

Practice and Challenges of School Finance Resource Mobilization and Utilization in Ethiopia

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Abstract

The main purpose of this study was to assess financial resource mobilization and utilization of government secondary schools in Ethiopia. To achieve this goal, the researcher had selected 5 schools from the total 9 schools in the city through simple random sampling. To select participants from the randomly selected 5 schools, the researcher had used comprehensive sampling technique and employed descriptive survey design. Questionnaire, document analysis and interview were used as the key data collection tools. The data was analyzed by percentage and narration. The study discovered that a little effort was made to generate internal incomes through conducting meeting with school community to raise awareness for donation, using school land for cultivation of vegetables and cash crops, selling grass and trees, renting school class rooms, halls, and shops. However, school principals cannot establish internal auditor committee in the schools. There is lack of financially skilled man power to utilize budgets properly. There are no trainings for finance officers & there is lack of leadership capacity. Based on the findings of the study the researcher recommended; the school principals, supervisors, KETBs and PTAs should exert their maximum efforts to mobilize their community and others for supporting schools. School principals should establish internal auditor committee and help them to check school financial activities through the right procedures timely. The zone education office should provide short and long term training for the school principals, vice-principals, accountants, cashiers, concerned department heads and PTAs to improve their performance and assign well trained and experienced financial personals to the work at the school level so as to improve financial management activities and to scale up the educational finance mobilization and utilization processes.

Keywords: Financial Resource, Mobilization, Utilization, Secondary School

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1. INTRODUCTION

Education is a process in which a person transmits his/her experiences, new findings, and values accumulated over the years, in his/her struggle for survival and development through generations. It enables individuals and society to make allround participation in development endeavours by acquiring knowledge, ability, skills and attitudes (MOE, 1994). In addition, it plays a role in the promotion of respect for human rights and democratic values, creating the condition for equality, mutual understanding and cooperation among people. In this regard, quality education is the base for all rounded development of any nation (MOE, 1994; Lockheed & Verspoor, 1991).

Resource mobilization is a rising and growing activity in developing countries especially in education development, education stakeholders from primary level to tertiary level, are varying to mobilize resource effectively in order to meet the expanding need in their institution. Resource mobilization stresses the ability of members to acquire resource (physical, fiscal or material) and to mobilize people towards accomplishing the organization or community goal (MoE, 2013).

The Ethiopian education and Training policy recommended sufficient budget allocation and proper utilization of the educational budget for the intended purpose. According to MOE (1994), Ethiopian Government devotes a large amount of money for education since it plays a major role in promoting economic development and improvement in the life standard of a society. Finance in the school is one of the crucial issues to promote access to education and its quality (MoE, 2010).

The expansion of educational systems and provision of quality education in schools are greatly influenced by the amount of finance available to education and by the extent to which the available finance is effectively and efficiently managed and utilized. Therefore, strong relationship exists between finance and educational programs, or the capability of finance is influencing educational programs of schools (Melaku, 2010). In addition to this, finance in the school is a critical issue to accomplish different tasks which support in insuring quality of education and to expand education (MOE, 2010).

However; allocating large amount of budget alone couldn't bring change in the quality of education. Thus, effective management of financial resource is very essential issue for the provision of the quality of education and the achievement of educational objectives. Lack of capacity in financial management will lead to the absence of quality of education. In addition, lack of finance, capacity to plan and manage funds and coordinate

different actions at the ground level results low implementation level of policies and objectives.

Therefore, financing of education must be efficient and appropriate to promote equity and quality of education. So that in schools, sufficient budget allocation and proper utilization of the educational budget for the intended purpose should be critical. In many developing countries, the problems of financing secondary school and its management are sensitive and participation of stakeholders' rate remains low and not grew up in most of the countries (MoE, 2002). Education costs in secondary school are often high and unsustainable if stakeholders don't participate consistent in school financial resource management practices as owner (MoE, 2002).

Responsibilities in operational planning, budget allocation and budget control shall be devolved to the Woreda Education and Training Board, Kebele Education and Training Boards (KETB) and Parent Student Teacher Association (PSTA) at school level are established to strengthen community school relationship, create good learning environment, decrease dropout rate, increase community support to schools in terms of material, labor and finance will definitely require the acquisition of management skill (personnel administration, evaluation, monitoring, planning, budgeting accounting etc). Therefore, building the implementation capacity of woredas, based on training needs identification through short term domestic and/ or abroad training programs on educational management, supervision, finance purchasing and major strategy and under taking (MOE, ESDP II 2003). Moreover, Moe (2002) also states that school principals, finance personnel and Parent Teacher Associations (PTA) have great responsibility to manage school financial resources.

