

**PRACTICES AND CHALLENGES OF FINANCIAL RESOURCE
MANAGEMENT IN GOVERNMENT PRIMARY SCHOOLS OF BALE
ZONE IN OROMIA REGIONAL STATE**

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DEDICATION

This thesis is dedicated with gratitude and love to my beloved and precious wife, Mestawot Abebe and my daughter, Ananea Andualem.

STATEMENT OF THE AUTHOR

By my signature below, I declare that this thesis is my own work. I have followed all ethical and technical principles in the preparation, data collection, data analysis and compilation of this thesis. Any sources of materials used for this thesis have been given recognition through citation.

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BIOGRAPHICAL SKETCH

The author was born on December 15, 1983 in Oromiya Regional State, Bale Zone, Robe town, 02 Kebele. He attended and completed his elementary Education in Mada Walabu primary School and his Secondary education at Robe Secondary School in Robe Town and completed in 2002. After completion of secondary school, he joined Robe Teacher Training College and after three years long studies he received his diploma in History in 2005. Soon after receiving his Diploma he was employed by the Ministry of Education as primary school teacher in Bale Zone Goba Woreda. Later on to develop his knowledge, besides his teaching profession, he joined Haramaya University Summer Program in 2006 and graduated with first Degree in History in 2009. Then, he was assigned as a primary school principal and joined MadaWalabu University in 2013 and after two years of summer in service training he was graduated in Post Graduate Diploma in School Leadership in 2014. Then, later, he joined Haramaya University in 2016 to pursue School Leadership program at postgraduate level.

ACRONYMS

CSA	Central Statistics Agency
ESDP	Educational Sector Development Program
FRM	Financial Resource Management
GEQIP	General Education Quality Improvement Package
GNP	Gross National Product
IIEP	International Institute for Educational Planning
KETB	Kebele Education and Training Board
MoE	Ministry of Education
MoF	Ministry of Finance
NGO	Non-Governmental Organizations
PTSA	Parents, Teachers and Students Association
REB	Regional Education Bureau
SIC	School Improvement Committee
SPSS	Statistical Package for Social Sciences
WEO	Woreda Education Office
WFDO	Woreda Finance and Development Office

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Practices and Challenges of Financial Resource Management in Government Primary Schools of Bale Zone in Oromia Regional State

Andualem Birhanu

ABSTRACT

The purpose of this study was to investigate practices and challenges of financial resource management in government primary schools of Bale zone in Oromia Regional State. The study was conducted in fifteen primary schools found in five woredas of the zone. The schools were selected by using simple random sampling techniques. Teachers and PTSA members were selected by simple random technique of lottery method, whereas all principals, supervisors, school financial personnel and woreda finance auditors were selected by using availability sampling techniques because their number was small and manageable. The target population of the study were 725. From these 414 respondents were participated in the study. 10 woreda financial auditors were interviewed to gather in depth information and 404 self-developed questionnaires were distributed and only 399 (98.76%) questionnaires were filled and returned timely. It was pilot tested and its reliability was checked and found 0.78. Descriptive statistics such as frequencies and percentage were used to present demographic data of respondents. Independent sample t-test was employed to evaluate mean differences in the opinion between the two independent groups. Both quantitative and qualitative methods of data analysis were used to analyze the data obtained through questionnaire, interview and document analysis. Findings of the study revealed that the schools financial planning was not participatory and it lacks transparency, and the degree of implementation of financial guidelines was found minimum. Stakeholders' participation was achieved only through PTSA. Incompetency of principals, school leaders and financial personnel to manage and utilize school financial resources leads to misuse and unnecessary wastage. Moreover, lack of external auditing practices, absence of eligibly employed financial clerks, accountants, purchasers and storekeepers' and lack of reliable and genuine financial reports hinder the success of financial resource management. Thus, the overall recommendation of the study was providing training in capacity building, assigning qualified principals and financial personnel at the right place based on merit plus experience approach and creating local initiatives to increase stakeholders' participation in preparing adequate budget plan, continuous internal and external auditing, encouraging harmonious relationship between stakeholders' and eliminating restrictions attached to grant allocation. Providing genuine and reliable financial report to create transparency and amending adequate and explicit financial guidelines to bridge the gap in the practice of financial resource management in primary schools of the study area.

Key words: *Financial resource management, incompetency, misuse, capacity building.*

1. INTRODUCTION

This chapter is concerned with the introductory part of the research report. This includes: background of the study, statement of the problem, objectives of the study, significant of the study, delimitations of the study, and operational definition of key terms.

1.1. Background of the Study

Resource constitute major strategic factor in organizational functioning. Education can be realized when an important financial input necessary to facilitate the whole instructional processes are available and properly managed (Datta, 1998). Similarly, if financial resource is not managed and utilized properly in schools, it would affect teaching learning process and students' academic performance (MoE, 2013).

According to Najjar (2011), school leadership plays a significant role in managing financial resources in the outcome of any organized effort aimed at a particular goal or a set of goals. Moreover, MoE (2002) states that school principals, finance personnel and Parents and Teachers Associations (PTSA) have great responsibility to manage school financial resources. These school governing bodies are accountable for setting the internal controlling mechanisms and auditing based on internal rule and in accordance to the Ministry of Finance /MoF/ Regulation No.17/1997 and Federal Government of Ethiopia Financial Administration Proclamation No.648/2009. In addition to this, principals prepare activities like financial plan and the annual report. Besides, the provision and expansion of quality education in schools are greatly influenced by the amount of finance allocated for education and by the extent to which the allocated finance is effectively managed and utilized (Melaku, 2000). However, though financial resource management is a crucial issue for the achievement of educational goals, studies have shown that there are problems encountered in management of educational finance at different levels. For instance, studies by Tola (2016) conducted in Oromia special Zone, Alemayehu (2014) conducted in Kolfe Keranio sub-city of Addis Ababa, Endale (2011) conducted in Oromia regional state Shashamene town and Belay (2000) conducted in Addis Abbaba, show there is a problem in the practice and management of school financial resources. This inspired the researcher to analyze the practices and challenges of financial resource management at primary school level in Bale zone.

Therefore, in this study, the practices and challenges of school financial resource management starting from budget preparation and budget controlling systems (accounting, auditing and reporting) were analyzed for its consistency with the existing financial management guidelines of the government and investigated the problems encountered and the gaps seen in utilizing and managing school finance and tried to forward the possible suggestions to improve the existing financial resource management practices in government primary schools of Bale Zone in Oromia region.

1.2. Statement of the Problem

The success of any educational program is dependent on how schools manage and utilize their financial, material, human and time resources efficiently and effectively (UNESCO, 2013). Therefore, in countries like Ethiopia where economic resources are scarce and limited, it is important to manage the available resource efficiently so as to achieve the intended objectives of the institutions. One of the tools in achieving this is improving the practices and adopting best practices to solve the challenges of school financial practices (Workneh, 2012).

In relation to this financing public education in Ethiopia, in Education and Training Policy suggested sufficient budget allocation and proper utilization of the educational budget for the intended purpose. It stated that financing of education must be just, efficient and appropriate to promote equity and quality education for all citizens (MoE, 1994).

Strong leadership and direction and effective cooperation and communication across all educational levels and amongst ministries in multi-sectoral efforts will be essential. ESDP V in section two of educational framework under the sub section capacity development for improved management targeted to improve the management of the education system so that decisions are made and implemented that improves institutional performance and students' achievement (MoE, 2015).

In Ethiopian, therefore, proper financial management is an important aspect in school leadership since the introduction of GEQIP in 2007 (MoE, 2010). It is because of this importance that school principals, financial planners and administration personnel spend much of their time to properly manage this resource. However, beside to these achievements like increased budget allocation, there are still many challenges, which need future cooperative and

sustainable effort for its resolution. In line with this, MoE (2010) identified challenges such as limited capacity of leadership at sector and school level, unsustainable monitoring and evaluation systems.

Over the past few years ethical lapses have led the educational sector to a number of corrupt practices and insolvency. Recent studies by Tola (2016) and Alemayehu (2014), as well as report from MoE (2016), illustrated how unethical behavior can lead to exhibit a rapid decline in delivering quality education and aggravated dissatisfaction of customers and stakeholders. The fact is that, although financial resources are significant elements towards achieving educational goals and objectives, they are highly vulnerable to misleadingly selfish, corrupt and even more irresponsible flamboyant peoples. To this effect, educational leadership requires the implementation of effective practice and efficient management of financial resources in order to tackle the prevailing challenges (Melaku, 2000).

Similarly, MoE (2005) also explained that in Ethiopia school principals are the ones who are either outstanding in their teaching assignments or those who are popular among colleagues or their superiors. He also explained the assignment process appears to include bureaucratic, democratic and political aspects, leading to unpredictable outcomes. At regional level and even more so at woreda level, school leadership capacity in managing financial resources has been a serious problem, with shortage of qualified managers (MoE, 2005). Report from Bale zone Education office (2016), for instance, school principals come to position without having been prepared for their new role. Therefore, school principals lack the capacity to lead and manage financial resources and it needs hard working and commitment from schools leaders to improve the management of financial resource.

On the other hand, though it emphasis on secondary and preparatory schools, supporting the above idea different studies have been conducted in financial resource management. For instance, the research conducted by Endale (2010) and Tola (2016) in public schools of Shashamene town and Oromia special zone respectively, pointed out that principals are nominated before taking any training in the area and they are overburdened by different tasks including classroom teaching. These researches mainly focused on the practices of budgeting, the sources and methods of school finance and roles of school principals in utilizing the fiscal resources. Moreover, these writers conducted their study on Financial Resource Management

/FRM/ focusing only in secondary and preparatory schools by neglecting primary schools which are the potential areas to extract income from internal revenue, community participation, government fund, and private and/or None Governmental Organizations /NGOs/. However, the area of financial resource management practices and challenges on planning, accounting, auditing and reporting: effective and efficient management of financial resources in primary schools were not well studied particularly in Bale zone of Oromia Regional State. These are the gaps that the researcher tried to fill and initiated to conduct this study on this specific area.

1.3. Research Questions

Based on the above mentioned problems the researcher tried to answer the following questions that are developed to investigate practices and challenges of financial resource management in government primary schools of Bale Zone, Oromia Regional State.

1. What are practices in financial resource management being carried on in government primary schools of Bale Zone in Oromia Regional State?
2. To what extent do the school principals and student parents implement school financial resource management guidelines in government primary schools of Bale Zone?
3. What are the major challenges that negatively affect the practices of financial resource management in the government primary schools of Bale Zone?

1.4. Objectives of the Study

1.4.1. General objective

The general objective of the study was to investigate the practices and challenges of financial resource management in government primary schools of Bale Zone in Oromia Regional State and to forward the necessary solution.

1.4.2. Specific objectives

The specific objectives of the study were to:

1. Assess the practices of financial resource management in government primary schools of Bale Zone in Oromia Regional State.

2. Analyze the extent school principals and students' parents implement school financial resource management guidelines in government primary schools of Bale Zone.
3. Identify challenges that negatively affect school financial resource management in the area.
4. Suggest alternative strategies to improve the practices of financial resource management in primary schools.

1.5. Significance of the Study

This study may have practical significance and will help school principals and students' parents in providing an overall view about the practices of financial resource management and the finding may also help primary school leaders to be aware of their roles and responsibilities in managing financial resources. Thus, the study could create a platform and awake an educational leaders, planners and decision makers to consider and look in to problems that exist in school financial management. It may help to correct the inappropriate ways of financial management in schools and will provide relevant ideas.

Besides, this study may be significant for personal growth in revealing the problems through adding to knowledge on the issue to be studied and improving practice. Therefore, this research may be valuable for all parties and policy makers in addressing the prevailing challenges and informs policy debates to take adoptive measures for potential solutions. Moreover, this research contributes as a stepping stone for further researches.

1.6. Scope of the Study

This study was delimited to investigate practices and challenges of financial management in government primary schools of Bale zone in Oromia Regional State. The study did not include Private schools because of time and financial constraints.

In order to have more comprehensive information, it was vital to include all government primary schools. However, to increase the manageability of the study in relation to time, financial and other constraints the scope of this study was delimited to five woredas' out of 20 woredas' of Bale zone and the research was conducted in 15 government primary schools which are found in these 5 woredas.

Moreover, the scope of the study in terms of limiting variables was limited to planning (budgeting), accounting, and auditing, utilizing and reporting activities of the Block grant and internal revenues of school financial resource management. However, the school grant was not included in this research. Accordingly, methodologically the research was also confined to mixed research method and descriptive survey research design in which both quantitative and qualitative data were collected. More specifically, the samples of the research were selected by using available sampling technique for supervisors, school principals, school leaders, experts and financial auditors because they are small in number and manageable and by using simple random sampling techniques of lottery method for sample teachers.

1.7. Limitations of the Study

One of the major limitations encountered was unwillingness of some respondents to fill out and return the questionnaires on time. Besides, researcher's lack of expertise in conducting research has influenced the researcher to accomplish the study beyond the schedule. The other major limitation of the researcher was that some of woreda financial auditors were engaged in various meeting and it was not possible to get them easily for interview. However, the researcher attempted to make the study as complete as possible even by going to the residences of some respondents. As a result, there was no negative impact made due to such limitation as 98.77% of the questionnaires were completed and returned.

1.8. Operational Definitions of Key Terms

Accounting: refers to bookkeeping system within the school related to financial transactions.

Auditing: ensuring compliance of school financial operations with rules and procedures

Challenges: inability to act and use effectively in the financial resources.

Finance: is the capital (money) that is obtained from Block grant and internal revenues and managed by schools in the study area.

Financial resource Management: is the process in which the school manage and use its financial resources optimal to achieve school objectives.

Maladministration: incompetent or dishonest management or administration, especially in finance and public affairs.

Practice: the ability to act and use effectively the scarce school financial resources

Primary school: a school level comprising of two cycles from grade (1-4) and grade (5-8) levels in education system of Ethiopia.

School leaders: refers to school personnel, who ly work as a principal, vice principal, PTSA committee, supervisors, finance personnel, and school purchasers.

Stakeholders: includes parents, students, teachers and school leaders

1.9. Organization of the Study

This thesis consists of five chapters. The first chapter deals with the background, statement of the problem, objectives of the study, significant of the study, scope and limitations of the study, definition of terms, and organization of the study. Chapter two deals with the review of related literatures on the concept, theoretical framework, rational and characteristics of financial resource management, and practices of financial budgeting, accounting, auditing and reporting and the role of school principal and PTSA in financial management in primary school. The third chapter deals with the research design and methodology that include description of the study area, sources of data instruments of data collection, methods of data analysis. The fourth chapter presents the analysis and interpretation of the results of the study. The fifth chapter includes summary, conclusions, and recommendations. At the end, papers containing relevant information were annexed in the appendices.

2. REVIEW OF RELATED LITERATURE

The aim of this chapter is to present a brief review of related literature which is taken from relevant scholarly works to the study going to be undertaken. It deals with various issues related with financial resource management in schools theoretical framework of financial management and the concepts related to planning, budgeting, accounting, auditing, purchasing and reporting. In addition, local research findings in the issue and related literature on leadership competencies in financial resource management are provided.

2.1. Concept of Financial Resource Management

In education systems throughout the world, financial management has become, and continues to become, of much increased importance. This is partly because of the onerous financial constraints under which educational systems now have to operate, partly because of trends in many countries towards delegating at least some degree of control to individual schools and colleges and partly because of moves towards increased accountability in all public service systems (Hough, 1994).

Financial resource is made up of all monetary input into the education system directed towards the achievement of specific educational objectives. Financial resource is the life blood of an organization that determines the success and failure of any organization to achieve their objectives (Ahuja, 1993). Thus, financial management influences and limits the overall organizational activities.

Financial management is described by different scholars in many ways. The following are some of the explanations provided by certain known authors the schools financial management and its impact on education:

Clarke (2007) describes financial management as it is essential that the school (principal) makes sure that she/he has the knowledge and understanding of the basic processes in managing the school's accounts, the budgeting process and the systems and controls that are necessary to ensure that the school's monies are not misappropriated.

Momoniat in Erasmus (2008) explains financial management as requirement of managers to take responsibility for the actions and achievements in exchange for greater managerial direction over their inputs. Thus, managers have to take responsibility for their performance.

Similarly, Joubert and Bray (2007) described that schools financial resource management as the performance of management actions that connected with the financial aspects of a school for the achievement of educational goals. Van Wyk (2004) states that the objective of financial management in the public sector is to support management in the allocation of limited resources with the the purpose of ensuring economy and efficiency (and effectiveness) in the delivery of outputs required to achieve desired outcomes that will serve the needs of community (school).

