

CAUSES OF MISMANAGEMENT OF SCHOOL FINANCES IN MREWA DISTRICT SECONDARY SCHOOLS.

DR DENIAS MUZENDA:

**PART-TIME LECTURER CURRICULUM AND ARTS EDUCATION: UNIVERSITY
OF ZIMBABWE.**

Abstract

This study sought to find out the challenges faced by school heads in the management of school finances in Mrewa District. The population comprised all the secondary schools in the district. Random sampling was used to come up with a sample of ten (10) schools from where 40 respondents were purposively selected. The study adopted the descriptive survey design and the questionnaire and interview were used as the research instruments for collecting data. The study established that most heads lacked the accounting literacy required for effective management of school finances, and that there was little or no supervision at all from the Ministry of Primary and Secondary Education finance department personnel on financial management issues. The study recommends that there should be capacity building programmes for heads of schools, deputy heads as well as members of the school development committees. The Ministry of Primary and Secondary Education should increase both announced and unannounced visits to schools to monitor the use of finances in the schools.

Key words

Challenges, schools heads, secondary school, school finances, management, district.

Introduction

In Zimbabwe, the management of school finances is governed by Statutory Instrument 87 of (1992) which stipulates the role of key players in the school set-up and the involvement of parents through the school development committees for non-governmental schools and school development associations for government schools (Chikoko, 2008). Management of finances is therefore, one of the key duties of a school head and they are expected to work with the school development committees / associations. According to Ndlovu (2013) the management of finances in many rural schools has been poor and this has significantly affected the quality of education provided by these schools. The number of cases of embezzlement of funds by school heads and misappropriation are quite frightening (Chikowore, 2012). This means that schools in rural areas are deprived of their meager resources due to embezzlement, misappropriation and fraud (Chikoko, 2008). According to Statutory Instrument 1 of 2000 a head who fails to account for school funds faces discharge from service and imminent arrest. As Ndlovu (2013) posits, although some criminal elements amongst the heads are responsible for the misuse of school funds, in the majority of cases, heads fail to account for finances due to lack of financial background and expertise on financial matters. It is within this context that the study sought to investigate the challenges that school heads experience in the process of managing school funds.

Literature Review

Financial management remains a challenge in many schools because most managers lack proper training (Thenga, 2012). According to Mestry (2004) there are many principals and school governing board members who lack the necessary financial knowledge and skills and are placed under tremendous pressure because they are unable to work out practical solutions to problems. In many instances, it has been reported that principals and school governing board members have been subjected to forensic audits due to the mismanagement of funds through misappropriation, fraud, pilfering of cash, theft and improper control of school funds.

Heads of schools or principals play a major role in the management of all school financial activities which involve the collection and disbursement of funds. According to Orlosky (2004) the head / principal is responsible for budgeting, accounting and auditing functions of financial management. In Zimbabwe as Chivore (1995) states, heads of schools serve as ex-officio members of the school development committee and may not chair the meetings of this body and yet Karlson (2002) argues that heads / principals still play a dominant role in meetings and decision-making during school development committee meetings. This is attributed to the heads/ principal's position of power within the school, level of education in contrast to other members from the parents' side as well as first access to information issued from education authorities (Van Wyk, 2004).

Mpofu (2005) argues that the dual nature of the role played by the head of school is controversial and problematic as on the one hand, they are expected to account to the school development committee as accounting officers and on the other, they are accountable to the education department as the employees. As Chivore (1995) observes, in essence, school heads have a remarkable capacity to derail decentralized governance structures by retaining control for themselves or to ensure the success and effectiveness of their structures. The role played by the head of school in their school development committee is pivotal in the sense that they are obliged to liaise with the education department as well as other departments and agencies regarding all matters pertaining to the well-being of the school in the same way that a chief executive officer of a company operates (Mpofu, 2005).

According to Rehman (2002), usually the school head and the finance committee make the projection for the coming year from assumptions based on reliable data of expected incomes, which form the basis for the projected expenditure. School budgets serve as guides to financial planning and programme management to permit orderly operation for a stated period of time and therefore, the basic function of a budget is to serve as an instrument for planning which may be sometimes interrupted or restricted because of insufficient funds or depleted accounts (Jordan, et.al, 2008). As Van, Der (1991) posits, effective control of the school finances would ensure that the needs and objectives of the school are catered for, and the needs of the school would not be realized if the correct budgetary procedures were not followed. As Bisschoff (2007) postulates, it is the duty of the school development committee to keep written records of everything that deal with the money or property of the school.

Control in the financial sense has to do with all the measures that relate to the planning of financial functions. Davies (2009), states that financial control includes drawing up criteria to ensure that the school's resources are mobilized effectively, monitoring and evaluating the schools financial progress and initiating corrective action if needed. Carter and Narssimhan (2006) postulate that monitoring a school's budget is a continuous process that goes on throughout the year and it entails keeping a check on the difference between the planned financial status at any given time and the actual financial status at that time. It involves drawing up a projection for the revenue and spending for the whole year, and identifying positive and negative variances, and checking if resources are mobilized effectively (Carter and Narasimhan, 2006).