Regarding school principals, Bisschoff (1997) expresses they should have basic knowledge, skill, qualification, interest and experience of financial resource management. In practice, various forms of trainings were given for secondary school principals on financial resource management (MOE, 2007). However, the trainings indicated that the accountability of schools' principals was very high and it did not improve the financial resource management practices in secondary schools as expected. Therefore, it needs hard working and commitment from schools' managers to improve financial resource management in secondary schools.

In practice in many parts of Ethiopia, the schools are not adequately equipped with human, material and financial resource. As a result, the majority of indicated scarce resources are not utilized to the maximum level and there is underutilization. Hence there is a need for promoting the idea of resource mobilization and wise use of the available scarce resource in order to maximize the effective use of the available resource (Getachew, 2014). This is due to the fact that principals and other personals have no appropriate knowledge and practice in educational resource management. Consequently they lack the ability in planning, coordinating, directing, supervising and evaluating the school over all programs and activities through their subordinate (Tefaye, 1990).

In Ethiopia's context, Tefera, (2018) conducted a research on practice and challenges of financial resource management in Haddiya Zone public secondary schools. He found the absence of participatory action plan for procure activities, lack of action plan based material purchase, absence of material inventory and purchased material quality control and absence of pro-forma before procurement activities. Moreover, the study identified problems related to financial check and balance. As he argued all these problems are mainly associated with lack of competent finance administrators, deprived procurement activities and poor financial check and balance.

Endale (2011) conducted on the practices of FRM focusing only in government primary schools in the Shashamane town. This study was limited to variables like allocation of budget, utilization and sources of finance. However, the area of financial resource management practices and its problems on planning, accounting, auditing and reporting; effective and efficient management and utilization of financial resource in secondary schools were not well studied particularly in OSZSF. These are the gaps that the researcher may try to fill and initiated to conduct on the government secondary schools of Dessie City administration.

Ashenafi, (2018) also conducted a research on practices and challenges of leadership in resource mobilization of government secondary schools in Kolfe Keranyo sub city of Addis Ababa and the study found that most of school community and related stakeholders has high knowledge gap in resource mobilization. Principals of the school, vice principals, teachers, parents and sub city supervisors do not participate relevant training (workshop) on the issue.

In the above paragraphs Tefera and Ashenafi's researches mainly focused on challenges of financial management. These studies were limited to variables like allocation of budget, utilization and sources of finance. However, the area of financial resource mobilization, financial management practices and their problems on mobilization, planning, accounting, auditing and reporting; effective and efficient management and utilization of financial resource in secondary schools were not well studied particularly in Dessie City High Schools. In addition, to the researcher's best knowledge there is scarcity of studies related to school finance resource mobilization and utilization in secondary schools of Dessie City. These are the gaps that the researcher may try to fill and initiated to conduct this study on this specific area. As a result, the purpose of this study is to assess the practices of finance resource mobilization and utilization in secondary schools of Dessie City government high schools.

2. REVIEW OF RELATED LITERATURE

2.1. Introduction

Education is a work of preparing a generation for life aiming at helping human being in solving problems ranging from day to day activities to complex social economic and political challenges. It is an endeavor that develops skill and capacity, eradicates harmful practices and enhances science and technology (MoE, 1991).

Schools play a central role in the realizing these purposes of education, as they are institutions where the formal teaching and learning activity takes place. Hence, what is going on in schools could imply the performance of an education system. In this regard, Macbeth said that, "improving the micro-efficiency of the school has been viewed as a means of addressing some of the Macro problems of the state and society (Cited in Harris, 2005). On the other hand, what is going on in the larger educational system and the external environment highly affects schools' performance (Ayalew, 1991).

2.2. Educational Finance and its Significance

Briefly defined educational finance is financial resources provided by sources which are public and private for the provision of educational services (Lirensio, 2003). Illustrating this concept, Lirensio writes educational finance as financial resources used to invest in education by the state, parents, communities and organizations. Finance is an indispensable resource in educational activities. Finance, is in fact one of the most important resources which through a process and mechanism of budgeting is converted in to real instructional resources (Melaku, 2010). The expansion of educational systems and the provision of quality education are all greatly influenced by the amount of finance available to education.