According to Clarke (2007), financial management is a means to manage money that a school obtained from different sources by organizing activities like planning, administering, accounting, auditing, reporting, directing and controlling that the financial activities of the school to achieve educational objectives. The management of school finance involves the task of planning (budgeting), organizing (coordinating), leading (communicating and motivating) as well as controlling (auditing) (Clarke, 2007).

Furthermore, Knight (1993) states that financial management has at least two factors money management and cost management. Money management is centered on financial resource and cost management is not just identifying costs and reducing them, valuable through this, but also costing time utilization, education, educational process and its outputs and alternative educational strategies.

2.2. Theoretical Framework of Financial Resource Management

There is no single all-embracing and comprehensive theory of financial resource management in education. As MoE (2013) stated that the diversities of educational institutions, the varied nature of problems encountered, and the multidimensional nature of theory in education ly.

As Bush (2004) classified the main theories of educational management into six major models such as formal, collegial, political, subjective, ambiguity and cultural models. This study uses formal model that schools are hierarchical systems in which principals use rational means to

pay particular attention to agreed goals. Principals possess authority legitimized by their formal positions within the schools and accountable to school governing bodies for their activities. Formal model give prominence to official structures, rational processes, the authority of leaders and accountability. These may be linked to the school management tasks identified by Clarke (2007) namely planning, organizing, leading and controlling. Supporting this idea, Kruger (2005) confirms that school financial management entails four basic or fundamental actions, namely financial organizing, planning, leading and control.

In similar way, Mestry (2004), Ntseto (2009) stated the administration of a school's finances is an integral part of effective school administration. Besides Du Preez et al. (2003), planning is a vital component of effective school financial resource management administration and usually begins with the drafting of budget. In this respect, organizing of school finances should include aspects such as drawing up a school financial role; setting up a structure within the school to handle managerial and financial matters; delegating certain functions to PTSAs, teachers and the school finance personnel; and coordinating activities (Kruger, 2005 and Ntseto, 2009).

Moreover, Bisschoff (1997) noted that leadership in financial management involves three aspects: sound relationships, communication with all stakeholders (internal and external) and motivation of all the people concerned with school finances. As a result good communication will ensure that each staff member who is involved in school finances would be informed about authorizations for various expenditures is knowledgeable about the financial procedure for expending money, and knows to whom the results of the expenditure should be reported.

2.3. Rational for Educational Finance Management

Education equips the new generation with necessary skills, experiences, attitudes and knowledge. It enables individuals and society to make all round participation in the development process by acquiring knowledge, ability, skills and attitudes (MoE, 1994). The skills, experiences and knowledge acquired through educating citizens contribute to scientific and technological development that promotes social betterment. Education deals with matters related with the heart and soul of individual citizens, and the same is critical to political and economic welfare of the nation and its security (King and others, 2003). Moreover, it is a

basic means to create a sustainable economic development by facilitating the faster diffusion of information which is crucial for increasing productivity (Hanusherk and Kimo, 2000).

Studies have shown that expenditure on education in developing countries is very profitable investment and the rates of return to education are higher than for physical capital investment. All the developed and developing countries have an abiding faith in the effectiveness of education as powerful instrument of national progress and development (Mbua, 2002). It is due to these significant roles education plays that nations devote a substantial amount of financial and other resources to it.

According to International Institute for Educational Planning /IIEP/ (2011), the continuous growth of enrollment, though it is not adequate, calls supply of human, material and financial resources. Thus, education consumes an over whelming amount of resources so as to accomplish the educational objectives and policy demands.

To sum up, the rationales behind financing public education are primarily to improve inequality in the educational opportunity, maintaining appropriate quality standards and to support the realization of a well-educated community. As MoE (2013), the school system should mobilize scarce resources to attain stated objectives and satisfy the educational needs of students and the community. Therefore, it is a national approach to plan for effective and efficient financial resource management in the process of resource mobilization and optimum utilization.

2.4. Educational Financing Systems in Ethiopia

All countries are indulged in the provision of education to the citizens and devote some share of Gross National Product /GNP/ to this end annually. The amount of funds assigned to this purpose depends on several factors such as the percentage of the total population attending schooling, or training, the free education doctrine, and the relative advantage connected to education with respect to other sectors of the economy. Thus, the public expenditure on education should be analyzed in relations to the GNP and the total budget of the government (World Bank, 1999).

Decentralization of power and authority in the education system has resulted in the delegation of power and authority from center to regional and the grass root levels are possible for management of resources allocated (MoE, 2002). According to MoE (2007) education sector development program attention was given for financing of education by raising public expenditure and improving its management is issue. The financial support to education could be in the form of general or categorical aid. The general aid is financial assistance that is not especially earmarked for a particular educational program. The funds are available for expenditure at the discretion of the schools.

Unrestricted general aid /Block Grants/ increases school district's revenue, but don't place restriction on the use of the revenue. General aid formats provide additional revenues that schools can use any way they want. Categorical Grants, in contrast to general unrestricted grants, have restriction on how they can be used categorical grants are provided to school districts for specific reasons or purpose and often come with strict application, use and reporting requirements. Categorical grants are used to ensure that school districts provide services deemed important by state or federal government.

Therefore, in decentralized management systems educational institutions and schools were delegated the authority to collect administer and utilize their local resources including finance depending up on their prevailing realities (MoE, 2002). To this end, the researcher will review how the stakeholders participate in school financial resource management particularly in Bale zone of Oromia Regional State.

2.5. Financial Management Guidelines in Ethiopia

In Ethiopia, as to the mandate given to the council of Ministers, financial guidelines regarding the administration of payments and deposits of public money stated clearly in the proclamation No. 648/2009, Article 21-24 describes about the payments guidelines as follow:

- Authority: payments shall be made only if they are appropriated.
- Payment vouchers: no payment shall be made unless it is adequately vouched; and public bodies shall complete payment voucher for all payments in accordance with directives issued by the Ministry of finance.

- List of Authorized persons: 1) the head of every public body shall establish and have maintained a list of employees whom he or she has authorized to sign the documents referred to in these regulations. 2) Such lists shall be circulated to senior financial officer of the public body, the head of the Internal Audit of the public body, and to the ministry of finance.
- Mode of Payment: payment shall be made by means of cash, cheque, letter of credit, bank transfers or payment orders, in accordance with directives issued by the Ministry of Finance whose fundamental principle is that no payment is effective unless there is a budget allocated for the disbursement or expense. Within these boundaries, the organization can make the payment through cash, cheque and other methods as it is stated in the proclamation. However, these payments can only be made after the proper voucher raised. Further according to the proclamation, the organization should notify the ministry of Finance and its own account and internal audit section about the lists of designated people who are actually permitted to sign on the documents and cheque of the organization. In the case of the receipt and deposits of public money, Article 31 and 32 clearly state the procedure of the collection and the deposits of the public money.
- Receipt of Public Money: 1) for the sum of the money collected on behalf of the Federal Government of Ethiopia, a serially numbered, official receipt of the Ministry of finance shall be issued. 2) for every remittance received, including cash transfers from ministry of finance or other public bodies, whether they are in the form of cash, cheque or bank transfer, an official receipt shall be issued to the remitter by the receiver contributes enormously to it.

2.6. Sources of Educational Finance

Developing countries like Ethiopia are now facing a big demand for more and better education. To produce greater quality and equality within the education system it requires the provision of adequate finance from different sources. According to MoE (2007) Educational Sector Development Program (ESDP) attention was given for financing of education by raising public expenditure and improving its management is issue.

Policy makers and implementing agencies are paying more attention to increase the sources of funding. Accordingly, educational planning, management and controlling have been devolved to the local level (MoE, 2013). Under such systems the sources of educational finance, the right to allocate and utilize them are mainly determined by the local level. This is what we call fiscal decentralization. It is also true for purchasing, allocating and proper utilization of physical resources (MoE, 2002).

- Public finance (Government Sources)

In Ethiopia financial support to the education sector from the government will be up to the completion of general secondary education (up to grade 10) and related training with increased cost sharing at high levels of education is the government (MoE, 1994). According to Forojalla (1993) as cited in Alemayehu (2014), it is dangerous for the education which has weak tax system, foreign loans and grants.

Public spending on education in Ethiopia has increased by 70% in real terms between 2003 and 2012. This increase is largely a result of the expansion of the system, with school enrolment (up to grade 12) rising from 10 million to 19 million. Re spending, largely composed of teacher salaries doubled during this period (MoE, 2015).

The up to now experience in Ethiopia show that the resources that comes from the government source was adequate enough to address the education demand. As indicated in ESDP IV (2010) the government education budget and projected costs were estimated to increase significantly, from the annual 22 billion birr in 2010/11 to 29 billion birr in 2014/15. The difference with the projected costs leads to a financing gap and the total financing gap of the five years ESDP IV was nearly about 29.93 billion birr (MoE, 2010).

Moreover, as indicated in ESDP V (2015), the total cost for the five year plan is estimated at 454 billion birr (constant 2015/16 prices). The cost increases steadily from 74 billion birr 2015/16 to 108 billion birr in 2019/20. The increasing trend is mainly due to increasing re costs as the system expands: in particular expansion in higher education and secondary education. The difference with the projected costs leads to a financing gap. The total financing gap of 70 billion birr breaks down into annual shortfalls that are similar in absolute terms. The

annual gap rises from 14.8 billion birr to 15.7 billion birr in 2017/18 before falling to 12.9 billion birr in the final year of ESDP V (MoE, 2015). Thus, the government sources should be supported by other sources to increase the access and improvement quality of education.

- Private and Donor Agencies

Donor contributions, wherever aligned with ESDP V objectives and coordinated with government activities, will reduce the financing gap (MoE, 2015). Private and non-government sources of funding are diversified in their type and nature which includes funding from families, business firms or corporations, etc. in another study UNESCO (2002) identified that private sources include contributions from individuals, household and other private entities such as religious groups, firms and associations.

- Community Contribution

As indicated in ESDP V (2015), in Ethiopia a tradition of significant community support to education exists - in terms of providing in-kind support to classroom construction; and in terms of school management and decision making and the like. The vast majority of expansion to local areas was led by communities with support from woreda and REB officers. Community support of a form similar to ESDP IV is expected to continue into ESDP V and some of these expected financial gaps and costs will be reduced by community contribution in labour, materials and other in-kind support. Moreover, under ESDP V, community involvement will go beyond financial, material and labour contributions; communities will be expected to exercise leadership, participate in school management in such a manner that it reflects their ownership of the school (MoE, 2015).

- Internal Revenue

ly, almost all primary schools in Bale zone have income from different sources. Therefore, the responsibility of managing these financial resources is vested on the school governing bodies such as KETB, PTSA committees, principals, and the staff. There should be clearly defined, accountable, and transparent and the procedure of limits of delegated authority firmly established (MoE, 2002).

The following are among the major and overwhelming challenges in managing financial resource at the local level. These factors include: inadequate budget, weak sources of finance, limited capacity and insufficient experience in allocating, planning, accounting, auditing, reporting, utilizing and controlling financial resources effectively that leads to maladministration of financial resources. These challenges become usually broaden by unequal potential that the local levels consist in terms of mismanaging financial resource as well as the level of corruption by the local level authorities. As a result, there was a big gap between approved budget and expenditure as indicated in (Endale, 2011 and Tola, 2016).

2.7. Educational Financial Resource Management in Schools

Educational institutions have a power to manage their financial resources, as a business organizations and public organizations (MoE, 2013). Business organizations use management accounting and management control for providing information for managers in planning and control of the organizations activities. Since the objective of business organization is make profit, information is highly required to stay in the business. However, public organization, including educational institutions, use of accounting information for legal requirements to report the financial activities and the use of the source to the government or the educational act of local educational authorities in England required for the elected parliament members, the accounts of expenditure were published in the public funds of schools and colleges. The instructional budget of local authorities was used in planning and educational provision.

Moreover, the main focus of financial resource management in educational institution is concerned with the task of planning and controlling. According to the Educational act in England Levacis (1998), principals are accountable for educational finance resources management practice in the school. Schools and colleges managers need awareness of financial matters in order to play the required role in setting the board objective and related detailed operational activities. Thus, financial management in education is an important part of the principal activities and it embraces more than managing money. In general, reviewing the practices of financial resource management experiences of the study the researcher uses the practices of different studies analyzed in study process.

2.8. Decision-making in Educational Finance Management

The financial resource management has sequential stages in order to make appropriate decisions on finance to implement. The first stage in the process of financial resource management is securing or the demand of resources. To do so, it needs need-based assessment and preparing participatory plan. So, the major source of school finance is the budget share or the manual appropriation to the school system. The second stage in making financial decision is allocating to the required budget depends on the amount that is expected to spend on each individual budget headings. The budget heading are given on the basis of activities of the education system such as teaching learning materials, maintenance, salary, infrastructures, co-curricular activities, projects and other educational materials. The third stage execution of the implementation of budgets regulation by accounting procedures (UNESCO, 2006).

In relation to this, Mbama (1992) as indicated in Tola (2016), the financial manager normally has the responsibility of the implementation of management decision as well as the administration of the day to day financial transactions. The financial manager's administrative duties include the supervision of cash flows and involve in the major decisions of school finance. To sum up, to sum up reviewing the decision making on financial resource management enables the researcher to see how the decisions are made in the management of financial resources in primary schools.

2.9. Planning in Educational Finance Management

As explained in Belay (2000) educational planning is the weight of priorities and of alternative means to accomplish them is the essential feature of effective budgeting in the schools. They added that the school budget is basically an instrument of educational planning and incidentally an instrument of control.

According to Bisschoff (1997) school financial planning is carried out in accordance with the particular school's financial activities, thereby facilitating execution of the school financial plans and aims. School financial planning is the task of the principal who has to see that the school's purpose, mission, goals and methods of attaining these are clearly understood by all the stakeholders at the school. It is the fundamental element that in principle planning determines what the school proposes to accomplish.

In similar way Ntseto (2009), requirements of sound financial planning are begin with the vision, mission and general aims of the school as the framework. It determines the school's outcomes according to the needs of the school and identifies actions for each activity areas of school programs.

2.10. Budgeting in Educational Finance Management

2.10.1. The concept of budgeting

Budget and the concept of budgeting are defined by several authors on the subject in many ways. In one way or another, most of them stress that budget is the most prevalent planning and control techniques in resources management in an organization. Budget is an integral part of financial management. As it is well described by Chadwick (2002) budget is the statement of the plan for financing the various aspects of the educational program to be provided during the budget year. Budget is defined as a planned pattern of revenues and expenditure to achieve educational goals over a specified period of time (Croft, 2002).

Budget plan preparation requires a collaborative and integrated effort so as to enhance efficiency and effectiveness in the education system. Furthermore, the educational budget helps to provide an educational program in school district for a specific period, usually for one year. Accordingly, Kruger (2005) stated the schools budget is the management process reflecting revenues and expenditures of the various programs in the school, which is related to the school financial plan. In this way the steps in budgeting are the development of an educational plan, the preparation of an educational plan, and the preparation of revenue plan, the preparation of expenditure plan, the preparation of formal budget document and the approval of the budget document.

Davies (2003) proposed some criteria which can help to overcome the problem of over budgeting; this can be created during budget formulation. According to UNESCO (2002) to formulate good budget, it is necessary to have sound and timely information, including economic factor as project estimates, national income, inflation and supply, and demand states etc. Likewise MoE (2002) stated while formulating budget, it is also important to consider the present and future financial implications of educational policies and objectives. Moreover, it is also very help full to consider contingency and to develop flexibility while budgeting because

flexibility is important for reviewing and modifying of the budget during implementation; so that remedial action can be taken in time. In conclusion, reviewing the concept of budgeting of school financial resource helps the researcher to examine how the schools under study undertake the budgeting issue.

2.10.2. Purpose of a budget

The school budget has described as having many purposes to save both in defining the programmes and activities of the school system in terms of the money to be spent and in terms of the money to be spent and in terms of money to be derived from diverse sources. The fundamental importance of a budget is it controls the financial behavior of administrators in a school system. In other words, a budget guides the financial management practices of educational administrators, be it in the primary, secondary or tertiary levels of education. Secondly, a budget prevents waste or reckless spending of funds provided for various educational services. Adesina (1990) lists five purposes of a budget as follows:

First, the school budget forecasts the activities, services and programmes which an appropriate governing council (e.g. Education and Training Board of the Kebele) has approved for a given period, usually a one year period. Secondly, the budget shows what revenue is to be anticipated and from what sources this is to be derived. Thirdly, the school budget shows details, statements and estimates of expenditure for various items of the school system as a whole. Fourthly, the school budget shows what other contributions and pressures on the budget that are anticipated during the financial year. Fifth, the school budget must be prepared in such a way that it can be executed by anyone, even from outside the school system. In this way, the school budget aids the administration of the school programme in accordance with anticipated financial plan.

