

**PRACTICES AND PROBLEMS OF FINANCIAL RESOURCE MANAGEMENT IN
SOME SELECTED GENERAL SECONDARY SCHOOLS OF BALE ZONE**

MA THESIS

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DEDICATION

I dedicated this piece of work to my family who helped me to cope up with all those challenges that I have faced since my childhood.

STATEMENT OF THE AUTHOR

First, I declare this thesis is my bonafide work and that all sources of materials used for this thesis have been duly acknowledged. This thesis has been submitted in partial fulfillment of the requirements for MA degree at Haramaya University and is deposited at the University Library to be made available to borrowers under rules of the library. I solemnly declared that this thesis is not submitted to any other institutions anywhere for the award of any academic degree, diploma, or certificate.

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BIOGRAPICAL SKETCH

I was born in Oromia Regional State, Bale Zone of Hisu Kabale in July 1976 E.C. I attended my primary and secondary education (grade 1-10) from 1987- 1996 E.C. at different schools of this Zone. From grade 1-4 I was attended at Alemgena, grade 5-8 at Hisu of Chanco district and also I was attended grade 9-10 at Robe Secondary school Robe Town respectively .Next, I took the Ethiopian School Leaving Certificate Examinations, in the year of 1996 E.C. then I joined Jima College of teacher of education (JCTE) in the department of language and was awarded a diploma in language in 1999 E.C.

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ABBREVIATIONS AND ACRONYMS

ETP	Education and Training Policy
GNP	Gross National Product
IIEP	International Institution for Educational Planning
KETB	Kebele Education and Training Board
MoE	Ministry of Education
MoFED	Ministry of Financial and Economic Development
OEB	Oromia Educational Bureau
PTA	Parent-Teacher-Association
REB	Regional Education Bureau
SBM	School Based Management
SRS	Simple Random Sampling
UNESCO	United Nation, Educational Scientific and Cultural Development
WEO	Woreda Education Office
ZED	Zonal Education Department

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PRACTICE AND PROBLEMS OF FINANCEIAL RESOURCE MANEGEMENT IN SECONDARY SCHOOLS OF BALE ZONE.

ABSTRACT

The study ascertained the practices and problems of financial resource management in some selected general secondary schools of Bale zone. Descriptive survey research design was employed; both quantitative and qualitative data analysis methods were used in order to answer the research questions. In the study simple random sampling technique were used for teachers. Because, this techniques provided each school independent and equal chance of being selected for the study. An availability sampling techniques and considered to be evaluators in the study. 6 principals. 6 supervisors and 65 schools teachers were taken as sample in the study. In addition to this, 6 woreda education office heads were participated in the study. Questionnaire, interview and document review were the data collection tools for the study. The findings of the study revealed that most respondents were aware of the existence of financial management problems in the schools. Like, lack of skilled and experienced status; a lack of training; a lack of structured financial guideline and procedures, inadequate control systems; dalliance of budget, and weak internal income generation. Therefore, it is possible to conclude that, the above problems were affected not only the effectiveness and efficiency of financial management of the schools but also the whole process of educational activities Thus, to improve the situation, it is recommended that, all concerned bodies, such as OEB and WED being together should be prepared enough workshop and training for the school personnel, and for concerned bodies in the field of financial management.

1.INTRODUCTION

Under this part, the background of the study, statement of the problem, objectives of the study, significance of the study, delimitation of the study, definitions of key terms and organization of the study will be treated successively.

1.1. Background of the Study

A good plan for generating income will aim to achieve sustainability by stabilizing your funding base, in some cases increasing funding and diversifying funding sources (OCASI, 2011). Pandey (1995) defines financial management as activity which is concerned with the planning and controlling of an organization's financial resources. According to Ogbnnaya (2000) financial management implies liability to be called upon to account for or answer for funds entrusted to one's care. Economic development will be attained if and only if the society gets accurate education, so to achieve the objectives the priority should be given to minimize the scarcity of finances and inefficiency of administration practices. Osuala (2007) opened that the financing of education is a collective responsibility of all stakeholders.

Financial management is the application of conventional principals in un-wasteful spending of organizational funds with the aim of achieving institutional plans and aspirations (Pandey, 1995).

Economic development will be achieved if and only if the society gets proper education, so to achieve the objectives the priority should be given to minimize the scarcity of finances and inefficiency of administration practices (Tekeste, 1990). Education improvement efforts in developing countries have aimed at making education an effective vehicle for national development. Governments, policy makers, and civil society have emphasized that developing countries need to invest more in education and ensure that systems of education are efficiently managed that limited funds allocated to sector have maximum impact, and that cost recovery measures are adopted (World Bank, 1988; and UNESCO, 2003).