Schools are centers for social development. Accordingly, their major functions are instruction. Other functions of the school systems are designed to enhance efficiency and effectiveness of the instructional process. And instruction involves some inputs, such as finance and other material supplies. Referring to this very fact, UNESCO as cited in Melsew, reads "the school is a social institution created to serve community. To run the school effectively, financial, material and human resources are very important (UNESCO, 2002, cited in Melsew 2005).

2.3. Sources of Educational Finance

Finance for the educational system comes from different sources. The major ones are public and private sources. The funds derived from these two sources are called public funds and private funds respectively (Melaku, 2010).

2.3.1. Public/ Government Funding

Public funding of education system varies according to the structure of governance of certain country. On this basis, the education system can be fully financed by single level of government central, regional or local or by combination of the two or more of these government levels (Melaku, 2010). Melaku, distinguishes each of these funding plans as shown below.

2.3.1.1. Full Central Funding

This can be viewed from two aspects. The first is seen in a highly centralized government that uses central funding to exercise considerable control both legal and financial over regional states. The other is seen in the system of centralized government administration that uses full central funding only in determining the total regional education budget. This practice of financing education allows regional states to identify and solve their particular educational problems.

2.3.1.2. Full Regional Funding

This is a centralized system of funding education at regional level where regional states may generate all educational revenues either to control all actual expenditures or simply determine the local educational budgets and allow local authorities complete freedom (authority) in spending.

2.3.1.3. Full Local Funding

Under full local funding system local government bodies must have taxing authority and a sufficient fiscal base to fund local educational needs. This is generally unlikely in developing countries as it poses inequalities in provision of educational services among communities.

2.3.1.3. Combined Public Funding

In this funding plan each government level might fund certain segments of the educational system. For instance, central sources might fund capital costs and lower level sources (regional and local) might fund recurrent costs. The other option under combined public funding plan is that educational revenues generated at two or three levels might go in to a general fund for redistribution to spending units. Public source for education in most African countries are raised from taxation, foreign loans and grants .It is important to note that the predominant pattern in financing education in developing countries particularly in Africa is government funding (Jeilu, 2000)

2.3.2. Private Funding

In many countries private contribution constitutes a major factor in financing education. The contributions (monitory or material) may be direct, indirect voluntary or involuntary. Melaku (2010) identify the major groups

of private contributors to education as follows:

A. Families: - families pay for tuition, registration, examination and other purposes. Expenditures for purchase of school uniforms, books, instructional supplies and materials and for transportation are among the “hidden” costs for families in the education of their children. Besides these obligatory expenses, some families can contribute resources to education institution in different forms, for instance wealthy parent loan money to school system.

B. Local community: Local community may cover capital expenditures when the government takes the community to cover recurrent expenditure or vice versa. For instance, communities can contribute land, labor and material to build or maintain school buildings. They can also contribute by housing teaching staff and by topping up their salaries. Communities and parents play fundamental roles in financial contributions and the provision of school materials. They also recruit contract teachers from the community. In different schools, they have recruited kindergarten teachers.

To improve the teaching and learning condition in different schools, principals and teachers have mobilized financial resources from the communities and parents. Libraries, laboratories do not have books and chemicals in good quality and amount. These resources money contributed by the community are used to buy books and chemicals. In addition, parents have contributed a lot of money to repair broken, chairs tables and blackboards. To reduce the problem in schools, the school communities repeatedly try to encourage each student to pay birr every year. Within a student population the contribution is big and helps the school to improve many things but it cannot alleviate all financial challenges in schools.

C. Corporations and business firms: Government can enact laws that direct corporation and business firms to participate in financing and provision of education services.

D. Voluntary agencies: Such local and external sources as religious or charitable organizations, private associations and foundations and international organizations can be called up to assist in financing and provision of education

E. Self-help(internal income): Educational institutions can also be encouraged to generate income to self-finance some of their educational activities.