2.11. Financial Accounting

Accounting in school financial management involves checking to ensure that the order to pay is legal, that payment is affected and recorded in the general financial accounts covering all money spent in accordance with the budget. In other words, accounting involves complete and accurate recording, classifying and summarizing of all the financial facts or transaction

(Chadwick, 2002). This is entirely the responsibility of the principal who is assisted by the Bursar and accounts clerks.

Davies and Boczkd (2006) described accounting uses the bookkeeping system within an organization, which deals with how data is identified, recorded and presented as information in the ways required by the user of financial information. The accounting data which it is prepared for presentation must be accurate, reliable, timely, relevant, consistent and clear.

As Crowther (2004), the key function of financial accounting in school are meeting constitutional requirements, record keeping, and production of final accounts and the raising of finance. The duty of the primary school principal as the financial officer of the school is to initiate plans for the Kebele Education and Training Board and the Parent Teacher Association (PTSA) to adopt. Thus, the school principal is at the centre of the school financial plan and therefore needs to help those with whom he works to formulate proper plans.

Primary schools, especially government owned ones are primarily concerned with two audiences in the accounting of their activities. The first audience is the government represented by the MoE or Woreda Education Office as the case may be. The second audience is the Parent Teacher Association (PTSA), which concerns itself with accounting for internal revenues or levies and deciding on the proper payment of expenditures. Therefore, in the management of educational finance, there has to be appropriate accounting for the financial resources received and expensed by the educational organization over expenditures must be established to ensure that the educational finances are spent in accordance with authorized budgetary statement.

2.12. Auditing

Auditing is a logical and integral part of financial responsibility. In similar way, it is a crucial instrument for monitoring and controlling of budget implementation as well as the essential part of the system of accountability and oversight in that it ensures compliance of operations with regulations, rules and procedures (Millichamp, 2002). Auditing of school accounts must be done with reasonable care and skill and it should be done by a competent and independent person (Arens and et.al, 2012).

Mbua (2002) categorized audits in education into two main types. These are internal audits and external audit. However, internal auditors as the trend in the research area particularly in primary schools are community auditors that are selected from an employee of the school particularly teachers and the school community. According to Arens and et.al, (2012), internal auditors responsibilities vary considerably, depending on the employer, but the principal responsibility of internal auditors are to determine if the various operating divisions are following management's policies and procedures.

Auditing has some objectives. Its main objective is to enable auditors to form opinions on the accuracy of the financial statement produced by the school for a given period. It also helps the school board to improve the school accounting system. Thus, auditing is concerned with the verification of the accounting data with the aim of determining the reliability and accuracy. Therefore, auditing of accounts is compulsory and necessary to avoid errors of commission, compensate errors, and falsified errors (Chalam, 2003). The general financial condition should be reported to the government and the community according to the reporting schedule (MoE, 2002).

2.13. Purchasing

As of any other business terms, purchasing is defined differently by various experts. For Sharma (2010), purchasing is the activity engaging for getting the right materials to the right place, at the right time, in the right quantity with a right price. Similarly, Chary (2000) defined purchasing as the process of buying materials for an organization with the intention of facilitating the entire activities so as to achieve the predetermined.

Moreover, economists have proposed universal parameters to evaluate acquisition of materials functions of purchasing. Nair (1998) discussed these parameters as right time, determining the right price and identifying the right resource. Purchasing has its own objectives, and guiding rules, procedures and principles. Thus, purchasing power is not inherent but is delegated to the organizations by regulators of the state. The state mandates purchasing responsibility and authority, purchasing limits, procedures based on which organizations act to purchase materials required to organizational activities and render public services.

Besides, there is a written guideline of purchasing educational materials in Ethiopia in which schools are given the opportunity of small purchasing from their internal income (MoE, 2006). However, purchasing activities made in the system lack uniformity and create difficulty for the proper control and management of resources available. Thus, the researcher should try to analyze how purchased materials used in relation to the right procedures by due considering the use of right models.

2.14. Financial Reporting

Reporting is the procedure, which is permitted to clear and purposeful communication between school administrators, education office and the public with regard to the financial affairs of the school district (Samoff, 1999). The reporting aspect of accounting is extremely important in the budget planning, administration and control.

ESDP V (2015) stipulated the need for a new financial planning and reporting systems that will be developed and the staff will be trained in their use and it is emphasized that quarterly, semi-annually activity and annual financial performance report to be produced at every governmental level of Ethiopia. As the document, among issues concentration is given in the report card is information on actual capital and re expenditure. The quarterly report is mainly to serve the day-to-day management purpose at implementation level. The semi-annual and annual reports will be the main source of information on progress and achievements of the entire program as compared to plans. Therefore, genuine and honesty report is an important task of financial management in school that it clears the necessary information for the community.

2.15. School Principals' Leadership Function as a Financial Manager

Finance function is one of the major parts of school leadership and management, which involves permanent and continuous process of fiscal resource concern. School principals as any organization managers need to have well equipped with the necessary financial managerial functions. The duty of school leaders are to direct, lead, guide and motivate the followers towards the achievement of the school goals and objectives. As MoE (2007), pointed out principals leadership function is a multi-faceted and complex phenomenon, which is considered to be an important element in school functioning. In relation to this, Yukl (2010),

leadership effectiveness is occasionally measured in terms of the leaders' contribution to the quality of group processes, as perceived by followers or by outside observers.

Financial management one of the important role played by a school principal. He/she must have entire knowledge in the area of planning, accounting, auditing, financial guidelines, controlling, managing and reporting. School principal as a financial manager performs the following major functions: financial planning, forecasting financial requirements, acquiring necessary capital, investment decisions, cash management, and interrelation with other departments.

2.16. Leadership Competency for Effective Financial Management

As it is suggested by Corbally (1997), the personnel of education finance and business administration will need to possess certain specialized competency in the area of financial management. Actually, the necessary skills, knowledge and understanding which will enable them to utilize their general competency are needed. In addition to this, Berkhout (1992) stated that not only those who work in the financial department but also including the managers of educational institutions and school principals' work as who have an involvement in financial management should possess specialized skills.

Thus, lack of competent personnel in financial management challenges more and occupy more of the attention of the time directly or indirectly to local boards of education than any other problem relating to schools. Therefore, competent personnel with clear policies are needed for the management of financial resources in schools. The competence of personnel to manage and control finance in schools play a decisive role for the effective utilization of financial resources and a key for the realization of school objectives (Davies, 2003). Thus, reviewing the personnel competence in financial management enables the researcher to realize that the school financial management activity is carried out by skilled personnel or not.

2.17. Role of School Principal and PTSA in Financial Management

According to Leithwood and Stainbac (1995), school principals have responsibilities and duties of their positions; they often find it difficult to keep abreast of implementing policies

and practices. In the same way Sagor and Barnett (1994) agree that of having knowledge, skill and experience of policies and guidelines are essential to overcome the challenges.

Murphy and Louis (1999) refer to the popular trend of delegating the management of school funds to school principals and PTSA as an increase in the allocation of funds and decentralization of decision making. School principals and PTSA should be empowered to lead and supervise school resources in decentralization (MoE, 2002).

In addition to this, Nieman and Bennett (2002) school leaders as school financial management are expected to perform the following managerial functions:

- Implement the school financial policies and regulations
- Manage the school financial organization, planning, leading and controlling of all educational activities in their schools in order to achieve the school's objectives
- Develop educational goals, policies and strategies for the entire school.
- Ensure that the school financial policies are executed. This entails the management of school assets and liabilities.

The PTSA is essential that work closely with the school principals as school financial managers with respect to the ownership. In advance, MoE (2002), the PTSA should assist principals in administering the school finance; with projects to establish a school fund account; and to administer it in accordance with the policy and guidelines. They prepare school budget plan each year that shows the estimated income and presented to the general parent's meeting for approval.

As MoE (2013), the guidelines on school financial management indicate that the school cashier and PTSA head should open and maintain a single bank account in the name of the school at a registered bank. PTSA are obliged to examine the context of their specific school, and have the authority to spend the grant on the areas listed in the school grant as priorities. The PTSA plays an integral role in assisting the school function well including involving parents in the school's decision making, promoting communications and contributing resources for the school. Moreover, PTSA work closely with the school principals in managing school internal activities and oversees the proper implementation of finance. PTSA chairpersons are

signatories of the school grant cheques in their respective schools. Therefore, they are involved in deciding on the activities to be funded, setting priorities and controlling expenditures (MoE, 2009).

2.18. Review of Related Local Studies

Education can be realized when an important financial input necessary to facilitate the whole instructional processes are available and properly managed (Datta, 1998). Moreover, as to Derebessa (cited in Tigistu, 2010) empirical evidence suggests that educational investment has been one of the most important factors that contribute to economic growth in both developed and developing countries. Since the provision of quality education depends on how schools utilize and manage the scarce financial resources, financial management is an important aspect of school leadership.

Accordingly, different studies were made in different areas by different researchers. For instance, a research conducted by Terefe (2014) on the preparation and management of budget practices in some selected secondary schools of Harari national regional state concluded that the budget dalliance and shortage of budget were serious problems which caused failure on the accomplishment of the schools' plan due to shortage of materials and finance. The budget preparation of the secondary schools mainly done by the organized committee members including mainly principals, PTSA members, but, with no real participation of teachers representatives except the teachers who had close relationship with principals. There was also no budget reporting experience to staff members in some secondary schools in the area.

As Tola (2016), in his research on financial resource management practices in government secondary schools of Oromia special zone stated as the majority of the schools principals have no leadership competency to manage financial resources. In addition, inadequate financial plan and negligence to follow financial rules and guidelines are the most serious problems in financial management. Moreover, a study undertaken by Alemayehu (2014) secondary schools of Kolfe keranio Sub-city in Addis Abeba indicated that shortage of trained financial personnel in schools, budget preparation in schools highly dominated by principals and internal auditing rarely practiced and external audits not at all.

Thus, these challenges which are mentioned above as a causative and the most frequently identified types of school financial management problems needs further research in order to improve the practices and solve the problems related to school financial management.

2.19. Summary of the Reviewed Literature

As many authors stated, the major challenges that the education system face this days is the practice of schools resource management and related problem. Though the problem is the problem of every level of education system, it is the serious problem in elementary schools. Many of writers indicated that the practice of financial management and the drawbacks are interrelated and exhibited as a result of absence of stable and secured accountant, and trained man power. And also lack of prudent decisions in the allocation and utilization of scarce school financial resources are the most devastating challenges of the primary school financial management. On the other hand, though it emphasis on secondary and preparatory schools, supporting the above idea different local studies have been conducted in financial resource management.

Principals are nominated before taking any training in the area and they are over burden by different tasks including classroom teaching. There are problems related to effectiveness, accountability, participating and transparency of budgeting and budget preparation. Although, the guidelines, rules and regulations are available in schools rarely implemented and solely known by experts exclusively to the stakeholders and the community. Maladministration of scarce financial resources, in addition to lack of wise and efficient use leads to dissatisfaction of stakeholders and poor quality of education. Lack of objectivity in allocation and utilization of the scarce school financial resources and inadequate accounting, controlling and auditing aggravated the scale of misuse in school fiscal resources.

Moreover, these writers conducted their study on FRM focusing only in secondary and preparatory schools by neglecting primary schools which are the potential areas to extract income from internal revenue, community participation, government fund, and private or NGOs. These challenges which are mentioned above as a causative and the most frequently identified types of school financial management problems needs further research in order to improve the practices and solve the problems related to school financial management.

3. RESEARCH DESIGN AND METHODOLOGY

This chapter includes a description of the study area, research design and methodology, source of data, population and sample size and sampling techniques, data collection instruments, the statistical methods that were used to analyze and infer the results and ethical considerations.

3.1. Description of the Study Area

The researcher was conducted the study in Bale Zone, Oromia Regional State. The zone capital city, Robe is found at 430km South East of Addis Ababa. Bale is of the eighteen Zones of Oromia Regional State. The geographical landscape of the Zone includes high land, plateau, desert and semi desert. In its relative location Bale Zone is bounded in the East direction by West Harerghe Zone, in the North direction by Arsi Zone, in south direction by Borena Zone and in the west direction by West Arsi Zone. The climatic condition of Bale Zone includes cold in high lands, temperate (Weyinadega) in plateaus, desert and semi-desert in low land areas. The economic activity of the Zone is highly depending on agriculture and livestock rearing. According to CSA (2007), the population of Bale zone is estimated to be 1, 402,492.

Moreover, there are different government social organizations that provide different services in the area. Bale zone has a total of 20 woredas (two of them are town administrations) excluding Robe zonal administrative town. The public educational institutions of the Zone include 804 primary Schools, 57 secondary schools, 19 preparatory schools, 1 Teachers Training college, 7 Technical and vocational Education Training and 1 higher education institution (university) that are found in the zone. The most interesting things that attract tourist in Bale are the Bale Mountain national park, Bale plateau high land, Harena Natural Park, Dere-sheke Hussein and Sof-umor Cave.

More importantly, the researcher came up with different experiences with regard to schools' financial resource management while working as a teacher and as a school principal in the study area. As a result of his exposure, the researcher has better access to different information sources and knowledge of the site that would help to get rich and deep data to understand the issue under study.

3.2. Research Design and Methodology

The study focused on investigating the practices and challenges of financial resource management in government primary schools. Accordingly, among various research methods, the descriptive survey research design was employed for this study. This was done because it was believed appropriate to get available information and an exact description of the status and phenomena of FRM from school principals, school financial officers, PTSA members and Woredas' financial officers. Moreover, the descriptive survey design was very essential to reveal the present situation and the state of affairs in the present time about financial management practices and problems to report what was happened and what is happening.

Mixed research method was employed and both quantitative and qualitative data were collected. Accordingly, both qualitative and quantitative methods of data analysis would have been employed through sequential procedures, in which the researcher began with a detailed qualitative, open-ended interviews and document observations to collect detailed views from participants and then focuses, in a second phase, on a broad survey in order to generalize results to a population through questionnaire (Creswell, 2014). Thus, the researcher converged quantitative and qualitative data in order to provide a comprehensive analysis of the research problem.

3.3. Sources of Data

Having a real source of data in the process of the study is unquestionable to address the research questions. To have valuable and relevant data in this study, both primary and secondary sources were used.

3.3.1. Primary sources of data

First hand source was used to collect data from respondents. To achieve the ultimate goal of the study, data was gathered from teachers, school leaders (principals, vice-principals, finance personnel, supervisors, school finance personnel and purchasers, and PTSA committee members), and woreda financial auditors.

3.3.2. Secondary sources of data

Secondary sources of data were obtained from school documents of the year 2017. These documents include receipt book, cash analysis book, transaction registers, ledgers, bank statements, guidelines of FRM, financial reports and minutes. These sources of data helped the researcher to get in depth information from other sources.

3.4. Population, Sample Size and Sampling Techniques

3.4.1. Target population

This study was conducted in Oromia Regional State, Bale Zone, in government primary schools. There are 20 woredas, including two administrative towns in the zone and the research was conducted in 5 woredas around Robe Zonal administrative town.

The population of this study were 524 teachers, 191 school leaders (15 school principals, 11 vice-principals this is because only 11 schools have vice-principals out of 15 selected primary schools , 105 PTSA committee, 15 supervisors, and 45 school finance personnel), and 10 woreda finance auditors. Totally, the target population includes 725 cases.

3.4.2. Samples and sampling techniques

Because of resource scarcity, it is impossible to cover all 804 public primary schools that are found in the 20 woredas of Bale Zone. Due to this reason, the researcher selected 5 woredas around Robe Zonal administrative town, by using convenience sampling technique. Convenience sampling technique was used because this woredas' are very accessible and easy to reach at the selected schools, besides to time and resource constraints. These woredas' are namely, Sinana Woreda, Goba Woreda, Goba town, Agarfa Woreda, and Dinsho Woreda. In this 5 Woredas, there are 93 government primary schools. However, to increase the manageability of the study in relation to time, financial and other constraints, only 15 primary schools were selected for investigation, by using simple random sampling technique of lottery method, by taking 3 government primary schools per each of the chosen woredas'. Schools likely to be included in this study were (1) Gama Taja Primary school (PS), (2) Burkitu PS and (3) Sinja PS from Goba Woreda; (4) Tulu Dimtu PS, (5) Urji Berisa PS and (6) Areda Mecha PS from Goba town; and (7) Ali PS, (8) Ilani PS and (9) Weyib Shenterer PS from Agarfa

Woreda. (10) Shallo PS, (11) Hawsho PS and (12) Hende Beha PS from Sinana Woreda; (13) Dinsho PS, (14) Homa PS and (15) Abakera PS from Dinsho Woreda.