The management of school finances involves the tasks of planning, organizing, leading, as well as controlling (Clark, 2007). Developing countries have not made much progress

in providing education of adequate quality for all (Luis, 2009). Educational materials are any object or unit area that is designed and organized deliberately to support and used in teaching and learning process (Mbamba, 1992). Accessibility and well management of education resources are essential and integral part of school administration and basically geared towards the improvement of teaching and learning process (Usman, 2016). Accordingly, the teaching-learning process can be more successful in an educational institution where available materials resources are well managed and utilized.

A 2010 World Bank study established that the development of post primary education in Africa world require substantial amount of external aid to plug current funding. According to a study by Digurmati (2009) about quality of education he found out that sub-Saharan Africa world require particular support from the world community without each education for all world remain out of reach for most African countries. In Nigeria, Some Administrators of schools are not left out from mismanagement acts and corrupt attitude as regards funds allocated to their institutions. Pilfering of school facilities, lack of maintenance and proper inventory are all managerial problems associated with the availability and utilization of resources (Luis, 2009).

In Ethiopia, as MoE (2002) states that school principals, finance personnel and Parent Teacher Associations (PTA) have great responsibility to manage school financial resources. Besides, the expansion of educational systems and provision of quality education in schools are greatly influenced by the amount of finance allocated for education and efficiently managed and utilized (Melaku, 2000). Financial management practices of principals in Bale Zone secondary school become a sensitive issue over the years because of the growing public and government interest in the provision of funds for the implementation of schools programs. The mismanagement of funds by principals often lead to shortage of critical resource in the schools as money is not available for the purchasing of the necessary books, equipment and so forth.

The problem of inadequate instructional facilities in secondary schools in Bale Zone do not exclusively rest on funding as often depicted, rather the problems are most likely

made complex due to poor financial management by the principals. This situation apparently crates a turbulent atmosphere for the success of teaching-learning process. There is a problem in effective and efficient management and utilization of financial resource in secondary schools of Bale Zone.

1.2. Statement of the Problem

These days, a major concern in education the world to decentralize the authority of the central education office back to individual schools, allowing school to develop their own management policies; school based management (Chapman, 2002). The aim is to empower principals and teachers or at strengthen their professional motivation, there by enhance their sense of ownership to the school.

Educational investment is limited and thus needs knowledge of how its resources are properly managed and utilized in the educational institutions. The growth and development of any educational sector solely depends on the management of its finances. The achievements of any institution depends on the effective utilization of its fundamental financial resources such as human and financial resources. In line with this, Arnold and Chapman (2004) indicated that financial resource management is a balancing task. This means, it is a coordinating function which is responsible for planning, accounting, auditing and reporting. According to Durbin (1989), for the achievement of organizational objectives, resources play the crucial roles. Due to this fact, the focus on educational financial resources management is undisputable.

The success of any educational program depends on how schools manage and utilize their financial, material and equipment effectively and efficiently (UNESCO, 2013). The scarcity of resources is the major problem for developing country like Ethiopia. Therefore, using what is available in the right manner gives the maximum possible output is not defendable. As the finding indicated, more than the shortage of manpower, the most handicapping the resources management was lack of knowledge and skill of educational leaders (Getachew, 2014). Inappropriate and poor management practices of financial resource management in schools are likely to lead to failure of quality education.

In Ethiopia, education costly in secondary schools are often high and unsustainable if stakeholders do not participate consistent in school financial resource management practices as owners (MoE, 2002). According to MOE (2002), Ethiopian government devotes a large amount of money for education since it plays a major role in promoting economic development and improvement in the life standard of a society. However, allocating large amount of budget without effective financial resource management could not provide improvement in the quality of education. Thus, effective management of financial resource is very essential issue for the provision of the quality of education and the achievement of educational objectives. Lack of capacity in financial management will lead to the absence of quality of education.

The financial management practice of secondary schools principals in Bale Zone has attracted criticism from parents and the general public to investigate the financial management practice of principals in Bale Zone. Financial management in Bale Zone secondary schools is a very sensitive managerial role, since a lot of tax payers` money is invested in education. So, much has been said by the public on poor management of financial resources in schools which mainly lead to having a school facilities being run down.

I n line with this the mechanisms, processes and current development in the proper utilization and management of educational financial resources at school level must be studied. From practice, most of the supervision reports say nothing about the management and utilization status of educational finances rather than the presence of educational finances. Thus, this study was tried to assess the current practices of how this coordinated functions of financial management and the problems that have affected financial resource management in Bale Zone government secondary schools.

1.3. Research Questions

The following basic questions were the main focus of the study and the study was answer the following basic questions.

To attain this, the study was expected to give answers to the following basic questions.

1. What were the practices of financial resource management in Bale Zone government secondary schools?
2. What were the mechanisms on practice of budget preparation and utilization in Bale Zone government secondary schools?
3. How often the financial resources were audited and monitored in Bale Zone government secondary schools?
4. What were the problems of financial resource management exist in Bale zone secondary schools?

1.4. Objectives of the Study

1.4.1. General objective

The general objective of this study was to assess the practices and problems of financial resource management in some selected general secondary schools of Bale Zone, Oromia, Ethiopia.

