

**GENERATION AND MANAGEMENT OF FUNDS IN PUBLIC SCHOOLS,
A CASE STUDY OF YAA ASANTEWAA GIRLS' SENIOR HIGH SCHOOL**

By

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DECLARATION

I hereby declare that this submission is my own work towards the award of Masters in Business Administration (Finance) and that to the best of my knowledge, it contains no material previously published by another person nor material which has been accepted for the award of any other degree of the University except where due acknowledgement has been made in the text.

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ABSTRACT

The availability of funds in the achievement of an organization's operations has over time been seen as a key issue. However, the generation and subsequently its management cannot be overlooked as funds are never enough to cater for all financial needs of any organization. It is in this direction that this study seeks to look at how public schools generate and manage funds for their activities. The country has over the years experienced scarcity when it comes to finances. This therefore makes disbursement of allocated funds to government sectors inadequate. The need then arises for school authorities to be abreast with the requisite skill and knowledge in financial management in order to manage the little financial resources available towards the achievement of their goals. The aim of the study is to find out the major sources of funds, compare the trend of funds received over a period of five years, how public schools are complying with the financial administration act as well to examine the challenges faced with the generation and management of funds. The study in its analysis stage combined qualitative and quantitative methods by administering questionnaire to key staff members that are concerned with the generation and management of funds for the school. It was revealed in the study that the fact that government subsidies are inadequate is true and thus internally generated funds is the main source of funds with little support from donor pool funds; which are the three sources of funds available to public schools. It was also gathered that compliance with the financial administration act be strengthen as it forms the core of generation and management of funds. The study further revealed that lack of professionalism and not frequently equipping staff concerned with adequate knowledge and skill are some challenges faced with the management of funds. This study therefore recommends that the school's financial policies be strengthened to ensure effective generation and management to achieve maximum benefits in running the schools activities to realize its goals.

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TABLE OF CONTENTS

DECLARATION.....	ii
ABSTRACT.....	iii
ACKNOWLEDGEMENTS	iv
DEDICATION.....	v
TABLE OF CONTENTS	vi
LIST OF TABLES	ix
LIST OF FIGURES	x
LIST OF ACRONYMS	xi
 CHAPTER ONE	 1
INTRODUCTION.....	1
1.0Background to the Study.....	1
1.1 Problem Statement	4
1.2 Research Objectives.....	5
1.3Research Questions	5
1.4 Relevance of the Study	6
1.5Scope and Limitation	7
1.6Organization of the Study	8
 CHAPTER TWO	 9
LITERATURE REVIEW	9
2.0 Introduction.....	9
2.1 Definitions of Terms	9
2.2 Financial Management.....	10
2.2.1 Planning	10
2.2.2 Organizing.....	11
2.2.3Leadership.....	11
2.3 Source of Funds for Public Schools.....	12
2.4 Trends in Government Allocation of funds to public Schools in Ghana.....	15
2.5 Financial Administration Act, 2003 (Act 654)	17
2.5.1 Consolidated Fund	17
2.5.2 The Contingency Fund.....	18
2.5.3 Other Special Funds.....	18

2.5.4 Custody of Public Moneys and Moneys Received in Trust for Government	19
2.5.5 Payment of Services Rendered by Government Departments	19
2.5.6 Receipts and Payments of Deposits	19
2.6 Financial Policy & Internal Control.....	20
2.7 Roles of All Stakeholders in Managing School Finances.....	22
2.7.1 Role of Principals.....	22
2.7.2 Role of School Governing Bodies (SGBs) in Financial Management	23
2.7.3 Roles and Responsibilities of Accounting Staff in Financial Administration of Schools	24
2.8 Challenges Encountered in Generating and Managing Funds in Public Schools..	27
2.8.1 Financial Planning Challenges.....	28
2.8.2 Financial Reports Challenges	28
2.8.3 Challenges Related to Financial Controls.....	30
2.9 Conceptual Framework.....	31
CHAPTER THREE	33
RESEARCH METHODOLOGY AND ORGANISATIONAL PROFILE	33
3.0 Introduction.....	33
3.1 Research design	33
3.2 Study Population.....	34
3.3 Sample Size and Sampling Technique.....	35
3.4 Data Collection	35
3.5 Data Analysis	36
3.6 Reliability and Validity of Data.....	36
3.7 Ethical Issues Involved and How These Were Addressed.....	37
3.8 Profile of Yaa Asantewaa Girls' Senior High School	38
CHAPTER FOUR.....	39
PRESENTATION OF FINDINGS AND ANALYSIS	39
4.0 Introduction.....	39
4.1 Background of Respondent.....	39
4.1.1 Gender of Respondents	39
4.1.2 Qualification and Years of Service of Respondents	40
4.1.3 Respondents' Designation in the School	41
4.2 Generation of Funds.....	42

4.2.1 Sources of Funds for the Case Study School	42
4.2.2 Disbursement of Funds from GoG (Timeliness and in Bulk).....	43
4.2.3 Disbursement of Funds from GoG (Sufficiency and in Batches)	45
4.2.6 Trends in sources of funds and amount generated for the period 2010 to 2014.	46
4.3 Compliance with Financial and Administration Act (FAA), 2003.....	47
4.3.1 Compliance to Banking of Funds and Records keeping	48
4.3.2 Compliance to Preparation of Financial Statements, Accounts and Reports.....	49
4.3.3 Compliance to Audit of Financial Statements and Audit Recommendations.....	51
4.3.4 Compliance to Budget Preparation.	52
4.3.5 Compliance to Approval and Payment of Funds by the School	53
4.3.6 Compliance to keeping of Cheque and store acquisition records by the School	54
4.3.7 Compliance to balancing of Cheques by Internal Auditors	54
4.4 Challenges in Management and Generation of Funds by the School	56
4.4.1 Lack of Training of Accounting Staff of the School	56
4.4.2 Underperformance of school authorities and Government Financial Regulation	57
CHAPTER FIVE	59
SUMMARY OF FINDINGS, RECOMMENDATIONS AND CONCLUSION ..	59
5.0 Introduction.....	59
5.1 Summary of Findings.....	59
5.2 Conclusion	62
5.3 Recommendations	63
REFERENCE.....	65
APPENDICES	70

LIST OF TABLES

Table 1: Gender of Respondents	39
Table 2: Qualification and Years of Service of Respondents	40
Table 3: Respondents' Designation in the School	41
Table 4: Sources of Funds for the Case Study School.....	43
Table 5: Disbursement of Funds from GoG (Timeliness and in Bulk).....	44
Table 6: Disbursement of Funds from GoG (Sufficiency in Batches).....	45
Table 7: Sources fund and amount generated	46
Table 8: Compliance to Banking of Funds and Records keeping.....	49
Table 9: Compliance to Preparation of Financial Statements, Accounts and Reports	50
Table 10: Compliance to Audit of Financial Statements and Audit Recommendations.	51
Table 11: Budget is always prepared	52
Table 12: Compliance to Approval and Payment of Funds	53
Table 13: Compliance to keeping of Cheque and store acquisition records	54
Table 14: Compliance to balancing of Cheques by Internal Auditors	55
Table 15: Training of Accounting staff	56
Table 16: Underperformance of school authorities and Government Financial Regulation	57

LIST OF FIGURES

Figure 1: Conceptual framework on influence of Government Financial Regulations on Financial Management Practices in Public Schools	32
Figure 2: Compliance with Financial Administration Act.....	47

LIST OF ACRONYMS

CAG	-	CONTROLLER AND ACCOUNTANT-GENERAL
FAI	-	FINANCIAL AND ACCOUNTING INSTRUCTION
FAA	-	FINANCIAL ADMINISTRATION ACT
MOE	-	MINISTRY OF EDUCATION
SGB	-	SCHOOL GOVERNING BODY
DOE	-	DEPARTMENT OF EDUCATION
PEDs	-	PROVINCIAL EDUCATION DEPARTMENT
IGF	-	INTERNALLY GENERATED FUND
GDP	-	GROSS DOMESTIC PRODUCT
FINCOM	-	FINANCE COMMITTEE
SASA	-	SOUTH AFRICA SCHOOLS ACT
PTA	-	PARENT TEACHER ASSOCIATION
NGO	-	NON GOVERNMENTAL ORGANISATION
LEA	-	LOCAL EDUCATION AUTHORITY
LMS	-	LOCAL MANAGERMENTS OF SCHOOLS
FMP	-	FINANCIAL MANAGEMENT PRACTICES
GFR	-	GOVERNMENT FINANCIAL REGULATIONS
ITV	-	INTERVENING VARIABLE
IV	-	INDEPENDENT VARIABLE
DV	-	DEPENDENT VARIABLE
YAGSHS	-	YAA ASANTEWAA GIRLS' SENIOR HIGH SCHOOL
FDSE	-	FREE DAY SECONDARY EDUCATION
GES	-	GHANA EDUCATION SERVICE
UNESCO	-	UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION

CHAPTER ONE

INTRODUCTION

1.0 Background to the Study

The historical open advantages of education have from time immemorial squeezed governments to assume the basic part in the administration and funding schools. As of now, a creating concern in upgrading school standard and education results, and a long for more prominent school decision for guardians and education, and for more imagination and development in the schools, themselves, have tested the idea of government's supremacy in training (OECD, 2006; Brewer and Hentschke, 2009). This pattern, developing in various nations, is in light of the conviction that the general population enthusiasm for education can be better served by likewise including private entities, including guardians, non-governmental organizations and endeavors, notwithstanding government offices, in managing and funding schools. It is hence qualified to note that, late years have seen an expanding number of education frameworks in the world welcome the inclusion of private sectors, including guardians, non-governmental organizations and entities, in funding and managing schools.

How financially viable public schools are according to Weismann and Jütting (2001), depend much on their ability to generate funds that would meet their financial obligations. The funds collected from both formal and informal sector and other financial support from the internal and external are the main sources of revenue for the Schools. The financial obligation of the public schools may include the expenditure on general maintenance of the school as well as administrative costs. That is, Public schools are funded from a range of different sources. Governments

mainly fund schools but it must be noted that Parent Teacher Association (PTA) and other private (non-government) organizations provide schools with funds for constructional activities.

Though, the 1992 constitution stipulates that the government fund education from the grass root level to the tertiary level, it is obvious that the government is not in a position to do so single handedly. Funding of education has been a difficult issue in Ghana. Public schools in the country have over the years been starved of both adequate development and recurrent expenditure making it impossible for them to operate at full and efficient capacity. It is important to note that, managing these scarce funds from the identified source is critical to the successful and smooth running of these public schools.

Regarding Financial Management, it can be defined to mean arranging, sorting out, coordinating and controlling the monetary exercises, for example, acquisition and usage of stores of the undertaking. It means applying general administration standards to budgetary assets of the venture. According to Niemann (1997), financial management for schools is the carrying out by a man in a position of power of those administration activities (managed assignments) associated with the financial related parts of schools and having the sole motivation behind accomplishing compelling education. Likewise, Joubert and Bray (2007) depict a school's financial related administration as the execution of administration activities associated with the monetary parts of a school for the accomplishment of compelling education. The similar issue these meanings of financial administration is that an association is made between the administration errands and the financial parts of a school. The suggestion is that the administration of school finances includes the errand of arranging

(planning), organizing (coordinating), driving (conveying and persuading), and additionally controlling (evaluating) (Clarke, 2007). It is an integral aspect of resource management and it ensures that expenditure is directed towards achieving good value for money through the appropriate acquisition and allocation of resources.