Accordingly, a simplified formula for proportions to calculate sample sizes provided by Yamane (1967) was used.

$$n = \frac{N}{1+N(e)^2} \quad \text{and For Proportions Constant } \% = \left(\frac{n}{N}\right)100$$

$$\text{For teachers} = \frac{524}{1+524(0.05)^2} = \frac{524}{2.3} = \underline{\underline{227}} \quad \text{and For Proportions } \% = \frac{227}{524} \times 100 = \underline{\underline{43.3\%}}$$

$$\text{For PTSA} = \frac{105}{1+105(0.05)^2} = \frac{105}{1.263} = \underline{\underline{83}} \quad \text{and For Proportions } \% = \frac{83}{105} \times 100 = \underline{\underline{79\%}}$$

Where **n** is the sample size, **N** is the population size and **e** is the level of precision.

In the 15 sample schools found in the selected 5 woredas', there were 15 principals, 11 vice-principals, 15 supervisors and 45 school finance personnel, respectively. Therefore, all principals, vice-principals, supervisors and school finance personnel were taken as sample by using available sampling technique because they were small in number and manageable. Regarding teachers, 227 (43.3%) were selected out of 524 teachers (found in the fifteen sample schools) by using simple random sampling techniques of lottery method. Likely, 90 (79%) PTSA committees were selected by using the same sampling technique as for teachers. Except 90 (79%) PTSA committees which were selected out of 105 PTSA committees by using simple random sampling techniques of lottery method, all other 86 (100%) school leaders (26 (100%) principals and vice-principals, 15 (100%) supervisors and 45 (100%) school finance personnel), and 10 (100%) woreda finance auditors were included in this study by using availability sampling techniques. Totally, 414 samples were taken as participants of the study.

Table 1: Summary of population, sample and sampling techniques of the study

No	Name of Selected Woreda	Name of selected Primary Schools	Teachers			Principals and Vice-principals			PTSA members			Supervisors			Finance Personnel			Woreda's Finance Auditors			Total		
			Population	Sample	%	Population	Sample	%	Population	Sample	%	Population	Sample	%	Population	Sample	%	Population	Sample	%	Population	Sample	%
1	Agarfa Woreda	Weyib Shenterer	42	18	43.3	2	2	100	7	6	79	1	1	100	3	3	100	2	2	100	148	85	57.4
		Ali PS	36	16	43.3	2	2	100	7	6	79	1	1	100	3	3	100						
		Ilani	29	13	43.3	2	2	100	7	6	79	1	1	100	3	3	100						
2	Dinsho Woreda	Abekera	22	10	43.3	2	2	100	7	6	79	1	1	100	3	3	100	2	2	100	126	75	59.5
		Dinsho	35	15	43.3	2	2	100	7	6	79	1	1	100	3	3	100						
		Homa	28	12	43.3	2	2	100	7	6	79	1	1	100	3	3	100						
3	Goba Town	Arada Micha	24	10	43.3	2	2	100	7	6	79	1	1	100	3	3	100	2	2	100	193	104	53.8
		Tulu Dimtu	46	20	43.3	2	2	100	7	6	79	1	1	100	3	3	100						
		Urji Berisa	82	36	43.3	2	2	100	7	6	79	1	1	100	3	3	100						
4	Goba Woreda	Burkitu	26	11	43.3	1	1	100	7	6	79	1	1	100	3	3	100	2	2	100	112	67	60
		Gama Teja	25	11	43.3	1	1	100	7	6	79	1	1	100	3	3	100						
		Sinja	24	10	43.3	1	1	100	7	6	79	1	1	100	3	3	100						
5	Sinana Woreda	Awsho	27	12	43.3	2	2	100	7	6	79	1	1	100	3	3	100	2	2	100	145	83	57
		Hende Beha	20	9	43.3	1	1	100	7	6	79	1	1	100	3	3	100						
		Shallo	58	25	43.3	2	2	100	7	6	79	1	1	100	3	3	100						
Total		15	524	228	43.3	26	26	100	105	90	85	15	15	100	45	45	100	10	10	100	725	414	57
Convenience Sampling	Simple Random Sampling Lottery Method	Simple Random Sampling Lottery Method	Simple Random Sampling Lottery Method	Available Sampling	Simple Random Sampling Lottery Method	Available Sampling	Simple Random Sampling Lottery Method	Available Sampling	Simple Random Sampling Lottery Method	Available Sampling	Simple Random Sampling Lottery Method	Available Sampling	Simple Random Sampling Lottery Method	Available Sampling	Simple Random Sampling Lottery Method	Available Sampling	Simple Random Sampling Lottery Method	Available Sampling	Simple Random Sampling Lottery Method	Simple Random Sampling Lottery Method and Available Sampling	Simple Random Sampling Lottery Method and Available Sampling	Simple Random Sampling Lottery Method and Available Sampling	Simple Random Sampling Lottery Method and Available Sampling

3.5. Data Collection Instruments

Both quantitative and qualitative data were collected by using different data collecting instruments like questionnaire, semi-structured interview, and analysis of documents.

3.5.1. Questionnaire

For this study, questionnaire is the most important data collection tool. Questionnaire is quick, economical, simple to reach large numbers and easy to get much information from respondents. It also helps to save time, encourages objectivity, provide rapid analysis and feedback to the researcher (Kothari, 2004). The questionnaire had two parts. Part one deals with background information of the respondents and part two deals with the objectives of the study.

Both open ended and close ended questions were prepared for 228 teachers and 176 School leaders (90 PTSA members, 26 principals and vice-principals, 15 supervisors and 45 school finance personnel) respondents. The questionnaire is framed in Likert scale answer format ranging from 1 “strongly disagree” to 5 “strongly agree” and some items are stated in rating scale format types ranging from 1 “very low” to 5 “very high”.

Before distributing the questionnaire to the actual sample, the instruments were pilot tested in Wacho primary school in Goba woreda on 12 teachers, 1 principal, 6 PTSA members and 1 supervisor in order to determine the reliability and validity of the data collection instruments and to detect redundancy, ambiguity and unclear items. Accordingly, its reliability checked by using Cronbach alpha at α 0.05 and found 0.78. Therefore, the questions have good reliability.

The validity of the instrument was examined with respect to its face validity and content validity. Regarding face validity, two colleagues graduated in MA degree in Educational Development Planning and Management and one of them graduated in Teaching English as Foreign Language and in Afan Oromo MA degree were invited to check its validity. In addition to this, the researcher gave the draft questionnaire for advisors and senior postgraduate students in the field for further suggestions. Based on the inputs obtained from them, items that were found to be vague were rephrased. As to the content validity, the clarity of each item and its comprehensiveness was checked by discussing with the advisor and pilot

study respondents. By doing all these, validity of the instrument was established. Then, the questionnaire was prepared in final form.

3.5.2. Interview guide

The other instrument that would be used for collecting of primary data for the study is an interview with 10 woreda's finance auditors from each woreda which were selected by using available sampling method. It was helpful for the researcher to complement the information gathered through other instruments and for the clarification of some concerned information. Therefore, 10 semi structured interview questions were prepared and translated in to Afan Oromo language for further clarification and retranslated to English; to reduce confusion and to keep its consistency.

3.5.3. Document analysis

Documents were used to enable the researcher to easily get previous practices of the year 2017 of schools financial resource management information. Hence, receipt book, transaction registers, ledgers, financial report and financial decisions minutes were analyzed. The researcher prepared that the necessary guiding points in line with the research questions to collect the information from these documents.

3.6. Procedures of Data Collection

First, the researcher held discussion with the schools principals and representatives of the education offices to get permission by explaining the importance's of this research. In the meantime, the researcher finalized the questionnaire and conducted an interview and document review. The researcher being with principals gave the necessary orientation about the objectives of data collection tools and set to conduct one interview and questionnaire. The researcher then distributed the questionnaire for teachers and school managements and collected the respondents' papers. Lastly, the researcher conducted an interview with finance office officers. Moreover, to provide insight about the issue under inquiry, the researcher observed the school finance documents.

3.7. Methods of Data Analysis

After the necessary data were collected, they were then organized according to their homogeneity, tallied, tabulated and analyzed to answer the basic research questions in a meaningful way. Both quantitative and qualitative data analysis methods were used in the study. Quantitative data which were collected through questionnaire from teachers and school management were described in descriptive statistic such as percentage, frequency, mean and combined mean. In addition to this, independent samples t-test was employed to identify whether there was a statistical significant differences between teachers and school leaders on the items related to planning (budgeting), accounting, and auditing, utilizing and reporting activities of financial resource management variables.

The t-test was used at the level of significance $\alpha=0.05$ to infer the significant difference between the responses of teachers and school leaders group. The quantitative data that were collected through semi structured interview questions through guiding points and information obtained from documents analysis were processed by SPSS version 20. The qualitative data was narrated in words by analyzing the information that obtained from questionnaires. Finally, the result of the interpretation was discussed and summarized.

3.8. Ethical Considerations

While conducting this study, emphasis was given to every important ethical considerations that principles lay down to protect. At the beginning cooperation letter was received from Department of Educational Planning and Management of Haramaya University. Then, the letter was given to the Bale zone education office and a consent letters was prepared by the researcher to help respondents make an informed decision. In addition, participation in the study was volunteer based and was encouraged to feel free. Data collection was conducted after getting permission from participants. The instruments were distributed and data were gathered after explaining the purpose of the study. The verbal consent was asked from each participant after explaining their right not to answer any of the questions and terminate the interview if they were not comfortable. The response of participants was kept confidential and had been used for research purpose only. Finally, above all, each and every source that was used in the study under investigation was acknowledged.

4. RESULTS AND DISCUSSIONS

This chapter deals with presentation, analysis and interpretation of the demographic characteristics of the sample respondents and data collected from selected participants via questionnaire, interviews, document analysis and observation checklists. The study was aimed mainly at investigating the practices and challenges of financial resource management in governmental primary schools of Bale zone. In order to achieve this purpose, 404 questionnaires were distributed to teachers (228), to Principals and vice principals (26), to PTSA committee members (90), to supervisors (15) and to school financial personnel (45) in the fifteen sampled schools. However, from the distributed 404 questionnaires 309 (98.76%) copy of questionnaire were filled and returned and only 5 (1.23%) of the questionnaire of whom 2 supervisors, 2 school financial personnel and 1 PTSA committee member were unreturned the questionnaires. Thus, it was found sufficient enough to continue the study with the response obtained from the sampled respondents.

The interviews with woreda financial auditors were successfully completed. Document observation and analysis was employed by using checklist prepared to assess the practices of financial resource management in governmental primary schools of Bale zone. To make the analysis successful; receipts, transaction registers, ledgers, financial report and financial decisions minutes were analyzed.

The major variables like planning, accounting, auditing and reporting were analyzed on the responses obtained from the teachers and school leaders group. Based on the responses obtained from the two groups the analysis and interpretation of data were made by using an independent sample t-test which includes mean (M), Standard deviation (SD), p-value (P) at significant level of 0.05, and t-obtained (t). Finally, the data obtained from the interview and document analysis were presented and analyzed qualitatively to substantiate the data collected through the questionnaires to validate the findings of the study.

4.1. Demographic Characteristics of Respondents

In order to maximize varieties of the study groups, different categories of respondents were involved in this study as mentioned earlier. Therefore, it is believed that description of the

characteristics of the respondents provides some basic information about the sampled population involved in the study.

Table 2: Background characteristics of the respondents

No	Variables	Categories	Respondents											
			Teachers				School leaders				Total			
			N	%	Principals and Vice principal	PTSA members	Supervisors	School Financial personnel	N	%	N	%	N	%
1	sex	Male	107	46.9	19	73.1	54	60.7	13	100	27	62.8	220	55.1
		Female	121	53.1	7	26.9	35	39.3	-	0	16	37.2	179	44.9
		Total	228	100	26	100	89	100	13	100	43	100	399	100
2	Age	18-25	8	3.5	-	0	-	0	-	0	-	0	8	2
		26-30	66	28.9	-	0	1	1.1	1	7.7	-	0	68	17
		Above 30	154	67.5	26	100	88	98.9	12	92.3	43	100	323	81
		Total	228	100	26	100	89	100	13	100	43	100	399	100
3	Educational qualification	1-8	-	0	-	0	13	14.6	-	0	-	0	13	3.3
		9-10	-	0	-	0	37	41.6	-	0	4	9.3	41	10.3
		11-12	-	0	-	0	9	10.1	-	0	1	2.3	10	2.5
		Certificate	14	6.1	-	0	-	0	-	0	2	4.7	16	4
		Diploma	129	56.6	-	0	9	10.1	-	0	18	41.9	156	39.1
		BA/BSc	85	37.3	26	100	21	23.6	13	100	18	41.9	163	40.9
		MA/MSc	-	0	-	0	-	0	-	0	-	0	-	0
		Others	-	0	-	0	-	0	-	0	-	0	-	0
Total	228	100	26	100	89	100	13	100	43	100	399	100		
4	Years of Service in the school	1-5	27	11.8	-	0	23	25.8	-	0	12	27.9	62	15.5
		6-10	35	15.4	-	0	34	38.2	1	7.7	25	58.1	95	23.8
		11-15	55	24.1	12	46.2	9	10.1	6	46.2	6	14	88	22.1
		16-20	72	31.6	13	50	14	15.7	2	15.4	-	0	101	25.3
		Above 20	39	17.1	1	3.8	9	10.1	4	30.8	-	0	53	13.3
		Total	228	100	26	100	89	100	13	100	43	100	399	100

N: Number of respondents

As it is seen from table 2 above, 220 (55.1%) of the respondents were male and 179 (44.9%) of them were female. As the sex matrixes shows, the participation of respondents in the practices of financial resource management was dominated by males. This may alarm to the government and concerned bodies to work to empower females in the school management positions.

Regarding age, out of the total respondents 8 (2%), 68 (17%) and 323 (81%) were found between the age range of 18 and 25, 26-30 and above 30 years old respectively. As depicted in the above data the majority of the respondents were enough matured to reveal unbiased data and to improve their profession in general and the financial resource management practices of their schools in particular.

Concerning the educational qualification 13 (3.3%) from grade 1 up to 8, 41 (10.3%) from grade 9 up to 10, 10 (2.5%) from grade 11 up to 12, 16 (4%) were Certified (TTI), 156 (39.1%) were Diploma holders and 163 (40.9%) were BA/BSc graduates. This shows that there was no problem to understand and respond to the items in the questionnaire since the questionnaires were prepared in both English and Afan Oromo and all the respondents can read and write in these languages. However, from the total 89 (100%) PTSA committee members, 59 (66.3%) of them were below grade 12. Hence, it is very challenging for the majority of these PTSA members to cope up the responsibility given to them by the school and the government like managing school finance and facilitating the teaching learning process specifically in primary schools. Therefore, it is necessary to improve their educational qualification since they involve in the whole process of the school as a front player. Similarly, ESDP IV (MoE, 2010) considered improvement in school management as one of the tools for improving education decision making, in which they are taken as a key education intervention areas.

As indicated in the same table above, the data on years of service in the school shows that out of total respondents 62 (15.5%) of them were 1-5 years experienced, 95 (23.8%) were 6-10 years experienced, 88 (22.1%) were 11-15 years experienced, 101 (25.3%) were 16-20 years experienced, 53 (13.3%) were above 20 years experienced. As portrayed in the table, majority of the respondents were between 16 and 20 service years. This indicates that, though service

year is not the only sufficient condition, the respondents had better work experience and as a result of their exposure, they are familiar with the topic under study.

4.2. The Practices of Budget Planning in Primary Schools

Respondents were required to rate the level of their agreement on the Likert type scale items range from (5) strongly agree to (1) strongly disagree. In categorizing the responses on the practices of budget planning were analyzed with a mean value of strongly disagree (1) = 1-1.49, Disagree (2) = 1.50-2.49, Undecided (3) = 2.50-3.49, Agree (4) = 3.50-4.49 and strongly agree (5) = 4.5-5.0 (Aron et al., 2008).