2.4. Financial Management in Education

Financial management is part of the total management function which is concerned with the effective and efficient raising and use of funds. Financial management in education is concerned with the cost of education, sources of income to meet the educational costs and the spending of the income in an objective manner in order to achieve the educational goals (Hampton, 1994, cited in Mebrate). It is a process which includes the major activities that are related to identifying the source of educational finance and the how of generating them. It is the most sensitive asset that needs serious attention by all stake holders in general and educational managers in particular. In support of this idea, Tide emphasized the management of finance in education as:

Financial management involves dealing with problems relating to receiving the maximum revenue available to the school district, safeguarding all financial commitments throughout the fiscal period as directed by the budget adopted by the board of education.(Tide Well, 1991, cited in Lirensio, 2006)

2.5. Challenges of Financial Management in Secondary Education

The challenges could be related to financial planning, financial reports and financial controls. Barasa (2009) recognized that, efficient management of financial resources is an important task for head teachers. Without adequate financial resources, institutions cannot carry out their defined tasks effectively. Money must be available to run the different departments of the school. The available funds will be used to purchase the required teaching and learning apparatus such as chalks, textbooks, paying of the support staff and building and improvement of infrastructures.

Financial management in education is concerned with the cost of education, sources of income to meet the educational costs and the spending of the income in an objective manner in order to achieve the educational objectives (Okumbe,2001). However, educational managers are being challenged to justify their financial requests in terms of educational programs rather than the costs, if education has to compete equitably for public funds. In the preparation of the budget, the principal or head teacher must seek the cooperation of the parents, the teachers and other school employees. By enlisting the cooperation of these people, the principal ensures a comprehensive view of the budget and a feeling of partnership which contributes to the much needed spirit de corps. Financial planning involves aspects of accounting which involves the overall process of identifying, measuring, recording, interpreting and communicating the results of economic activity; tracking business income and expenses and using these measurements to answer specific questions about the financial and tax status of the business which is basically a system that provides quantitative information about finances (Okumbe,2001).

Cole and Kelly (2011), define planning as the formalization of what is intended to happen at some tie in the future; concerns actions taken prior to an event, typically formulating goals and objectives and then arranging for

resources to be provided in order to achieve a desired outcome. Planning leads to budgeting which is a statement usually expressed in financial terms, of the desired performance of an organization (in this case a school) in the pursuit of its objectives over a specified period. A budget is an action plan for the immediate future, representing the operational and tactical end of the corporate planning chain. This study further stated that managers responsible for carrying out budgets should participate in their formulation, and should be flexible to be changed if conditions arise, and budgets should be seen as means to an end, and not an end in themselves.

Financial reports usually need accounting and its products such as an organization's annual report as a platform upon which to build many decisions and activities. Organizations must follow specific rules and formats of presentation for their annual reports and financial statements. The key accounting event for any organization is the publication of the annual report which records the financial performance over a book year. Cole and Kelly (2011), in their study established that organizations may create and adopt a number of statements to communicate the corporation's view on the subject of ethics. They stipulated common issues in business ethics to be included are accountability (transparency and reporting) business conduct (compliance with the law, competitive conduct, and corruption and bribery conflicts of interest. The existence of a code of practice in ethics, supported by senior management and made a natural feature of a company's culture, will enable better distinctions to be made between what is acceptable business practice and what is sharp practice.

Boddy (2011), reported that financial control process incorporates four elements; setting objectives or targets, measuring actual performance, comparing this against the standard and taking action to correct any significant gap between the two. Therefore controlling is the counterpart of planning and is the process of monitoring activities to ensure that results are in-line with the plan and taking corrective action if required. The balanced scorecard supplement measures of financial performance with those of customer satisfaction, internal process, and innovation and growth which all play a part in an overall assessment of performance. Further this study revealed that controls can encourage behavior that is not in the best interests of the organization can encourage people to supply the system with inaccurate information and people will resist controls that they feel threaten their ability to satisfy their needs from work. Therefore financial management in schools is at a crisis and research needed to be carried and help in suggesting strategies for the way forward.

3. METHODOLOGY OF THE STUDY

3.1. Design of the Study

For this study, the descriptive survey was employed. Descriptive survey enables the researcher to obtain current information about the financial resources management practices in the selected secondary schools. Descriptive survey design is appropriate to get current conditions of financial resources mobilization and utilization in relation to its current phenomenon (Sharma, 2000). As it is also discussed by Creswell (2007), descriptive survey design is useful to describe and interpret processes that are going on.

3.2. Data Sources and Data Collection Instruments

The researcher applied two types of source of data. They were primary and secondary sources of data. The primary sources of data were questionnaires, interview and document analysis and the secondary data were published and unpublished research papers. In case of the documents, the researcher was gathered data from the secondary schools about the use of financial resources for the past 3 years. This was enabled the researcher to know more about the schools previous financial resources.