The assets used here, according to Foskett and Lumby (2003), are the methods by which the procedures of education may be put into operation. Therefore the allocation and management of these resources are critical to effective public school management. School managers with knowledge and understanding of education, financial and human resource management are required to manage their schools economically, efficiently and cost-effectively to ensure value for money. With this, school authorities are to know money available in the bank, how much they still need, how to get the money and finally the most effective method to spend the cash.

From the work of Clarke (2008), school finance approach is ostensibly a standout amongst the most vital strategies that a school overseeing body must set up to ensure prudent management of the scarce finances of public schools. He states further that putting in place or setting up an arrangement of controls (checks and balances) to guarantee that the schools accounts are defended and effectively overseen is one of the fundamental purposes of schools' financial arrangement. One of the more important, if not the most important, control/s is an arrangement of inside checks whereby the work of one individual is checked by another and there is a reasonable isolation of obligations – for instance the person in charge of gathering and receipting the cash (school fees) should not be in charge of banking these monies.

Thus the basic duties of public schools in shaping the academic vision of students, creating a conducive atmosphere as well as maintaining and improving standards cannot be achieved if funds are not properly generated and managed.

1.1 Problem Statement

It must be noted that accessing quality tuition in public schools is built on consistent access to quality human and capital resources and access to these inputs requires funds. Therefore, the process of collecting or generating funds is a critical issue. Coupled with this is as according to Mestry (2004), financial management of these public schools is a challenge since most managers' lack proper training. The low level of revenue generation coupled with misapplication of the funds by principals and school governing bodies (SGBs) members has been a source of concern to especially to many central governments (Aryee, 2003). Having realized that insufficient funds and poor management add up to the hindrance in development, schools are empowered to adopt several strategies to strengthen its ways in generating and managing funds. Transfer of funds from the central government to public schools has since decades been inadequate. Schools have ever since been finding ways to generate revenue to undertake their development projects. In view of this, public schools continue to struggle with inadequate financial resources to undertake its projects. This study will therefore seek to document, examine and analyze the major sources of funds for the public schools and how these funds are managed in their quest of providing quality education to students

1.2 Research Objectives

The general objective of this study is to increase helpful bits of knowledge in the generating and managing of funds of public schools. Categorically, the study endeavors to accomplish the objectives enumerated below:

1. To determine the major source of funds for Yaa Asantewaa Girls' Senior High School (YAGSHS)
2. To analyze trends in generation of funds for the school's activities from the period 2010 to 2014
3. To examine the extent to which the school complies with Financial Administration Act 2003 (Act 654) regulations
4. To identify challenges faced by the school in generating and managing funds for its activities.

1.3 Research Questions

In general, this study seeks to document, examine and analyze the major sources of funds for the school and how these funds are managed in their quest of providing quality education to the general public. Precisely, the research questions below would be dealt with in this study

1. What are the main sources of funds of the school?
2. How has the school performed from 2010 to 2014 with respect to generation of funds?
3. Does the school comply with Financial Administration Act 2003 (Act 654) regulations?
4. What are the challenges the school faces in generating and managing funds for its activities?

1.4 Relevance of the Study

The purpose of the study is to find out and analyze the main sources of funds for public schools and how these funds are managed in their quest of providing quality tuition to its students. This by so doing, the study would help to establish a sound base to justify the need for strengthening the efforts of policy makers and principals and school governing bodies in collecting and generating funds for the operation of their institutions in Ghana. That is, to industry regulators, it will help them appreciate the type of risks Ghanaian public school children are exposed to if a school fails to raise and manage their funds well.

The work will also serve as a baseline to many people, international bodies, other governments and educational research institutions who would like to conduct similar research so that it will add to existing literature. Thus, it will promote and encourage evaluative studies thereby ensuring whether there has been no change, or improvement, or deterioration in the performance of public schools with relation to the management and generation of funds.

Government officials and policy makers recognize the problem of low revenue generation coupled with misapplication of the funds by the principals and school governing bodies as an issue of great concern. Therefore the findings of this research would serve as the basis for policy makers to formulate appropriate strategic policies to ensure effective and efficient way of collecting, generating and managing of the funds of public schools.

1.5 Scope and Limitation

The main focus of the study is to examine and document the various sources and management of funds by public schools. However, it will be limited to determining their source of funds, analyze trends in generation of funds for the school's constructional activities from the period 2010 to 2014 and examine the extent to which public hospital comply with the Financial Administration Act (2003). The study was carried out on public schools in Ghana. Specifically the area of study is limited to public schools in the regional level with Kumasi metropolis as the study target. The findings and recommendations may be used for similar public schools of the country.

Firstly, the researcher was confronted with the problem of time as, it would have been good to have involved more public schools from other regions to enable the researcher present a holistic picture of the study. Notwithstanding this, researcher was able to solicit information from one major secondary cycle institution in the Ashanti region. Also looking at the short period needed for the completion of the work, the case study strategy was used. The second limitation was the difficulty in collecting data for this research as with some staff of the case study school, it took longer to complete their questionnaires. However, with the help of the field assistants, the researcher was able to gather the relevant data for this research through constant follow ups. Thirdly, getting access to some sensitive information posed a great threat. In dealing with this particular limitation, respondents were guaranteed that the information was specifically for academic purposes only and that their personalities would not be uncovered anywhere. Lastly, there was the issue of financing for this research which was managed efficiently by apportioning personal funds to successfully undertake the research.

1.6 Organization of the Study

The study is organized into five chapters. The first comprises the background of the study, the statement of the problem, the research questions, objectives of the study, the significance of the study, and the organization of the study. Chapter two reviews literature on the definitions of concepts, sources of funding , state of public schools in Ghana and other central ideas. Chapter three outlines the research methodology and profile of study area. Thus, the target population, the sample size and sampling technique, the research instrument and data collection procedures are outlined. The data analysis, interpretation, and discussions are contained in chapter four. Chapter five presents the summary, conclusions and recommendations of the study.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter analyzes a broad range of literature sources that help address the research questions of the study. It begins by giving some definitions of key terms, and it tries to come out with topics/sub-topics to help achieve the objectives of the study.

2.1 Definitions of Terms

According to (Hess, 2002), traditionally, “public schools” are those schools regarded as being accountable to publicly elected officials or funded by state taxes. The policy making and oversight responsibilities of such schools are the responsibility of government bodies such as local school boards. Public Schools are also referred to as State funded schools and comprise of primary or secondary schools which are offered to all children freely, funded in whole or in part through taxes. The term can also be used to describe public institutions of post-secondary education.

Tertiary education, which may also be referred to as post-secondary or higher education, is the final stage in formal education and it is usually optional. It is mostly offered by higher institutions such as universities, university colleges, technological institutes, academies, seminaries, etc. It can also be offered by college-level institutions such as trade schools, vocational and training schools or career educational institutions that award academic or professional certificates. Tertiary education that does not lead to an award of a degree is commonly referred to as further or continuing education so as to distinguish it from higher education.

2.2 Financial Management

Mestry and Bisschoff (2009), defines financial Management as the execution of managerial actions linked with school finances with a purpose to achieve or provide effective education. They further contend that financial Management is an essential component of capital administration. It assures that expenditure is geared towards realizing a positive value for money as a result of correct procurement and allotment of resources. Formal models give eminence to official systems, rational processes, the power of leaders and liability. These may be linked to the school management tasks as identified by (Clarke, 2007) namely planning, organizing, leading and controlling.

The management of a school's finances is pivotal to effective school administration (Mestry, 2004; Ntseto, 2009). Therefore, all the aforesaid roles will be tersely discussed in the context of its relation with financial management.

2.2.1 Planning

Planning, according to (Du Preez et al., 2003) forms an integral part of school financial management. Most often, the planning of a school's finances starts with budget drafting (Kruger, 2005). Bisschoff (1997) defines a budget as the school's mission statement communicated in terms of money. McKinney (1995) contends that budgeting is both an ongoing and changing process which is typified by regular facets like planning, needs examination and prioritization. Clarke (2007) and (Du Preez et al., 2003) view budgeting as an anticipatory process which must be regulated by the school's future vision and realistic examination of the risks. Bisschoff (1997) summarizes the reasons for a budget as aiding schematic planning; identification of objectives and identification of priorities; correlating events and communicating plans inside the organization; inspiring and increasing the liability of mid management,

approving spending and activities, directing, closely watching and analyzing spending; and assessing performance. Financial management activities in an educational institution are set to bring together all possible input from staff, parents, students and the community as a whole in order to provide quality service of education (Bisschoff, 1997).

2.2.2 Organizing

According to (Kruger, 2005; Ntseto, 2009), school finance organization must include areas such as drawing up a financial policy, putting up a system in the school to take care of managerial and financial issues, assigning certain roles to clerks, form teachers and the treasurer; and correlating activities.

2.2.3 Leadership

Financial management leadership is made up of three areas. Good relationship, communication between all major stakeholders both internal and external as well as inspiring all persons involved in school finances (Bisschoff, 1997). It was also pointed out by (Bisschoff, 1997) that “harmonious collaboration between academic and administration staff is a prerequisite for successfully achieving financial objectives”. Niemann (1997) is of the view that when both administrative and academic staffs play a part, financial activities are handled effectively.

Bisschoff (1997) underscores that all staff should see themselves as having a part to play in every activity of the school since this will serve as a source of inspiration to them to work hard which will ultimately lead to efficient and effective financial management.

Ntseto (2009) points out that planning of school finances and its control are interrelated and closely associated with each other. It can be inferred that similar

association exists between the budget and control considering that a “budget is a planning instrument” (Bisschoff, 1997). This is to say that financial planning is more of budgeting and in this regard (Ntseto, 2001) contends that a “budget is a financial control technique as well as a plan”.

2.3 Source of Funds for Public Schools

Simkins (1997) presents the case in nations like England and Wales that have adopted a combination of centralized and decentralized systems of management for self-administration in schools. The operation of resource management serves as the main target of decentralization of authority to schools. Schools are furnished with a square spending plan (aggregate spending plan for the year) intended to meet all intermittent use. According to (Simkins, 1997), these schools are allowed to augment this financial plan through their own income generating exercises and the budget is set up by the Local Education Authority and the central government. The obligation to deal with this budget is with the school governors whiles the government controls local power consumption through block grants, setting standard spending evaluations for every territory. Each Local Education Authority allots a part of its education budget to schools (Russel, 1997).

America for instance is having two sources of funding for its educational and other activities. The Auditor-General Report from 2005 to 2007 revealed that American schools finance their activities through School’s budget line account and the school’s internal accounts. Local and State Government Revenues primarily fund the school’s budget line accounts while the schools internal account a cash management system to handle the cash that flows through each school from students, parents and community.

The sources of this cash vary such as students' fees, fund raising activities, special events, lease income and gifts or grants

According to a report published on November, 2008, by the commission on Government Forecasting and Accountability on education funding, a case study of education funding in Illinois, United States of America, education funding remains one of the most consistently debated issues for both the government and the state of Illinois especially. The headlines of these debates are dominated by the issue of who should assume the leading role in funding elementary and secondary education, and how funding can be made equitably.

The report details that state governments use a combination of sources such as income tax, sales tax, etc. to fund education. The local governments on the other hand utilize property taxes to fund education. According to the report, the state of Illinois unlike most states (where education funding comes from state sources) depends largely on local property taxes to finance education. This shifts the burden on state resources to income generated by the local governments by collecting property taxes. This helps to fund education efficiently by supplementing federal government and state support with what is generated locally. In addition, since residents contribute directly to the funding of education through payment of property taxes, the residents have the right to question and see to the implementation of policies that will lead to quality education delivery.

