effectiveness research. As a result quality improvement will depend on the capacity of school leadership to work with teachers, parents, and students to diagnose constraints and implement changes to improve results. One of the most important challenges of GEQIP is how well schools – that is, school-level agents – are able to integrate all the various components of the program, and align them on the key performance indicators of the program, namely, increased learning outcomes, completion rates, and secondary entrance. The government has been rolling out tools for school improvement planning for the last three years, and has recently secured funding to begin a School Grants program.

Despite rapid expansion of the education system, achievements in access have not been accompanied by adequate improvements in quality. Inequities in access to quality education have also been widespread, as better resourced schools, generally, located in urban areas and in the non-emerging regions. Moreover, the rapid expansion system entailed a considerable financing gap between available funds and the anticipated cost of investments needed to improve and maintain quality (World Bank 2008). To solve this the government of Ethiopia has launched a major nationwide program to improve the quality of general education (grades 1-12). In doing so, the Government has introduced what is called School Grants Program (SGP).

## **2.8 Ethiopian School Grant Program**

In Ethiopia the school grant is being used to improve the quality of education under the General Education Quality Improvement Program/Project. (General Education Quality Improvement Program/Project: Ministry of Education, 2008)

According to the Ministry of Education, SGP is funded under the General Education Quality Improvement Program (GEQIP), which is supported by the government of Ethiopia and

development partners. The Ministry of Education further stated that SGP is an initiative by MoE to improve school performance and quality of education in all government and public and secondary schools, including Alternative Basic Education (ABE) centers.

School Grants are transfers of financial resources and authority from governments or nongovernmental organizations directly to schools or small networks of schools. The rationale behind this program is that decentralized decision-making at the level of the school is thought to be more responsive to parents' needs and fostering local level accountability. The objectives of School Grants vary widely and it is precisely this capacity that address multiple and different objectives that makes School Grant an attractive policy tool. But generally, the ultimate objective of School Grant in Ethiopian is to improve efficiency, quality, and equity of education at elementary and secondary school.

The number of enrollments determines the amounts of fund distributed to school. That is, student population determines the funding amount. To increase accountability for funds, a variety of programs had been devised and put in place. On top of this, ensuring the well functioning of financial infrastructure to process and account for financial flows greatly increases the likelihood of programs' sustainability.

The major focus of SGP is on student learning and learning outcomes. According to the framework disseminated by MoE in 2006/07, four major factors affect student learning and learning outcomes. These are (a) teaching and learning (b) school leadership and management (c) safe and healthy school environment and (d) community participation. The main objective of the School Grant, which is in line with the ultimate objective of GEQIP, is to improve the quality and relevance of school inputs.

To achieve this major objective of the program, a number of other things should been addressed. among others the following are worth mentioning: improvement of management efficiency in the utilization of school resources; improving the performance of teacher by giving different trainings that is creating good teaching and learning atmosphere around schools; building and improving the existing infrastructure which deem to boost quality at school level. This insures safe and healthy school environment, which positively affect teaching outcomes; increasing community participation. This is important because results will be achieved through parents and community members taking a more active role in school decision-making, School Grant implementation and performance monitoring.

## **2.9 Management and Use of grants**

### **A. Level of autonomy of the school to use grants**

A fundamental issue concerns the schools' level of autonomy in the use of the grant. The situation can differ from one extreme to another. On the one hand, the use that schools can make of grants can be restricted by tight budget lines defined at the central level, or on the other hand, the school can receive a lump sum which it can use fully autonomously. In both Sri Lanka and Ghana, the decision-making at the school level over the use of grants is rigorously guided by detailed documents. Under the EQI in Sri Lanka, schools are in principle given the autonomy to spend funds on the educational inputs they think most appropriate for their school. However, educational quality inputs are chosen according to guidelines given by the MoE. In addition, strict budget lines constrain all the more the use of grants, as they sometimes do not correspond to the usage that school actors want to make of the funds. The situation is very similar in Ghana where the use of grants under CGS is strictly guided by detailed guidelines.

In Lesotho, the field study showed that a circular giving some details on the way schools are expected to use the grant also exists but, as learnt from several schools, this circular is not always present in school. It may thus not be surprising that schools do not systematically respect these guidelines. But the restrictions on the use of the utility grant are quite tight (grants are to be used mainly for maintenance and payment of utility bills) and the amounts are fairly small; therefore the autonomy of schools remains rather limited. While the use of funds is rigorously directed by detailed documents in Ghana and Sri Lanka, the situation is quite different in Nicaragua and Indonesia. Under the ASP in Nicaragua, each autonomous school is governed by the Local School Committee composed of parents, the president of the Parents' Council, the school principal, up to three teachers, and the president of the student government. These LSC have complete control over the use of the funds, as long as they comply with some technical requirements of the MED. Somewhat surprisingly, the situation is similar in Indonesia where there is less school autonomy.

The block grant system adopted for SGP and for SIGP did not constrain recipient schools in the spending of the funds. Once allocated, schools were allowed to spend them within fairly liberal parameters. Such autonomy always carries the risk of abuse: in Indonesia, even if both the SGP and the SIGP relied greatly on regulatory approaches in order to limit corrupt practices, many cases of fraud emerged. The opposite situation also carries some

disadvantages: the research showed that detailed guidelines (Ghana, Sri Lanka) designed to be helpful to schools, turned out to be an impediment to the use of funds by the school staff, who found them too complex and often difficult to adapt to their school. The challenge thus appears to be to find the right degree of autonomy and regulation.

## **B. Actors involved in the management of grants**

An analysis of the role played by the different actors within the school is very significant as it allows assessing the level of transparency in the decision-making process: Are decisions made by a few individuals without consultation or does the availability of these grants lead to a participatory decision-making process which improves the overall relationships within the school? In both Sri Lanka and Nicaragua, a committee is in charge of the management of funds: the School Purchasing Committee (SPC) for the former and the LSC, mentioned before, for the latter.

In Sri Lanka, this SPC is composed of three members (the principal, deputy principal, and senior teacher) and the Zonal Director should approve the membership. In Nicaragua, once autonomy approved for one school by the MED, training on the management of funds is supposed to start for new LSC members and school staff. Ministry staff is in charge of conducting training sessions throughout the country. In Ghana, it appears that the management of funds relies greatly on one actor, the head teacher. When funds are needed for an activity in Ghana, the person responsible for it appeals to the head teacher to apply for funds through a request form. The cash equivalent for that activity is then withdrawn from the bank, an advance form is completed, and the cash is given to the teacher requesting that it be used for the purpose indicated on the request form.

In Lesotho, the situation is similar as the management of grants is mainly done by the principal. While in Ghana the head teacher is officially responsible for this task, in Lesotho such a responsibility is officially handled by the Management Committee. However, the field study revealed that the principal is often the one in charge of it as he/she is generally more competent for such a task. In a context where no one is trained in financial management, it can be considered normal that the principals undertake this work because they are the most qualified in general terms. It can however easily lead to mismanagement in case of incompetence of the person in charge, or it can even become an obstacle to transparency.



### **C. Use of Grant**

The arrival of funds at the school level does not automatically imply that these funds will be used for the benefit of the pupils and lead to better school quality and improved school functioning. The examination of the actual use of the school grants will allow determining if these funds are used for inputs or activities which are known to have an impact on quality or if they are used more for the immediate benefit of teachers or of students. In the countries studied, two main uses of the grant can be pointed out: for maintenance and for learning and teaching materials.

The case of Lesotho is the most evident as the grant is called a 'utility grant'. The grant should strictly be used for maintenance purposes and for water and electricity bills. However, the field study showed that the utility grant was often used for transportation and at times for school materials.

In Indonesia, the use of funds is not strictly guided but the research revealed that, in many cases, funds were used for the physical improvement of school buildings rather than for pedagogical materials. In Sri Lanka, grants are used for both maintenance and school materials. The use of grants is indeed strictly guided by the Guidelines; schools must allocate 60% for consumables and 40% for repair and maintenance. Nevertheless, it appears from the research that two main factors impeded the spending of the totality of the grants. Firstly, teacher training relating to the use of EQI was not sufficient. Secondly, the guidelines were so detailed and complex that they became a real constraint to the understanding of EQI and therefore to spending. As a consequence, schools were able to spend an average of only 80% of the funds made available to them.