1.4.2. Specific objectives

The Specific objectives of this study were to:

1. Assess the practices of the financial resource management in government secondary schools of Bale Zone.
2. Specify the major machanisms on practice of budget preparation and utilization in Bale Zone government secondary schools?
3. Identify how often the financial resources were monitored and audited in Bale Zone government secondary schools.

4. Specify the major financial management problems that exists in government secondary schools of Bale Zone.

1.5. Significance of the Study

Education is one of the priority social sectors in poverty reduction strategy of Ethiopia. It is one of the sectors that consume the lion's share of the country's budget. Indeed, along with expansion and development of education, government has tried to allocate sizable amount of money to the sector. This scarce resource utilization needs proper financial management to to achieve the desired educational goals. The utilization of education finance requires careful attaintion and proper decision according to educational programs and puposes. However, there are some observed problems in allocating and utilizing the financial resources, prioritization of problems, activities and programs at woreda level the current debating issue of higher level education decision makers. Therefore, it is necessary to understand the major problems of financial allocation, utilization, management and suggested possible solution to improve the current exsisting weakness (MoE,2005).

The researcher believes that the results of the study may hopefully have a vital importance in the following ways. First, it helps the education sector managers and responsible officials in financial management affairs to have a better understanding of the problem of financial management in secondary schools,may indicate some solutions about the problems under investigation,awaken educational leaders, planners and decision makers to consider and look into problems, those existing in educational financial management strategies; it may provide information for educational officials at Regional, Zonal, and Woreda levels on the current practice and activities of financial management and help them discharge their responsibilities in Secondary Schools of Bale Zone; the study may help to identify challenges for future financial management implementation; the findings may serve as a bases/reference material for further study on the issues of financial management.

1.6. Delimitations of the Study

In order to make it manageable, the study was delimited to secondary schools of Bale zone. The concept and contents of financial management in education are wide that the researcher`s does not cover in a short period of time and budget constraints. So, this study delimited to the sources, allocation of financial resources and utilization of finance. This study was conducted only in some selected first cycle secondary schools (9-10) of Bale Zone in Oromia Regional State. This is because from the researcher`s long experiences, there are sufficient data that can be handled. It includes features of educational finance resource management and would not involve all secondary schools in the Bale zone. The study would be delimited to address the major problems and the current practice of financial resource management function, such as planning (budgeting), organizing (coordinating), leading (communicating and monitoring), as well as controlling (auditing) management. The support and participation of stakeholders in place and problems encountered were observed. To make the study more manageable, six secondary schools from six Woredas were selected.

1.7. Limitations of the Study

The researcher has found it difficult to conduct the research study in the way he wanted it to be, due to; shortage of reference materials on financial management and Budget constraints have met during data collections. However, the researcher tried to overcome these problems as much as possible and produced this research work. As result, there was no negative impact made due to such limitation because 94.4 percent of the questionnaires were completed and returned.

1.8. Definition of Key Terms

To keep uniformity throughout the study, the following terms have the following definition throughout the research.

- **Assessment is** the systematic process of investigating on the management and utilization of educational finances in secondary schools.

- **Educational finances** are any finances used as input or resources that can facilitate the overall teaching and learning processes in school system.
- **Financial management** it is concerned with the way of managing finances practically in secondary schools.
- **Financial utilization** the practices of applying finances in the approved manner to minimize unnecessary problems that can affect teaching learning process in schools.
- **First cycle secondary schools** refers to a level where students are expected to be equipped for preparatory class. It basically refers grade 9 and 10

2. REVIEW OF RELATED LITERATURES

The study aim to assess the practices and problems of financial resource management in selected first cycle secondary schools in Bale Zone. Therefore, this chapter organized under the following sub-headings: concepts of financial resources management, review of empirical studies and summary of the literature review.

2.1. Concept of Financial Management in Education

According to Ukeje et al.(1992) financial management in education is concerned with the cost of education, source of income to meet the educational costs and and the spending of the income in an objective manner in order to achieve the educational objectives. Since the educational finance is, for the most part, a reflection of educational objectives, the management of financial resources and spending of income must be given a great consideration.

Along with this, Nevev (1995) defines financial management as, “the management of capital resources and use so as to attain a desire goal.”Financial management is concerned with two distinctive functions that the financing and investing. Financing describes the management of capital sources. Thus, financing decision concentrate on the type, size and s composition of capital resources. Investing on the other hand describes the financial management of capital uses. Investing decision therefore, concentrate on the type, size and percentage composition of capital uses. The specialized set of management duties and responsibilities that center on both of these functions is referred to as financial management (Nevev, 1995). Nowadays, due to increased school cost and the lack of adequate finance, it is difficult to overcome the sky rocketing cost of materials. However, effective and efficient financial management could minimize this problem in educational system.