3.3. Population, Samples and Sampling Techniques

In Dessie City Administration, there are 13 general and higher education preparatory secondary schools. Among these 9 secondary schools were government secondary schools. All these government secondary schools are target population of the study. This means school resources mobilization and utilization is the focus of this study.

The samples of the study are Dessie city Administration Education Department government secondary school Principals, supervisors, KETB members, PTA members, and financial department (cashiers, finance officers and purchasers). As mentioned above, there were 9 governments secondary schools out of them 5 schools were selected a sample by using simple random sampling techniques using lottery method. According to Leedy and Ormrod (2005) in simple random sampling technique, each member of the population has an equal chance of being selected. Principals, KETB, PTA members and financial department were selected by using comprehensive sampling techniques. Fortunately, the five selected secondary schools were Hotie General and Higher Education Preparatory Secondary School, Kidamegebeya General and Higher Education Preparatory Secondary School, Memhir Akalewold General and Higher Education Preparatory Secondary School, Nigus Michael General Secondary School and Tita General Secondary Schools.

Table 1. Sample size of each selected secondary schools

No.	School Name	of Number KTB	of Number PTA	Principal	Financial workers	Supervisors	Sampling technique
1	Hotie	8	5	1	3	1	Comprehensive
2	MemhirAkalewold	8	5	1	3	1	Comprehensive
3	Kidame Gebeya	8	5	1	3	1	Comprehensive
4	Nigus Michael	8	5	1	3	1	Comprehensive
5	Tita	8	5	1	3	-	Comprehensive
Total selected sample		40	25	5	15	4	Total = 89

Generally, the researcher selected 40KETB members, 25 PTA members, 4 supervisors, 5 principals, 15 financial department from the 5 schools. Totally, the number of respondents for both questionnaires & interview were 89. In addition, 4 school cluster supervisors were selected for interview purpose.

3.4. Method of data Analysis

After the necessary data was collected, it was organized according to its homogeneity, tallied, tabulated and analyzed to answer the basic research questions of the research meaningfully. Both quantitative and qualitative data analysis methods were applied in the study. Quantitative data, which were collected through questionnaire from KETB, PTA and financial department members were described in descriptive statistics such as percentages. The qualitative data that is collected through interview and documents analysis information obtained narrated in words by triangulating the information that obtained from interview. Finally, the result of the interpretation was discussed and summarized.

4. ANALYSIS AND DISCUSSION OF THE RESULT

4.1. Demographic Data

As it was presented in Table 2 demographic data of the respondents includes gender, age, Educational background and position.

Table 2: Demographic Information of Respondents

Item	Description	Frequency	Percent	Valid percent	Cumulative percent
Sex	Female	36	45	45	45
	Male	44	55	55	100
	Total	80	100	100	
Educational level	<grade 12	17	21.3	21.3	21.3
	Certificate	8	10.0	10.0	31.3
	Diploma	32	40.0	40.0	71.3
	BA	21	26.3	26.3	97.5
	Master	2	2.5	2.5	100
Position	PTA	25	31.25	31.3	31.3
	KETB	40	50	50	81.3
	Financial Department	15	18.75	18.8	100
	Principals	5	100	100	100
	Supervisors	4	100	100	100

Table 2 revealed that regarding sex, out of the total respondents 44(55%) of them were males; and 36(45.0%) of respondents were females. As the sex matrixes shows, the participation of respondents in the school administrative position was dominated by males.

Regarding educational level of the respondents, out of the total respondents 17(21.3%), 8(10%) and 32(40%) of school managers respectively below grade 12, certificate and diploma holders. On the other hand, 21(26.3%) and 2(2.5%) of them were first degree and master's degree holders respectively. This shows that the position of school managers especially and vice principals required second degree with the necessary qualification and skills as the MoE standard stated. In general, some respondents are first degree holders; and few of them seized second degree. However, the majority of school financial administrator members are below grade 12, certificate and diploma holders so, educational level affects the practice of financial resources mobilization.

4.2. Practices of Budget Utilization in Secondary Schools

In the review literature part of this paper, it has been discussed that budget utilization for the financial resource management practices play an important role for the attainment of overall schools goals, successful budget utilization of all the stakeholders. With understanding questions were presented for the respondents and the responses of the respondents' were analyzed by using mean and percentages in the table 3 below.