However, the research showed that in each of these countries training is not always efficient for three main reasons. Firstly, training sessions are rarely provided to every person in charge of funds management. Secondly, when provided, such training is usually given once or a very few times in a school actor's career. Training should thus be more continuous, as oftentimes school actors' deal with financial management for the first time.

Indonesia, the skills of trainers and their knowledge of the programmers declined as the training cascaded down from level to level. As a consequence, the training was least efficient at the school level, where the need for a clear understanding of the programmers was the greatest. This revealed good experience for Ethiopia to train actors of school grant on each

level from federal to the grass root level (schools and ABE centers). By this it can be said all schools have been able to be trained how to implement the school grant program in their respective schools.

#### **D. Control of grants**

The transfer of grants to schools has generally been accompanied by the setting up of control mechanisms. The effectiveness of these mechanisms has an impact on the use of the grants and on their usefulness. Three series of questions may need to be examined here, related respectively to the actors, the tools and the feedback. The actors who have the right to monitor and control can be inside the school, around the school (a school management committee or a parent's teachers association) or at higher levels within the administration. The tools could be simple financial reports or much more detailed audits. A third issue, regularly neglected, concerns the feedback: What information is sent back to the school on the use of the grants, subsequent to monitoring and control, and is this information helpful to improve its use?

##### **i. At the school level**

In countries like Nicaragua, Sri Lanka or Indonesia, the control at the school level is done by a committee: the Local School Committees, mentioned before, in Nicaragua and the School Committee in Indonesia. In Sri Lanka, a specific committee in charge of the control was created: the School Evaluation Committee (SEC). It is composed of four members: a deputy/assistant principal, a senior teacher, a teacher, and a senior prefect.

In Lesotho, if such responsibility should normally be handled by the Management Committee, the field research, however, explained that principals are often the ones in charge of it. Once completed, financial reports are shown to a parents' assembly, making the control of funds more transparent. Similarly, in Ghana, the control of funds is done by one actor: the head teacher. He/she is thus responsible for controlling whether funds are properly used, and in case of failure he/she is sanctioned by the Ghana Education Service (GES) located at the central level.

## **CHAPTER THREE**

### **RESEARCH DESIGN AND METHODOLOGY**

This part of the study deals the methodological aspects of the research, which includes research design, research method, source of data, sample size and sampling techniques, data collecting instruments, data analysis, organization of the study and pilot test of the study.

#### **3.1 Description of Study Area**

The study area was Ilu Aba BorZone. Ilu Aba Bor zone was located in south West of Oromia at the distance of 600KM from Addis Ababa. It was bounded with West Wellega Zone at North, Southern Nations Nationalities and peoples Region at South, Bunno-Bedele Zone at East and Gambella Region and Kelem-Wellega Zone at West. The study area has thirteen Woredas and one administrative town. In the Zone, there were different educational organizations such as Nursing College, one Teacher Training College and one University which serve students from the whole country. There are 19 secondary schools (9-12), 49 secondary school principals, 427 primary schools, 1228 high school teachers and 32,884 students in the Ilu Aba Bor zone education statistics, 2020).

#### **3.2. Research Design**

Research design is the plan of action that links the philosophical assumptions to specific methods (Creswell and Plano Lark 2007). In terms of design, the survey method was employed for efficient to evaluate and determine school grant utilization under existing condition establish against the established standards (Best and Kohn, 1999). From the part of survey design, this study attempts to obtain information to examine and describe the management and utilization of school grant, the researcher was used a cross-sectional descriptive survey design with the belief that this design was suitable to obtain sufficient information on the issue under study from a relatively large number of cases at a particular time. Furthermore, this design was helpful to collect descriptive information directly from the population to employ simple statistical techniques and to facilitate drawing generalization about large population on the basis of the study of representative sample. The design was selected because it could investigate adequately the management and utilization of school grant in secondary schools of Ilu Aba Bor zone.

### **3.3. Research Method**

These study was employed both quantitative and qualitative methods. The quantitative and qualitative methods prefer in order to address more precisely and effectively the management and utilization of school grant in secondary schools. According to Creswell (2009), the use of both quantitative and qualitative methods (mixed methods) better reduces the limitation of a single method. It can also provide comprehensive answers to research questions; going beyond the limitations of a single approach for this research, quantitative research methods adopted to generate data from school directors and Woreda Education Office (WEO) planning experts. Qualitative research method was used to elicit information from school Parent Student Teacher Association (PSTA) chair persons, kebele education and training board(KETB) chair person, and Woreda Office of Finance and Economic Development (WOFED) accountants in order to get their opinions on the management and utilization of school grant in secondary schools.

### **3.4 Sources of Data**

School principals, school Parent Student Teacher Association (PSTA) chair persons, Woreda Education Office (WEO) planning experts and Woreda Office of Finance and Economic Development (WOFED) accountants and representatives of KETB were primary data sources. Documents of allocation and reports of utilization and observation of the fund utilization indicators in the school offices as well as compounds were secondary data sources. The secondary data sources were used to examine how much of the allocated money has been utilized for the necessary purposes and to check whether there were evidences or indicators.

### **3.5 Population, Sampling Size, and Sampling techniques**

It was unmanageable to include all population in study but it would important to come up with the representative samples and generalize findings to the population. Accordingly, simple random sampling technique was used to get the representative samples from the fourteen woredas found in Ilu Aba Bor administrative Zone. The researcher was selected six woredas by using simple random sampling techniques from fourteen woredas. For this study, the researcher was used purposive sampling technique to select the number of school directors, Kebele Education and Training Board (KETB) chair persons', School Parent Student Teacher Association (PSTA) chair persons', Woreda Education Office (WEO) planning experts and Woreda Office of Finance and Economic Development (WOFED) accountants.

There were fourteen woredas in Ilu AbaBor zone. From the total of fourteen woredas; six woredas was selected by using simple random sampling technique (lottery method). Because simple random sampling was a chance sampling where each and every item in the population has an equal chance of inclusion in the sample and each one of the possible samples, in case of finite universe, has the same probability of being selected. The selected woreda were includes Doreni, Halu, Hurumu, Mettu, Nopa and Yayo. There were 15(fifteen) secondary schools in these six woredas. From these fifteen secondary schools, ten secondary schools were selected by using simple random sampling technique. These schools includes Elemo, werebo, Hurumu, Nopha, Metu, Abdibori, Uka, Sombo, YayoAyidia Tia and Odadogi.

**Table 3.1- The distribution of secondary schools in each sample woreda.**

R. N	Name of woredas	Numbers of secondary schools in the sample woredas	Numbers of sample secondary school from the woredas
1	Doreni	3	2
2	Halu	1	1
3	Hurumu	2	1
4	Mettu	3	2
5	Yayo	4	3
6	Nopa	2	1
	Total	15	10

**Table3. 2- Summary of population sample size and sampling techniques**

R. N	Participants	Secondary schools		
		Target population	Sample size	Sampling techniques
1	Woreda	14	6	Simple random
2	Schools	15	10	Simple random
3	School directors	15	10	Purposively
4	PSTA	15	10	Purposively
5	KETB	15	10	Purposively
6	WEO planning expert	6	6	Purposively
7	WOFED SG Expert	6	6	Purposively
8	WOFED accountant expert	6	6	Purposively

With respect to School, directors from the sample woredas was ten secondary School directors would selected by purposive sampling technique. Selecting secondary school directors by purposive sampling would great benefit for the research findings. Because, these respondents were the core to raise the issues of school grant management and they have deep information regarding to some factors that affect the utilization of school grant.

### **3.6 Data Gathering Tools**

The data collection tools that used in this study was questionnaires, interview, and relevant documents analysis including minutes, model 19 and model 22, financial reports like auditing and expenditure report, income and expenditure records.

#### **I. Questionnaire**

The process of data collection was mainly through questionnaire because of its suitability for survey study that had large size of respondents (Tadewos, 2014). Besides, it is important to get valuable data from large number of respondents in a relatively shorter time with reasonable cost.

The questionnaire was organized into two main parts. The first part intended to collect demographic data of respondents eliciting the following characteristics: age, sex, educational qualification, occupational status or years of teaching experience. The second part contains closed-

ended question items intended to answer the basic research questions. The closed ended questions were consists of two main parts. The first section was meant to get necessary data from school principal and consists of six sub-heading with 30 questions. The second part of closed ended questions meant to get necessary data from woreda education office planning expert and consists of five sub-heading with 20 questions.