An important characteristic of the present approach to education management in general and financial administration specifically, is the emphasis on transparency and information sharing among all stakeholders (Glover 2006). Accountability has become a collective responsibility which should include all stakeholders and as Davis (2009) adds, for the school head, this means that they must deal with funds in a responsible manner and that they are accountable to the

parents, the learners, the community and the Ministry of Education. Monitoring the budget is the continuous process that goes on throughout the year. As Glover (2006) posits, budget monitoring involves keeping a check on the difference between the planned financial status of a school at a given time and the actual financial status at the time and involves checking if resources are mobilized effectively and evaluating and re-organising if and where necessary.

Statement of the problem

Management of school finances is one of the core responsibilities of the school head. School finances have to be managed properly for the school to benefit from them. And yet there is an outcry that school heads are misappropriating funds and in the process disadvantaging the schools particularly the learners.

Research Questions

1. Do schools have functional finance committees?
2. Are school finances audited internally by the school finance committee?
3. Does the finance department in the Ministry of Primary and Secondary Education advise and monitors schools on financial administration?
4. What role does the school development committee play in the administration of finances?
5. What measures need to be put in place to monitor the implementation of finance policies in schools?

Significance of the study

The study's importance stemmed from the fact that it sought to expose the magnitude of challenges faced by school heads in the management of school finances in order to provide accurate information to the Ministry of Primary and Secondary Education, school heads, development partners and the communities on the exact challenges faced by school heads so as to come up with practical strategies and suggestions to ameliorate the situation.

Limitations of the study

The study employed a relatively small sample to make generalizations about the whole of Zimbabwe. The other limitation has to do with the descriptive design that the study used. According to Kumar (2008), the descriptive method lacks predictive power; the researcher may

discover and describe “what is” but is unable to predict “what would be”. The respondents may also give false responses thereby affecting the validity of the findings. This was mitigated by pilot testing the instruments and by triangulation between methods.

Delimitations of the study

The study was delimited to the challenges faced by school heads in the management of school finances in Mrewa District using a sample of 40 respondents made up of heads, deputy heads, senior teachers and school development committee treasurers.

Methodology

The study employed the quantitative methodology and made use of a survey design. As Cohen and Manion (2005) posit, the descriptive survey method looks with intense accuracy at the phenomenon of the moment and then describes precisely what the researcher sees. The 10 selected schools were randomly selected and purposive sampling was employed to select the head, deputy head, one senior teacher and the school development committee treasurer from each of the schools. The questionnaire and the interview were used as the instruments for collecting data.

Data Presentation

Table 1: Composition of respondents by category (N=40).

Category	Frequency	Percentage
Heads	10	25
Deputy heads	10	25
Senior teachers	10	25
Treasurers	10	25
Totals	40	100

Table 1 shows that there was an equal number of heads (25%), deputy heads (25%), senior teachers (25%) and school development treasurers (25%). This was arrived at using purposive sampling as these categories were seen as the most relevant to provide the information sought for the research.

Table 2: Composition of respondents by sex (N=40).

Sex	Frequency	Percentage
Male	26	66
Female	14	34
Totals	40	100

The majority of respondents (66%) were male and females constituted 34% of the sample.

Table 3: Responses to the statement: “The current school development committee is properly constituted” (N=40).

Response Category	Frequency	Percentage
Yes	19	47
No	21	53
Not sure	0	0
Totals	40	100

Table 3 shows that 53% of the respondents indicated that the current school development committees at their schools were illegitimate. Those who said that their school’s development committees were properly constituted were 47% of the respondents.

Table 4: Responses to the statement: “My school has a functional finance committee” (N=40).

Response category	Frequency	Percentage
Yes	10	25
No	30	75
Not sure	0	0
Totals	40	100

The majority of the respondents (75%) indicated that their schools did not have functioning finance committees. Those who stated that their schools had finance committees that were functioning very well were (25%) of the respondents and these are likely to be the 10 heads of schools.

Table 5: Responses to the question: “When did the officers from the accounts department from Ministry of Education visit your school?”

Response Category	Frequency	Percentage
0 – 2 yrs	0	0
3 – 5 yrs	3	8
6 – 8 yrs	2	5
Never	35	87
Totals	40	100

Table 5 reveals that the Ministry of Primary and Secondary Education officers from the accounts department were not visiting schools to monitor and guide the way schools were managing finances.

The researchers conducted interviews with four heads, four deputy heads, four senior teachers and four treasurers from four schools due to proximity to the researchers. The first question from the interview wanted to find out from the respondents whether the school finance committee carried out audits of school accounts. Most of the participants indicated that the finance committee did not exist in their schools. One participant said that *“At the beginning of the year, our head promised to create a finance committee, up to now, this is August, it does not exist”*. Participants indicated that heads made most decisions on financial matters alone and sometimes invited one member of the school development committee to endorse their decisions.