Table 3: Practices of school financial planning

N	Items	Respondent groups	N	Mean	Combined mean	t-value	P-value
1	The school budget plan is prepared based on previously made needs assessment	Teachers	228	4.45	4.49	1.52	0.12
		School leaders	171	4.54			
2	The school budget plan is participatory and open for evaluation	Teachers	228	2.02	1.96	1.54	0.12
		School leaders	171	1.89			
3	The school budget plan is prepared to address the educational priorities	Teachers	228	1.67	1.65	0.50	0.61
		School leaders	171	1.64			
4	The school has different committees hierarchically to prepare, modify, evaluate and approve the financial plan	Teachers	228	1.88	1.91	0.72	0.46
		School leaders	171	1.95			
Average		Teachers	228	2.50	2.5	0.02	0.97
		School leaders	171	2.50			

Key: *df* (397), $p < 0.05^*$ and calculated *t* value $>$ critical *t* value (1.96)

As it can be seen in item 1 of table 3, the two groups were asked to give their opinion if the school budget plan is prepared based on previously made needs assessment. The mean scores for teachers group 4.45 and school leaders group mean score 4.54 with the overall mean 4.49

showed the majority of the respondents agreed on the prevalence of need assessment in the preparation of school financial plan. The calculated value of t-test at $t = 1.52$, $p = 0.12 > 0.05$ depicts that the means of these two different groups are not significantly different.

With regard to item 2 of table 3, one of the questions raised to respondents was whether or not the school budget plan is participatory and open for evaluation. Accordingly, teachers with mean value of 2.02 and school leaders mean 1.89 with a combined mean 1.96 indicates disagreement. The computed t-test at $t = 1.54$, $p = 0.12 > 0.05$ showed there was no statistically significant difference between the opinions of the two respondent groups. This indicated that the school budget plan was neither participatory nor open for evaluation.

Similarly, one of interviewed respondent said that:

Usually the school budget plan is prepared solely by the school principals themselves without stakeholders' participation. School principals, particularly in rural primary schools, are the exclusive planners, implementers and evaluators of the school financial plan. Similarly, budget affairs are loaded by bureaucratic bottleneck and not open for evaluation.

Regarding item 3 of table 3, the respondents were asked to give their opinion if the school budget plan is prepared to address the educational priorities. In relation to the issue from the total respondents mean score 1.67 and 1.64 of teachers and school leaders respectively replied and the combined mean value 1.65 depicted disagreement on the issue. For this item $t = 0.50$, $p = 0.61 > 0.05$ shows that no significant difference between the suggestions of the two respondents. Hence, the school budget plan is not prepared to address the educational priorities. Likewise, interview results proved the problem as the school budget plan is prepared without giving due consideration to the major priorities of school such as the teaching and learning Process, Student facilities, libraries and laboratories. Even some schools could not prioritize their needs based on their necessity, time and cost effectiveness, and objectivity. Moreover, the school budget plan was mainly emphasize on luxuries like paints, motor bikes, projectors, administration facilities like Personal computers, sophisticated chairs, alarms, and soon.

As it can be seen from table 3 item 4, respondents were asked to answer the presence of different committees hierarchically to prepare, modify, evaluate and approve the school financial plan. Respondents with the mean value of 1.88 for teachers and 1.95 of school

leaders with a total mean of 1.91 replied disagreements. Besides to this the computed t-test with $t = 0.72$, $p = 0.46 > 0.05$ indicated that there is no significant difference between the opinions of the two groups.

In line with this, the interview results vivify the issue as the school budget plan was perceived as a confidential issue to the school and to the personality of the PTSA committee and the school principals. Most often, primary school budget plan was not announced or made open for debate, not approved and evaluated by different committees except PTSA committee members.

Even though, from the 15 (100%) primary schools that their financial documents were reviewed, it was only 6(40%) of the schools where their financial plan was approved by PTSA committees and only 3(20%) of them were approved by KETB. On the other hand, an observation made on schools financial transaction registers depicted that about 7(46.6%) of the school financial debit is ordered by the school principal himself whereas the rest schools financial expenses were ordered by the PTSA committee chair person. However, the one of interview respondents said that: "PTSA committee chairpersons were incompetent to manage the school financial resources properly because of gaps in knowledge, skill and experience".

Generally, the practices of financial resource planning or budgeting with teachers and school leaders, the independent t-test was computed and there was no statistically significant difference for the average mean scores by teachers 2.50 and school leaders mean score 2.50, and the combined mean 2.5; $t = 0.02$, $p = 0.97 > 0.05$. Therefore, it is possible to deduce that the budget preparation process is highly dominated by the school principal and PTSA committee members who were elected by the principal simply because who have close relationship and support their ideas. This implies that no real representation of the stakeholders participation in budget preparation. And also, the budget preparation process is not participatory and open for reviews and evaluation. Therefore, participation in budget planning and evaluation was reserved hardly for the stakeholders.

Table 4: Practices of financial resource allocation and implementation

No	Items	Respondent groups	N	Mean	Standard deviation	Combine d mean	t-value	P-Value
1	The school allocate the annual budget properly	Teachers School leaders	228 171	4.41 4.62	.81 .63	4.50	-2.93	.00
2	The school financial implementation follows the financial guidelines	Teachers School leaders	228 171	1.25 1.19	.58 .47	1.22	1.06	.28
3	The school financial utilization process is transparent	Teachers School leaders	228 171	1.86 3.84	.80 1.24	2.71	18.15	.00
4	The school storekeeper accepts purchased materials by model 19 and exhaust by model 22	Teachers School leaders	228 171	1.92 1.75	.83 .85	1.86	1.63	.10
		Teachers	228	2.35	.38	2.53	10.03	.00
Average		School leaders	171	2.77	.43			

Key: $df (397)$, $p < 0.05$ *and calculated t value $>$ critical t value (1.96) = significant difference

The first item in table 4 was to investigate if schools allocate annual budget properly. The test result teachers mean score 4.41 indicated agreement and school leaders mean 4.62 with a combined mean 4.5 indicates strong agreement. The computed independent t-test at $t = 2.93$, $p = 0.00 < 0.05$ showed that there was statistically significant difference between teachers and school leaders. School leaders consider as the school had located the annual budget very sufficiently because the mean they scored was categorized in the strongly agree. However, teachers perceived the school annual budget allocation is good since the mean score fall in the agree category but it was not necessarily sufficient enough to accomplish the school objectives and to give services as the standard.

In addition, the document analysis revealed that the decision made in determining the annual budget were insignificant as it was observed on the school minutes because it depends on the capacity of the school to generate income from different sources. Thus, it lacks similarity in the amount of budget allocation since potential schools had better amount of budget compared to that of little opportunity to generate income.

As indicated in item 2 of table 4, respondents were asked if school financial implementation follows the financial guidelines. In this regard teachers mean score rated 1.25 and school leaders mean of 1.19, with a combined mean 1.22 indicates strong disagreement. The computed independent t-test at $t = 1.06$, $p = 0.28 > 0.05$ depicted there was no significant difference between the response of the two groups. This indicated that there was lack of sufficient guidelines in the school. Hence, schools finance was utilized habitually without considering financial guidelines. Besides to the document analysis that proved seldom existence financial guidelines in the schools, result of the interview shows that schools financial utilization in primary schools was merely guided by the general school organization and management guideline. There were no explicit and updated financial guidelines to be followed by schools.

In item 3 table 4, the two groups were asked to give their opinion as the school financial utilization process is transparent. For this item teachers rated themselves in the mean score 1.86 showed disagree and school leaders mean value 3.84, agreed with a combined mean 2.71 indicates undecided. The computed independent t-test at $t = 18.15$, $p = 0.00 < 0.05$ shows that there was statistically significant difference between the response of teachers group and school leaders group. This means that school leaders group consider school financial utilization process is transparent than teachers group.

As the interview with one of the woreda auditors indicated that:

Most of financial utilization process in schools was exclusively done by the school leaders group and it was kept confidential to the stakeholders until external bodies ordered or forced to be publicized. However, funds like school grant were made transparent because it was mandatory and forced to do so from the WEO. Therefore, primary schools financial resource utilization process is not familiar the majority and lacks transparency to the mass.

In relation to this, the school grant guidelines (MoE, 2009) stated that the schools should post the amount they receive on the notice board located in a public place that is clearly visible in each school. They should also post reports on how the grant was used so that the entire school community has equal exposure to the information. In practice, however, information was communicated during school-level meetings (Hussein et al., 2012).

As it can be shown in table 4 item 4, respondents were asked to give their idea concerning school storekeeper accepts purchased materials by model 19 and exhaust by model 22. Out of the total respondents the mean value 1.92 teachers responded disagree and 1.78 school leaders undecided and the combined mean 2.44 indicated disagreement. The t-test value at $t = 1.63$, $p = 0.10 > 0.05$ shows that there was no significant difference between teachers group and school leaders group respondents. This confirms the interview result that: “there is no legally employed storekeeper in primary schools and the school principal acts as a storekeeper”.

Similarly, the document analysis found that the one who accepts purchased materials by model 19 was the principal. Also the vice principal or unit leader distributes materials for teachers by signing on model 22 but both models were kept in the hands of the principal. In some schools, however, they assign someone from the staff members to act as a storekeeper and they serve as an extraordinary duty.

To sum up, as the practices of financial resource utilization in primary schools, the independent t-test was computed and there was statistically significant difference for the mean scores by teachers 2.35 and school leaders mean score 2.77; $t = 10.03$, $p = 0.00 < 0.05$. By referring to the average mean results, it is possible to conclude that school leaders considered, contrarily to teachers group, the practices of financial resource utilization in primary schools was based on guidelines, transparent, and properly allocated. In this case, perhaps school leaders exaggerated their responsibility as they were doing right; monopolizing all financial transactions by principals, seems illegal according to financial guidelines. Therefore, whether they had utilizing a little financial resource or not, they are expected to follow financial rules and regulations.

Table 5: Existence of financial guidelines and competency of school leaders

No	Items	Respondent groups	N	Mean	Standard deviation	Combine d mean	t-value	P-Value
1	There are clear guidelines for financial management in the school	Teachers	228	1.26	.58	1.23	1.31	.18
		School leaders	171	1.19	.47			
2	The school strictly implement financial rules and regulations	Teachers	228	1.67	.59	1.65	.60	.54
		School leaders	171	1.63	.54			
3	Principals and school leaders have competency to manage school finance	Teachers	228	2.68	1.27	3.37	14.49	.00
		School leaders	171	4.29	.94			
4	The school finance is monitored through Banking system	Teachers	228	4.55	.72	4.58	1.18	.23
		School leaders	171	4.63	.65			
5	Qualified financial personnel are employed in the school	Teachers	228	1.37	.68	1.35	.51	.60
		School leaders	171	1.33	.66			
Average		Teachers	228	2.31	.36	2.44	9.37	.00
		School leaders	171	2.62	.29			

Key: *df (397), $p < 0.05$ *and calculated t value >critical t value (1.96) = significant difference*

As it can be indicated in item 1 of table 5, respondents' responses were analyzed concerning the prevalence of school financial management guidelines. The test showed there was no statistically significant difference between the mean scores of teachers 1.26 and school leaders mean 1.19 responses and the total mean 1.31 strongly disagreed; $t = 1.31$, $p = 0.18 > 0.05$. This means that there were no sufficient guidelines to manage fiscal resources of the school. Hence, schools finance was mal-administered habitually without considering financial guidelines.

Results of the interview showed that schools financial management in primary schools was merely guided by the general school organization and management guideline. There were no explicit and updated financial guidelines to be followed by schools. Besides, the document analysis revealed that except Organization of Education management, Community Participation and Finance guideline (MoE, 2002), there were seldom present financial guidelines in the schools.

As it is indicated on item 2, table 5, respondents were also asked if school strictly implement financial rules and regulations. Teachers and school leaders with the mean value of 1.67 and 1.63 respectively disagreed that schools did not implement strictly financial rules and guidelines. The overall mean 1.65 also indicated disagree on the point and it implies that the majority of the respondents disagreed on the issue. The calculated t-test at $t = 0.60$, $p = 0.54 > 0.05$ shows that there is no significant difference between the response of teachers and school leaders. From the result, it is possible to say that schools were managing their financial resource without considering financial rules and regulations.

In conducting an interview with the woreda financial auditors, one of the interviewees claimed that:

Schools did not follow financial rules and regulation. And this negligence to financial rules and regulations were emanated from lack of trained and skilled financial personnel, lack of clear financial management guidelines, lack of consistent control system, and lack of feedback from the WEO and WFDO are the major cause of disobedience to financial rules and regulation.

As shown in item 3 of table 5, respondents were asked to rate their level of agreement on principals and school leaders' competency to manage school finance. Teachers and school leaders with a mean score of 2.68 and 4.29 undecided and agreed respectively. The overall mean 3.37 also indicated undecided of the majority of the respondents on the point and the calculated value of independent t-test at $t = 14.49$, $p = 0.00 < 0.05$ it shows that there is significant difference between the respondents response. This implies that teachers group replied undecided and school leaders group agreed upon the competency of principals and school leaders in managing school finance.

In item 4 of table 5, the two groups were asked to provide their opinion if the school finance is monitored through Banking system. For this item teachers mean scores rated themselves 4.55 and school leaders mean value 4.63 and the combined mean 4.58 revealed strong agreements on the issue. The calculated t-test at $t = 1.18$, $p = 0.23 > 0.05$ was found no significant difference between the two respondents group response. It implies that school finance is monitored through banking system.

Accordingly, the document analysis confirms that out of the total 15 (100%) schools observed, 11(73.3%) of the schools had a saving account with bank interest and the rest 4 (26.7%) of them had moveable account (check). Thus, it substantiates the schools finance is circulated through banking system.

The mean scores calculated for item 5 of table 5 shows teachers mean value of 1.37 and school leaders mean score of 1.33 with the overall mean 1.35 showed strong disagreement on employment of qualified financial personnel in the schools. The t-test at $t = 0.51$, $p = 0.60 > 0.05$ shows that there is no significant difference between the mean scores of teachers and school leaders. This means there was no qualified financial personnel employed in primary schools.

As one of the interviewees reflected that:

No one is qualified, trained and employed as financial personnel in primary schools. Financial personals in primary schools are either mathematics or other science teachers who did the financial work as an additional work, because they are perceived to be familiar with numbers and their operations.

Generally, as to the practices of financial resource management in primary schools, the computed mean value of 2.31 and 2.62 for teachers strongly disagreement and school leaders disagree respectively and the overall mean 2.44 showed disagreement on the issue and t-test at $t = 9.37$, $p = 0.00 < 0.05$ showed there is significant difference between the respondents response of teachers and school leaders. Hence, this implies that both groups of respondents' perceived the practices of school financial management differently. In line with this, results indicated due to negligence to financial rules and regulations, the scarce schools financial resource were exposed to corrupt and illegal exploitations.

Table 6: Practices of accounting in schools financial resource management

No	Items	Respondent groups	N	Mean	Standard deviation	Combine d mean	t-value	P-Value
1	Competence of the majority of financial personnel	Teachers	228	1.99	.52	2.03	1.67	.09
		School leaders	171	2.08	.47			
2	The school uses petty cash properly	Teachers	228	2.07	.46	2.05	.66	.50
		School leaders	171	2.04	.43			
3	The school collects payment by using legalized receipts	Teachers	228	3.82	1.25	3.82	.09	.92
		School leaders	171	3.81	1.24			
4	The school properly uses payment voucher to spent money	Teachers	228	1.87	1.03	1.86	.25	.79
		School leaders	171	1.84	.97			
5	The school provide a genuine financial report to stakeholders	Teachers	228	1.99	.51	2.02	1.65	.09
		School leaders	171	2.07	.48			
Average		Teachers	228	2.35	.36	2.36	.53	.59
		School leaders	171	2.37	.37			

Key: $df (397)$, $p < 0.05$ and calculated t value $>$ critical t value (1.96) = significant difference

As it can be seen in item 1 of table 6 the two groups were asked to rate the competence of the majority of financial personnel. The mean scores for teachers group 1.99 and school leaders' group mean value 2.08 with the overall mean 2.03 shows the majority of the respondents were disagreed on the competence of the majority of financial personnel. The calculated value of t-test at $t = 1.67$, $p = 0.09 > 0.05$ depicts that the means of these two different groups are not significantly different. This means, there were incompetent financial personnel in primary schools.

With regard to item 2 of table 6, one of the questions raised to respondents was if the school uses petty cash properly. Accordingly, the mean scores of teachers with 2.07 and school leaders with 2.04 and the combined mean 2.05 indicates disagreement of both groups that schools did not use petty cash properly. The computed t-test at $t = 0.66$, $p = 0.50 > 0.05$ was

found there was no significant difference between the opinions of the two respondent groups. This indicated the improper use of petty cash by the schools.

Regarding item 3 of table 6, the respondents were asked to give their opinion if the school collects payment by using legalized receipts. In relation to the issue, the mean score of 3.82 and 3.81 of teachers and school leaders respectively replied agree and the combined mean value 3.82 depicted agreement on the issue. For this item the calculated t-test at $t = 0.09$, $p = 0.92 > 0.05$ shows that no significant difference between the suggestions of the two respondents. Hence, the school collects income by using legalized receipts.