## **II. Interview Guide**

An interview was the verbal questions asked by the interviewer and verbal responses provided by the interviewee (Gall et al., 2007). For this study, semi-structured interview questions were prepared in English Language and conducted to WOFED accountant and school grant expert and PSTA and KETB chairpersons. An interview that conducts PSTA and KETB translated to Afan Oromo for more understand by them. The reason using semi-structured interview was its advantage of flexibility in which new questions would forward during the interview based on the responses of the interviewee. The purpose of the interview was to get evidences and to gather more information that may not easily held by the questionnaires.

## **III. Document Review**

In addition to questionnaire and interview, the researcher was the document as secondary sources of data collection and the document analysis use to enrich the information about the issue under study. Document pertaining revenue, expenditure, auditing reports, accounting books, handling and utilization system of school grant fund from 2011-2013 E.C, because document review helps to evaluate and compare the standard set with actual performance and to triangulate the data collected by using the other tools.

### **3.7. Procedures of Data collection**

The researcher was took a letter of authorization from Jimma University and take the letter to the Zonal education office and then to the woreda. Finally after getting acceptance the researcher were go to the sampled schools and then the researcher was communicate the objectives of the study to school administration and after getting permission from the school, the researcher was started collecting data.

### **3. 8 .Validity and Reliability Test**

In order to check the validity and reliability of the research instruments, pilot test was done.

Before the administration of the questionnaire to the actual participants in the study, the organized tools were amending through a pilot test. Pilot test is used to check the relevance, clarity and chance of ambiguity of each item in the questionnaire (Lodico, et, al.2006).

With this regard Cohen, Manion and Morrison (2007) indicated that “validity concerns the extent to which the test what it is supposed to test.” Accordingly, in this study the content validity of the questionnaire was examined. Hence, the researcher first ensured that the questionnaire was based on related literature and items reflect representative themes. Then, the questionnaires were given to the research advisor and two other experienced teachers for their comments. Based on their comments and suggestions some words in some items were revised in the way they measure the intended theme, misplaced items were put under their proper theme, no comment was given on the format and some grammatical errors were deleted because of repetition while others were added to better.

Reliability on the other hand concerns the degree of confidence that can be placed in the results and the data, which is often a matter of statistical calculation and subsequent test redesigning. In checking the reliability of the questionnaires of this research various factors were given consideration. These were the time given to complete the stated items, the conditions in which respondents provide answer and the way the researcher administered the questionnaires. Most importantly, the reliability of different items of the questionnaires was checked by the help of Cronbach’s alpha (Coefficient alpha) calculated through SPSS version 25.



The overall result of the reliability test of the instruments was presented in the following table.

**Table 3.3: Reliability Tests of the Questionnaires**

	<b>Reliability</b>	<b>Consistency</b>	
1.	>0.90	Excellent	
2.	• 0.80-0.89	Good	
3.	• 0.70 - 0.79	Acceptable	
4.	• 0.60- 0.69	Questionable	
5.	• 0.50 – 0.59	Poor	
6.	• < 0.50	Unacceptable	
<b>No</b>	<b>Major question</b>	<b>Number of items</b>	<b>Cronbach's Alpha</b>
1	Items related to degree of effectiveness of school grant budget utilizing	4	0.863
2	The current practice of managing school grant	4	0.759
3	The practice of Auditing, Monitoring, and Capacity Building in School	5	0.971
4	Challenges of School grant Implementation	9	0.876
<i>Mean reliability coefficient</i>			<b>0.8673*</b>

\*Indicate that the *mean reliability coefficient is significant (reliable, good)*

According to Bryman and Cramer (1990: 71), suggestion if the average values of the Cronach's alpha Coefficient is >0.80 then the internal consistency of the instruments is good/ reliable. Thus, from the result of the above table, it was possible to see that the instrument used for this study were good/ reliable with an average Cronbach's alpha of **0.8673**. Hence, pilot test were conduct in Bure secondary school, one of the secondary school in Bure Woreda, which was not included in the sample Woredas and Bure woreda education office planning expert. To this end, the questionnaires were distributed to one school directors, two vice directors, one WEO planning experts were involved in the pilot test. After the respondents were fill and returned the questionnaire, based on the feedbacks obtained, the necessary modifications was make on some confusion items rectified. The modified questionnaire was retyped and duplicate. Then, the questionnaires administered face-to-face by the researcher to the sampled respondents.

### **3.9. Methods of Data Analysis and Interpretation**

For this specific study, based on the types of data gathered and the instrument used, both quantitative and qualitative techniques of data analysis were employing. To get the collected data ready for analysis, the questionnaires were checked for completion, classified and then encoded by the researcher. The frequency counts and percentages was use to analyze the background information of their respondents; whereas the quantitative data obtained in relation to main questions of the study would analyzed by using mean scores with standard deviation. The scores of each item was statistically organized and imported into Statistical Package for Social Sciences (SPSS) to obtain frequency count, percentage, and mean value. On the other hand, qualitative data were analyzed through text description and narration methods. Finally, the data obtained from the interview sessions and document analysis presented and analyzed qualitatively to substantiate the data collected through the questionnaires and to validate the findings of the study.

### **3.10 Ethical Consideration**

Research ethics refers to the type of agreement that the researcher enters into with his/ her respondents. Ethical considerations play a role in all research studies, there for the researcher was go to the study area with the letter of entry which was prepared by Jimma University, College of Education and Behavioral science, Department of Educational Planning and Management to Ilubabor Zone Education department office. After the researcher had obtained letter of entry from the zone and explain the objectives of the study. Then, the study was conduct after getting permission from the selected sample of secondary schools in the zone. Any communication with the concerned bodies would accomplished at their voluntarily agreement without harming and threatening the personal and institutional wellbeing. The respondents was informing of the duration of the study as well as confidentiality of information obtained and anonymity of their identity. According to Best and Khan, (1999) involving participants in a research work, it was important considering the ethical principles lay down and the names of respondents and the collected data were securely kept under the researcher's safe.

## CHAPTER FOUR

### PRESENTATION, ANALYSIS AND INTERPRETATION OF DATA

This chapter deals with the presentation and analysis of data gathered through questionnaires, interviews and document review. The first section reports on the background characteristics of the study participants. The second section presents the analysis of data that make up the central part of the study. The qualitative data which were obtained from open-ended items of questionnaire, interviews, and document review was triangulated with that of quantitative data under this chapter.

#### 4.1 Characteristics of respondents

**Table: 4 1: Background of the Respondents (N=48)**

Respondents' background		Number of respondents	% of the respondents
Sex	Male	41	85
	Female	7	15
	21-30	8	17
	31-40	30	62
	41-50	9	19
	Above 50	1	2
Education level	Diploma	10	21
	Degree	15	31
	MA	11	23
	Below diploma	12	25
Service year (work experience)	Below 5	11	23
	6-10	10	21
	11-20	15	31
	21-30	10	21
	Above 30	2	4

Table 4.1 shows the sex, age, education level and work experience of respondents. Forty one male and seven female school principals participated in giving response to the questionnaire. The disparity in sex didn't bring any change in the response. Because the questions did not differentiate male and female; the intention of the questionnaire was assessing the work only. When the age was also seen, among the total respondents 8 (17%) of them were 21-30 years old, 30(62%) of them were 31-40 years old. The rest 9(19%) and 1(2%) of the respondents were 41-50 and above 50 years old respectively. The total age level of the respondents was above 20 years old. These data show that the respondents were mature

enough and they were expected to take responsibility to give relevant information about what they were asked.

When the education level and work experience of the participants of the questionnaire were observed, it could be said that their education level was diploma and above which accounts for 75% of the total population. Only 12(25%) was below diploma. As the table shows their work experience, 11(23%) was serve below 5 years, 10(21%) of the respondents have served for 6-30 years. 15 (31%) respondents were serve from 11-20 years old. 10 respondents (21%) of the total population have served for 21-30 and the rest. So, they were experienced in the education system to offer the necessary information to develop this study. Generally speaking the overall background of the respondents was relevant to give relevant response for what were presented in the questionnaire and an interview.