Raywind in Marishet,(2004) explains school based management as a mechanism aimed at improving schools by shifting decision making powers regarding the budget from the central level to the schools. Marishane and Botha (2004) argue that school based management is the joint responsibility of both the school governing body and the school management team, which together form a school based financial management structure

this structure is accountable to the two main sources of school funding namely the state and the community and is responsible for monitoring and evaluating the financial management performance of the school based management structure.

Caldwell and Spinks in Mestry (2006) explain school based management as an approach to the management public schools where in there is a significant and consistent decentralization to the school level authority and responsibility to make decisions related to the allocation of resources, in a system education having centrally determined goals, priorities and frameworks for accountability.

Clarke (2008) describes financial management as follows: It is essential that the school principals makes sure that she/ he has the knowledge and understanding of the basic processes involved in managing the school`s accounts, the budgeting process and the systems and controls that are necessary to ensure that the schools monies are not misappropriated. Momoniat in Erasmus (2008) explains financial management as a requirement of managers to take responsibility for the actions and achievement in exchange for greater managerial discretion over their input. Thus, managers have to take responsibility for their performance.

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 purpose of ensuring economy and efficiency and effectiveness in the delivery of outputs required to achieve desired outcomes that will serve the needs of the community (school). Similarly, good management of school finances means that principals should involve parents, community members, staff and learners when making financial decisions. Principals, as school financial managers need to look for ways in which the interest and ability of each individual stakeholder can contribute to effective financial management. The first task is to ensure that the elected school governing body will assist them in managing their school finances. This also implies that the school principal should see to it that all Parent-Teacher-Association members are in detail trained (Kritzinger and Fourite, 1997). In addition school principals are now required to organize, plan, guide and control school finances; they are expected to run the day-to-day financial activities of their schools; to

decide on the school curriculum and to buy reference books and other teacher and learner support material (MoE, 1999).

According to the MoE, 2002:schools are based mainly on two sections: Which gives parent-teacher-association power to administer and control the school's property, buildings and school resources, gives parent-teacher-association extra allocated functions to control their own finance and extra-curricular activities. This implies that the community plays an active role in the life of the school specifically in assisting the financing of schools.

The parent-teacher-association in school must (a) promote the best interests of the school and strive to ensure its development through the provision of quality education for all learners at the school ;(b) adopt a constitution; (c) develop the mission statement of the school;(d) adopt a code of conduct for learners at the school; (e) support the principal, educators and other staff of the school in the performance of their professional functions. In addition, to this VanWyk (2004) adapted states that the implementation of sound financial management principles is hindered due to various managerial shortcomings which include but are not limited to a lack of skilled and qualified staff; a lack of training; a lack of structured policies and procedures, outdated accounting and information system; inadequate control system; poor follow up of documentation.

VanWyk,2004, state that financial management will only be effective if: line managers are competent and committed, outcomes based budgeting is applied and accrual based reporting is introduced in to the public sector. Van Wyk (2004) concludes by stating: The financial administration in the public sector is not attractive. Due to lack of up-to-date technology financial restraint,inadequate financial training and poor internal control system. Good governance further seeks to ensure that there is adequate control over the strategic, tactical and operational band achieve its overall objectives. The school management team on the one hand needs to demonstrate and put into practice honesty, integrity, accountability, responsibility and transparency and the PTAs on the other hand must apply tests of fairness, accountability, responsibility and transparency and must to both the school and their community.

Finance may be defined as the art and science of managing money. It includes financial service and financial instruments. Finance is a branch of economics concerned with resources allocation as well as resource management, acquisition and investment. Finance also is referred as the provision of money at the time when it is needed. Finance function is the procurement of funds and their effective utilization in business concerns (Paramasivan and Subramanian, 2009).

According to Campbell (2004), finance is a discipline concerned with determining value and making decisions. The finance function allocates resources, including the acquiring, investing and managing of resources. This definition implies that finance is an embodiment of facts, principles and theories concerned with the raising and using of funds by individual, business firms, educational institutions and government.

Management could be defined as the judicious use of resources to avoid wastage and to achieve institutional objectives. Management is the act and the manner of handling, controlling and directing the affairs of a group (Webster`s Dictionaery, 2008). Management is a vital aspect of the economic life of man, which is an organized group activity. Management is the art, or science, of achieving goals through people. Since managers also supervise, management can be interpreted to mean literally “looking over” i.e., making sure people do what they are supposed to do. Managers are, therefore, expected to ensure greater productivity or, using the current jargon, continuous improvement (Yasin, 2004).

2.2. Concept of Financial Resource Management

Financial resource is capital money that the schools get from different sources such as internal income, blocks grant, school grant, community participation, non-government institution and funds. Financial resource is the life blood for an organization that determines the success and failure of any institution to achieve their objectives (Ahuja, 1993). According to Oliobi in Ogbonnaya(2000) financial management deals with the source of funds, their efficient uses and maximization of costs or losses for greater profitability of the business, and in ministerial department, post primary institutions for enhanced welfare of students and staff. Pandey (1995) visualized financial management

as “that management activity which is concerned with the planning and controlling of an organization`s financial resources. Ebinna (1995) sees financial management as administrating funds under the guidance of body knowledge and a disciplined way of proceedings.