Likewise, as one of the interviewed woreda financial auditor confirmed that: “schools did not collect any kind of income without receipt. Therefore, schools gave legal receipt for any type of income collected from different sources”. Similarly, the document analysis also proved that schools have legalized receipts with Serial *G/K I/I* and gave receipt for anybody that paid any income for schools.

As it can be seen from table 6 item 4, respondents were asked to answer if school properly uses payment voucher to spent money. Respondents with the mean value 1.87 of teachers and 1.84 of school leaders with a total mean of 1.86 replied disagreements. Besides to this the computed t-test with $t = 0.25$, $p = 0.79 > 0.05$ indicated that there is no significant difference between the opinions of the two groups. Both the respondent groups responded that primary schools did not use payment vouchers (PV) for money spent.

In line with this, the document review results vivify the issue as there was no use of payment voucher in all primary schools included under the study. However, even though payment voucher is not applicable, schools used model 6 and ordering payment format to spent money. In addition, schools use financial minutes and ledgers to legalize and balance the revenue, expenditure and asset.

Concerning item 5 of table 6, the respondents were asked to give their opinion if the school provide a genuine financial report to stakeholders. In relation to the issue from the total respondents 1.99 and 2.07 of teachers and school leaders respectively replied and the combined mean value 2.02 depicted disagreements on the issue. For this item $t = 1.65$, $p =$

0.09 > 0.05 shows that no significant difference between the suggestions of the two respondents that schools did not provide a genuine financial report to stakeholders.

Similarly, one of the interviewed woreda auditor confirmed that: “due lack of administrative pressure and directives from WEO, in addition to incapability of the school leaders and lack of coordinated support from WFDO were factors associated with inconsistency of financial report”.

Besides, the document analysis also discovered that schools had monthly and quarterly general work related reports that comprehend financial activity reports, specifically focusing to boost income categories. Nonetheless, these reports were not reliable and not in line with the financial plan. Moreover, the majority of these financial reports were not reliable, since there was no any bank statement attachment on it.

Generally, the practices of financial resource accounting with teachers and school leaders, the independent t-test was computed and there was no statistically significant difference for the average mean scores by teachers 2.35 and mean score by school leaders 2.37 with the combined mean 2.36 shows disagreement; $t = 0.73$, $p = 0.59 > 0.05$. Therefore, it is possible to deduce that the schools accounting practices were done by incompetent financial personnel, schools use legalized receipts to collect income but they did not implement payment vouchers to spent money. In addition, schools did not provide a genuine financial report to stakeholders.

Table 7: School financial auditing service and competency of internal auditors

No	Items	Respondent groups	N	Mean	Standard deviation	Combined mean	t-value	p-value
1	To what extent does your school's auditing service is effective?	Teachers	228	2.44	.93	2.81	8.25	.00
		School leaders	171	3.30	1.09			
2	How is the competency of community or internal auditors?	Teachers	228	2.39	1.04	2.89	10.77	.00
		School leaders	171	3.57	1.14			
	Average	Teachers	228	2.41	.87	2.85	11.07	.00
		School leaders	171	3.43	.95			

Key: $df (397)$, $p < 0.05^*$ and calculated t value $>$ critical t value (1.96) = significant difference

As it is shown in item 1 of table 7, respondents were asked to rate their level of agreement on the extent of school's auditing service effectiveness. Teachers and school leaders with mean score of 2.44 and 3.30 responded low and satisfactory respectively. The overall mean score 2.81 also indicated satisfactory of the majority of the respondents on the point and the calculated t-value of independent t-test at $t = 8.25$, $p = 0.00 < 0.05$ shows that there is significant difference between the respondents response. This implies that teachers group disagreed on the effectiveness of school auditing service, while school leaders group replied satisfactory upon the school's auditing service and its effectiveness.

In item 2 of table 7, the two groups were asked to provide their opinion on the competency of community or internal school finance auditors. For this item teachers mean score rated themselves 2 and school leaders mean score of 3.57 responded satisfactory and high respectively and the combined mean 2.89 revealed satisfactory level of agreement on the issue. The calculated t-test at $t = 10.77$, $p = 0.00 < 0.05$ was found statistically significant difference between the mean scores of the two respondent groups. It implies that school leaders perceived as community or internal school finance auditors were competent, while that of teachers group mean value dropped to level of disagreement.

To conclude, the average mean scores calculated for item 1 and 2 of table 7, the mean scores 2.41 and 3.43 for teachers and school leaders showed low and satisfactory respectively and the overall mean 2.85 portrayed satisfactory level of agreement upon the competence of internal auditors and on the effectiveness of auditing service delivered in the school. The t-test at $t = 11.07$, $p = 0.00 < 0.05$ shows that there is significant difference between the response of teachers and school leaders.

The interview conducted with woreda financial auditors confirms the incompetence of internal auditors and the auditing service in primary schools. Community auditors were organized from senior teachers and the student parents and had been given the task to monitor and control the school finance instantly with two days training.

Table 8: Frequency of financial resource auditing

N o	Items	Alternative values	Respondent groups						t- valu e	P- valu e
			Teachers		School leaders		Total			
			N	%	N	%	N	%		
1	How often your school is audited by internal auditors?	Very Frequently	6	1.5%	0	0.0%	6	1.5%	1.66	.096
		Frequently	91	22.8%	51	12.8%	142	35.6%		
		Once a year	11	28.8%	112	28.1%	227	56.9%		
		Rarely	7	1.8%	4	1.0%	11	2.8%		
		Not at all	9	2.3%	4	1.0%	13	3.3%		
		Mean	2.66		2.77		2.71			
2	How often your school is audited by external auditors?	Once a year	2	0.5%	1	0.3%	3	0.8%	3.37	.001
		At half of a year	1	0.3%	3	0.8%	4	1.0%		
		Quarterly	14	3.5%	2	0.5%	16	4.0%		
		Rarely	91	22.8%	41	10.3%	132	33.1%		
		Not at all	120	30.1%	124	31.1%	244	61.2%		
		Mean	4.43		4.66		4.53			

N= Number of respondents

Regarding the issue of financial auditing practices, item 1 on table 8, respondents were asked to respond how often internal auditors audited their schools. On top of this, out of the total respondents 115 (28.8%) teachers and 112 (28.1%) of school leaders answered as their school was audited by internal auditors once a year and 91 (22.8%) teachers and 51 (12.8%) of school leaders group responded frequently. The mean score of 2.66 and 2.77 for teachers and leaders of school, respectively and the t value at $t = 1.66$, $p = 0.09 > 0.05$ indicates no significant difference between the mean scores of the respondent groups. It implies that in the majority of the schools under study internal auditing was done once a year.

Similarly, in item 2 on table 8, respondents were asked to respond how often external auditors audited their schools. Accordingly, the mean score of 4.43 of teachers and 4.66 for school leaders and the calculated t value at $t = 3.37$, $p = 0.01 < 0.05$ indicates significant difference between the mean scores of the respondent groups. Moreover, out of the total respondents 91 (22.8%) teachers and 41 (10.3%) of school leaders group replied that their school rarely audited by external auditors. However, 120 (30.1%) teachers and 124 (31.1%) of school leaders answered as their school was not audited by external auditors at all. Therefore, as the

majority of the respondents 244 (61.2%) replied that in the majority of the schools under study, external auditing was never done.

4.3. Stakeholders Involvement in the Implementation of School Financial Resource

Table 9: Participation of stakeholders' in financial decision making implementing

No	Items	Respondent groups	N	Mean	Combined mean	t-value	P-value
1	Participation of the stakeholders in decision making of school financial affairs	Teachers	228	1.97	2.00	1.05	.29
		School leaders	171	2.03			
2	The extent that the school implement financial guide line	Teachers	228	1.26	1.24	1.14	.25
		School leaders	171	1.20			
3	The financial management system of the school is transparent and participatory	Teachers	228	1.53	1.41	3.72	.00
		School leaders	171	1.25			
4	The extent stakeholders of the school practice their roles in managing school finance.	Teachers	228	1.98	2.08	1.21	.22
		School leaders	171	2.78			
Average		Teachers	228	1.70	1.68	1.82	.06
		School leaders	171	1.65			

Key: $df (397)$, $p < 0.05$ *and calculated t value $>$ critical t value (1.96) = significant difference

As it can be seen in item 1 of table 9, the two groups were asked to rate the extent of participation of the stakeholders in decision making of school finance and budget affairs. The mean scores for teachers group 1.97 and school leaders group mean 2.03 with the overall mean 2.00 shows the majority of the respondents were responded low on the participation of the stakeholders in decision making of school finance and budget affairs. The calculated value of t-test at $t = 1.05$, $p = 0.29 > 0.05$ depicts that the means of these two different groups are not statistically significantly different. This means the majority of the respondents revealed that stakeholders' participation in schools financial and budget affairs decision was low.

With regard to item 2 of table 9, one of the questions raised to respondents was to give their level of agreement on the extent that school implement financial guide line. Accordingly, the mean scores of teachers wit 1.26, SD = 0.92 and school leaders mean 1.20 with a combined mean 1.24 indicates very low. The computed t-test at $t = 1.14$, $p = 0.25 > 0.05$ was found there was no statistically significant difference between the opinions of the two respondent groups. Both groups approved that schools did not implement financial guide line. Hence, the extent schools implement financial guidelines was very low.

Regarding item 3 of table 9, the respondents were asked to give their opinion if the financial management system of the school was transparent and participatory. In relation to the issue from the total respondents teachers and school leaders responded low and very low as indicated in the mean value of 1.53 and 1.25 respectively and the combined mean value 1.41 depicted very low on the issue. For this item $t = 14.21$, $p = 0.00 < 0.05$ shows that there is significant difference between the suggestions of the two respondents. Hence, school leaders perceived the transparency and participating system of school financial management was very low than teachers who perceived as low.

Concerning item 4 of table 9, respondents were asked to answer if stakeholders of the school practice their roles in preparing, managing and controlling the school financial resource according to the guidelines. Respondents with the mean value 1.98 of teachers and 2.78 of school leaders with a total mean of 2.08 replied low. Besides to this the computed t-test with $t = 1.21$, $p = 0.22 > 0.05$ indicated that there is no significant difference between the opinions of the two groups. Both the respondent groups responded that primary school stakeholders did not practice their roles in preparing, managing and controlling the school financial resource according to the guidelines.

In line with this, the interview results revealed that stakeholders' participation regarding school finance was inadequate. However, schools publicize and approve their annual revenue and expenditure plan and performance report by using public meetings and in-school meetings with students' families.

To sum up, the extent of stakeholders involvement in the implementation of school financial resource management guidelines, the independent t-test was computed and there was no

statistically significant difference for the average mean scores by teachers 1.70 and school leaders mean score 1.65 and the combined mean 1.68 shows low; at $t = 1.82$, $p = 0.06 > 0.05$. Therefore, it is possible to deduce that the extent of the schools stakeholders' involvement in the implementation of school financial resource management guidelines was not satisfactory. In addition, schools financial affairs were not open, participatory and transparent to the majority of the stakeholders.

4.4. Challenges Related to Financial Resource Management

Table 9: Challenges of financial resource management

No	Items	Respondent groups	N	Mean	Standard deviation	Combined mean	t-value	P-value																																																																																																			
1	Incompetency of financial personnel	Teachers	228	4.40	.64	4.42	-.53	.59																																																																																																			
		School leaders	171	4.44	.66				2	Lack of appropriate controlling mechanisms	Teachers	228	3.84	1.04	3.43	8.86	.00	School leaders	171	2.88	1.10	3	Absence of financial guidelines in the school	Teachers	228	3.63	1.45	3.42	8.09	.00	School leaders	171	3.14	1.42	4	Defiance of financial rules and regulations	Teachers	228	4.46	.61	4.45	.34	.73	School leaders	171	4.44	.66	5	Inappropriate financial planning and implementation	Teachers	228	3.87	.89	3.89	-.45	.65	School leaders	171	3.91	.82	6	Lack of transparency in purchasing activities	Teachers	228	4.41	.70	4.40	.37	.70	School leaders	171	4.39	.68	7	Unaccountability for financial misuse	Teachers	228	2.08	.66	1.90	5.70	.00	School leaders	171	1.67	.75	8	Lack of reliability in financial reports	Teachers	228	3.88	.90	3.69	4.17	.00	School leaders	171	3.43	1.18		Average	Teachers	228	3.90	.28	3.74	11.80
2	Lack of appropriate controlling mechanisms	Teachers	228	3.84	1.04	3.43	8.86	.00																																																																																																			
		School leaders	171	2.88	1.10				3	Absence of financial guidelines in the school	Teachers	228	3.63	1.45	3.42	8.09	.00	School leaders	171	3.14	1.42	4	Defiance of financial rules and regulations	Teachers	228	4.46	.61	4.45	.34	.73	School leaders	171	4.44	.66	5	Inappropriate financial planning and implementation	Teachers	228	3.87	.89	3.89	-.45	.65	School leaders	171	3.91	.82	6	Lack of transparency in purchasing activities	Teachers	228	4.41	.70	4.40	.37	.70	School leaders	171	4.39	.68	7	Unaccountability for financial misuse	Teachers	228	2.08	.66	1.90	5.70	.00	School leaders	171	1.67	.75	8	Lack of reliability in financial reports	Teachers	228	3.88	.90	3.69	4.17	.00	School leaders	171	3.43	1.18		Average	Teachers	228	3.90	.28	3.74	11.80	.00	School leaders	171	3.54	.32								
3	Absence of financial guidelines in the school	Teachers	228	3.63	1.45	3.42	8.09	.00																																																																																																			
		School leaders	171	3.14	1.42				4	Defiance of financial rules and regulations	Teachers	228	4.46	.61	4.45	.34	.73	School leaders	171	4.44	.66	5	Inappropriate financial planning and implementation	Teachers	228	3.87	.89	3.89	-.45	.65	School leaders	171	3.91	.82	6	Lack of transparency in purchasing activities	Teachers	228	4.41	.70	4.40	.37	.70	School leaders	171	4.39	.68	7	Unaccountability for financial misuse	Teachers	228	2.08	.66	1.90	5.70	.00	School leaders	171	1.67	.75	8	Lack of reliability in financial reports	Teachers	228	3.88	.90	3.69	4.17	.00	School leaders	171	3.43	1.18		Average	Teachers	228	3.90	.28	3.74	11.80	.00	School leaders	171	3.54	.32																					
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		School leaders	171	4.44	.66				5	Inappropriate financial planning and implementation	Teachers	228	3.87	.89	3.89	-.45	.65	School leaders	171	3.91	.82	6	Lack of transparency in purchasing activities	Teachers	228	4.41	.70	4.40	.37	.70	School leaders	171	4.39	.68	7	Unaccountability for financial misuse	Teachers	228	2.08	.66	1.90	5.70	.00	School leaders	171	1.67	.75	8	Lack of reliability in financial reports	Teachers	228	3.88	.90	3.69	4.17	.00	School leaders	171	3.43	1.18		Average	Teachers	228	3.90	.28	3.74	11.80	.00	School leaders	171	3.54	.32																																		
5	Inappropriate financial planning and implementation	Teachers	228	3.87	.89	3.89	-.45	.65																																																																																																			
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		School leaders	171	1.67	.75				8	Lack of reliability in financial reports	Teachers	228	3.88	.90	3.69	4.17	.00	School leaders	171	3.43	1.18		Average	Teachers	228	3.90	.28	3.74	11.80	.00	School leaders	171	3.54	.32																																																																									
8	Lack of reliability in financial reports	Teachers	228	3.88	.90	3.69	4.17	.00																																																																																																			
		School leaders	171	3.43	1.18					Average	Teachers	228	3.90	.28	3.74	11.80	.00	School leaders	171	3.54	.32																																																																																						
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Key: $df (397)$, $p < 0.05$ *and calculated t value $>$ critical t value (1.96) = significant difference

As it is shown in item 1 of table 10, respondents were asked to rate their level of agreement on whether or not incompetency of school financial personnel was a challenge. Teachers and school leaders with a mean score of 4.40 and 4.44 responded high. The overall mean 4.42 also indicated high level of agreement of the majority of the respondents on the point and the calculated value of independent t-test at $t = 0.53$, $p = 0.59 > 0.05$ shows that there is no significant difference between the respondents means. This implies that incompetency of school financial personnel were a highly challenging factor in management of school financial resources.

In item 2 of table 10, the two groups were asked to provide their opinion on the lack of appropriate controlling mechanisms in managing financial resources. For this item teachers rated themselves with a mean score of 3.84 and school leaders 2.88 responded high and satisfactory respectively and the combined mean 3.43 revealed high level of agreement on the issue. The calculated t-value (at $t = 8.09$, $p = 0.00 < 0.05$) was found statistically significant difference between the two respondents group response. It implies that school leaders perceived satisfactorily of appropriate controlling mechanisms while teachers with high mean value agreed that lack of appropriate mechanisms were challenges related with effective financial management and utilization.