#### **4.2 Analysis and Interpretation of Data**

Under this section questions grouped into sub headings depending on type of information sought to be discussed depending on the opinion of respondents captured by questionnaire rated to confirm their level of agreement on the agenda.

With regard to these basic question views of school principals, WOE expert, KETB and PSTA members captured through questionnaire including open ended question as well as opinions of officials from WEO, WOFED to supported with the qualitative data gained via checklist, guiding interview questions, and document analysis were discussed below.

#### **Degree of Effectiveness of School grant Budget Utilization**

To assess the effectiveness of school grant budget utilization in government secondary schools some questions were posed for school principal to check how school grant was efficient and held accountability and transparency while utilizing school grant. Accordingly, the opinion of respondents' agreement regarding and level of effectiveness of utilizing school grant incorporated as follows.

**Key:** VL= very low, L= low, M= medium, H= high, VH= very high

**Table: 4.2: Degree of Effectiveness of School grant Budget Utilization (N=10)**

No	Item	Statics	Respondent					mean	SD
			VL	L	M	H	VH		
1.	Utilizing approved budget according to plan	F	-	-	8	2	-	3.2	.421
		%	-	-	80	20	-		
1.2	Utilizing allocated school grant budget for its intended purpose	F	2	6	2	-	-	2	.666
		%	20	60	20	-	-		
1.3	Spending school grant by financial rules and Regulations	F	3	1	5	1	-	2.4	1.04
		%	30	10	50	10			
1.4	Timely submission of financial report	F	-	7	3	-	-	2.3	.48
		%	-	70	30	-	-		

Table 4.2 shows that questionnaire related with degree of effectiveness of school grant budget utilization. To this regard, the first question (statement) describes “utilizing approved budget according to plan”. For this regard 8(80%) respond medium, 2(20%) of respondents highly agree on the issue. The calculated mean and SD shows 3.2 and .421 respectively. This result shows that they don’t as such problem with regarding utilizing approved budget according to plan.

The second item was related with “utilizing allocated budget for its intended purpose”. For this regard the respondents were respond 2(20%) respond very low, 6(60%) respond low, 2(20%) respond medium on the issue raised. The calculated mean and SD was show that 2 and .666 respectively. From these result it was possible to say that there was a problem with utilizing allocated school grant budget for its intended purpose (quality education).

The third item was “spending school grant by financial rules and regulations”. With this regard 3(30%) respond very low, 1(10%) respond low 5(50%) respond medium and 1(10%) respond highly agree. The calculated mean and SD was show that 2.4 and 1.04 respectively. These calculated result show that there was a problem with related to spending school grant by financial rules and Regulations.

The fourth item was related with “timely submission of financial report”. For this item 7(70%) respond low, 3(30%) respond medium. The calculated mean and SD was 2.3 and .48

respectively. This indicated that there was a problem with regarding timely submission of school grant utilization report.

As shown on table 4.2 above, regarding the effectiveness of school grant utilization, there were a problem of utilizing the budget according to SGG guide line. These were underlined with that of the calculated mean.

An interview response from WOFED accountants and SG expert also have confirmed saying that, there were a problem of utilizing the budget for all intended purpose (quality education) in many schools because of the schools only depends on SG budget. Government support (block Grant) and other community support was not as intended one. There for the school rather use the budget for only stationary and maintenance repeatedly of the years. Also from the secondary data (document analysis) of the secondary school SG document these problem was shown from the researcher observation.

**Table: 4.3: Current Practice of Managing School grants**

No	Item	Statis cs	Respondents					Mean	SD
			VL	L	M	H	VH		
2.1	Use of school grant according to priority of the needs of school	F	-	6	4	-	-	2.4	.52
		%	-	60	40	-	-		
2.2	Report/Announce/ the amount of school grant to concerned body	F	-	6	4	-	-	2.4	.52
		%	-	60	40	-	-		
2.3	Use of legal document when using school grant	F	1	5	4	-	-	2.3	.67 5
		%	10	50	40	-	-		
2.4	Use of school grant by following the legal ground	F	-	5	5	-	-	2.5	.52 7
		%	-	50	50	-	-		

Table 4.3 shows that the questionnaire related with the practice of managing school grants. To this regard the first question was that the “the use of school grant according to priority of the needs of school. For this item 6(60%) of respondents were respond low, 4(40%) of respondents were respond medium. The average mean and SD shows that 2.4 and .52 respectively. These result indicated that there were the problem of prioritizing according to the objectives of SG.

The second item was related with “Report/announce/ the amount of school grant budgeted for the concerned body. The respondents respond for this item was about 6(60%) respond low, were as about 4(40%) were respond medium. From the calculated result 2.4 and .52 mean and

SD was resulted respectively. These shows there were a problem with reporting/announcing/ the amount of money for all of the concerned body.

The third item of table 4.3 was related with “use of legal document when using school grant. For this questionnaire 1(10%) of respondents were respond very low, about 5(50%) of respondents were respond low and the remaining 4(40%) were respond highly agree with item raised. The average mean and SD shows that 2.3 and .675 respectively. These results were shows that there was a problem of using legal document while using/managing/ school grant.

The fourth item of questionnaire was related with “use of school grant by following the legal ground. This item was related with the third item. 5(50%) of respondents were respond low, and 5(50%) were respond medium respectively. The calculated result of mean and SD shows 2.5 and .527 resulted. These calculated result shows that 50% of stake holders were use legal document through experience and were as the remaining 50% cannot use legal document.

From table 4.3, current practice of managing school grant, the result gained from questionnaire (closed ended) and an interview (open ended questionnaire) there were a problem of managing the budget accordingly. These was concluded from the result of calculated mean and from an interview response of PSTA and KETB, they said that the problem related with management of the SG budget was that in school level this budget were managed by un trained committee.

**Table: 4.4: The practice of Auditing, Monitoring, and Capacity Building in School**

No	Item	Statistics	Respondents					Mean	SD
			V L	L	M	H	VH		
3.1	The principal follow-up and controls school grant.	FS	-	8	2	-	-	2.2	.422
		%	-	80	20	-	-		
3.2	External auditing offer timely professional support to schools.	F	2	8	-	-	-	1.8	.422
		%	20	80	-	-	-		
3.3	Timely follow-up, monitor, control & feedback by external audit	F	1	8	1	-	-	2	.471
		%	10	80	10	-	-		
3.4	Adequate provision of training by woreda finance & economic development office to school accountant Internal audit & principal	F	-	9	1	-	-	2.1	.316
		%	-	90	10	-	-		
3.5	The stakeholders (PSTA and KETB) get relevant training on financial control and utilization in the school.	F	1	8	-	-	1	2.2	1.03
		%	10	80	-	-	10		

Table 4.4 shows that the questionnaire related with practice of auditing, monitoring, and capacity building in school. To this regard item 1 of table 4.4 point out that 8(80%) of respondents replay low which mean the principal cannot follow up and control school grant. Whereas the only 2(20 %) of respondents were respond medium. Also the amount of calculated mean and SD 2.2 and .422 shows that the principal cannot follow and control school grant budget.

Regarding the external auditing offer timely professional support to school, response obtained via questionnaire (table 4.4: item 2) was shows 2(20%) of respondents respond very low, whereas about 8(80%) of respondents respond low. The result showed from the grand mean and SD 1.8 and .422 respectively. The result indicates that there no timely auditing and offering professional support from external body.

As shown on table 4.4: item 3 above, 1(10%) of them respond very low, 8(80%) of them respond low, where was the only 1(10 %/) of them were respond medium. The calculated mean and SD were 2 and .471. These result shows that there was a problem related with timely follow-up, monitor, control & feedback by external audit.



From an interview with those WOFED experts they said that we do have problem concerning capacity building for those implementers of SG budget in school level and timely monitoring and auditing, these were because, we do not have planned budget from our office to do so. Also from an interview with PSTAs they said that we do not have an experience (skills) to overcome those monitoring and auditing(internal) activities of SG budget utilization in school level.

Item 4 of table 4.4 point out that 9(90%) of respondents respond low and 1(10%) of respondents replay medium. The calculated mean and SD was 2.1 and .316 respectively. These result shows that there was a problem with regarding adequate provision of training by woreda finance & economic development office to school accountant internal audit & principal.