A careful study of the report titled (Public Education Finances, 2013), by the Economic Reimbursable Surveys Division Reports, United States of America, also revealed that funding public secondary and elementary school education is not a sole responsibility of the central or federal government. This role is played by the federal

government, state governments and local governments. This decentralization of public school funding not only relieves the burden on one party but also ensures continuous flow of funds to manage schools efficiently.

According to (Kennedy N.G et al, 2014), the major existing source of funding for Free Day Secondary Education (FDSE) in Public Schools in Kisii Central District, Kisii County, Kenya, is Government budgetary allocation and support from parents. Parents were required to bear some educational related costs such as feeding, books, and other study related materials. This however is not sufficient as sources were not reliable. To be able to efficiently fund public education in Kenya, schools were encouraged to engage in more vigorous internal fund generation activities such as poultry farming, brick making, building housing units within the school, hire land for crop and animal production, and intensive gardening.

Although the 1992 constitution makes it compulsory for the government to cater for the cost of education from the basic level to the tertiary level, it is now obvious that the government is not ready to shoulder this responsibility alone. Education funding in Ghana has been an issue to contend with. Public schools within the country have consistently been deprived of development, coupled with recurrent expenditure which has rendered them incapable to function at maximum capacity. It is important to note that, managing these scarce funds from the identified source is critical to the successful and smooth running of these public schools. In Ghana, schools and for that matter public schools receive revenue from three main sources, namely Government of Ghana budgetary support, Donor Pool Fund and through Internally Generated Funds (IGF).

2.4 Trends in Government Allocation of funds to public Schools in Ghana

Education financing can be considered as making available resources in the form of liquid capital (money), infrastructure (school buildings), study materials (books, chalks, pencils, etc) or in-service training for staff so as to ensure smooth and effective running of the education system. Central Government serves as the predominant funding source of education in Ghana. It is worthy to note that government's expenditure on education appreciated from around forty eight percent (48%) between 1998/1999 and 2000/2001 which corresponds to an increase from Sixty seven thousand, Eight hundred Ghana Cedis (GHS 67,800.00) to One Hundred and Thirty million Ghana Cedis (GHS 130,000,000.00). Dating back 1997 till now, the cost of recruiting new staff in the education sector has contributed to 35 % of the country's recruit budget. The total amount spent on education in the year 1999/2000 represented 3.9% of the country's GDP. The amount in question was estimated and apportioned to cater for 75-80% pre-tertiary, 12-15% tertiary and 5-10% GES Headquarters and the rest.

Despite all this, the amount given out is normally not able to cover the budget estimates as the budget estimates are usually higher than the amount released. For instance, the 2001 per capita released showed that the percentage shortfall for Senior Secondary School was 57.1%. Only 20% of the budgeted amount went to the basic school. The tertiary institution received between 50-60% of their requirement. It is also on record that the per student funds allocated by the government for the time interval 1997-2001 has been losing weight comparably in terms of the US dollar because of the rapid depreciation of the Cedis and increased enrollment. For instance, while in 1977, the allocation per student amounted to \$1,114.10, that of 2001 was US \$ 566.10.

Government financing has declined altogether in genuine terms, as expense per student has not kept up with the rate of inflation. (Meeting the challenges of education of the twenty first century: report on the president committee on the review of education reform, 2002).

The commitment of parents/guardians to education delivery at the secondary level has gone up from GHS 99.706 million in 1999 to GHS 152,192 million in 2000 and GHS 224,101 million in 2001. (Meeting the challenges of Education in the Twenty First Century: report of the president's committee on Review of Education Reforms in Ghana, 2002).

According to (Anamuah-Mensah, 2007), Government's real spending on education as a rate of the aggregate GDP has been on the increase since 2006. Government spending for 2008 was about 9.9 percentage points over the Education for all activity least. Despite what might be expected, education expenditure as an offer of the total payments and in addition to the total optional payment has been on the decrease subsequent to 2006.

The education sector gets the noteworthy piece of government budgetary backing in Ghana. The optional spending plan for 2010 is GHS 1,266,056.672, about 14 percent rise over the 2009 amount of GHS 1,107,132,235. Around 95 percent of Government of Ghana (GOG) education spending plan for 2010 was directed to wages and salaries. This pattern is not altogether different for the two provisions years. It could likewise be seen that the biggest proportion of total education expenditure is distributed to basic education. This is taken after by tertiary education just as the pattern demonstrates a decline between the period 2006 and 2008, with Junior High

School spending verging on minimizing the decline, pre-school expenditure forms the lower proportion.

2.5 Financial Administration Act, 2003 (Act 654)

The (Financial Administration Act, 2003) is an act to control the financial administration of the public sector; prescribes the roles of those in government charged with the responsibility to manage funds, ensures the effectual administration of state income, spending, assets, liabilities, government's resources, the Consolidated Fund and other public funds and to cater for events concerned with these. It establishes the conditions for control and management of public funds.

According to article 175 of the Constitution, the public funds of Ghana comprises the following; Consolidated Fund, Contingency Fund and such other funds as may be established by or under an Act of Parliament except as otherwise provided in this Act, any fund other than the Consolidated Fund shall be governed by the enactment establishing the fund.

2.5.1 Consolidated Fund

Article 176 of the constitution gives the various levels of funds that must be paid into the consolidated fund. It mentions them to include revenues or monies received or raised for government business, also monies raised or received on behalf of the government; and monies that have been raised or received in trust for the government. The exceptions provided for, against those in subsection 1 shall include revenues or monies payable by or under an act of parliament into other funds that are established for a specific purpose, revenues or monies which under an act of parliament, be retained by the department or agency of government that received them for the purpose of defraying the expenses of that department of agency.

Where an enactment is made for an agency of the government in tandem with subsection (2) above to retain its internally generated fund for the purpose of defraying its expenses, the agency shall make full disclosure of internally generated funds to the Minister at the end of every month.

Notwithstanding any provision to the contrary in any enactment in existence immediately before the coming into force of this Act, no investment in Government securities shall be made of internally generated funds by an agency of Government without prior approval in writing to the Minister (Financial Administration Act, 2003, p. 8).

2.5.2 The Contingency Fund

Referring to the (Financial Administration of, 2003) citing the article 177 of the 1992 Constitution, “there shall be paid into the Contingency Fund, moneys voted for the purpose by Parliament; and advances may be made from that Fund by the Committee responsible for financial matters in Parliament whenever the Committee is satisfied that there is an urgent or unforeseen need for expenditure for which no other provision exists to meet the need. (2) Where an advance is made from the Contingency Fund a supplementary estimate shall be presented as soon as possible to Parliament to replace the amount advanced”.

2.5.3 Other Special Funds

Financial Administration Act (2003), articles 1 and 2 provides that monies which have been received by or on behalf of the government for any special purpose and paid into the consolidated fund, may be paid out of that fund but subject to the provisions of an act of parliament; and with respect of that any enactment interest may

be allowed in respect of any money to which the subsection 1 applies at rates determinable by the Minister by regulations or administratively.

2.5.4 Custody of Public Moneys and Moneys Received in Trust for Government

“(1) A person who collects or receives public moneys or moneys in trust for Government shall keep a record of receipts and deposits in a form and manner that the Controller and Accountant-General may prescribe. (2) Any person who collects or receives any public moneys or moneys in trust for Government without the prior authority of the Controller and Accountant-General shall immediately pay the moneys into the Consolidated Fund and explain to the Controller and Accountant-General the circumstances under which these moneys came into the possession of that person. (3) Persons authorized to collect or receive public moneys and moneys in trust for Government shall pay the moneys promptly into the Consolidated Fund in such manner as may be prescribed in regulations or as the Controller and Accountant-General may direct” (Financial Administration Act, 2003, p. 8).

2.5.5 Payment of Services Rendered by Government Departments

Article 10 of (The Financial Administration Act, 2003) stipulates that where a service is rendered by a department to any person and in the opinion of the Minister, a charge is preferred against that person for whom the service was rendered, this may be done according to the provisions of an enactment related to that service and such fees will be prescribed and charged.

2.5.6 Receipts and Payments of Deposits

Article 11 provides that, “(1) where money is received by a public officer from any person, such as a deposit to ensure that in doing something, the public officer shall hold or dispose of the money in such manner as the Minister may prescribe. (2)

Where money is paid by a person to a public officer for a purpose that is not fulfilled, the money may, less such sum as in the opinion of the Minister is properly attributed to service rendered, be returned or repaid or otherwise dealt with as the Minister may direct. (3) Money paid to the credit of the Consolidated Fund, not being public money, may be returned or repaid in such manner as the Minister may prescribe. (4) The Minister may determine the amount of cash or securities held to meet obligations under this section” (Financial Administration Act, 2003, p. 9).

2.6 Financial Policy & Internal Control

According to (Mestry, 2004), a view supported by (Clarke, 2008), the administrative body of all public schools should see to it that properly laid down policies and procedures exist to ensure effectual management of the school’s finances. They are also to put in place structures to monitor and assess the proper enforcement of the policies and procedures and report on them. The finance policy is undoubtedly essential and as such must be put in place by the administrative bodies of all public schools. According to (Clarke, 2008), one major function of the finance policy is to establish a control system which will ensure proper management of school finances and at the same time safeguard the schools finances.

One of the more important, if not the most important, control/s is an internal checking mechanism which allows one person’s work to be checked by another and at the same time provides a clear demarcation of duties, such that if one person receives payment of monies, another person (other than the one who received the money) should bank the monies.

Internal controls are systems, procedures and processes that are implemented to minimize the risk (and any financial consequences) to which the department (school)

might otherwise be exposed to as a result of fraud, negligence, error, incapacity or other cause (Guidelines for Accounting Officers, 2000). The purpose of a control system is to minimize opportunities for mismanagement and fraud as well as to protect the schools personnel from charges of mismanagement and fraud, to ensure that the schools money is spent for the purpose it is intended, that is educational purposes only. Internal controls are designed to “provide reasonable assurances that the organizations objectives are achieved efficiently, effectively and economically” (Guidelines for Accounting Officers, 2000).

According to (Clarke, 2008), (Mestry, 2006) and Bisschoff and Mestry in (Mestry, 2004) the school’s finance policy should, as a minimum requirement, comprise the following:

Cash Management – which includes but is not limited to: safe storage of cash; daily banking of monies received; proper accounting records; financial transactions supported by source documents & monthly reconciliation of the cash book with the bank statement.

Internal Controls – which includes; internal checks (checking of one person’s work by another), segregation of duties, internal audits, functioning finance committees (FINCOM) and establishment of audit committees.

Audit trails – that is the ability to check every stage of any transaction. The South African Schools Act (SASA) requires that a school’s financial records be retained for a period of seven years. If the school uses a computer programme for its finances, then records must be backed-up daily.

Procurement Procedures must involve, *inter alia*: the FINCOM to approve expenditure, purchases above a certain pre-determined limit; the SGB to ratify expenditure, purchases above a certain pre-determined limit; the FINCOM to obtain three quotes for expenditure, purchases above a certain pre-determined limit; to put out to tender expenditure, purchases above a certain pre-determined limit

Asset Management includes: Safe guarding of Assets; Annual Stock Takes; Board of Survey and if necessary Board of Enquiry

Reporting must include as a minimum requirement: Monthly Budget Variance; Monthly Income and Expenditure to the Circuit Office; Quarterly Income and Expenditure and Budget Variance to the Education District Office; Audited Annual Financial Statements to the Provincial Head Office.