Table 3: Responses on the practices of financial resource utilization in the school

No	Items	Number of respondents' response				
		Strongly disagree N (%)	Disagree N (%)	Undecided N (%)	Agree N (%)	Strongly agree N (%)
1	There is underutilization of school budget in the school.	0 (0)	22(27.5)	23(28.8)	32(40)	3(3.8)
2	The school has internal audit skilled manpower.	10(12.5)	47(58.8)	17(21.3)	6(7.5)	0(0)
3	The school presents the annual budget schedule to the school community	3(3.8)	26(32.5)	17(21.3)	29(36.3)	5(6.3)
4	The city administration office education department gives direction/instruction/ to the school principals on how to utilize the budget	3(3.8)	19(23.8)	20(25)	33(41.3)	5(6.3)
5	The school has rules & guideline on how to utilize the budget.	29(36.3)	25(31.3)	10(12.5)	12(15)	4(5)

NB (Number of responses'), %(percentage of the respondent), 1=strongly disagree, 2=disagree, 3=undecided, 4=agree & 5= strongly agree.

As it can be indicated in Table 3 item 1, respondents were requested to rate their level of agreement on there is underutilization of school budget in the school. Out of the total respondents 40% responded with respect to the mean values 3.20 agree. This implies that school budget plan preparation was not participatory. From the interview respondents elaborated this idea; "most of the time there is underutilization of schools' budget without participation of the responsible stakeholders".

As it can be indicated in Table 3 items 2, respondents were asked to give their opinion regarding the school has internal audit skilled manpower. This confirms that schools budget the school has no internal audit skilled manpower.

As it can be showed in Table 3 items 3, respondents were asked to give their ideas concerning the school presents the annual budget schedule to the school community. Out of the total respondents 36.3% with respect to the mean value 3.09 agree. This implies that most of respondents responded the school presents the annual budget schedule to the school community was approved by the responsible stakeholders. But, the interview result shows, "The school budget plan was not approved at school level through the participation of stakeholders as it was observed while supervision and auditing". Equally, the school financial decisions minutes document review also made sure that the school budget plan was approved only by few school management, PTA and KETB committee members.

As it can be seen from Table 3 items 4, respondents' responses were analyzed concerning the city administration office education department gives direction/instruction/ to the school principals on how to utilize the budget. In this respect, the percentage 41.3% responded with mean value 3.23 agrees. This implies that the city administration office education department gives direction/instruction/ to the school principals on how to utilize the budget while budget implementation. Similarly, the interview result shows that schools were followed finance guidelines effectively. Likewise, school document review result showed that the recording systems of accounting, planning and reporting documents were not well organized correctly.

As it can be described on Table 3 item 5, respondents were asked whether or not the school has rules & guideline on how to utilize the budget. Regarding this, the mean values 2.21 of 36.3% strongly disagree. This means that the school has no rules & guideline on how to utilize the budget. Therefore, there is no well-organized financial guideline on controlling finance system in the schools. As the interview result shows that there was none transparency on financial resource management in the schools. Therefore, this guide to make a decision that the majorities of respondents responded that there was no guideline for transparency on financial resource management in the schools.

Table 4: Frequency analysis of financial resources Utilization in secondary schools

No	Item	Description	No	percent	Cumulative percent	Mean
1	How often internal auditing is accomplished	Never	21	26.3	26.3	2.08
		Rarely	37	46.3	72.5	
		Sometimes	17	21.3	93.8	
		Always	5	6.3	100	
2	How often external auditing practiced	Never	29	36.3	36.3	1.90
		Rarely	33	41.3	77.5	
		Sometimes	15	18.8	96.3	
		Always	3	3.8	100	

From Table 4 item number 1, 21(26.3%) respondents responded that students said never. 37(46.3%) respondents responded that, there is rarely in schools internal auditing , in addition 17 (21.3%) respondents responded that there is sometimes internal auditing financial resources. Few 5(6.3%) respondents responded that, there is financial resources internal auditing. Therefore, most of the respondents responded that, there is not internal financial auditing in secondary schools with mean value of 2.08.