Table 4.4 of item 5 shows 1(10%) of respondents replay very low, 8(80%) of respondents respond low, whereas, 1(10%) only respond very high for the question rose under. The result from calculation shows 2.2 mean and 1.03 SD respectively. The result under this item indicates that there was unskilled stack holders of school grant committees in secondary schools of Ilu Aba Bor zone.

Table 4.4, the practice of auditing, monitoring, and capacity building in school, above shows the result that the current practice of auditing, monitoring and capacity building concerning SG were in problem.

These were concluded from the result of mean and from the interview respondents respond they said that they can't participate on budget preparation. Why they don't have the training concerning the budget. There for they were in problem to control and audit the budget.

**Table: 4.5: Causes for Ineffective of School grant Budget Utilization**

No	Item	Stat ics	Respondents					Mean	SD
			VL	L	M	H	VH		
4.1	Principal is over loaded in accomplishment of many activities	F	-	1	1	7	1	3.8	.788
		%	-	10	10	70	10		
4.2	Principal lacks the skill to manage the budget	F	1	6	3	-	-	2.2	.632
		%	10	0	30	-	-		
4.3	Lack of commitment of financial workers	F	-	-	8	1	1	3.3	.675
		%	-	-	80	10	10		
4.4	Lack of commitment of school committee	F	1	5	4	-	-	2.3	.675
		%	10	50	40	-	-		
4.5	Untimely disbursement of budget to school	F	3	6	1	-	-	1.8	.632
		%	30	60	10	-	-		
4.6	Absence of transparency in school.	F	-	3	7	-	-	2.7	.483
		%	-	30	70	-	-		
4.7	Illegal purchase of goods & materials	F	1	9	-	-	-	1.9	.316
		%	10	90	-	-	-		
4.8	The school lacks needs' prioritization	F	-	1	5	4	-	3.3	.675
		%	-	10	50	40	-		
4.9	Mismatch b/n the amount of allocated budget & the need of the school	F	-	-	-	4	6	4.6	.516
		%	-	-	-	40	60		

As it was perceived from table 4.5 item 1 with regarding “principal accomplishment” 1(10%) respondents replay that low, medium, and very high each respectively. Whereas the rest 7(70%) respondents respond highly agree with the question raised under. The calculated mean and SD was 3.8 and .788 respectively, which indicates the principal was over loaded in accomplishment of many activities.

Under table 4.5 of item 2, concerning question say, Principal lacks the skill to manage the SG budget, 3(30%) respondents were respond medium, which mean half of principals do have skills to manage the budget, 1(10%) were respondent was respond very low and also 6(60%) respondents was respond low, the calculated mean and SD were 2.2 and .632, which mean principals do have skills to manage the budget.

Item 3 of table 4.5, concerning lack of commitment of financial worker, 8(80%) of respondents were respond medium, 1(10%) respondent were respond high and the rest 1(10%) was respond very. The result of calculated mean and SD were 3.3 and .675

respectively. The result shows financial workers have lack of commitments concerning SG budget utilization.

Item4, 5 and 7 point out that from the calculated mean and SD, there were no problem related with principal skill to manage the budget, commitment of school committee, timely disbursement of the SG budget, and purchase of goods and materials.

Table 4.5: item3, 6, 8 and 9 point out that there were a problem related with financial school committee, transparency, school need prioritization, and the amount of budget allocated and the needs of the school respectively from the calculated mean and SD results.

From table 4.5, concerning causes (challenges) of SG, there were a number of challenges. These challenges were lack of commitment of school committee, lack of financially trained stake holders, mismatch between SG budget and school needs and the like.

Also from the response an interview with PSTA and KETB concerning the material purchased and challenges of SG budget implementation they said that there were no illegality of materials purchased, but, there were quality problems of materials supplied by stationeries and also they said that there were a number of challenges that made SG ineffective in the schools. Some of them they called were: lack of giving short term training for those implementers of SG budget in school level, timely follow up of the WOFED experts and mismatch between SG budgets allocated and schools need and the like.

**Table: 4.6: Presence of Human Skill on Finance Position in Schools**

No	Item	Statics	Respondents					Mean	SD
			VL	L	M	H	VH		
5.1	My School has accountants, treasury to manage school finance in good manner	F	1	6	3	-	-	2.2	.632
		%	10	60	30	-	-		
5.2	My School has personnel trained financial management in school.	F	4	4	1	1	-	1.9	.994
		%	40	40	10	10	-		

Table 4.6, item 1 point out that 1(10%) of respondents replay very low, 6(60%) of respondents were respond low, and the rest 3(30%) of respondents were respond medium. The calculated mean and SD were 2.2 and .632 respectively. These result points out that many schools cannot have trained accountant and treasury to manage school finance.

Item 2 of table 4.6 point out that 4(40%), 6(60%), 3(30%) of respondents were respond very low, low and medium respectively. The calculated mean of this item were 1.9 and .994, which indicates many schools cannot have financially trained personnel.

Table 4.6, both items, and the result from mean indicates that there were a problem with regarding financially skilled man power in the schools

**Table: 4.7: Transparency at Budget Utilization in Schools**

No	Item	Stat ics	Respondents					Mean	SD
			VL	L	M	H	VH		
6.1	My school follow the necessary financial rules and guidelines	F	-	7	3	-	-	2.3	.483
		%	-	70	30	-	-		
6.2	Financial information is accessible and available to school community	F	1	7	2	-	-	2.1	.567
		%	10	70	20	-	-		
6.3	My School give financial report to concerning bodies at any time	F	-	6	4	-	-	2.4	.52
		%	-	60	40	-	-		
6.4	My School give clearly & publicly displayed funds on board	F	-	7	3	-	-	2.3	.483
		%	-	70	30	-	-		
6.5	My School give awareness of number of accomplished activities	F	-	1	9	-	-	2.9	.316
		%	-	10	90	-	-		
6.6	Timely submission of quarterly and annual financial performance reports of the school is evaluated	F	-	3	6	1	-	2.4	.52
		%	-	30	60	10	-		

Table 4.7 regarding transparency at budget utilization, item 1 point out 7(70%) of respondents replay low, 3(30%) of respondents respond medium. The calculated mean and SD shows the result 2.3 and 0.483 respectively, which implies that there was problems regarding follow up of the financial rules and regulation.

Table 4.7, item 2 point out that 1(10%) of respondents replay very low, 7(70%) of respondents were respond low, and the rest 2(20%) of respondents were respond medium. The calculated mean and SD were 2.1 and 0.567 respectively. These result points out that in many schools financial information was not accessible and available to school community.

Table 4.7 regarding transparency at budget utilization, item 3 point out 6(60%) of respondents replay low, 4(40%) of respondents respond medium. The calculated mean and SD shows the result 2.4 and 0.52 respectively, which implies that there was a problem with regarding giving financial report at any time for the concerned body.

Item 4 of table 4.7 point out that 7(70%) of respondents respond low and 3(10%) of respondents replay medium. The calculated mean and SD was 2.3 and .483 respectively. These result shows that there was a problem with regarding giving clearly & publicly displayed funds on board.

Table 4.7 regarding transparency at budget utilization, item 5 point out 1(10%) of respondents replay low, 9(90%) of respondents respond medium. The calculated mean and SD shows the result 2.8 and 0.632 which implies that there were not as such problems with regarding awareness of accomplished activities.

Table 4.7 regarding transparency at budget utilization, item 6 point out 3(30%) of respondents replay low, 6(60%) of respondents respond medium, whereas the left 1(10%) of respondents respond high. The calculated mean and SD shows the result 2.4 and 0.496 which implies that there was a problem with the timely submission of quarterly and annual financial performance reports of the school and evaluation.

### **Questionnaire Filled by Woreda Office of Education Planning Experts**

One of the stake holder regarding school grant management and utilization was WOE planning expert. Because these personnel were responsible and accountable one with regarding the management and utilization of school grant in line with school grant guide line. Accordingly, the following questionnaires were filled by the WOE planning expert.

**Key:** VL= very low, L= low, M= medium, H= high, VH= very high, N= number of respondents, SD = standard division

**Table 4.8: The School Stake Holder Awareness on the School Grant Budget (N=6)**

No	Item	Stati cs	Respondents					Mean	SD
			VL	L	M	H	VH		
1.1	The status of principal awareness on school Grant	F	-	-	4	2	-	3.33	.52
1.2	The level of PSTA members' awareness in the woreda	F	-	3	3	-	-	2.5	.55
1.3	The status of WOE expert awareness on school grant	F	-	2	4	-	-	2.66	.52
1.4	The status of KETB on School Grant in the woreda secondary school	F	2	4	-	-	-	1.66	.52

Table 4.8 regarding transparency at budget utilization, item 1 point out 4 of respondents replay medium, 2 of respondents respond high. The grand mean and SD shows the result 3.33 and 0.52 which implies that there was no problem with regarding the status of principal awareness on school grant.