2.7 Roles of All Stakeholders in Managing School Finances

Management of school finances is not the sole responsibility of one person. It involves all stakeholders such as principals, school governing bodies (SGBs), accountants, etc. This section will be dedicated to deliberating the roles of the aforementioned stakeholders.

2.7.1 Role of Principals

It should be noted that principals play a dual role. They are both serving as managers of the school in general and also playing key role in financial management. With regards to managerial tasks, principals are required to teach in order to serve as an example to other staffs. Marishane (2011) reckons that instructional leadership has become famous, by putting together efforts to ensure effective teaching and learning in as much as pressure is put on academic benchmarks and the call for schools to be accountable.

The call for higher accountability from principals in search for high learner accomplishment accrued in increased emphasis placed on the role of principals as both instructional leaders and administrators. The principal is the chief executive officer who can oversee the work of the accounting officer charged with the responsibility of controlling income accumulated from the school and seeing to the judicious use of PTA levies. The principal can establish a very good relationship with the PTA, SGB, Old Students Association and NGOs so as to raise funds to supplement funds received from the government.

2.7.2 Role of School Governing Bodies (SGBs) in Financial Management

It is pertinent to delve into the role the SGB plays with regards to the school-based management in the international arena. According to (Levacic, 1995), one of the distinguishing characteristics of the English and Welsh type of school-based management is the significant formal authority of the SGB. In the United Kingdom, the official Guide to the Law for school governors states that the SGB has the general role to effectively manage the school, act in the context of the framework set by legislation and the policies of the Local Education Authority (LEA).

One prime role of the SGB is the administration of the school budget. The major underlining rule of the Local Management of Schools (LMS) is that the SGB must in conjunction with the principal decide how to expend the overall budget taking into consideration both the needs of the school and the learners.

The SGB, together with the principals is able to assess and judge properly the needs of the school better than the local government officers acting from within. Keeping with the notion that 'the parent' is a neutral political figure, it was perceived that the SGB, with the professional guidance of principals would be able to neutralize plethora

of local authority policy. As a result, the 1986 Act demanded LEA's to make available an amount of money for all SGBs which could be expended on books and materials in ways deemed right, subject to the opinions of the principal.

2.7.3 Roles and Responsibilities of Accounting Staff in Financial Administration of Schools

Article 60 of the (Financial Administration Act, 2003) provides the basis for the responsibilities of accounting officers in public institutions stating that even though the Auditor-General shall examine, certify or audit the accounts of public offices or institutions of government, it shall not relieve these officers the responsibility for keeping or rendering accounts and their duty to comply with and ensure subordinates act according to the provisions of the (FAA, 2003) and with other regulations or directives that may be issued thereof.

Further to this, section 61 discusses the appropriation of public funds such as those monies that gets into the hands of public officials in respect of receipt of money and failure to duly pay over, the inability to account for government fund received. Misapplication in this sense will require the Controller and Accountant-General (CAG) to serve notice to such persons or their representative or in accordance with the Administration of Estate Act 1996 (Act 63) in the case of a deceased person be served on a representative with a notice having such specified time period to duly pay over or account for and further furnish the CAG with the evidence. In failure to comply with notice by a person, the CAG shall cause an account to be stated between the person and the government showing the amount not duly paid or misapplied, and such amount would be repaid with interest at the prevailing bank rate from the date

the amount was due. In the case of proceedings for the recovery of the money, a copy of the account stated by a person in that behalf of CAG shall be prima facie case.

Where it appears (a) by the books of account kept by or in the office of a person employed in the collection or management of public moneys; (b) in any accounting by that person; or (c) by written acknowledgement or confession” (Financial Administration Act, 2003, p. 26).

“Individuals other than the School’s Bursar, Accountant, Account officer, often collects money from students for various purposes. Money collected in any manner must be deposited with the appropriate accounts personnel and a copy of the school’s receipt provided to the person making the deposit. The Account Officer who collects money from students prepares records indicating the amount collected. Accounting officers are responsible for keeping the accounting records in accordance with the relevant procedure and standards in a transparent and accessible manner. In cases where school receives a gift of grant, the school should use school’s receipt to keep copy of gift or grant proposal and award letter on flat file. The above points can also be achieved through centralizing all receivables, developing a vendor file system, performing internal reviews, developing written procedures for sections performing financial and payroll functions and keeping separate ledgers on all programs operating from the state fund” (Samii, 2004).

It is reported in the Auditor-Generals report following the provision in the section 30 (1) of financial administration act, 2003 (Act 654) to keep a satisfactory record of stores and to have an establishment guiding receipt, acquisition, custody, issue, control and disposal of stores.

Taking all of these points into consideration, it is important for the institutions to recognize that, “the School Bursar, Accountant or other staff person designate is responsible to the headmistress for receipting all school funds, maintaining accurate financial records and following money handling procedures as stated”. (Financial Administration Regulation, 2004, Sect 39 Sub-sect 1 and 2).

It is obligatory on the part of the school bursar or to provide the internal accounts records for individual student activity at the end of every monthly reporting period. The school bursar with help from the headmistress checks and accepts all donations and gifts from both non-government and government sources. A database of available sources of funds and all revenues received must be maintained by the bursar’s office

According to the Financial and Accounting Instruction for secondary schools, it “says that in the pursuance of the above tasks, the Head of an Institution shall have the assistance of his Chief technical officer, the Bursar, in financial and accounting matters”. An adequate stock of receipt books should be maintained at all times by the bursar as it is his responsibility.

The bursar again has a duty to check the following before passing vouchers for payment: that he will be held responsible for the payment in respect of and within the provision for services included in the approved Estimates or approved variation thereof, the services specified have been duly performed, those prices charged are reasonable and fair in accordance with prices found on the market or are either in line with the contract or approved. Again that, the persons to receive payment is those designated per the voucher and that vouchers that have not fulfilled the above conditions be rejected.

2.8 Challenges Encountered in Generating and Managing Funds in Public Schools

In the Managing of Public School Finances and Resources, report of (MOE, 2007) acknowledged the underperformance of officers in charge. Underperformance of principals in financial management may be due to the employment of less competent staffs that fail to maintain proper records and are also unable to stick to accounting procedures. Contrary to the observation in public schools, the report pointed out that private secondary schools show a better financial management due to the availability of proper accountability structures. Ngaba (1990) concluded that there was an absence of professionalism in some aspects of public school finance management and therefore called for competent staff in managing school finances.

The findings from the work of (Maronga et al., 2013), indicate that the major problems arising from the government financial regulations includes lack of monitoring and evaluation unit on financial usage, long procurement procedures, lack of financial management training, late disbursement of funds and lack of audit personnel in secondary schools. These problems hinder good Financial Management Practices in Public Schools.

Vandeyar (2002:103) spells out that most SGBs have guardians who have practically zero financial information and expertise. Vandeyar (2002:103) further shows that most SGBs do not have the obliged ability to oversee school funds. (Mngoma, 2009:2) contends that the failure of schools to manage their funds could not essentially be ascribed to only absence of training; different reasons could be poor working relationship between the head and the SGB.

2.8.1 Financial Planning Challenges

Barasa (2009) acknowledges that effective management of financial resources is a momentous assignment for head teachers. With the absence of sufficient financial resources, institutions will be unable to effectively perform their assigned roles. There should be enough funds available to manage all departments of the school. The available funds are channeled into acquiring materials that facilitates smooth running of the school.

Nevertheless, those who manage education are being challenged to defend their financial requests on the basis of educational programs instead of cost, if education is to compete for public funds equitably (Okumbe, 2001). Therefore in preparing budgets, principals must seek the cooperation of all stakeholders (parents, teachers and other school employees) so as to ensure a holistic view of the budget and a feeling of partnership which adds to the much needed *esprit de corps* (Okumbe, 2001).

Financial planning entails areas of accounting which comprises the overall step-by-step identification, measuring, recording, interpretation and communication of the results of an economic activity; tracking business income and expenditure and utilizing these measurements to answer specified questions concerning the financial and tax position of the business which is primarily a system that provides quantitative information about finances. Planning leads to budgeting which is a statement usually expressed in financial terms, of the desired performance of an organization in the pursuit of its objectives over a specified period.

2.8.2 Financial Reports Challenges

Financial reports usually requires accounting and accounting derived documents such as annual reports as a platform on which various activities and decisions can be built.

Organizations must work according to specific rules and formats of presentation in preparing their annual reports and statements of finances. The paramount accounting event of any organization is the annual publication of reports that details its financial performance over a book year. Financial reports assist managers to deliberate on results and spending performance against budget. They often operate from management reports, which have been prepared by the school accounting staff using accounting information systems. Cole & Kelly (2011) in their study ensconced that organizations may set up and embrace a number of statements to communicate their view on the subject of ethics. They stipulate that issues in business ethics such as accountability (transparency and reporting), business conduct (compliance with the law, competitive conduct, and corruption) and bribery conflicts of interest must be included. The presence of such a code of practice in ethics, bolstered by senior management and adopted as a landmark of an organization's norm will help distinguish between an acceptable business practice and sharp practice.

According to (Deegan & Unerman, 2011), deep-seated within the process of accounting is the anticipation that accountants must be open minded and be rid of any form of bias regarding the performance of their roles. The information being produced should be a true representation of underlying transactions and should be wholly and unbiased. Nevertheless, can we seriously accept that accounting can be neutral or objective in light of socio-economic repercussions before account preparation and finance statements are made available?

Berk & Demarzo (2008) argue that investors, financial analyst, managers and other interested parties such as creditors depend on financial statements to get dependable information about a corporation. The major categories of financial statements are;

balance sheet, income statement and statement of cash flows. The balance sheet reveals the current financial position (assets, liabilities and stockholder's equity) of the firm at any particular point in time.

2.8.3 Challenges Related to Financial Controls

Berk & Demarzo (2008) contends that segregation of proprietorship and control offers the likelihood of management entrenchment battling minor threat of being sacked and substituted. Managers enjoy the freedom of running firms in a manner that fits their best interest. Due to this, they are likely to take decisions that favor them to the detriment of investors. This means, no matter how much planning and organizing is put in place; there can be no assurance of goals being achieved. Therefore, control is the final pertinent step in the management process in order to allow things move on as planned or to allow the revision of unrealistic goals. Being the last stage in the management process, controlling provides the cardinal link to trace back to planning.

Cole & Kelly (2011) postulates that the basic goal of the control role in management is to weigh performance against goals, objectives and benchmarks with the purpose of letting corrective actions to be taken where appropriate to help plans stay on track. Primarily, control is a matter of building feedback systems within the entire organization by seeing to it that there is growth, accuracy and deviations if any to be made to keep on track.

Financial control chooses as its subjects of desired performances as it benchmarks, then systematically put together information which has a bearing on actual performance (usually on monthly basis) and identifies the variations between target and real performance. The basic objectives of financial controls encompasses the following; establishing short-term business plans, determining progress towards

achieving short-term goals, ensuring coordination between cardinal aspects of the firm, assigning measurable duties to managers whilst not losing control and providing regulated easiness for meeting change in the short-term.