From table item 2, 29(36.3%) of the respondents responded that, there is never in external auditing of school resources, 33(41.3%) respondents responded that there is rarely in external auditing practices. 15(18.8%) respondents responded that, there is sometimes external auditing practices happened. Few 3(3.8%) respondents responded that, there is external auditing practice in secondary schools. Cumulatively, majority of respondents responded that, there is no frequent external financial audit in secondary schools with the mean value of 1.90 which is less than the expected mean.

The five schools principals said the ultimate accountability for the effective utilization of school finances lies with the office of the manager. As an education manager, you should:

Allocate funds to various activities in accordance with the budget; authorize the disbursement of school funds; Administer school funds both lawfully and morally;

Determine a school budget in consultation with other stakeholders such as heads of department, senior teachers and the Board of Governors; and ensure that the school has the funds it needs and that those funds are used effectively and efficiently.

4.3. Challenges on the Practice of Financial Resource Mobilization &Utilization

In the review literature part of this study, challenges that affecting financial resource utilization have been discussed. In light of this, respondents asked to rate their level of agreement on questions that affect financial resources utilization practices in their schools. Based on this, the respondents' responses were analyzed by using mean and percentage in table 4 below.

Table 5: Challenges of financial resources mobilization &utilization in secondary schools

No	Items	Number of respondents' response					Mean
		1N (%)	2 N (%)	3 N (%)	4 N (%)	5 N (%)	
1	Lack of Unskilled manpower who serves to keep document that affects school finance.	0(0)	14(17.5)	13(16.3)	40(50.0)	13(16.3)	3.65
2	Absence of external auditing	4(5.0)	5(6.3)	12(15)	45(56.3)	14(17.5)	3.75
3	Miss use of budget	5(6.3)	17(21.3)	21(26.3)	30(37.5)	7(8.8)	3.38
4	Budget utilization is not reported	5(6.3)	15(18.8)	32(40.0)	19(23.8)	9(11.3)	3.21
5	Internal income is not adequately kept and regulation	8(10.0)	21(26.3)	18(22.5)	30(37.5)	3(3.8)	2.99
6	Lack of financial transparency practices	2(2.5)	11(13.8)	19(23.8)	38(47.5)	10(12.5)	3.54
7	Lack of accountability	2(2.5)	13(16.3)	39(48.8)	19(23.8)	7(8.8)	3.20
8	The principal is not effective in managing budget	0(0)	9(11.3)	23(28.8)	24(30.0)	24(30.0)	3.79
9	KETB and PTA do not work in collaboration with school	2(2.5)	7(8.8)	16(20.0)	27(33.8)	28(35.0)	3.90

NB. N (Number of responses'), %(percentage of the respondent), 1=very low, 2=low, 3=undecided, 4=high & 5= very high.

As it can be seen from Table 5 items 1, concerning the schools' Unskilled manpower who serves to keep document that affects school finance, the mean value of 3.65 of the respondents' responded with respect to

percentage value of 50% high. As respondents responded that the problems of lack of unskilled manpower who serves to keep document that affects school finance. In competency were seen widely. In the same way, the interview result shows, "School finance personnel competency is an urgent issue and need solutions". Therefore, schools finance personnel competency was below the required performance.

As it can be shown in table 4 items 2, the mean value 3.75 of the respondents indicated that with respect to percentage value 56.3% were agreed, from the cumulative value most 59(73.75%) were very high. This implies that there is no external auditing of financial resource utilization decision making in secondary schools. This is highly affects the financial resource utilization of the schools.

Regarding the issue of intervention of external forces' school finance checking and controlling system in Table 5 items 3, the mean value 3.73 of the respondents responded that with respect to the percentage value 37.5% were undecided. This implies that the finance checking and controlling system in the schools were not satisfactory. As the rest of the respondents responded with the percentage value of 36.3% were agreed with the idea, this implies that the problems of finance checking and controlling in the school low. In this light, the result of document review shows that schools finance checking and controlling system problems existed.

In table 4, item 4 the mean value 3.38 of respondents answered with respect to 37.5% of the respondents responded that the budget is not used for the right purpose and financial budget planning inhibits financial resource utilization. This implies that most respondent responded low and very low with the problems of proper financial utilization in the schools. The schools financial decision minute and annual financial planning document review result shows that schools financial planning was not integrated all school activities. This implies that schools financial utilization was inappropriate.