Regarding item 3 of table 10, the respondents were asked to give their opinion if absence of financial guidelines was a challenge in schools financial resource management. In relation to the issue from the total respondents mean values 3.63 and 3.14 of teachers and school leaders responded high and satisfactory respectively and the combined mean value 3.42 depicted high level of agreement on the problem related to absence of financial guidelines. For this item $t = 8.09$, $p = 0.00 < 0.05$ shows that there is significant difference between the suggestions of the two respondents. Hence, teachers' perceived lack of sufficient financial guidelines in the school affects financial resource management of primary schools as their mean value increased than that of school leaders who understood the problem satisfactorily.

With regard to item 4 of table 10, one of the questions raised to respondents was to give their level of agreement on the factors associated with defiance and disobedience of financial rules and regulations. Accordingly, the mean scores of teachers with 4.46 and school leaders mean 4.44 with a combined mean 4.45 indicates high degree of agreement of both groups on the

prevalence of defiance and disobedience of financial rules and regulations in schools. The computed t-test at $t = 0.34$, $p = 0.73 > 0.05$ was found there was no significant difference between the opinions of the two respondent groups. Hence, both teachers and school leaders perceived the problem of defiance and disobedience of financial rules and regulations highly challenges the schools financial resource management system.

By supporting the above idea the interview results described problems related with defiance and disobedience of financial rules and regulations was highly an alarming problem that requires an immediate solution. Schools financial resources are found scarcely and therefore, it is vital to use wisely to support the provision of quality education. However, these public and governmental fiscal resources were exposed to illegal exploitations and misuse by different bodies.

As shown in item 5 of table 10, one of the questions raised to respondents was to give their level of agreement on the factors associated with inappropriate and disordered financial planning and implementation. Accordingly, teachers mean score with 3.87 and school leaders mean 3.91 with a combined mean 3.89 both groups indicated the problem of inappropriate and disordered financial planning and implementation in primary schools was high. The computed t-test at $t = 0.45$, $p = 0.65 > 0.05$ was found there was no statistically significant difference between the opinions of the two respondent groups. Hence, inappropriate and disordered financial planning and implementation is a challenge in financial resource management.

As it can be seen in item 6 of table 10 the two groups were asked to rate the problem of transparency in purchasing activities. The mean scores for teachers group 4.41 and school leaders group mean 4.39 with the overall mean 4.40 shows the majority of the respondents were highly agreed on the problem of transparency and illegal purchasing activities. The calculated value of t-test at $t = 0.37$, $p = 0.70 > 0.05$ depicts that the means of these two different groups are not significantly different. This means there were challenges related to lack of transparency and illegal purchasing activities in primary schools.

The mean scores calculated for item 7 of table 10, indicated mean values 2.08 and 1.67 disagreement for teachers and school leaders respectively, and the overall mean 1.90 showed low level of agreement on unaccountability for misuse in financial resources. The t-test at $t = 5.70$, $p = 00 > 0.05$ shows that there is no significant difference between the mean

scores of respondents. This means unaccountability for misuse in financial resources was uncommon problem in primary schools.

One of the interviewed auditor also responded that: “anyone who misused school finance for his/her personal benefits and any illegal mischief and exploitation of fiscal resources is guilt in front of the law”.

Concerning item 8 of table 10, respondents were asked to answer if schools financial reports were not reliable. Respondents with the mean value 3.88 of teachers and 3.57 of school leaders gave their opinion as high and with a total mean of 3.75 replied high. Besides to this the computed t-test with $t = 3.05$, $p = 0.00 > 0.05$ indicated that there is no significant difference between the opinions of the two groups. Both the respondent groups responded that primary school financial reports lack reliability.

Generally, challenges of financial resource management were assessed with teachers and school leaders, the independent t-test was computed and there was no statistically significant difference for the average mean scores by teachers 3.90, and school leaders mean score 3.55 and the combined mean 3.75 shows high level of agreement up on the stated challenges; $t = 11.26$, $p = 0.00 > 0.05$. Therefore, it is possible to conclude that absence of enough financial guidelines, unreliable schools financial reports, lack of transparency and illegal purchasing activities, inappropriate and disordered financial planning and implementation, defiance and disobedience of financial rules and regulations, lack of appropriate controlling mechanisms and incompetency of financial personnel were the major challenges that calls for remedial measures.

Supporting the above idea, results of the interview clearly depicted that the practice of school financial resource management was challenged by high dominance of the school principals. School principal most of the time, acts as the sole financial planner, decision maker, purchaser and receiver of the purchased materials; and also the one who monitors financial affairs. Usually, financial decisions and orders were made through PTSA committee members. However, these PTSA members were not well qualified and they were chosen from the society because of their close relationship with the school principal or because they are assigned by the principals good will. Thus, PTSA was questioned of their independence in making financial decisions.

Besides to this, respondents were asked if any other challenges related to financial management and an open ended questionnaire were given and respondents stated that inadequacy of financial resource, overloading of the principals by various tasks, incompetent school leadership, lack of accounting clerks and budget officers, lack of continues, sustainable and systematic document management, absence of external auditing and defiance to financial rules and regulations and absence of purchasers and store keepers in primary schools were the crystal factors that hinders the success in financial resource management.

4.5. Alternative Actions to Improve Financial Resource Management

As a response to the last item of the open ended questions respondents also indicated alternatives action that should have to be taken to improve financial resource management practices in primary schools. First of all, training should be given to stakeholders how they should play their roles in financial resource management effectively; then, the school should have to conduct need assessment prioritize its needs and the budget plan should have to be participatory and open for review and evaluation. Next, competent and skilled financial clerks, purchasers and storekeepers should have to be employed. Lastly, continuous external supervision and auditing should have to be done and corrective measures should have to be taken in times of disclaiming rules and regulations.

5. SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This chapter consists of the summary, conclusions and recommendations of the study.

5.1. Summary

As it was stated in the statement of the problem, the purpose of this study was to investigate practices and challenges of financial resource management in governmental primary schools, in Bale zone. A descriptive survey was employed as a research method. To conduct this study the following questions were posed:

1. What are practices in financial resource management being carried on in government primary schools of Bale Zone in Oromia Regional State?
2. To what extent do the school principals and student parents implement school financial resource management guidelines in government primary schools of Bale Zone?
3. What are the major challenges that negatively affect the practices of financial resource management in the government primary schools of Bale Zone?

In descriptive survey research design which encompasses both quantitative and qualitative data was employed. The study was conducted in fifteen governmental primary schools of Bale Zone which are found in five woredas. Totally 414 respondents were selected as samples of the study. Ten woreda financial auditors were interviewed to gather in depth information and analyze the data obtained through questionnaire and document analysis. The data gathered through questionnaire were analyzed quantitatively by using an independent sample t-test to compare mean scores of teachers group and school leaders group; whereas the data obtained from interview and document analysis were presented qualitatively.

Though there are different studies in the practices and challenges of financial resource management, this study is different in a number of ways. First, this study focused on primary schools while primary schools were neglected by other related studies that focus on secondary and preparatory schools. Second, the study participants were composed of six different types to keep heterogeneity of respondents while others concentrated not more than three participants (principal, teacher and PTSA committees). Third, other studies were limited to variables like sources of budget, allocation and utilization of finance. However, the area of financial resource management is not limited to the above variables. Therefore, practices and

challenges on planning, accounting, auditing and reporting, and stakeholders' participation in effective management of financial resources in primary schools was not well studied particularly in Bale Zone of Oromia Regional State.

Thus, the major findings of the study are summarized here under.

- ❖ Concerning sex, 220 (55.1%) of the respondents were male and 179 (44.9%) of them were female. As the sex matrixes shows, the participation of respondents in the practices of financial resource management was dominated by males. As the experience of the participants, the data on years of service in the school shows that majority of the respondents were between 16 and 20 service years, the respondents had better work experience and familiar with the topic under study.
- ❖ Regarding preparation of the budget plan, the overall mean 4.49 shows school budget plan is prepared based on previously made needs assessment but the combined mean 1.96 indicated that the school budget plan was not participatory and not open for evaluation and the mean value 1.65 revealed that the school budget plan is not prepared to address the educational priorities. Similarly, the mean 1.91 indicated that there were inadequate committees organized hierarchically to prepare, modify, and approve the school financial plan except PTSA committees.
- ❖ Even though the combined mean 4.50 indicated that the school allocates the annual budget properly, the overall mean of 1.22, 2.71 and 2.44 showed that the schools financial implementation did not follow financial guidelines, the process of utilization was not transparent and there is no formally employed storekeeper that accepts purchased materials by model 19 and exhaust by model 22 in primary schools.
- ❖ There were no clear and explicit financial guidelines and school did not implement financial rules and regulations as it was shown in the mean value 1.23 and 1.65 respectively. Similarly, the mean value 1.35 indicated there was no qualified financial clerk and personnel employed in the primary schools.
- ❖ Regarding the issue of financial auditing practices, the combined mean value of 2.81 revealed that primary schools auditing service was not effective and also the combined mean 2.89 indicated poor competency of internal auditors. Concerning the effectiveness of auditing service and competency of internal auditors' school leaders

perceived competent with the mean value of 3.57 than teachers group that their mean value dropped to 2.39, level of disagreement.

- ❖ The majority of the respondents showed the level of stakeholders' participation in decision making process of schools financial affairs and the extent that schools implement financial guide line was low, as the mean indicates 2.00 and 1.24 respectively. Regarding the transparency and participatory system of school financial management, it was perceived very low. Similarly, the interview results confirmed that schools financial management system was exclusive to the school management committees. Therefore, it was not open, participatory and transparent to the majority of the stakeholders.
- ❖ Concerning the extent of stakeholders participation in preparing, utilizing, and managing the school financial resource according to the guidelines the mean value 2.08 indicated low participation.
- ❖ The findings identified major challenges which schools encountered during financial resource management. These were that incompetency financial personnel, lack of appropriate controlling mechanisms and absence sufficient financial guidelines, unreliable financial reports, defiance and disobedience to financial rules and regulations, and inappropriate and disordered financial planning and implementation highly challenges the schools financial resource management system. Therefore, it is an alarming problem to take a corrective measure over school financial maladministration and misuse. Besides, open ended question responses identified another challenges of schools financial management system in primary schools. These were inadequacy of financial resource, overloading of the principals by various tasks, incompetent school leadership, lack of accounting clerks and budget officers, lack of continuous, sustainable and systematic document management, and absence of purchasers and store keepers in primary schools

5.2. Conclusions

Based on the findings stated above, the following conclusions have been drawn.

- Even though the practices and internal functioning of schools differs from one school to another, in the sampled primary schools, the budget preparation was not participatory and unopened for evaluation. It was mainly done by the organized committee members including mainly principals, PTA members, but, with no real participation of stakeholders' representatives except those who had close relationship with principals. However, the independence of PTSA is questionable in many of the schools, as the principal plays a dominant role in their meetings and decision making process. Therefore, since the plan was not participatory, implies that it was not planned to address previously sated priorities. Hence, the schools budget plan was not in line with the needs of the majority of the stakeholders and unable to address the educational priorities.
- Budget allocation in the primary schools varies depending on the restrictions of the criteria of granting funds and the capacity of the school to generate income from different sources. Stakeholders felt strongly on the challenge in restrictions, which does not take into account the specific context and problems of each school and requested more flexible spending procedures. Schools' allocate annual budget depending on its potential of generating revenues. Moreover, within school budget implementation process lacks transparency. Individuals who are working with finance related tasks were frustrated of lack of adequate training programme, incentives and rewards. Even though, budgets inefficiency may also lead the schools for extravagant expenditure of their income regardless of the provision of quality education.
- It is true that the policy encourages the full participation of stakeholders in the management and decision-making of schools. However, in practice, stakeholders' participation is achieved only through the PTSA. Moreover, the absence of coordinated efforts and local initiatives to facilitate stakeholders' involvement and smooth relationship constrained success of involved committees in deciding on activities to be funded, setting priorities for budget plan and controlling expenditures.

- There was dearth of financial resource management guidelines in primary schools and therefore, schools did not implement financial rules and regulations. Furthermore, absence of following financial rules and regulations favors corrupt and unwise utilization of this valuable resource. Hence, schools finance was mal-administered habitually and merely guided by the general school organization and management guideline without considering financial guidelines.
- As it was shown in the findings Schools did not prepare a genuine financial report to stakeholders and no budget reporting experience to the stakeholders. The WEO and WFDO felt to play an important role in passing directives and regulations to schools. This problem of inappropriate financial report aggravates a feeling of distrust and miscommunication between the school and the stakeholders. Consequently, schools lose the advantage of extracting revenues from the stakeholders.
- The findings also argue that there were no competent financial personnel in primary schools. This implies that financial resource management activities such as budget planning, accounting, and auditing, utilizing and reporting were not done properly.
- As the findings confirm, there were community auditors or internal auditors in the schools, but they perform auditing once per year. However, there was no external auditing service in the majority of the primary schools under study. The absence of external auditors inhibits the success of community auditors in particular and the financial management system in general. Financial audits done by community auditors should have to be approved by external auditors timely. Nonetheless, primary schools were neglected by external auditors as an isolated island.
- Another challenge encountered while school document observation was the absence of systematic record keeping. Thus, there is a great need for capacity building on how to keep adequate financial records.

5.3. Recommendations

Based on the findings of the study and the conclusion drawn the following recommendations are given here under.

1. In order to make primary schools successful in managing their financial resources qualified and competent school leaders and financial personnel should be assigned through merit and experience based approach.
2. Empowering and capacity building is a key to improve the competency of school leaders in various financial management concerns through providing consistent training sharing experiences and best practices.
3. To ensure delivery of quality education, the WEO and WFDO is responsible for the preparation and approval of the budget plan. If the budget was delayed it negatively affects the teaching learning process in particular and the whole functioning of the school in general. Therefore, it should to approve and release the budget in the appropriate time.
4. Improving the relationship between school and stakeholders should encourage involvement of stakeholders. Therefore, the WEB and schools should have to facilitate and impose local initiatives such as bazaars, festivals and telethon to invite others to encourage community involvement in order to extract financial resources.
5. Eliminating restrictions attached to grant allocation, since all schools have not equal capacity to generate income and allocate budgets. Thus, other factors should have to be taken in to consideration when grants or budget is allocated to schools from the government. Otherwise, such imbalance among primary schools will be continued.
6. Consistent and unswerving financial auditing is the integral part of financial management. Therefore, schools should strength the capacity of community auditors through training. As well as external audit has to be made at least once a year.
7. Schools should prepare reliable financial report timely at least focusing on quarterly financial transactions of the school. This should create transparency and harmonious relationship between the school leaders and stakeholders.
8. The governing bodies and concerned bodies should have to take remedial measures in a time of lapse and misuse of public financial resources.

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APPENDICES

Appendix I: Questionnaire for teachers, principals and supervisors

HARAMAYA UNIVERSITY

POSTGRADUATE PROGRAM DIRECTORATE

COLLEGE OF EDUCATION AND BEHAVIOURAL SCIENCES

DEPARTMENT OF EDUCATIONAL PLANNING AND MANAGEMENT

Questionnaires to be completed by Bale Zone primary school teachers, principals, vice principals, supervisors and school finance personnel.

Dear Respondents,

The purpose of this questionnaire is to gather primary and relevant data to address the “*Practices and Challenges of Financial Resource Management in Governmental Primary Schools of Bale Zone in Oromia Regional State*”.

To this end, your honest and thoughtful response is very important. Thus, you are kindly requested to give the necessary information on issues related to this study. The researcher believes that the success of this study depends on your honest and genuine response to the questions. The researcher wants to assure you that your response will be kept confidential and the information you render will be used for academic purpose only.

Thank you in advance for your cooperation!

General Direction:

1. Choose your answer for each item and Put a tick mark “✓” for your answer choice in the given appropriate space.
2. There is no need of writing your name on the questionnaire.