Item 2 of table 4.8 point out that 3 of respondents respond low and 3 of respondents replay medium. The calculated mean and SD was 2.5 and 0.55 respectively. These result shows that there was not as such problem with regarding the level of Parent student teacher association (PSTA) members' awareness in the sampled woreda.

Item 3 of table 4.8 point out that 2 of respondents respond low and 4 of respondents replay medium. The calculated mean and SD was 2.66 and 0.52 respectively. These result shows that there was not as such problem with regarding the level of the status of WOE expert awareness on school grant.

Table 4.8 regarding transparency at budget utilization, item 4 point out 2 of respondents replay very low, 4 of respondents respond low. The grand mean and SD shows the result 1.66 and 0.53 which implies that there was deep problem with regarding the status of KETB on School grant in the woreda secondary school.

Regarding table 4.8, the school stake holder awareness on the school grant, there were no as such problem from the calculated mean and the an interview with that of the WOFED, WOE , KETB and PAST stake holders with concerning awareness of the SG budget.

**Table: 4.9: Utilization of School grant**

No	Item	Stat ics	Respondents					Mean	SD
			VL	L	M	H	VH		
2.1	How far is the grant directly used for the school Improvement Program(SIP)	F	-	-	4	2	-	3.33	.52
2.2	How far the amount of money allocated for maintenance is fully utilize accordingly	F	-	-	2	4	-	3.66	.52

Table 4.9 regarding transparency at budget utilization, item 1 point out 4 of respondents replay medium, 2 of respondents respond high. The grand mean and SD shows the result 3.33 and 0.52 which implies that there was no problem with regarding with utilization of school grant for SIP.

Item 3 of table 4.9 point out that 2 of respondents were respond medium and 4 of respondents were replay high. The calculated mean and SD was 3.66 and 0.52 respectively. These result shows that there was not as such problem with regarding the amount of money allocated for maintenance is fully utilize accordingly.

**Table: 4.10: Changes in School after School grant was Released**

No	Item	Stat ics	Respondents					Mean	SD
			VL	L	M	H	VH		
3.1	The status of students' achievement(result) since the grant has been released to schools in your woreda secondary school	F	-	4	2	-	-	2.33	.52
3.2	The status of students' enrollment from class to class in your woreda secondary school?	F	-	-	1	3	2	4.17	.752
3.3	The status of repetition in the same class after the grant was released in the woreda	F	-	-	4	2	-	3.33	.52
3.4	The status of parents' motivation to participate in school affairs	F	2	3	1	-	-	1.83	.752

Table 4.10 regarding transparency at budget utilization, item 1 point out 3 of respondents replay medium, 3 of respondents respond high. The grand mean and SD shows the result 2.33 and 0.52 which implies that there was problem with regarding the status of students' achievement (result) since the grant has been released to schools in your woreda secondary schools.

Item 2 of table 4.10 point out that 1 of respondents respond medium, 3 of respondents replay high and the rest 2 of respondents were respond very high. The calculated mean and SD was 4.17 and 0.752 respectively. These result shows that there was no problem with regarding the status of students' enrollment from class to class in your woreda secondary school.

Table 4.10 regarding transparency at budget utilization, item 3 point out 4 of respondents replay medium, 2 of respondents respond high. The grand mean and SD shows the result 3.33 and 0.52 which implies that there was no problem with regarding the status of students' repetition in the same class after the grant was released.

Table 4.10, item 4 point out that 2 of respondents replay very low, 3 of respondents were respond low, and the rest 1 of respondents were respond medium. The calculated mean and SD were 1.83 and 0.752 respectively. These result points out that in many schools there were a problems with regarding the status of parents' motivation to participate in school affairs.



From an interview the researcher got the problem behind this issue was that after the school grant budget released such like problem were facing he school.

Generally, there were great changes in school with regarding financial budget. These were concluded fro the result of calculated mean and an interview with KETB and PAST members of the school.

**Table: 4.11: The Management of School grant**

No	Item	Stati cs	Respondents					Mean	SD
			VL	L	M	H	VH		
4.1	To what extent getting the grant in cash at school level helped, the schools solve their problems	F	-	-	2	3	1	3.8	.752
4.2	The status of PTAs in managing the school grant fund in line with the SGG	F	-	5	1	-	-	2.17	.408
4.3	The level of the relationship among the WEO, WOFED, and schools in implementing the grant	F	1	4	1	-	-	2	.632
4.4	To what extent is the school grant utilization transparent	F	-	-	3	3	-	3.5	.55

Item 1 of table 4.11 point out that 2 of respondents respond medium, 3 of respondents replay high and the rest 1 of respondents were respond very high. The calculated mean and SD was 3.8 and 0.752 respectively. These result shows there were a great problem among relationship among the WEO, WOFED, and schools in implementing the grant.

Table 4.11, regarding the management of school grant, item 2 point out 5 of respondents replay low, 1 of respondents respond medium. The grand mean and SD shows the result 2.17 and 0.408 which implies that there was problem with regarding the status of PTAs in managing the school grant fund in line with the SGG.

Table 4.11, item 3 point out that 1 of respondents replay very low, 4 of respondents were respond low, and the rest 1 of respondents were respond medium. The calculated mean and

SD were 2 and 0.632 respectively. These result points out that there were a problems with regarding the status of parents' motivation to participate in school affairs.

Table 4.11 regarding the management of school grant, item 4 point out 3 of respondents replay medium, 3 of respondents respond high. The calculated mean and SD shows the result which implies that there was transparency of school grant budget.

**Table: 4.12: Challenges of School grant Implementation**

No	Item	Stat ics	Respondents					Mean	SD
			VL	L	M	H	VH		
5.1	The level of legal competition among the deliverers of the materials to be purchased	F	-	-	3	3	-	3.5	.55
5.2	How far materials are purchased on time?	F	-	1	4	1	-	3	.632
5.3	The status of timely delivery of materials purchased to schools for the educational purposes	F	-	1	3	2	-	3.17	.752
5.4	The level of quality of materials purchased without wastage	F	2	4	-	-	-	1.67	.516
5.5	Mismatch between the amount of allocated budget & the need of the school	F	-	-	3	3	-	3.5	.55
5.6	The stakeholders (PSTA and KETB) get relevant training on financial control and utilization in the school	F	2	4	-	-	-	1.67	.516

Table 4.12 regarding the management of school grant, item 1 point out 3 of respondents replay medium, 3 of respondents respond high. The grand mean and SD shows the result 3.5 and 0.55 which implies that there were no problems concerning timely delivery of materials purchased to schools.

Item 2 of table 4.12 point out that 1 of respondents respond low and 4 of respondents were replay medium and the rest 1 was respond high. The calculated mean and SD was 3 and 0.632 respectively. These result shows that there was not as such problem with regarding timely purchase of materials.

Table 4.12 regarding challenges of the school grant implementation, item 4 point out 2 of respondents replay very low, 4 of respondents respond low. The grand mean and SD shows the result 1.66 and 0.516 which implies that there was deep problem with regarding quality of material purchased.

Table 4.12 regarding challenges of the school grant implementation, item 5 point out 3 of respondents replay medium, 3 of respondents respond high. The grand mean and SD shows the result 3.5 and 0.55 which implies that there were mismatch problems between the amount of allocated budget & the need of the school.

Table 4.12 regarding challenges of the school grant implementation, item 6 point out 2 of respondents replay very low, 4 of respondents respond low. The most of calculated mean and SD shows the result which implies that there were deep problem with regarding relevant training on financial control and utilization for the SG stake holders, specially, for PSTA and KETB.

# CHAPTER FIVE

## SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This chapter consists of three sections the first deals with the summary and major findings of the study. The next part presents conclusions drawn from the findings and the last one presents the forwarded recommendations.