Education financial resource management is a means to manage money that 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 (Clarke, 2007). Joubert and Bray (2007) described that school`s financial resource management as the performance of management actions that are connected with the financial aspects of a school for the achievement of education goals. The common factor in these definitions of financial resource management practice is the connection between the management tasks and the financial aspects of a school. Okwori (2004) defines financial management as the forecasting, planning, organizing, directing and controlling of all activities relating to the acquisition and application of financial resources of an enterprise in the keeping with the financial objectives. The implication of all definitions so far is that financial management is directly concerned with decision-making on the proper use of available funds. In the educational sector, the head as the administrator performs the tasks of financial manager.

According to Bisschoff (1997) a budget is the mission statement of the school expressed in monetary terms. McKinney (1995) argue that budgeting is an ongoing and dynamic process that is typically marked by regular phases, such as, planning, need assessment and priority setting. Budgeting is a forward-looking process which should be guided by the school`s vision for the future and a realistic assessment of the risks (Clarke, 2007; Du Preez et al, 2003)

Bisschoff (1997) summarizes the purpose of a budget as assisting systematic planning; quantifying objectives and identifying priorities; coordinating activities and communicating plans within the organization; motivating and increasing the accountability of middle management authorizing expenditure activities: controlling, monitoring and analyzing expenditure; and evaluating performance.

In an education organization its financial administration activity means bringing all possible input from staff, parents, students and the community together to render the service of quality education (Bischoff, 1997). In this respect, organizing of school finances should include aspects such as drawing up a school financial policy; setting up a structure within the school to handle administrative and financial matters; delegating certain function to clerks, class teachers and treasurers; and coordinating activities (Kruger, 2005)

Leadership in financial administration involves three aspects: sound relationships communication with all stakeholders and internal as well as external and motivation of all the people concerned with school finances (Bischoff,1997).

Bischoff (1997) notes that “harmonious collaboration between academic and administration staff is a prerequisite for successfully achieving financial objectives.”In addition Niemann (1997) believes that financial activities are dealt with most effectively when both the administrative and academic personnel are involved in the process. Communication is the basis for establishing relationship and for providing motivation (Niemann, 1997).Bischoff (1997) argued that good communication will ensure that each staff members who is involved in school finances would be informed authorizations for various expenditure, is knowledgeable about the financial procedure for expending money, and knows to whom the result of the expenditure should be reported. Bischoff (1997) emphasize that all staff members should feel that they have a role to play in all the school’s activities, as this will motivate them to work hard and consequently achieve effective and efficient financial administration.

2.3. Significance of the Finance in Education

Education is essential for the survival and progress of one country. Modern civilization is unthinkable without knowledge and technological skills, which can only be achieved through financial supported education. Regarding this Melaku.Y (2000) stated that:the significance of finance and the direct relationship with educational programs reveal that higher quality of education is generally provided in school system where large amount of

finance is allocated and most decision that directly or indirectly affect the operation of educational programs of schools, involved financial resources for their implementation.

Another writer Jefferson (2003) states that, adequate financial support underlines every aspect of educational activity. Consequently, school finance is commonly referred to as a backbone of school program. Because, all other resources are the conversion of financial resources; education without finance is vehicle without engine. Financial resources purchase educational materials. Moreover, finance is necessary or required for salaries to be paid for employees in the sector. So, as it is stressed by many writers, the quantity and quality of material resources, which again determined by the availability of educational resources.

According to Pscharapoules (1985), the growing financial constraints on education investment which has been resulted by high demand of education have led several governments the necessity of increasing the share of financial support provided students and, their families by various cost recovery measures. This all implies the urgent need of finance in education. When the quality and quantity of education is increased, financial support generally need to be increased. When the financial support is restricted, the quantity as well as quality of necessary education is likely to be limited.

This assumption is by Morphet (1987), which remind as the significance of finance in provision of quality education and a well planned and properly financed program of education proposes the following stressing idea as: in modern civilization the need for learning and understanding is more impelling than before. By each passing generation and increasing in the demand and necessity for more and more education by larger population is observed. For this reason education become necessary, more complex, and more costly. So that a substantial proportion of resource must be devoted to education, if the lot of mankind is to be improved. From the above we can conclude that nations with least adequate program of education are among the most backward in many respects and tend to have the lowest standard of living.

As far as resource management is concerned, Coleman et al. (1994) mainly distinguish between financial and real resources. Financial resources refer to the money available to

purchase real resources, whereas the latter refer to those human and material resources which are required to deliver educational services to learners. Since these real resource are dependent on the availability of funds financial management at school level has become primarily significant for delivering quality education services to learners at school level.

2.4. The Rationale of Financial Resource Management for Education

The need for equitable distribution of educational resources to correct urban and rural disparity, to expand the educational opportunity to every school aged children, to maintain the quality of education, to cope with rapidly increasing enrollment and declining of educational finance so as to avoid wastage and under utilization of already scarce resources educational financial management become compulsory (Mbama, 1992).