Boddy (2011) wails that the control process in finance embeds four ingredients; setting objectives and targets, weighing true performance, mapping this against the benchmarks and taking the necessary steps to correct any relevant difference between the two. It can therefore be said that controlling go side by side with planning and is defined as the act of monitoring events so as to ensure that results coincide with the plan and also take any corrective measures if need be. The balanced score sheet augments financial performance measures with those related to customer satisfaction, internal processes, innovation and progress which all play a major role in the assessment of overall performance.

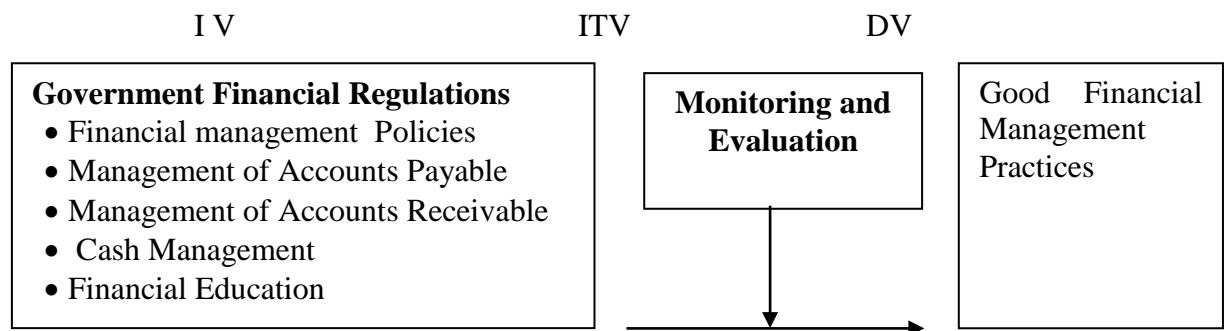
Boddy (2011) discovered that control can promote behaviors which serve not the best interests of organizations. It can influence people to feed the system with incorrect information and people will not succumb to controls they feel endanger their potential to satiate their needs from work. Conclusively, financial management in public schools is in serious crisis which calls for novel strategies to be put in place to salvage the situation.

2.9 Conceptual Framework

The diagram below indicates a conceptual framework. Good FMP which involves imprest authorization, fees collection, purchase of inventories, payment of suppliers, auditing, budgeting and book keeping depends on the GFR (which includes FMP, management of account payable, management of account receivable, cash management and financial education). Monitoring and evaluation is an intervening

variable (ITV) which may affect the influence of the two variables, that is, the dependent variable (DV) and independent variable (IV)

Figure 1: Conceptual framework on influence of Government Financial Regulations on Financial Management Practices in Public Schools



Source: IJSTR (2013)

CHAPTER THREE

RESEARCH METHODOLOGY AND ORGANISATIONAL PROFILE

3.0 Introduction

This chapter brings to bear and details the methodology used in this study and the research methods which informed the researcher's choice of methods. This research was undertaken so as to gain useful insights in the generating and managing of funds of public schools. In order to obtain the necessary data for the study, several research designs have been used. This chapter looks at the research design, population, sampling techniques, data collection tools and procedure.

3.1 Research design

Research design is an arrangement or a structure for controlling a study. The design connects the questions or objectives of the study to the data gathered. Hussey et al. (1997) compiles a number of ways of research designs by which a study can be explained or a researcher can adopt for a study and categorizes them as per aim, procedure, rationale, and result of the research. It goes on to further explain that a particular project may be explained in a number of ways as it will have aim, procedure, rationale and logic.

To help achieve the purpose of this study, the descriptive design was used. The descriptive design because it would help explain the attitude of the selected group in relation to the phenomenon being researched and according to the objectives set and based on data gathered from the study. It is also used here since it can be more challenging to undertake a study with large number of samples.

The study also employed the case study design as that helps test the feasibility of a phenomenon on the ground or how it is applied in a day to day activity by applying it to selected few from the whole. This is achieved by purposefully removing a section of a large group and testing an idea on it.

Quantitative research takes a look at many cases, individuals, or units, and measure constrained elements about them as numbers. By contrast, a qualitative study ordinarily includes qualitative data and analyzes numerous various elements of a small number of cases across either a short or long time period and then explains it. A combined research would therefore feature both qualitative and quantitative research designs.

This study adopts the combined approach, so that the limitations of qualitative and quantitative are complemented. Using the combined approach is believed to give a broader view of the case being studied. The qualitative approach produces verbal information as opposed to numerical values (Polgar & Thomas, 1995). The main point of the quantitative research method is that measurement is substantial, dependable and can be generalized with its reasonable expectation of circumstances and end results (Cassell & Symon, 1994).

3.2 Study Population

The target group about which the researcher is concerned with in gaining information and drawing conclusions is termed here as the population. The population therefore used for this study comprises the teaching and non-teaching staff of the school which stands at 90 and 97 respectively. Convenience sampling procedure was used to select the school. This School was chosen because it was easily accessible to the researcher and will minimize the cost involved in the administration of the questionnaire.

3.3 Sample Size and Sampling Technique

For the purpose of this study, 7 non-teaching staff from the school was purposively sampled according to their role played and knowledge in the school's ways of generating and managing its funds which comprises the headmistress, four accounting staff, the procurement officer and the supply officer.

According to Kumar et al. (2008), trying to narrow down the scope to key informants reduces the response error. Convenient sampling procedures are designed for the solicitation of information from the identified respondents of the population who are available to respond to questionnaires (Sekaran, 2003). These are non-probability sampling strategies that are utilized when the components are not given equivalent possibility of being incorporated in the study and when particularly the components are scattered.

3.4 Data Collection

Both primary and secondary data were obtained for the analysis stage of this study. The distinction between primary and secondary source of information, according to Hussey et al. (1997) is that with primary data, the researcher uses data obtained in the course of the study which are from the field survey whereas secondary sources dwell on data already available or documented.

Primary data used for this study were collected by administering questionnaires to respondents to provide answers to. The questionnaire primarily consisted of open and closed ended questions. They were administered by the researcher who was present to help interpret issues where necessary.

The questionnaire was in five sections namely; background of respondents (4 questions), sources of funds for public schools (8 questions), trends in generation of

funds in public schools (one table), compliance with financial administration act (2003) – act 654 (28 questions) and the challenges faced in the generation and management of funds (7 questions) making up 48 questions in all. On the average, 30 minutes were used to complete a questionnaire.

The literature guided the development of the questionnaire. The background data section elicited information on respondent's background such as years of work experience, position, educational level and gender. The rest of the sections which sought to delve deep into the main aim of the study of generating and managing funds in public schools had some questions coined from the financial administration act (2003) – act 654 to check compliance and others touched on information from respondents concerning the management of school funds from various angles.

3.5 Data Analysis

The data obtained from the field were edited, coded for its consistency and then entered in a computer using the statistical package for social scientists (SPSS) programmer version 16.0 to perform descriptive statistics. The results were organized into simple tables using frequencies, percentages, and bar charts in order to make the presentation of the information easy for understanding.

3.6 Reliability and Validity of Data

In quantitative research, validity and reliability of data are very essential aspects and the researcher seen as the data gathering instrument (Nieuwenhuis, 2007). In social sciences, (Bless, Higson-Smith and Kagee, 2006) contend that measurements are not accurate and so make it paramount that measures used are assessed by the researcher.

Validity again is defined by (Merriam, 1998) as the dependability of the research findings. The way in which research can be summed up as well as being able to

explain the results with certainty is the validity of the research. It includes the degree to which the outcomes can be precise and the degree to which the outcomes can be summed up to the population and current conditions (Wiersma, 1991).

Regarding reliability of the data collected, (Bailey; 1989) refers to reliability as consistency of measurement whilst (Wiersma, 1991) sees it as the degree to which an instrument gives comparable results for the same individual at distinctive times.

The researcher in a bid to ensure reliability of the data collected, the view of the respondents were sought on how they carry out of their duties before finally administering questionnaire which responses were compared with notes gathered earlier showed no variation.

With validity of responses or data gathered, respondents who were not ready to answer questionnaire when immediately given to them were given ample time to do so when they were less busy in order not to rush through it. The researcher was also present to explained portions of the questionnaire which respondents could not grasp to help answer appropriately.

3.7 Ethical Issues Involved and How These Were Addressed

Before starting the research work, the researcher was familiar with a review of factors and practices involved with research ethics. The researcher therefore aimed at following practices and procedures that led to the protection of human and non-human subjects. To protect respondents from physical and psychological harm and to see that their rights are not violated, the researcher went about sorting for the respondents' consent. Their rights to informed consent were considered. These were done to free the potential respondents from being pressured in any way to participate in this work. Potential participants were given enough time from morning to afternoon and

sufficient information to enable them make knowledgeable decisions about participation and non-participation before the questionnaires were distributed. The right to confidentiality was another issue that was addressed. Respondents were assured of maintaining the security of information obtained from and about them. The issue of anonymity was considered as the demands of the questionnaires excluded names and residence of respondents.

3.8 Profile of Yaa Asantewaa Girls' Senior High School

The school was established in 1961, pioneered by the first President of Ghana, Osagyefo Dr. Kwame Nkrumah after independence and named after Yaa Asantewaa, the notable revolutionary heroine and Queen mother of Ejisu. Located on the main Kumasi – Sunyani highway, the school is found between Tanoso and Abuakwa. Again, the school is also located approximately one kilometer away from the University College of Education, Kumasi Campus (UCEW-K). The school has a student population of about 2,202 comprising 2,059 boarders and 143 day students. The population of the school's teaching and non-teaching staff also stands at about 90 and 97 respectively. The school was chosen for this research because of cooperation on the part of authorities and its accessibility as well.

CHAPTER FOUR

PRESENTATION OF FINDINGS AND ANALYSIS

4.0 Introduction

This chapter presents the descriptive statistics of the study, interpretation of and discussion of results. The descriptive statistics deal with the description of results of cross tabulations. The cross tabulations, frequency tables and figures to depict the main source of funds for schools, their compliance with FAA (2003) and challenges school faces in raising funds for its activities. The study therefore uses primary data from the field and secondary data from reports and annual financial statements

4.1 Background of Respondent

It is important to know the background of respondents in order to make informed decisions about their roles in generating funds and financial administration in public schools.

4.1.1 Gender of Respondents

Analysis of item 1 of the questionnaire is presented in Table 1. This concern the gender of the sample used for the study

Table 1: Gender of Respondents

	Gender		Cumulative Percent
	Frequency	Percent	
Male	5	71.4	71.4
Female	2	28.6	100.0
Total	7	100.0	

Source: Author's field data (2015)

The data in Table 1 show that 7 (71.4%) males and 2 (28.6%) females formed the sample for the study. This means that the majority of the respondents for the study were males

4.1.2 Qualification and Years of Service of Respondents

It is important to note that, qualification and years of service in a field play important role in acquiring the needed information in a field since Kumar et al. (2008) was of the view that the selection of key informants knowledgeable about the generation and administration of funds will minimize error. The table 2 shows the key respondents to the questionnaires of the work.

Table 2: Qualification and Years of Service of Respondents

Qualification	Years of Service				Total
	Up to 3yrs	4 to 6yrs	7 to 10yrs	Over 10yrs	
DBS	0	1	0	0	1
RSA	1	0	0	0	1
HND	1	0	0	0	1
First Degree	1	1	1	0	3
Others- Masters	0	0	0	1	1
Total	3	2	1	1	7

Source: Author's field data (2015)

Table 2 shows the highest academic and professional qualification of the respondents. The data in Table 2 depicts that Diploma in Business Studies (DBS), RSA, Higher National Diploma (HND), First Degree and Master Degree. The data in Table above also indicate that 4 of the respondents hold DBS, RSA, HND and Postgraduate Degree (Masters). 3 of the remaining respondents hold First Degree. As depicted by

the table, those managing the funds of the school possess the minimum qualification and hence were qualified to serve in that capacity.