### 5.1 Summary

The research was conducted to assess whether the school grant is managed and utilized according to the School Grant Guideline (SGG). The School Grant is the sub-component of the Ethiopian General Education Quality Improvement Program (GEQIP). It is specifically used to implement the School Improvement Program (SIP) and the study has tried to assess the management and utilization by using different research methods to answer the basic questions. The basic questions were:

- What is the current practice of school grant management and utilization in Ilu Aba Bor secondary schools?
- To what extent schools utilize the fund directly for improving the quality of education?
- To what extent does the school grant utilization are audited and monitored in government secondary schools of Ilu Aba Bor zone?
- What are the challenges of managing and utilizing the school grant fund?

In line with the objectives of the study:

i.e. the legal frame for school grant implementation, financial management, efficiency, accountability and transparency of school grant management and utilization as well as implementation practices and challenges related to school grant utilization. In the course of searching answers for the questions, literatures related to the issue under investigation were reviewed. In this study, descriptive survey method was used by virtue of its suitability to investigate the issue in breadth both quantitatively and qualitatively. Thus data gathering instruments such as questionnaire, interview, and document analysis were employed to obtain the required data. The questionnaire comprised two main sections to be dealt with care of school principals and WOE planning expert, whereas an interview comprised WOFED accountant and SG expert from sampled woredas, and PSTA and KETB members from sampled schools. Accordingly, the questionnaire were filled by 10 school principal from sampled secondary schools, and 6 WOE planning expert from sampled woredas, whereas, an interview done with

6 worked as WOFED accountant and SG expert, and 10 sampled secondary schools PSTA and KETB members.

Finally, depending on the results of analysis made, the following major findings were obtained and summarized as follows.

- School leadership and education officers show that there were problems of utilizing allocated budget for its intended purpose and spending school grant budget by financial rules and regulation (school grant guide line). From the fact that 80% of principal (respondents) confirmed that school grant budget were not utilized for its intended purpose (quality education) in government secondary schools and all of the respondents were agreed that there were problems of timely submission of financial report. These facts show there were problems related to effectively utilization of school grant budget.
- Regarding, current practice of managing school grant, all WOE respondents and 60% of school principal respondents were confirmed that there were problems with status of PSTAs in managing the school grant fund in line with the SGG and also there were problems regarding use of legal document when using school grant. These and mean result shows there were managing problem of school grant budget in school level.
- Towards the practice of auditing, monitoring, and capacity building in school, above shows the result that the current practice of auditing, monitoring and capacity building concerning SG were in problem. These were 90% of respondents from the school and all of school based respondents were concluded that there were problems with regarding timely follow up, monitoring, auditing, and offering timely professional support for the school by external audit and giving relevant training for the school based stakeholders of the school grant budget control and utilization by the WOFED grant expert and WOE planning expert respectively. These facts result in managing problems of the school grant budget in schools level.
- While verifying that concerning challenges of SG budget implementation, all WOE respondents confirmed that there were number of problems concerning quality of materials purchased and untrained stakeholders of the budget in school level respectively. In the same way 60% of school principal respondents realize that there were prioritizing problems of the school need in line with school grant

guide line. Also all respondents confirmed that there were mismatch between the amount of allocated SG budget per number of students in the school and needs of the school and the like challenges that made SG ineffective in the school. But, they realize that there were no problems regarding commitment of school committee, timely disbursement of SG budget, illegal purchase of goods and materials, and timely purchase of materials.

- Concerning the transparency of the budget, 7(70%) respondents affirm that schools cannot follow the necessary financial rules and guide lines and give clear and publicly displayed fund on board. While the rest 30% confirm that more of the school follow the financial rules and guide line and give clear and publicly displayed fund on board. Also 8(80%) of principals affirm that school financial information was inaccessible to school community. But, 90% of respondents confirm that schools give awareness for the others number of accomplished activities.
- Education office respondents were confirmed that school PSTA, principal and WOE planning expert have not awareness problem, but schools KETB chair persons have awareness problem on participating following, monitoring and controlling the school budgetary problems.
- Generally, they affirm that after school grant budget was released for schools there were a great change in school financial problem.

## **5.2 Conclusion**

Since financial resources are indispensable input that trigger organization to make their ambitions come into reality, education sector above all should ascertain that financial resources particularly school grant utilization in government schools is in line with the guideline. In light of major findings of this study, the following conclusions were drawn.

1. Currently the practices of SG budget management and utilization are in problem. These facts resulted from that of the schools PSTAs chair person level of status (skill) to manage and control SG budget by financial rules and regulation. Because, school base implementers of SG budget, specially, those PSTA and KETB chair persons cannot have the skills and experience to manage the SG budget and resulted poor management of SG budget in government secondary schools. Also, the SG guide line seemed not well communicated for SG implementers. As a result of this the government secondary

schools can use the SG budget for the school immediate problems by more focusing on maintenance than students' academic achievement and teachers' professional development.

2. Direct utilization of the SG budget for its intended purposes is under question. Even if the SG budget can solve school budgetary problem, it cannot improve the quality of education (student academic achievement) as much as it intended. These facts were resulted in ineffective utilization of school grant budget and gives the name so called 'Director grant' rather than saying School grant in most sampled schools of the study.
3. The extent of Monitoring and auditing the SG budget in school level were seemed very low. These problems resulted from untrained implementers of SG budget, timely follow up, and offering timely professional support by concerned body and resulted in ineffective utilization of the SG budget.
4. Overall, lower participation of the community in increasing school financial income, quality of materials purchased, prioritizing problems of the school need in line with SG guideline, untrained implementers and mismatch of the SG allocated budget and current needs of the government secondary schools were makes SG budget implementation in vague condition. Also, transparency of SG budget in government secondary schools were under question. These facts resulted from that of not giving clear and not publicly displayed fund on board, inaccessible budgetary information to school community and late financial budgetary reports were the base one.

### **5.3 Recommendations**

The School Grant is a fund gained from development partners to fulfill inputs that are used to enhance quality of education in our country. This scarce resource needs due attention in utilization and management to use it effectively and efficiently.

Based on the major findings of the study and conclusion drawn the following recommendations are suggested.

- ✓ ***Capacity building for resource management:*** Oromia REB in collaboration with BOFED need to build capacity of finance officers at all levels and practitioners from REB, and BOFED, and standing committee of social affairs, ZEO, WEO and Town Education offices, school leaderships and PTSA should be extended so as to get them acquainted about the school grant guideline and budget utilization, technical support, monitoring and maximum

contribution for education goals attainment.

- ✓ ***Update and redistributed the school grant guideline:*** Oromia REB together with Oromia National Regional State and BOFED based on political and financial decentralization has to update and redistribute the school grant guideline to all stakeholders up to grass root level. In this regard things to be considered are: Unit rate per student, Clear legal framework to distinguish mandate of woreda executive bodies and stakeholders, budget codes dedicated to government schools, separate bank account for school grant and internal revenue, cash flow, the timeline of school grant disbursement and Empowerment: government secondary schools' PTSA too.
- ✓ ***Institutional capacity:*** Institutionally schools were better to have human resources like accountants, cashier, and internal audit in their structure in order to facilitate better accounting of school grant. Schools to carry safe and legal financial accounting and property management, have to be provided and use an income and expenditure formats, receipts, and vouchers too. These were managed by woreda level education and finance sectors.
- ✓ ***Building trust through transparency:*** WOFED/Towns should publically notify the school grant budget allocated for each government secondary schools and transfer cash accordingly to their separated account each fiscal year. Also need to develop, communicate and put in action a clear criteria and formula for resource allocation.
- ✓ ***Devising strategy to fill financial gap:*** In order to tackle a problems from which government schools are suffering due to inadequate school grant WOE and CRC supervisors need to assist schools on how to solicit additional fund from different sources in an organized, planned, integrated, transparent manner to fill financial gap particularly by coordinating community contribution and wise use of school grant fund.
- ✓ Finally, the researcher would like to recommend that further researches need to be conducted on the school grant management and utilization in government secondary schools from different angles, in order to substantiate this zonal specific study. To this end, fascinated individuals and organizations are called upon to come up with wide scale and more detailed investigations.