The continuous growth of enrollment, through it is not adequate, calls for more supply of human, material and financial resources. In order to accommodate an over-increasing school age population new schools have to be built and the existing once have to be expanded and repaired. These school require constant supply of additional furniture, teaching staff and non-teaching staff. The increased relevance of education to society's expectation and the political aspiration of the government require technological equipment, which in turn requires additional resources. Besides, the introduction and implementation of new educational reforms requires new programmed and strategies of inducing these reforms require new teaching and learning approaches, which in turn need new educational technologies facilities and instructional material in education system (MoE, 2006).

In general, the extents by which these complex educational tasks are achieved depend on the skill, knowledge and ability of educational managers at all levels in mobilizing adequate financial resources and wise utilization of the already limited educational budget (Mbama, 1992).

Many activities in the education system require additional educational fund. The decision that educational managers take in order to enhance these activities require resource in one or the other way. In relation to this, Samoff (1999) states that it is the responsibility of

managing body of the system to maintain an appropriate balance between the limited financial resource and the need of society. Accordingly, managers accomplish these responsibilities through appropriate educational planning which helps them to counteract the need of the society in the process of using scarce educational resource. It is a national approach in the process of resources mobilization and optimum utilization. It allows a chance for accommodation of changes in the education system. Therefore, it is important to plan for effective and efficient utilization to meet the objective of the organization. The principle of financial management and other management disciplines apply the general principles of planning, organizing, directing and coordinating and controlling money so as to secure the optimum achievement of objectives (Mbama, 1992).

In this planning process educational managers forecast the probable future events and risks for meeting the objective of the education system. In organizing educational managers, arrange the available resources systematically in order to carry out activities with minimum cost in terms of money and effort. Through controlling managers check whether all these activities are going on according to plan. Nowadays, schools are considered as a business enterprise even if their motive is not for profit making. The school system should mobilize scarce resource to attain stated objectives and satisfy the education needs of students and the community. One of the scarce resource that the school system mobilizes is finance. Therefore, expansion of education and maintaining the required quality in schools are greatly influenced by the amount of finance available to education and the way these available to education and the way these available financial resources are effectively and efficiently managed (Nieman and Bennett, 2002).

2.5. The practices of Financial Resource Management

Educational institutions have to manage their financial resources, as in business organizations and public organizations. Business organizations use management accounting and management control for providing information for managers in planning and control of the organization activities. Since the objective of business organization is to make profit, information is highly required to stay in the business. Accounting reports in the business organizations serve for providing information to plan and control the business activities. Users and outside the organization like creditors and shareholders also

need the information from the accounting report of business organization. Moreover public organizations, including educational institutions, use accounting information for legal requirements to report the financial activities and the use of the sources to the government or to the public body. Levacis (1989) noted that educational expenditures according to the (1989) educational act of local educational authorities in England were 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 for planning and educational provision.

Accordingly, the main focus of financial management in educational institutional is concerned with the task of planning and controlling. Managers according to the educational act of 1988 in England are accountable for educational resources allocated to them. School and college 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 managerial activities and it embraces more than managing money.

Reckless spending of available funds by school principals is hazardous to the entire school system therefore principals must exercise relative control over how money is spent on recurrent and capital projects. According to Ogbonnaya (2005), financial control is defined by Financial Training Course (FTC 1995) as “a branch of management which enables expenditure to be kept in check under the will and direction of the controlling body, and the inflow of revenue to be constantly under review. Authorities in financial management including Ezra in (1990), Oshishami (1992), Pandey (1995) stated that in order to ensure effective financial control both internally and externally, the controlling body must establish a system of financial administration which:

Safeguards the assets of the public authorities, ensures that the complete financial consequences of all policies and schemes are considered at the appropriate decision level, ensures that all authorities’ optimum value for money from the services provided, ensures that the money is spent wisely, ensures that the most desirable services are developed at the expense of less desirable, ensure that services are providing economically and efficiently, ensures that the objectives set are actually attained, that is

ensuring that the organization is effective, ensures that the organization adopts a multidisciplinary or corporate approach to problem solving and exercise general financial supervision and oversight (Ogbonnaya, 2005)

In view of the analysis made so far financial controlling is an established device to promote checks and balances in organizational finance management and there are specified principles, rules and regulations laid down by the supervisory body to ensure the desired control. The principals as the chief accounting officers of the school has the responsibility of ensuring that adequate financial, information is collected, proposed, interpreted reported and that adequate financial monitoring is effected during the implementation of policies.