PART I: PERSONAL INFORMATION

Instruction 1: You are expected to put “✓” mark for one item and once under your choice

1. Name of the School: _____
2. Write Your job title/ position: _____
3. Sex: Male Female
4. Your age: 18-25 26-30 Above 30
5. Educational Qualification: 1 up to 8 9 up to 10 11 up to 12
 Certificate (TTI) Diploma BA/BSc MA/MSc Others

6. Years of service in this school/woreda: 1-5 6-10 11-15
16-20 Above 21

PART II: *Issues on Practices and Challenges of Financial Resource Management in primary schools*

Instruction 2: Please give your opinion to the following items in the table below from section A up to D by putting a thick mark “√” in front of the statements. (The numbers indicate: 5= Strongly Agree, 4= Agree, 3= Undecided, 2= Disagree and 1= Strongly Disagree)

No	Items	Alternative Scales				
		5	4	3	2	1
A	The practices of budget planning in primary schools					
1	The school budget plan is based on previously made needs assessment					
2	The school budget plan is participatory and open for evaluation					
3	The school budget plan is prepared to address the educational priorities					
4	The school has different committees hierarchically to prepare, modify, evaluate and approve the financial plan					
B	The practices of financial resource Utilization in primary schools					
5	The school allocate the annual budget properly					
6	The school financial implementation follows the financial guidelines					
7	The school financial utilization process is transparent					
8	The school storekeeper accepts purchased materials by model 19 and exhaust by model 22					
C	The practices of financial resource management in primary schools					
9	There are clear guidelines for financial management in the school					
10	The school strictly implement financial rules and regulations					
11	Principals and school leaders have competency to manage school finance					
12	The school finance is monitored through Banking system					
13	Qualified financial personnel are employed in the school					
D	The practices of Accounting in primary schools					
14	Competence of the majority of financial personnel					
15	The school uses petty cash properly					
16	The school collects payment by using legalized receipts					
17	The school properly uses payment voucher to spent money					
18	The school provide a genuine financial report to stakeholders					

Section E. The practices of financial auditing in primary schools

Instruction 2: Choose the correct answer for the following questions

19. To what extent does your school's auditing service is effective?

Very High High Satisfactory Low Very Low

20. How is the competency of community or internal auditors?

Very High High Satisfactory Low Very Low

21. How often your school is audited by internal auditors?

A. Very Frequently B. Frequently C. Once a year
D. Rarely E. Not at all

22. How often your school is audited by external auditors?

A. Once a year B. At half of a year C. Quarterly
D. Every month E. Not at all

Instruction 3: Please give your opinion to the following items in the table below section F by putting a thick mark “√” in front of the statements. (The numbers indicate: 5= Very High, 4= High, 3= Satisfactory, 2= Low and 1= Very Low)

No	Items	Alternative Scales				
		5	4	3	2	1
F	The extent school stakeholders involve in the implementation of school financial resource management guidelines					
23	Participation of the stakeholders in decision making of school finance and budget affairs					
24	The extent that the school implement financial guide line					
25	The financial management system of the school is transparent and participatory					
26	The stakeholders of the school practice their roles in preparing, utilizing, managing and controlling the school financial resource according to the guidelines.					

Instruction 4: Please give your opinion to the following items in the table below section G by putting a thick mark “√” in front of the statements. (The numbers indicate: 5= Very High, 4= High, 3= Satisfactory, 2= Low and 1= Very Low)

No	Items	Alternative Scales				
		5	4	3	2	1
G	Problems and challenges of financial resource management in primary schools					
27	Incompetency of school financial personnel					
28	Lack of appropriate controlling mechanisms					
29	Absence of financial guidelines in the school					
30	Defiance and disobedience of financial rules and regulations					
31	Inappropriate and disordered financial planning and implementation					
32	Lack of transparency and illegal purchasing activities					
33	Unaccountability for misuse in financial resources					
34	Lack of reliability in financial reports					

Instruction 5: Give your suggestion for the space provided below

H. If there is another additional problem, please write down?

Section I. What action and what alternative strategies should have to be taken to improve financial resource management practices in primary schools

Appendix II: Questionnaire for PTSA committee

YUUNIVARSIITII HARAMAAYAA DAAYIREEKTAROOTII SAGANTAA EEBBABOODAA KOOLLEEJII BARNOOTAA FI SAAAYINSIWWAN AMALAA MUUMMEE KAROORAA FI BULCHIINSA BARNOOTAA

Bargaaffii, Miseensoota koree Gamtaa Maatii, Barsiistootaa fi Barattootaa manneen
barumsa sad. 1^{ffaa} Godiina Baaleetiin guutamu.

Kabajamtoota Hirmaattoota

Kaayyoon bargaaffii kanaa qorannoo mata duree “Raawwii yeroo ammaa fi rakkoolee bulchiinsaa fi ittiin fayyadama qabeenya maallaqaa Naannoo Oromiyaa Godina Baalee manneen barnoota mootummaawaa sadarkaa 1ffaa filataman keessatti jiru ” irratti gaggeeffamuuf odeeffannoo sirrii ta’e walitti qabuu dha.

Galma gahiinsa Kaayyoo kanaa, deebii sirrii fi dhugaa isiin nuuf kennitan baay’ee murtessaa dha. Kanaafuu, bargaaffiilee dhiyaatan kanneeniif deebii sirrii fi barbaachiisaadha jettan akka kennitan/guuttan kabajaan isiin gaafanna. Odeeffannoon gaafannoo kanaan guuramu hunduu kan qorataan iccitiidhaan qabatuu fi dhimma barnootaaf qofa (only for academic purpose) itti fayyadamu ta’a.

Duraan dursee hirmaannaa keessaniif galata guddaa isiniif galcha!

QAJEELFAMA WALIIGALAA

1. Gaafannoo tokko tokkoof deebii sirrii ta’e filachuun mallattoo “✓” kaa’uun iddoo kenname keessatti deebii keessan guuttadhaa/barreessaa.
2. Bargaaffii kana irratti maqaa keessan barreessuun hin barbaachisu.

KUTAA I. ODEEFFANNOO DHUNFAA

Qajeelfama 1: Gaafannoo tokko tokkoof deebii sirrii ta’e filachuun mallattoo “✓” kaa’uun ykn iddoo kenname keessatti deebii keessan guuttadhaa/barreessaa.

1. Maqaa mana barumsaa: _____
2. Gita ykn sadarkaa hojii kan ammaa: _____
3. Saala: Dhiira Dubra
4. Umrii: 18-25 26-30 30 oli
5. Sadrkaa Barnootaa: 1 hanga 8 9 hanga 10 11 hanga 12
Sartafikeeta (TTI) Dippilomaa BA/BSc MA/MSc Kan biraa

6. Tajaajiila mana barumsa kana keessatti qabdan (Waggaan): 1-5 6-10
 11-15 16-20 20 oli

KUTAA II. Dhimmoota Raawwii yeroo ammaa fi rakkoolee (practices and challenges) bulchiinsaa fi ittiin fayyadama qabeenya maallaqaa manneen barnoota mootummaawaa sadarkaa 1ffaa filataman keessatti jiru

Qajeelfama 1: Himoota gabatee armaan gadii keessatti **kutaa A hanga D** jiran fuulduratti filannoowwan dhihaatan shaman keessaa kan yaada kee siif ibsu tokko jalatti mallattoo “✓” gochuun deebisi. (Hika Lakkoofsootaa: 5= Baay’iseen Deeggara (Strongly Agree), 4= Nan Deeggara (Agree), 3= Murteessuu Hindanda’u (Undecided), 2= Nan Morma (Disagree) fi 1= Baay’iseen Morma (Strongly Disagree)

T. L	Gaafannoo	Iskeelii filannoowwan				
		5	4	3	2	1
A	Gochoota karoora baajataa manneen barnoota Sadarkaa 1 ^{ffaa}					
1	Karoorri baajataa mana barumsichaa xinxala fedhii dursee gaggeeffamee irratti kan bu’uurafatee dha					
2	Karoorri baajataa mana barumsichaa hirmaachisaa fi madaallamaa dha					
3	Karoorri baajataa mana barumsichaa toora xiyyeeffannoo barnootaa galmaan gessuuf qophaa’e					
4	Manni barumsichaa koroora baajata isaa qopheessuuf, fooyyeessuuf, madaaluuf fi mirkaneessuudhaaf sadarkaa sadarkaadhaan koreewwan adda addaa hundesse qaba					
B	Gochoota Ittiin fayyadama qabeenya maallaqaa manneen barnoota Sadarkaa 1 ^{ffaa}					
5	Manni barumsichaa baajata waggaa sirnaan ramada					
6	Hojii irra oolmaan maallaqa mana barumsichaa qajeelfamoota faayinaansii hordoofuudhaan raawwatama					
7	Hojii irra oolmaan fi ittiin fayyadamni baajata mana barumsichaa iftoominaan raawwatama					
8	Golli meeshaa mana barumsichaa meeshaalee bitaman moodeela 19n fudhatee moodeela 22n bahii godha					

C	Gochoota bulchiinsa qabeenya maallaqaa manneen barnoota Sadarkaa 1 ^{ffaa}					
9	Mana barumsichaa keessatti qajeelfamootni bulchiinsa qabeenya maallaqaa ifa ta'an jiru					
10	Manni barumsichaa qajeelfamoota fi dambiiwwan bulchiinsa qabeenya maallaqaa qixa sirriin hojiirra oolcha					
11	Dura bu'ootni fi hoggantootni qabeenya maallaqaa mana barumsichaa bulchuudhaaf gahuumsa qabu					
12	Qabeenyi maallaqaa mana barumsichaa karaa sistama baankiin to'atama					
13	Qondaala faayinaasii leenji'e mana barumsicha keessatti qaxaramee jira					
D	Gochoota Akkaawuntingii manneen barnoota Sadarkaa 1 ^{ffaa}					
14	Qondaalootni faayinaasii baay'innan gahuumsa qabu					
15	Manni barumsichaa maallaqa xixiiqqaa sirnaan hojiirra oolcha					
16	Manni barumsichaa nagahee seera qabeessatti fayyadamuun maallaqa walittiqaba					
17	Manni barumsichaa baasii fi kaffaltii maallaqaatiif sanadoota kaffaltiitti fayyadama (payment voucher)					
18	Manni barumsichaa gabaasa faayinaasii qulqulluu dhimmamtootaaf dhiyeessa					

Kutaa E: Gochoota Ooditingii Maallaqa Manneen Barnoota Sadarkaa 1^{ffaa}

Qajeelfama 2: Gaaffilee armaan gadiitiif deebii sirrii ta'e filadhu

19. Sadarkaan gahuumsa fi tajaajilli ooditingii mana barumsa keessan maal fakkata?

Baay'ee Olaanaa Olaanaa Qubsaa Gadi-aanaa Baay'ee gadi-aanaa

20. Sadarkaan gahuumsa ooditaroota hawaasaa ykn ooditaroota keessaa maal fakkata?

Baay'ee Olaanaa Olaanaa Qubsaa Gadi-aanaa Baay'ee gadi-aanaa

21. Manni barumsaa keessan hammam ooditaroota keessaatiin ooditii godhamaa?

B. Battaluma qarshiin sochoo'etti

B. Yeroo yeroodhaan

C. Waggaatti al tokko

D. Dabree dabree

E. Gonkumaa

22. Manni barumsaa keessan hammam ooditaroota alaatiin ooditii godhamaa?

- A. Waggaatti al tokkoo C. Kurmaana kurmaanaan
 B. Ji'a jahaatti al tokkoo D. Ji'a ji'aan E. Gonkumaa

Qajeelfama 3: Himoota gabatee armaan gadii keessatti **kutaa F** jiran fuulduratti filannoowwan dhihaatan shaman keessaa kan yaada kee siif ibsu tokko jalatti mallattoo “✓” gochuun deebisi. (Hika Lakkoofsootaa: 5= Baay'ee Olaanaa (Very High), 4= Olaanaa (High), 3= Qubsa (Satisfactory), 2= Gad-aanaa (Low) fi 1= Baay'ee Gad-aanaa (Very Low))

T. L	Gaafannoo	Iskeelii filannoowwan				
		5	4	3	2	1
F	Qajeelfamoota Faayinaansii hojiirra oolchuu keessatti gaheen/sadarkaa hirmaannaa/qooda fudhannaa dhimmamtoota mana barumsaa					
23	Dhimmoota baajataa fi murtii maallaqa mana barumsaa keessatti hirmaannaan dhimmamtootaa maal fakkaata?					
24	Manni barumsichaa hammam qajeelfamoota faayinaansii hojii irra oolchaa?					
25	Siistamni bulchiinsa qabanya maallaqa mana barumsichaa hirmaachisaa fi iftoomina qabaa?					
26	Dhimmamtootni mana barumsichaa qophii karoora baajataa, bulchiinsa baajataa, hojii irra oolmaa fi to'annaa baajataa keessatti haala qajeelfamaatiin gahee isaanii bahaa jiraachuu					

Qajeelfama 4: Himoota gabatee armaan gadii keessatti **kutaa G** jiran fuulduratti filannoowwan dhihaatan shaman keessaa kan yaada kee siif ibsu tokko jalatti mallattoo “✓” gochuun deebisi. (Hika Lakkoofsootaa: 5= Baay'iseen Deeggara (Strongly Agree), 4= Nan Deeggara (Agree), 3= Murteessuu Hindanda'u (Undecided), 2= Nan Morma (Disagree) fi 1= Baay'iseen Morma (Strongly Disagree))

T. L	Gaafannoo	Iskeelii filannoowwan				
		5	4	3	2	1
G	Rakkoolee fi Hudhaalee bulchiinsa fi hojii irra oolmaa qabeenya maallaqa mana barumsaa sad. 1 ^{ffaa}					
27	Hanqinna gahumsa qondaala faayinaansii mana barumsaa					
28	Hanqinna tooftaalee hordoffii fi to'annoo					
29	Mana barumsicha keessatti hanqinna qajeelfamoota faayinaansii					
30	Qajeelfamoota fi dambiiwwan faayinaansii cabsuu fi seeraan ala raawwachuu					
31	Karoorra gahumsa hinqabnee fi seeraan ala faayinaansii raawwachuu					
32	Bittaa seeraan ala raawwachuu fi iftoominni dhabamuu					
33	Qabeenya Maallaqaa qisaasa'eef ittigaafatamummaan dhabamuu					
34	Gabaasni faayinaansii irratti dhugummaan fi amanamummaan dhabamuu					

Qajeelfama 5: Gaaffilee armaan gaditiif yaada kee iddoo banaa deebiif qophaa'e irratti guuti

H. Rakkoowwaani fi hudhaaleen kan biraa yoo jiraatan iddoo armaan gaditti tarreessaa

Section I. Hudhaalee armaan olitti tarreeffaman fuuruudhaaf tarkaanfiiwwan fi tooftaalee kan biro akkamii fudhatamuu qaba jettaa?

Appendix III: An Interview Guide



POSTGRADUATE PROGRAM DIRECTORATE

COLLEGE OF EDUCATION AND BEHAVIOURAL SCIENCES

DEPARTMENT OF EDUCATIONAL PLANNING AND MANAGEMENT

Interview Guide for Woreda financial auditors in selected primary schools of Bale zone.

Dear Respondents,

General Direction: Please, openly reflect your idea for the question below

1. What are the major activities performed in the process of financial resource management in your school?
2. Is your school financial plan is participatory and is based on needs assessment? Why?
3. To what extent do stakeholders involve and implement financial guidelines?
4. Is your school is audited by internal and external auditors and prepared a reliable financial report on time?
5. How does your school financial resources are utilized? Do you think is there appropriate controlling mechanisms?
6. Is your school's financial resource is used to support the provision of quality education?
7. Do you have policies, guidelines, rules and regulations in financial resource management?
8. How does your school financial resources are managed? Are there competent and trained financial personnel in your school?
9. According to your view, what are the major challenges in utilizing and managing your schools financial resources?
10. What possible solution do you suggest to overcome these and other related challenges?

Appendix IV: Approval Sheet of Data Collected From Sample Schools

Approval sheet for sample of data collected, questionnaires distributed and collected from the respondents.

Region: Oromia

Zone: Bale

Woreda/Town:

Name of School: _____

No.	Type of Respondents	Population Size	Sample Size	Remark
1	Teachers			
2	Principal and vice-principals			
3	PTSA members			
4	Supervisors			
5	Finance personnel and Purchasers			
	Total			

Collected by: _____

Approved

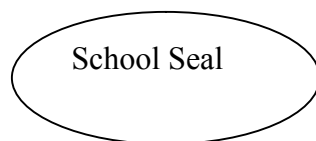
by: _____

Signature: _____

Signature: _____

Date: _____

Date: _____



School Seal

Appendix IV: Check Lists of Document Analysis

No.	List of Activities to be Performed	Observation Comments
1	Preparation and approval of budget document (financial decision minutes)	
2	Presence of supporting documents in recording systems of financial accounting activities (records of financial receipts, bank account statements, checks, etc)	
3	Well organized and documented revenue and expenditure (transaction registers)	
4	Presence of payment vouchers (PV) model 6 and ordering payment format to spent money	
5	Presence of school storekeeper and model 19 to accept purchased materials and model 22 to exhaust the materials	
6	Presence of internal and external auditing reports	
7	Presence of financial guide lines	