Regarding the years of service, 3 of respondents were having up to 3 years of working experience while 2 respondents were having 4 to 6 years working experience. It must be noted that 2 of the remaining of the respondents have about 7 years working experience in managing funds. From this analysis, it can be concluded that all the respondents selected for the study are not only experienced but also knowledgeable in the management of funds in Public Schools and hence their responses to the questionnaire can be relied on.

4.1.3 Respondents' Designation in the School

In order to achieve the objectives of the study, the selection of staff from the case study school were purposively selected as respondent with the required knowledge as Kumar et al. (2008) was of the view that the selection of key informants knowledgeable in the topic and in this case about funds generation and management in the case study school. This is to minimize error. The table 3 shows the key respondents to the questionnaires of the work

Table 3: Respondents' Designation in the School

Respondents' Current Positions	Frequency	Percent	Cumulative Percent
Accountant/Accounts Officer	4	57.4	57.4
Headmistress	1	14.2	71.6
Supply Officer	1	14.2	85.8
Procurement Officer	1	14.2	100.0
Total	7	100.0	

Source: Author's field data (2015)

The Table above shows the various positions the respondents occupy at the case study school. 4 of the respondents representing 57.4 percent fall under the category of Finance Team which comprises Accountants and Junior Accounts Officer. These staff is believed to have the key information that will help to achieve the research objectives since they deal or transact banking business for the School in general by managing their accounts with the banks in the area of fund generation. The top management team comprises of only the Headmistress representing 14.2 percent of the sample population while the remaining respondents are the Supply and Procurement Officers representing 28.4 percent of the sample. These categories of respondents have the grass root information and knowledge of sources of funds for the schools in that, they open accounts for school, lodge all account receivables and undertake payments for school activities. The researcher can therefore conclude that respondents for the study are the right people to solicit information from in terms of generation and management of funds in the case study school.

4.2 Generation of Funds

According to (Wiesmann and Jütting, 2001), the financial viability of the public schools depends on its ability to generate funds that would meet its financial obligations. It is therefore important to identify the sources of funds to the case study school

4.2.1 Sources of Funds for the Case Study School

In order to gain useful insights in the management of funds of Public Schools, the study identifies the various sources of funds of the school. Public institutions receive revenue from three main sources, namely Government of Ghana budgetary support,

Donor Pool Fund and IGF. Table 4 shows the sources of funds for the case study school.

Table 4: Sources of Funds for the Case Study School

Source of Funds	Respondents' Current Positions				
	Accountant/Accounts		Supply	Procurement	
	Officer	Headmistress	Officer	Officer	Total
Government	1	0	0	1	2
The School (IGF)	3	1	1	0	5
Donations	0	0	0	0	0
Total	4	1	1	1	7

Source: Author's field data (2015)

From the table 4, 3 staff from the Accounts Department, the Headmistress and the Supply Officer representing 71.4 percent of the respondents said IGF contribute to a greater part of their source of funds while 2 of the staff (1 Accountant and Procurement Officer) said that the other source of funds for the school's operational expenses is from the Government of Ghana (GoG) and this represent 28.6 percent of the total respondents. This means that the main source of funds for Yaa Asantewaa Senior High School comes from Internally Generated Funds which comprises mainly fees. This is contrary to the documented fact that the GoG contributes the most funds for the running of Public Schools

4.2.2 Disbursement of Funds from GoG (Timeliness and in Bulk)

Receiving funds in time and in bulk is critical to successful schools' activities implementation. Therefore, the study tried to find out the extent with how and time they receive funds from GoG. This is captured in the Table 5 below.

Table 5: Disbursement of Funds from GoG (Timeliness and in Bulk)

Funds Received on time	Funds Received in bulk				Total
	Strongly Agree	Agree	Neutral	Disagree	
Strongly Agree	0	1	0	0	1
Agree	0	0	1	0	1
Neutral	0	0	1	0	1
Disagree	0	1	0	2	3
Strongly Disagree	0	1	0	0	1
Total	0	3	2	2	7

Source: Author's field data (2015)

Regarding the receipt of funds in bulk from the GoG as shown in the table above, 3 of the respondents agreed that the school receive funds in bulk while 2 of the respondents disagreed to that. It is also important to note that 2 of them remain neutral as to whether the school receives its budgetary support in time or not and this is probably because, they lack information on such transactions.

In relation to whether the school receives funds on time, it is interesting to note again that majority of the respondents (3) disagreed to receiving funds for the school activities implementation from GoG on time whilst 1 respondent strongly disagreed. 2 other agreed and strongly agreed with 1 respondent being neutral.

From this analysis, one can conclude that funds are not received by the case study school on time since majority of the staff who responded to the questionnaire disagreed. However, anytime the school receives funds, it is in bulk. This means that there is a consistent delay in the release of funds from the GoG for the running of public schools in Ghana.

4.2.3 Disbursement of Funds from GoG (Sufficiency and in Batches)

In finding out the sources of funds for the school's activities implementation, the sufficiency of funds received from GoG was tested together with whether the school receives funds in batches. This is shown in the table 6 below.

Table 6: Disbursement of Funds from GoG (Sufficiency in Batches)

Funds are Received in Batches	Funds received are sufficient				Total
	Agree	Neutral	Disagree	Strongly Disagree	
Agree	0	0	1	1	2
Neutral	1	2	1	0	4
Strongly Disagree	0	0	0	1	1
Total	1	2	2	2	7

Source: Author's field data (2015)

From the Table above, most of the respondents to the questionnaire are of the view that funds received from GoG is not sufficient as 2 remains neutral to this and 4 representing the majority group Disagreed and strongly Disagreed that funds received are sufficient with only 1 staff who agreed to this.

Regarding whether the school receives funds in batches, majority of the respondents are neutral to this while 2 of the respondents agreed that funds are receive in batches, probably in quarters. It was only 1 respondent who strongly disagreed. This shows that funds released by the GoG of Ghana for the running of public schools are insufficient for the effective and smooth running of schools resulting in less quality education delivery.

4.2.6 Trends in sources of funds and amount generated for the period 2010 to 2014

Public Schools receive Funds from three main sources, namely Government of Ghana budgetary support, Donor Pool Fund and IGF. Table 7 shows the sources of funds and amount generated for the period 2010 to 2014 for the case study visited. Total funds received by the school within the reporting period amounted to GH¢ 11 million. Detailed breakdown is shown in the table below

Table 7: Sources fund and amount generated

Year	Source of Fund			Total Amount (GH¢)
	Internally Generated Fund (GH¢)	Donor Pool Fund (GH¢)	Government of Ghana budgetary support (GH¢)	
2010	921,469.04	9,114.20	62,438.85	993,022.09
2011	1,449,676.70	3,896.00	103,411.30	1,556,984.00
2012	1,730,968.58	-	180,959.06	1,911,927.64
2013	3,104,802.47	4,800.00	80,721.71	3,190,324.18
2014	2,913,923.16	-	186,125.42	3,100,048.58
Total	10,120,839.95	17,810.20	613,656.34	10,752,306.49

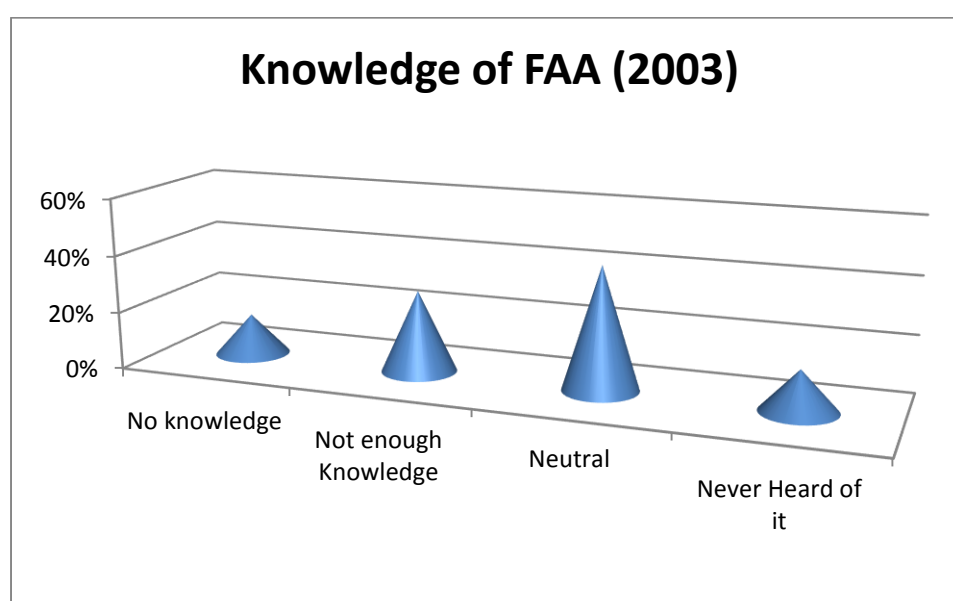
From the table above within the 4 years, the school has been able to internally generate GHs10, 120,839.95 representing 94 percent of the total funds received by the school while GHs613, 656.34 was received from GoG representing 6 percent of the

total. Funds from Donors amounts to GHS17, 180.20 represent zero percent. The result of this confirms the table 4 which shows that the main source of funding for the school's activities implementation is IGF, followed by Government of Ghana budgetary support. The table reveals that for the period under study, there was a general consistent increase in the internally generated funds of the school. The same applies to government of Ghana budgetary allocation. Source of funds from donor sources however was not consistent since the amount realized over the years appreciated and depreciated between subsequent years. This means that the school could not also rely much on donor fund supports.

4.3 Compliance with Financial and Administration Act (FAA), 2003

In order to understand the knowledge of the respondents on the need to comply with Ghana's Financial and Administration Act (2003), the respondents were tested on their knowledge of FAA (2003). Responses are depicted in the Fig. 2 below.

Figure 2: Compliance with Financial Administration Act



Source: Author's field data (2015)

Figure above shows the level of knowledge of FAA (2003) by respondents from the case study school. It is alarming to note that most of the respondents have no knowledge of FAA (2003) and this represents 14 percent. 29 percent of the sample know of FFA (2003) but do not have enough knowledge of the Act while 43 percent remains neutral. 14 percent claim they have never heard of FAA (2003) before. Upon interaction with most of the respondents, though they said they do not have knowledge of FAA (2003), their responses to further questions proved otherwise. This means that most of the staff who are supposed to be managing the school's funds according to FAA were either ignorant of the law itself or did not possess sufficient knowledge on it. This situation is likely to result in the ineffective management of funds in public schools.

4.3.1 Compliance to Banking of Funds and Records keeping

In relation to custody of public moneys and moneys received in trust for Government, section 9. (1) of the Act (2003) states that a person who collects or receives public moneys or moneys in trust for Government shall keep a record of receipts and deposits in a form and manner that the Controller and Accountant-General may prescribe and subsection (3) states that persons authorized to collect or receive public moneys and moneys in trust for Government shall pay the moneys promptly into the Consolidated Fund in such manner as may be prescribed in regulations or as the Controller and Accountant-General may direct. Therefore, the researcher tends to test how the school complies with the Act in terms of banking and records keeping of funds. This is shown in the table below.