2.6. Revenue Generation in Secondary Schools

Education constitutes the single largest enterprise in Bale Zone. It is the largest tool for economic progress, social mobilization, political survival and effective national development of any country. The missionaries started it and with independence in 1960, it was felt that the missionary education was deficient and not quite adequate to our changing societal needs. This promoted the government's interest to get properly involved in the government of the education industry. The management of finance is an important issue in running the school system. School administrators need to be well oriented in economics, politics and budgeting in order to manage the financial resources effectively. Madugu,(1990) stated that school administrators need to be oriented in economics and politics because there are many contending interests in the society which want a share of the national revenue; and in budgeting because whatever is allocated has to be properly distributed among various departments and units.

Thus, it has become very clear that the traditional resources of government grants to schools are no longer adequate. The school administrators do not have the necessary funds for the efficient running of the school system. Funds are required to sustain the school facilities and to implement the curriculum effectively, etc. The school administrators should not fold their hands to allow the situation to get worse. Instead, they should exploit other reliable and legitimate sources of funds for the school (Ede, 1997;

and Fagbbemi, . According to Ogbonnaya,(2005),the source of funds available to educational institutions include: School fees, government grants, proceeds from school activities, community efforts, donations from individuals and charity organizations, endowment funds and petroleum trust fund. There are several ways the school principal can initiate the generation of funds. Brah(1988) suggested the operation of school canteens, carpentry and metal workshop to generate funds to encourage the spirit of self reliance dignity of labor and useful citizenship. Fagbbemi(1986) suggested that school principals must look for way to raise money for their schools. Thus, the ultimate-ways to generate fund according to them, include poultry, rearing, rabbi try, practical farming levies, examination fees and uniforms.

2.7. School Based Budgeting

Adesina (1997) define a school budget as an outline of the plan for financing the school system for a given period. It can be implied that budget is the financial statement of a proposed expenditure and expected revenue of the government, public corporation or educational institution for a particular period of time. Ukeje et al. (1992) has defined educational budget as the translation of educational needs into financial plan which is interpreted to the public in such a way that when formally adopted it expresses the kind of educational program.

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. It is also very helpful 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 budgeting process of the school finance resource helps the researcher to examine how the schools under study undertake the budgeting issue.

A school budget controls the financial behavior of administrators in a school system; it prevents waste or reckless spending of funds provided for various educational services. The budget process is presented by Ezeocha(1990) as follows: Careful study of the

educational need of the school and estimation of the revenue that will be necessary to meet these needs, planning and procurement of the necessary revenue to implement the educational programs agreed upon, the determination of the ways to allocate the available revenue in such manner as to avoid friction, duplication and waste and the determination to execute the educational programs

In preparing the school budget, it is necessary that workers within the school, who operate the educational programs, have a large share. Adesina, (1997) identifies major plan involved in budget preparation namely: Educational plan, which defines the policies of the school, its programs and activities as well as other educational services to be carried out, the expenditure plans, which translates each educational program, or service into cost and the financial plans, which set out the means of meeting the cost of educational programs and services.

2.8. Auditing Financial Accounts in Secondary Schools

Auditing could be defined as the examinations of financial records to guard against fraud and waste. According to Ogbonnaya (2000) auditing in education means the verification of records kept in an accounting system of an educational institution. Its importance lies in the fact that no financial management would be complete without audit. The primary objectives of auditing in private organization is to verify the records kept in their accounts departments in order to determine their gains and losses on the efficiency of financial managers. That of educational institution is to among other things detect frauds and error in financial management of educational institutions.

Ezeocha (1990) identified two main types of auditing that a school can use namely: internal auditing and external auditing. In internal auditing, the Bursary department of the school may engage a person to be in charge of performing the work of auditing and accounting. Such audits are continuous and comprise the setting up and carrying out of the various internal checks. In external auditing, the authorities of the institution, engages the services of those outside the institution, normally qualified accounting personnel to verify the records kept in the accounting system of the school.

2.9. Factors Hindering Financial Management in Secondary Schools

There are multiple factors that constitute problems of financial management in secondary schools. Some conditional administrators and planners are not conversant with finance terminologies, concept and principles in order to practice as chief executives of institutions or organizations. These terminology include planning, budgeting system, cost benefit analysis, financial accounting, taxation, varmint, real resource cost and capital costs. According to Ogbonnaya (2005), the knowledge of the finance terminology will put practitioners at a vantage point in dealing with issues as they arise. It is speculated that financial records in secondary schools is characterized with indiscriminate expenditure displacement of priority in issues of infrastructural provisions and employment. In view of this Ogbonnaya (2005) opined that the knowledge of educational finance would help educational administrators to know when to employ staff, disburse funds allocate equipment and refurbish dilapidated equipment.

Another factor militating against financial management in secondary schools is inadequacy of funds. Ochai (2005) indicated that management problems arise as a result inadequacy of funds. Ogbonnaya (2005) noted that some administrators do not involve their subordinates in budget making and preparation. Rather, they prepare budgets single-handedly or as if it is their own private affairs. Such administrators see budget making as thier own exclusive preserve.