On what they perceived to be the role of the school development committee in the administration of finances in the school, the majority of participants commented that most of the members of the SDC were illiterate on financial matters and thus endorsed what the head planned for the school. One participant for example said, *“...the majority of the members of the school development committee have no formal education, and again have vey little time to spend in the school, thus leaving the head to make decisions alone since he/she is at school and experiences the pressures that require speedy decisions for the benefit of the school”*. It emerged that school development committees were there to perform the ritual of endorsing what the head thought was good for the school. Another participant retorted that *“... in most cases, members of the school development committee are known friends of the head who have been in their positions for many years and some gullible parents think that it is point less to challenge them during elections to choose new SDC leaders...”*. Some participants indicated that where members of the SDC were

enlightened there were endless acrimonious relations with the heads of schools as heads felt challenged in their professional work.

On the way forward, most participants suggested that there should be more involvement of all stakeholders on financial matters of the school. Other participants stated that heads needed some intensive in-service courses on financial management issues particularly the newly promoted heads whose only experience was classroom management. Participants also implored the accounts officers to frequently visit schools to guide heads and SDC members instead of them only featuring when there is a case of mismanagement of funds. As one participant retorted, “... *during the course of time we are told that the Ministry does not have funds to conduct workshops or to carry out visits to provide guidance to heads; but when cases of embezzlement or misappropriation of funds are reported, funds for an entire team from the Ministry to travel across the district suddenly become available.*”

Discussion

In Zimbabwe, the management of school finances is governed by Statutory Instrument 87 of 1992 which stipulates the involvement of school development committees and yet information from the study reveals that most schools have illegitimate individuals masquerading as SDC members. This finding tallies with observations by Karlson (2002) who argues that heads still play a dominant role in meetings and decision-making during school development committee meetings and yet their role should just be in an advisory capacity since the law states that they are just ex-officio members of the SDC. Some heads manipulate the election process of members of the SDC so that they surround themselves with their friends or yes men and women who are recycled year in and year out and the rest of the parents will be totally powerless to stop this behaviour. Van Wyk (2004) aptly puts it when he says, this dominant behaviour by the head is attributed to the head's position of power within the school, his / her level of education in contrast to other members from the parents side as well as first access to information issued from education authorities.

The same situation where the head plays a dominant role affects the school finance committee's operations. Most schools do not have functional finance committees. According to Statutory Instrument 87 of 1992, every school must create a school finance committee chaired by the head and comprised of the head, deputy head, chairperson of the SDC and the vice chairperson of the SDC. This committee is mandated at the beginning of every month to come up with operational budgets for the coming month and review the previous month's expenditure. According to Rehman (2002), the finance committee makes projections for the coming month from assumptions based on reliable data of expected incomes which form the basis for the projected expenditure. It appears that all this work is done by the school head in the exclusion of other

members of the committee. This removes the checks and balances that transparent operations allow for when financial matters are openly shared and discussed. As Chikowore (2012) argues, it comes as no surprise when schools experience the high number of cases of embezzlement of funds by school heads.

Evidence from the study also points to the fact that officers from the accounts department of the Ministry of Primary and Secondary Education were not assisting heads of schools and school development committees with proper guidance on how to manage school finances. As Chikoko (2008) argues, most heads of schools and members of school development committees are not experts on financial management issues and as a result, some heads find themselves discharged from service due to ignorance rather than criminal behaviour. Ndlovu (2013) corroborates this assertion when he states that, although some criminal elements amongst the heads are responsible for the misuse of school funds, in the majority of cases, heads fail to account for findings due to lack of financial background and expertise on financial matters.

Conclusions

Given the background of the above findings, the researcher make the following conclusions:

- Most schools have illegitimate school development committees that exist through the whims and caprices of school heads.
- School heads do not involve school finance committee members in the administration of school finances.
- Ministry of Primary and Secondary Education officers from the accounts department were not providing the necessary guidance to heads and school development committees on legal and operational issues related to finances in schools.

Recommendations

In light of the findings of this study, the researcher would like to make some recommendations:

- The Ministry of Primary and Secondary Education should periodically monitor the way how heads conduct elections to come up with members of school development committees through proper procedures. All school development committees' elections should be supervised by the Ministry of Primary and Secondary Education district officers.
- There is a need to develop a simple user friendly template that would be easily understood by both heads and members of the school development committees. Schools should also be required to submit monthly or termly financial reports to the district education office so that the district can analyse and give feedback to schools.

- The government and education officers should promote community sensitisation and participation on matters of financial management so as to give a sense of school ownership to the community.

Conclusion

Financial management plays a very important role in schools. Proper financial management and accountability enhances the smooth running of schools and also strengthen the performance of pupils.

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