Table 7: Compliance to Banking of Funds and Records keeping

Funds are banked within 24hrs	Records are kept receipts and deposits		Total
	Full Comply	Neutral	
Full Comply	2	0	2
Comply	2	0	2
Neutral	1	2	3
Total	5	2	7

Source: Author's field data (2015)

From the table 8, 2 of the respondents out of the total 7 were of the view that the school fully complies with the Act, subsection (3) while 2 of the respondents also said the school comply to the Act (2003) with the remaining 3 respondents being Neutral.

Section 9 (1) states that records of receipts and deposits must be kept in a form and manner that the Controller and Accountant-General may prescribe and the responses from the field indicate that 5 out of the 7 respondents said that the school fully complies when it comes to record keeping of receipts and deposits while 2 respondents were neutral. It can therefore be said that the school financial management are in compliance with the FAA (2003), section 9 (1 and 3). This also means that public schools, according to the case study school, manage their funds in accordance with the Act.

4.3.2 Compliance with Preparation of Financial Statements, Accounts and Reports

According to the Act (654), section 41 (1), within a period of three months, or such other period as Parliament may by resolution appoint, after the end of each financial year, there shall be prepared by the (a) head of each department and transmitted to the

Auditor-General, the Minister and the Controller and Accountant-General in respect of the financial year, accounts of the department which shall comprise (i) a balance sheet showing the assets and liabilities of the departments as at the end of the year; (ii) a statement of revenue and expenditure of the department for the year; (iii) a cash flow statement of the department for the year; and (iv) notes that form part of the accounts which shall include particulars of the extent to which the performance criteria specified in the estimate in relation to the provision of the department's output were satisfied. This was verified from the field work as depicted in the table below.

Table 8: Compliance with Preparation of Financial Statements, Accounts and Reports

FSs are prepared in accordance with GAAP				
Annual Preparation of Accounts are done	Full Comply	Comply	Neutral	Total
Full Comply	4	1	0	5
Comply	0	1	1	2
Total	4	2	1	7

Source: Author's field data (2015)

From the table 9, majority of the study's respondents indicated that the school fully complies with the Act by preparing annual accounts that are always submitted to Controller and Accountant-General while the remaining 2 of the respondents said the school complies with the FAA (2003).

Though the school complies with the Act regarding preparation of annual accounts, it was also revealed that the school these accounts are prepared in accordance with the Generally Accepted Accounting Principles (GAAP) as 4 of the respondents indicated

that, the school comply with the Act fully while 2 respondents were of the view that the school comply with the Act, section 41 (1). According to the case study, it can be deducted that public schools comply with the Act in preparing annual accounts.

4.3.3 Compliance with Financial Statements Audit and Audit Recommendations

Section 44 (1) of the Act states that public accounts, accounts of departments and statutory corporations and other public institutions provided for by this Act shall be audited in accordance with the provisions of the Audit Service Act, 2000, (Act 584) and Regulations made under that Act. The extent to which the school complies with the Section 44 is depicted in the table 9 below.

Table 9: Compliance with Financial Statements Audit and Audit Recommendations

Auditor to Audit FSs	Audit recommendations are implemented		Total
	Full Comply	Comply	
Full Comply	6	1	7
Total	6	1	7

Source: Author's field data (2015)

From the table 9, it can be seen that, there is total compliance to the FAA, 2003 and Audit Service Act, 2000 as 6 of the respondents representing the majority group indicated that the school fully comply with the Act while only 1 respondent thinks the school comply with the Act and for that matter the Audit Service Act, 2000, (Act 584). This according to the case study school means that the appropriation and utilization of public school funds is open to audit services to ensure transparency and detection of embezzlements.

4.3.4 Compliance with Budget Preparation

According to Section 25 (2), the estimates of the expenditure of departments and agencies (a) shall be classified under programmes or activities which shall be included in a Bill to be known as the Appropriation Bill and which shall be introduced into Parliament to provide for the issue from the Consolidated Fund or such other appropriate fund of the sums of money necessary to meet that expenditure and the appropriation of those sums for the purposes specified in that Bill. The table 10 below shows the extent to which the school complies to FAA, 2003 in terms on preparation and submission of budget estimates.

Table 10: Budget is always prepared

Budget is always prepared	Frequency	Percent	Cumulative Percent
Full Comply	4	44.4	66.7
Comply	2	22.2	88.9
Neutral	1	11.1	100.0
Total	7	100.0	

Source: Author's field data (2015)

The table above shows that 4 of the respondents representing 44.4 percent were of the view that the school fully complies with the FAA, 2003 by preparing budget estimates to be included in the nation's budget. 2 respondents representing 22.2 percent also indicated that the school complies to the requirement of preparation of annual budget always while only 1 of the respondents is neutral. From the analysis of the data, the school complies with a very large extent to the section 25 (2) of the Act. This according to the case study school means that, public schools do ensure that the government is provided with the necessary provision to enable it make proper planning towards education financing in public schools.

4.3.5 Compliance with Approval and Payment of Funds by the School

Section 11 (2) of the Act states that where money is paid by a person to a public officer for a purpose that is not fulfilled, the money may, less such sum as in the opinion of the Minister is properly attributed to service rendered, be returned or repaid or otherwise dealt with as the Minister may direct

Table 11: Compliance with Approval and Payment of Funds

Monies approved are used for its purpose	Approval of funds before Payment		Total
	Full Comply	Comply	
Full Comply	5	0	5
Comply	1	1	2
Total	6	1	7

Source: Author's field data (2015)

From the table 11, the school complies to section 11 (2) as 5 of the respondents representing the majority group indicated that the school fully complies with the Act while only 2 respondents think that all monies approved are used for its intended purpose.

Regarding the approval of funds before payment is made by the school, 6 of the respondents representing the majority group indicated that the school fully complies with the Act while only 1 respondent thinks payments are only made when approval is given. This means that the school shows higher degree of compliance with the ACT. This means that there is no misappropriation of funds in public schools in Ghana according to the case study school.

4.3.6 Compliance with Keeping of Cheque and Store Acquisition Records by The School

FAA 2003 (654), section 30. (1) Stipulates that each government department and institutions shall maintain adequate records of stores and the Minister in consultation with the Public Procurement Board, established under the Public Procurement Act may make Regulations governing the acquisition, receipt, custody, control, issue and disposal of the stores. This information is depicted in the table 12 below.

Table 12: Compliance with Keeping of Cheque and Store Acquisition Records

Records of cheques are kept	Store keep records of acquisition			Total
	Full Comply	Comply	Neutral	
Full Comply	2	2	1	5
Comply	1	0	0	1
Neutral	1	0	0	1
Total	4	2	1	7

Source: Author's field data (2015)

The table 12 above shows that total compliance as 6 of the 7 respondents neither fully comply or comply to section 30. (1) of the Act (654) with 1 respondent remaining neutral.

With regards to store keeping, 6 of the responses indicate that, the school fully comply or comply with the Act (654). It can therefore be concluded that the public schools make the provision to trace all monies and records items.

4.3.7 Compliance with Balancing of Cheques by Internal Auditors

Section 44 (2) of the Act (654) states that, the internal audit of departments and statutory corporations and other public institutions provided for by this Act shall be

conducted in accordance with any enactment for the time being regulating internal auditing of departments, statutory corporations and public institutions and the same applies to balancing of account daily. The table below exhibits the extent to which the school comply with section 44 (2) of the Act.

Table 13: Compliance with Balancing of Cheques by Internal Auditors

Balance of accounts are checked at the close of work	Internal Auditors by the School			Total
	Comply	Neutral	No Comply	
Comply	1	1	1	3
Neutral	0	1	2	3
Not Fully Complied	0	0	1	1
Total	1	2	4	7

Source: Author's field data (2015)

Table 13 shows that the school is in compliance with the Act (654) as 3 respondents indicate that the school comply with the Act of balancing their book at the close of the day while 3 of the respondents too remain neutral to whether the school balance its accounts on a daily basis or not. It was only 1 respondent who indicate that such practice of balancing the account on a daily basis is not been fully complied with by the school.

It was also found out that the school does not have internal audit department and this does not conform to the Act as majority of the respondents indicated that the does not comply with section 44 (2) of the Act. The balancing of accounts daily means that public secondary schools, according to the case study school are always up to date on the financial status of the school. The absence of internal audit department is likely to provide the environment for fund embezzlement in public schools.

4.4 Challenges in Management and Generation of Funds by the School

In Managing of public Secondary School Finances and Resources, report of MOE (2007) acknowledged some reasons and factors that pose as a challenge to Schools.

4.4.1 Lack of Training of Accounting Staff of the School

Organizing refresher course and training for staff of every organization is vital in achieving the desired results. The researcher tested by finding out the challenges faced by respondents in the management of school funds as depicted in the table below.

Table 14: Training of Accounting Staff

	Frequency	Percent	Valid Percent	Cumulative Percent
Not Often	4	44.4	44.4	66.7
Regularly	2	22.2	22.2	88.9
Neutral	1	11.1	11.1	100.0
Total	9	100.0	100.0	

Source: Author's field data (2015)

The table 14 above shows that majority of the staff of the school representing 44.4 percent were of the view that, training for the staff especially account staff is not often while 2 of the respondents representing 22.2 percent indicated the training of the accounting staff is regularly conducted. From this analysis, there is not much training for the accounting staff of the case study school which can adversely affect the generation and management of funds in public schools.

4.4.2 Underperformance of school authorities and Government Financial Regulation

MOE (2007) were of the view that the challenges faced by schools in management and generation of funds can be attributed to so many factors like Underperformance of school authorities among others. The data in the table 15 below tries to bring out the various challenges that the case study school is facing in managing its finances

Table 15: Underperformance of school authorities and Government Financial Regulation

Underperformance of school authorities	Problems from Government Financial Regulation		Total
	Lack of monitoring & evaluation unit on financial usage	Late disbursement of funds to schools	
Lack of Training of non-accounting staff	2	2	4
Lack of Professionalism of staff	1	2	3
Total	3	4	7

Source: Author's field data (2015)

Coupled with the lack or inadequate training of the accounting staff of the school, underperformance of the school authorities in fund management can be attributed to lack of training of non-accounting staff as majority of the respondents indicated this as a challenge. It must also be noted that, 3 of the respondents were of the view that underperformance of the school authorities is due to lack of professionalism on the part of the staff of the school.

Another problem has to do with Government Financial Regulations. The weak nature of the enforcement of these regulations has resulted in lack of monitoring & evaluation unit on financial usage as 3 of the respondents from the school attested to this. Coupled with this challenge is the late disbursement of funds to schools by the GoG. This is seen as the major challenge as majority of the respondents attested to this problem.

CHAPTER FIVE

SUMMARY OF FINDINGS, RECOMMENDATIONS AND CONCLUSION

5.0 Introduction

This chapter summarizes the research findings and how both primary and secondary data were obtained for the research work. It further gives the conclusion of the study and offers some recommendations in line with the objective of the study.

5.1 Summary of Findings

This study was aimed to document, examine and analyze the major sources of funds for the Public Schools in Ghana and how the funds generated are managed by the authorities in their quest of implementing the activities of the school. It aims to analyze the performance of the case study school in generating funds from the period of 2010 to 2014.