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**Appendix-I**  
**Jimma University**

**Collage of education and behavioral science**

**Department of educational Planning & management**

**Questionnaire to will be filled by school directors’**

The purpose of this study is to collect necessary data for a thesis entitled “**Management and utilization of school grant in Government secondary Schools**”. Your cooperation to offer relevant and essential information is highly important for the success of the study. So, you are kindly requested to complete this questionnaire. Your responses will be kept confidential and will never be used for purposes other than the above mentioned. So, please feel free in forwarding your opinion. Thank you in advance!!

**I. General direction**

1. Please do not write your name in this questionnaire
2. Please, answer every question on the basis of the situation in your school.

**II. Personal Information**

Please give short and brief answers for items requiring completion in the space provided and put “X” in the box representing your choice.

1. Sex:     Male                       Female
2. Service years  
A) 1-5                       B) 6-10                       C) 11-15                       D) 16-20   
E) 21-25                       F) 26-30                       G) 31 or above
3. Responsibility: A) Principal     B) Teacher     C) Supervisor     D) Expert
4. Qualification: A) Certificate     B) Diploma     C) Bachelor degree     D) Master’s degree

**Part II: Please use one of the following Levels to point out your response by Marking (x) against each closed ended item from the given rating scales:**

**Key:- 5=very high 4= high 3= Medium 2= Low 1=Very Low**

N.o	Items	Degree of agreement				
		Very High	High	Medium	Low	Very low
<b>1</b>	<b>Items related to degree of effectiveness of school grant budget utilizing</b>					
1.1	Utilizing approved budget according to plan					
1.2	Utilizing allocated school grant budget for its intended purpose					
1.3	Spending school grant by financial rules and Regulations					
1.4	Timely submission of financial report					
<b>2</b>	<b>The practice of managing school grant</b>					
2.1	Use of school grant according to priority of the needs of school.					
2.2	Report/Announce/ the amount of school grant to concerned body.					
2.3	Use of legal document when using school grant					
2.4	Use of school grant by following the legal ground.					
<b>3</b>	<b>The practice of auditing, monitoring and capacity building in school</b>					
3.1	The principal follow-up and controls school grant.					
3.2	External auditing offer timely professional support to schools.					
3.3	Timely follow-up, monitor, control & feedback by external audit.					
3.4	Adequate provision of training by woreda finance & economic development office to school accountant Internal audit & principal.					
3.5	The stakeholders (PSTA and KETB) get relevant training on financial control and utilization in the school.					
<b>4</b>	<b>Causes for ineffective school grant budget utilization</b>					
4.1	Principal is over loaded in accomplishment of many activities.					
4.2	Principal lacks the skill to manage the budget.					
4.3	Lack of commitment of financial workers					
4.4	Lack of commitment of school committee					
4.5	Untimely disbursement of budget to school					
4.6	Absence of transparency in school.					

4.7	Illegal purchase of goods & materials.					
4.8	The school lacks needs' prioritization.					
4.9	Mismatch b/n the amount of allocated budget & the need of the school					
<b>5</b>	<b>Presence of human skills on finance position in schools</b>					
5.1	My School has accountants, treasury to manage school finance in good manner					
5.2	My School has personnel trained financial management in school.					
<b>6</b>	<b>Transparency at budget utilization in schools</b>					
6.1	My school follow the necessary financial rules and guidelines					
6.2	Financial information is accessible and available to school community					
6.3	My School give financial report to concerning bodies at any time					
6.4	My School give clearly & publicly displayed funds on board					
6.5	My School give awareness of number of accomplished activities					
6.6	Timely submission of quarterly and annual financial performance reports of the school is evaluated.					

**Thank you for your cooperation!!**

**Appendix- II**  
**JIMMA UNIVERSITY**

**COLLEGE OF EDUCATION DEPARTMENT OF EDUCATIONAL  
PLANNING AND MANAGEMENT**

A questionnaire to be fills by **WOE planning expert** to undertake a research on Management and Utilization of School Grant Fund in Oromia National Regional State: The Case of Ilu Aba Bora Zone Primary and secondary Schools

Dear respondents, this questionnaire is presented to you to assess whether the school grant is being utilized to fulfill the requirement of School Improvement Program (SIP) which is one component of the General Education Quality Improvement Project (GEQIP) in Ethiopia. Data collected through this questionnaire is extremely useful to meet the objectives of the study. Therefore, you are kindly request to complete this questionnaire based on your practical knowledge and performance of your respective woreda. Your responses are kept confidential and used for the academic purpose. Giving clear information leads you and the researcher to devise better ways in the undertaking of the program.

General instruction: Make an 'X' in the box given in front of each information.

*Part I: Background information*

1, Woreda \_\_\_\_\_

2. Sex: Male  Female

3. Educational level: Diploma  Degree  MA  other

4. Age: 18-20  21-30  31-40  41-50  above 50

5. Service year: Below 5  6-10  11-20  21-30  above 30

## Part II: Grading (rating) the level of actions

Dear respondent this questionnaire is used to assess whether the school grant is implemented as intended or not. To get the necessary information about this issue please, put an 'X' in the right column under each heading for the statements (ideas) given according to the level of performance of the activities.

Key:

5= Very high, 4= high, 3=medium 2=low and 1=very low

S.N	Items	Level of action				
		5	4	3	2	1
	<b>A. The school Community's Awareness on the School Grant:</b>					
1	The status of principal awareness on the grant					
2	The level of Parent Teacher Association (PTA) members' awareness					
3	The status of WOE expert awareness on school grant					
4	The status of KETB on School Grant					
	<b>B. Utilization of the school grant:</b>					
5	How far is the grant directly used for the School Improvement Program(SIP)					
6	How far the amount of money allocated for maintenance is fully utilized accordingly in your woreda secondary schools					
	<b>C. Changes in schools after school grant was released</b>					
7	The status of students' achievement (result) since the grant has been released to schools					
8	The status of students' enrollment from class to class?					
9	The status of repetition in the same class after the grant was released					
10	The status of parents' motivation to participate in school affairs					
	<b>D. Management of the School Grant</b>					
11	To what extent getting the grant in cash at school level helped the schools solve their problems?					
12	The status of PTAs in managing the school grant fund in line with the SGG					
13	The level of the relationship among the WEO, WOFED and schools in implementing the gran					
14	To what extent is the school grant utilization transparent?					

S.N	Items	Level of action				
		5	4	3	2	1
5	<b>E. Challenges of the school grant implementation:</b>					
5.1	The level of legal competition among the deliverers of the materials to be purchased.					
5.2	How far materials are purchased on time?					
5.3	The status of timely delivery of materials purchased to schools for the educational purposes					
5.4	The level of quality of materials purchased without wastage					
5.5	Mismatch b/n the amount of allocated budget & the need of the school					
5.6	The stakeholders (PSTA and KETB) get relevant training on financial control and utilization in the school					



## **Appendix-III**

### **Jimma University**

**Collage of education and behavioral science**

**Department of educational Planning &management**

**An Interview Guide questions to collect information from WOFED accountant and PSTA chair persons.**

General Information about the Participants:

Sex \_\_\_\_\_ Academic qualification \_\_\_\_\_ service years \_\_\_\_\_

#### **Guiding Questions for Interview**

1. What are the necessary measures to make school grant allocation and utilization more effective in school level?
2. Please tell us on how purchase is carried out for financial plan for necessary materials in secondary schools
3. Is there any key stakeholders (KETB and PSTA) participation in Budget preparation? If yes, in what level?
4. Are there adequate financial skilled man powers in the schools of Woreda? If no, what are the challenges and solution?
5. Is there any monitoring and evaluations (audit) activities of school grant utilization conducted in schools?
6. In your opinion what are the challenges of budget allocation and Utilization in public secondary schools at your Woreda? What are the possible solutions to reduce the problems?

**Thank you for your cooperation!!**

**Appendix IV**  
**Guiding Questions for Document Analysis**

- Does the school have school improvement plan?
- Is the utilization of school grant fund guided by SGG?
- Are there recorded documents that show the grant implementation?
- How much money did schools receive in the last three years?
  - 2011 E.C \_\_\_\_\_
  - 2012 E.C \_\_\_\_\_
  - 2013 E.C \_\_\_\_\_
- The list of activities done by the fund in these three years
  - Buying reference books \_\_\_\_\_
  - Buying laboratory chemicals \_\_\_\_\_
  - Buying stationery \_\_\_\_\_
  - Buying other materials that assist for enhancement of quality of education \_\_\_\_\_
  - Maintenance \_\_\_\_\_