As indicated in Table 5, items 5, and the mean value 3.21 of the respondents indicated with respect to 40% of them were undecided. Budget utilization is not reported this implies that there is problem regarding reporting on financial issues. In connection to this, the interview result shows that schools' budget utilization is not reported. This leads to conclude that schools budget utilization is not reported and affects financial resource utilization.

As shown in Table 5 item 6, the mean value 2.99 of respondents responded with respect to 37.5% agreed. This implies that schools internal income is not adequately kept and regulation successfully. Whereas, some group of the respondents replied that undecided with 22.5% value schools were somewhat followed finance rule and regulation. The document review of the receipt book, transaction registers, financial reports, and financial decisions minutes results showed that schools did not follow the finance rule and regulation effectively. Especially, all internal income is not adequately kept and regulation the external auditing feedback report in the schools showed that almost the majority of schools commented to follow finance rule and regulation.

As indicated in Table 5 items 7, the mean value 3.54 of the respondents indicated with respect to 47.5% of them were agreed. There are no financial transparency practices; this implies that there is no problem regarding transparency on financial issues. In connection to this, the interview result shows that schools' management had no problem on creating transparency for stakeholders on finance issue. This leads to conclude that schools had no transparency with stakeholders on financial resource management. Chapman and Arnold (2004) stated that to carry out transparency of financial resources, all the concerned individuals in the organization are to be participated and followed the purchasing procedures.

As indicated in Table 5, items 8, and the mean value 3.20 of the respondents indicated with respect to 48.8% of them were undecided. There is no accountability this implies that there is problem regarding accountability on financial issues. This leads to conclude that there is no accountability with regard to schools budget utilization and it affects financial resource utilization.

As indicated in table 4 items 9, the mean value 3.79 of the respondents indicated with respect to 60% of them were agreed and strongly agreed with the idea that the principal is not effective in utilizing budget. Hence, the principal is not effective in utilizing budget this implies that there is problem regarding principals effectiveness in budget utilizing. This leads to conclude that the principal is not effective in utilizing budget and it affects financial resource utilization.

As Table 5 items 10 indicated, the mean value 3.90 of the respondents indicated with respect to KETB and PTA do not work in collaboration with school, majority 33.8% and 35% of them were agreed and strongly agreed with the idea respectively. Hence KETB and PTA do not work in collaboration with school this implies that there is problem regarding KETB's and PTA's Collaboration in budget utilization. This leads to conclude that KETB and PTA do not work in collaboration with school in managing budget and it affects financial resource utilization.

In light of this, the interview indicated that it depends only on PTA committee decision. Therefore, the budget utilization in the school was not followed the procedures of financial utilization. Lack of appropriate checks and controlling hinders the school financial resource utilization in the school; inappropriate financial budget planning inhibits schools financial resource utilization, the problem of transparency affects financial resource utilization in schools

Lack of appropriate checks and controlling hinders the school financial resource management in the cluster supervisor said that that the major challenges that we faced in my cluster are listed hereunder. The level of school finance personnel incompetency that affects school finance. Lack of effective participation of stakeholders affect school financial resource management decision making, the problem of transparency affects financial resource utilization in the school.

5. CONCLUSIONS AND RECOMMENDATIONS

Based on the major findings, the following conclusions were drawn as exposed by the majority of the respondents efforts to mobilize and utilize resources is weak. School community relation is not strong. Therefore, it is to conclude that community participation needs improvement and acceleration. Meetings and discussions with stakeholders will be carried regularly. This should also be guided by action plan. Internal income generation and utilization of it is weak so it should be run by trained and competent finance administration and financial actors. Similarly, regarding to major challenges responses of respondents mentioned the following problems. Low practice of internal and external auditing is common in the schools. There is also misuse and violation of financial rules and regulations. The purchasing activity of educational materials is not based on action plans. There is also lack of follow up and support from zone and woreda. From all these problems it is clear that principals, woreda and zone education office and other concerned bodies are responsible to solve all these challenges. Generally, the study recommended that Dessie Education office and School financial personnel's should work in collaboration and avails training and awareness creation on the practices of financial management so as to improve school financial personnel's skills, reduce lack of financial management, increase coordination and integration of budget preparation activities, reduce shortage of budget, decrease missing of necessary auditing, reduce absence of reporting financial activities and increase proper mobilization and utilization of financial resources; because, financial resources are the major input to achieve the set educational plans and goals of schools.; because, financial resources are the major input to achieve the set educational plans and goals of schools.

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