Specifically this study was conducted to identify the main source of funds for the school. Furthermore, it aims to examine the extent to which YAGSHS complies with the Financial and Administration Act, 2003 (654) and to identify challenges faced by the school in generating and managing funds.

To achieve these objectives, self-administered questionnaires was used to collect data from the accounting staff of YAGSHS. A descriptive analysis technique was used to analyze the data collected. Cross tabulation tables were drawn for the relevant closed-ended responses. The open-ended questions were analyzed based on the objectives set for the study. The study again employed secondary data from the annual reports from 2010 to 2014 for trend analysis. The study made the following findings:

Firstly, it was established from the findings of the study an indication that all the respondents are educated and their qualification range from DBS, RSA, HND to undergraduate and Postgraduate Degree levels with good working experience from 3 years to 10 years on average. This indicates that all the respondents selected for the study are knowledgeable in the management of funds in Public Schools and hence their responses to the questionnaire can be relied on.

Secondly, responses obtained from the field work showed that those who responded to the questionnaires were Accountants and Accounts Officers, the headmistress, supply officer and procurement officer. These staffs are believed to have the key information that will help to achieve the research objectives since they deal or transact banking business for the School in general by managing their accounts with the banks in the area of fund generation.

Thirdly, it was identified from the study that, funds of the school are from three main sources, namely Government of Ghana budgetary support, Donor Pool Fund and IGF. It was established that IGF is the main source of fund for the school representing 71.4 percent of the main sources of funding with GoG accounting for about 28.6 percent of the sources of funds.

Furthermore, it was established that funds from the Government of Ghana budgetary support are received by the school in bulk as revealed by majority of the respondents. It is also important to note that some of the respondents remain neutral as to whether the school receives its budgetary support in time or not and this is probably because, they lack information on such transactions. In relation to this is whether the school receives funds on time and it is interesting to note that from the responses from the field, funds are not received on time for the school activities implementation from

GoG with 1 respondent strongly disagreeing. 2 other agreed and strongly agreed with 1 respondent being neutral. However, anytime the school receives funds, it is in bulk. It was confirmed through the study that budgetary support from the Government is not sufficient for the school activities implementation. Regarding whether the school receives funds in batches, majority of the respondents are neutral to this while 2 of the respondents agreed that funds are received in batches, probably in quarters. It was only 1 respondent who strongly disagreed. Besides, it was found out that within the period of 4 years, the school has been able to internally generate GHs10, 120,839.95 representing 94 percent of the total funds received by the school while GHs613, 656.34 was received from GoG representing 6 percent of the total. Funds from Donors amounts to Ghs17, 180.20 represent zero percent. This result confirms that table 4 which shows that the main source of funding of the school activities implementation as IGF, followed by Government of Ghana budgetary support.

Besides the source of funds for the school, it is alarming to note that most of the respondents have no knowledge of FAA (2003) and this represents 14 percent. 29 percent of the sample know of FAA (2003) but do not have enough knowledge of the Act while 43 percent remains neutral. 14 percent claim they have never heard of FAA (2003) before. Upon interaction with most of the respondents, though they said they do not have knowledge of FAA (2003), their responses to further questions proved otherwise emphasizing the point that they are only aware of its practices and not the document.

Also, it was confirmed that the school's financial activities are in compliance with the financial administration Act, 2003 (Act, 654) as per the findings from the field. Particularly with regards to preparing annual accounts that are always submitted to

Controller and Accountant-General, keeping of records of receipts and deposits, preparation of accounts in accordance with the Generally Accepted Accounting Principles (GAAP), Funds are banked immediately upon receipt, auditing of Financial Statements and implementation of audit recommendations, submission of budget estimates, seeking approval and payment of Funds by the School among others were seen to be in compliance with the Act 654

Again, it was established that the school is in compliance with the Act (654) in terms of balancing their book at the close of the day and though the accounts of the school are audited annually, the school does not have internal audit department and this does not conform to the Act as majority of the respondents indicated according to section 44 (2) of the Act.

Lastly, the study also acknowledges that, there are challenges the case study school is facing regarding the generation and management of funds. The identified challenges are lack of training of accounting staff of the school, underperformance of school authorities, lack of professionalism of staff, lack of monitoring & evaluation unit on financial usage and late disbursement of funds to the school

5.2 Conclusion

From the findings, it is established that the Public Schools receive revenue from three main sources, namely Government of Ghana budgetary support, Donor Pool Fund and Internally Generated Funds. It was found out that within the period of 4 years, the school have been able to internally generate GHs10, 120,839.95 representing 94 percent of the total funds received by the school while GHs613, 656.34 was received from GoG representing 6 percent of the total. Funds from Donors amounts to Ghs17, 180.20 represent zero percent. The result of this confirms that table 4 which shows

that the main source of funding of the school activities implementation of IGF, followed by Government of Ghana budgetary support. Again, school receives funds in batches, majority of the respondents are neutral to this while 2 of the respondents agreed that funds are received in batches, probably in quarters. But it is important to note that these funds are not sufficient as per the responses obtained from the field. Also, it was confirmed that the school financial activities are in compliance of the financial and administration Act, 2003 (Act, 654) as per the findings from the field. Particularly with regards to preparing annual accounts that are always submitted to Controller and Accountant-General, keeping of records of receipts and deposits, preparation of accounts in accordance with the Generally Accepted Accounting Principles (GAAP), Funds are banked immediately upon receipt, auditing of Financial Statements and implementation of audit recommendations, submission of budget estimates, seeking approval and payment of Funds by the School among others were seen to be in compliance with the Act 654

5.3 Recommendations

Based on the findings of the study, it is the fervent hope of the researcher that certain recommendations could be implemented to enhance the school's generation and management of funds. The following recommendations are made;

Since in-depth knowledge on Financial Management is key to effective management of funds in public schools in Ghana, training and refresher courses should be organized for newly recruited staff who are involved in managing funds in the school as well as old staff who are not well equipped for such managerial role.

All public schools must ensure that all staff involved in the management of school finances are abreast with the dictates of the Financial Administrative Act and if possible all schools should have a print out copy of it so as to effectively regulate financial operations of the school.

The government of Ghana, together with public schools and educational governing bodies such as Ghana Education Service (GES) must put a mechanism in place to effectively control and monitor all financial operations of public schools to be able to effectively regulate the financial activities of schools and also safeguard against embezzlements, misapplication and misappropriations of funds

Adequate funding, in addition to timely release of funds is very momentous for the effective running of public schools. The government of Ghana must therefore increase its budget allocation for public school education funding and must as well put measures in place to ensure that funds are released on time, preferably prior to the beginning of the academic term or the academic year.

Furthermore, school authorities must ensure the establishment of good relationship with Government Officials in charge of disbursement of funds to schools to expedite release of funds to the schools

Since IGFs is the major source of fund that complements government funding, authorities in public schools must intensify activities to increase their IGFs by engaging such activities as poultry keeping, brick making, school farming, etc.

Authorities in public schools seek to the establishment of formidable Old Students Associations and also establish strong links with non-governmental organizations so as to cushion their donor support.

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APPENDICES

APPENDIX I

The study is purely for academic purposes and responses will be treated with the outmost confidentiality. **INSTRUCTION:** Tick (✓) the appropriate option where responses are given and provide your answer in the spaces provided where responses are not given.

This questionnaire is meant to collect data regarding the Generation and Management of Funds in Public Schools: A case study of Yaa Asantewaa Girls' Senior High School

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Section A: Background of the respondents

1. Gender: male () Female ()
2. How long have you served in the school?
Up to 3yrs () 4 to 6yrs () 7 to 10yrs () Over 10yrs ()
3. What is your qualification? DBS () RSA () HND () First Degree ()
Others, please specify
4. What is your current position?

Section B: Sources of Fund for Public School

1. What are your main sources of funds? Government () The school () Donations ()
Others, please specify
2. By what means are school fees collected? Cash () Bank draft () Money order ()
Postal order () Cheque () (please tick as many as applicable)
Others, please specify
3. Do you have any account for the fees collected? Yes () No ()
4. Are you involved in the collection of money on behalf of the school? Yes () No ()
If yes, what kind of monies?

Answer by ticking appropriately the options given

Strongly agree (SA) Agree (A) Neutral (N) Disagree (D) Strongly Disagree (SD)

No	Statement	SA	A	N	D	SD
5	Funds from government are received on time					
6	Funds from government are received in bulk					
7	Funds are received in batches					
8	Funds received are sufficient					

Section C: Trends in Generation of Funds for Public Schools

Please, fill in the table below.

Note: the information requested in the table below is to be provided by the Accountant.

Source of funds and amount generated

Year	Source of fund			Others GH¢	Amount GH¢
	Internally Generated Fund GH¢	Donor Pool Fund GH¢	Government of Ghana budgetary support GH¢		
2010					
2011					
2012					
2013					
2014					
Total					

Section D: Compliance with Financial Administration Act (2003) – Act 654

1. Do you have any knowledge of the financial administration act?

I have no knowledge of it ()

I do not have enough knowledge of it ()

Neutral ()

I have never heard of it ()

I have knowledge of it ()

(Please tick as appropriate – Full Comply (FC), Comply (C), Neutral (N), Not Fully Complied (NFC), Not Complied (NC))

No	Statement	FC	C	N	NFC	NC
2	Funds received on the school's behalf are banked within 24 hours					
3	Records are kept of funds receipts and deposits					
4	Misapplication and Embezzlement is punished					
5	Monthly preparation of accounts are done					
6	Annual preparation of accounts are done					
7	All Financial statements are prepared in accordance with generally accepted accounting principles					
8	There is an auditor to audit financial statements					
9	Audit recommendations are implemented					
10	Budgets are always prepared					
11	Monies approved are used for the purpose intended					
12	Approval of funds before payments are made					
13	Records of cheques are kept at all times					
14	Estimates of purchases are always subject to approval					
15	Part of school funds are invested					
16	Preparation of estimates for revenue and expenditure are always prepared					
17	Balance of accounts are checked at the close of the working day					
18	The school has employed an auditor or has an audit department					
19	There is a system where the work of one person is checked by another					
20	Preparation of annual reports are done					
21	Recommendations from reports are implemented					
22	Involvement of Board of Directors in the generation and management of funds					
23	Involvement of Board of Directors in the collection and receipt of funds					
24	Assessment and appraisal of standards and procedures are done					
25	Effectiveness of procedures used are checked					
26	Accountability of funds lost by way of neglect of duty or misconduct					
27	Stores keep records of all acquisitions made					
28	Stores keep records of issue and disposal of items					

Section E: Challenges Schools Face in Generation and Management of Funds

1. How often are budgets prepared?

Monthly () Quarterly () Half Yearly () Annually ()

2. What do you think account for underperformance of school authorities in financial management (you can tick more than one option)

Unqualified accounting staff ()

Lack of training of non-accounting staff in managing school funds ()

Lack of professionalism of staff ()

Others, please specify

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.....

3. What are the problems arising from government financial regulations

Lack of monitoring and evaluation unit on financial usage in schools ()

Long procurement procedures ()

Late disbursement of funds to schools ()

Others, please specify

.....
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4. How often are financial statements prepared?

Monthly () Quarterly () Half Yearly () Annually ()

5. By what standards are accounts prepared?

Accepted accounting standards () General Knowledge () No standard in particular ()

6. Are accounting staff given training from time to time on new accounting procedures?

Never () Not Often () Neutral () Regularly ()

7. Any comments on challenges faced in generating and managing funds for the school's activities?

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Thank you for taking your time to respond to this research questionnaire