2.10. Decision making in financial management

The financial management has sequential stages in order to make appropriate decisions on financial resources. The first stage in the process of financial management is securing or the acquisition of resources. So, the major source of educational finance is the budget share or the annual appropriation to the school system. The budget amount is directly related to the member of students. The second stage in making financial decision is allocation of the required budget. The allocation of the required budget depends on the capacity of the educational institutions to make use of it. A basic budget plan shows the amount that is expected to spend on each individual budget heads. The budget head is

given on the basis of activities of the education system such as teaching, non-teaching staff and other educational materials.

The other aspect of financial management process is putting the allocated budget into practice and itemized budget heads i.e, the budget plan into operation. This important process encompasses managerial activities like staffing, timing and procuring supplies. Financial management also requires monitoring the budget regularly throughout the year in order to compare the budget amount with the actual expenditure and evaluating the budget. It is clear that the concept management itself is a series of cyclical activities that have to be undertaken throughout the year in the organization. Financial management is a part of managerial activities, which involves financial resources. Every school principal is responsible for identifying financial problems and analyzing the alternative courses of action available to educational institutions.

In relation to this, Mbama (1992) indicated that, 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 primarily the supervision of cash flows. He is often a part of top management and as such he is involved in the major decisions of the organization. Financial management is, therefore, the operation whereby an organization ensures that available funds are used for the achievement of its objectives. In this context the coordination and control of the expenditure of the funds available as an appropriation and spent within a given time period in the organization are part of the management process, of course, there may be variations between the system and the rules theoretically set and the actual practice.

2.11. Competent Personnel for Effective Financial Management in Education

Not only insufficient generation of revenue, but also its proper utilization has a great effect on the performance of education institutions. This is related to whether there are competent personnel or not. 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 skill, knowledge

and understandings which will enable them to utilize their general competency are needed. In addition, (Berkhout, 1992, Herman, 1994 and Brock and Grady, 1995) stated that, no body those who work in the financial department ,but also including the managers of educational institutions, school principals and all workers who have an involvement in financial management should possess specialized skills.

Financial competence can increase cost consciousness. This idea was stated by Sanyal (1995) to imply that the operational process, if the scarce resource is managed effectively with the minimum and standardized cost by professionals, the necessary output will be gained. Thus, lack of competent personnel in finance department challenges more of the attention and occupy more of the time directly or indirectly of local boards of education than any other problem relating to schools. So, competent personnel with clear personnel policies are needed for the management of finance in education schools. Generally, the competence of personnel to manage and control finance in education schools plays a decisive role for the effective utilization of financial resources. Consequently, the sources of financial management is largely determined by the competency and contribution of the personnel employed.

2.12. The Role of school principals on financial management

According to Leithwood and Stainback (1995), school principals have responsibilities and duties of their positions; they often find it difficult to keep abreast of changing policies and practices. Sagor and Barnett (1994) agree that policies and guidelines are essential, because they help to make or determine appropriate actions These policies and guidelines become the working norms of the school rather than formal board policies or statements of operating procedures. Typically, they dictate that will not be tolerated in reaching the mission. Murphy and Louis (1999) refers to the popular trend of delegating the management of school funds to school principals and PTAs as an increase in nthe allocation of decision making, school-based management and and partisipative decision-making. According to Earley (1999) school principals and PTAs should be empowered to understand and supervise school resources. Earley maintains that school principals should work with their PTAs in the financial matters dealing with budgeting, purchasing and in managing school resources. In addition to this, (Tsukudu and Taylor, 1995) stated that the

adequate training for school personnel was very essential to manage schools resources effectively.

According to Earley (1999), school principals need not necessarily be financial experts or accounts, but it is believed that they should be knowledgeable enough to keep on top of the school's budget and accounting process knowledgeable enough to speak and understand the relevant language.

One of the biggest changes that have taken place in educational management since 1994 is the local management of the school fund, for example, by the school governing body, financial committee and the school principal. This has given schools much more freedom in managing their own affairs and opened the door to better ways of managing the school fund (Dean,2004). There is a considerable delegation within the schools, with individuals being responsible for the budgets for their departments. Each department thus becomes a cost center with its own budget and responsibility for spending (Berkhout,1992; Herman, 1994, and Brock and Grady, 1995). This means that not only needed by principals, but also the heads of departments and subject heads must become knowledgeable about the management of their school resources. It also means that there must be clear systems for dealing with the school budget and which cover the way money is allocated, the way that school accounts are kept and the way spending is monitored. These systems are not only needed by principals but by all the members of staff who have a budget responsibility (Dean,1993).Principals should encourage decision within departments about budget spending so that all members of the staff are aware of and have a say as to how the school budget is administered (Berkhout, 1992).

2.13. Theory of financial management

Many management theories have been propounded however two of these theories have been selected for the purpose of this research. They are: Classical management theory and Behaviorist management theory, Okeke in Ndu, et al. (1997) discussed these theories in detail.

2.13. 1. Classical management theory

The classical management theory recognizes the role that management plays in an organization. According to Ijaduola K.O A(2008) the theory began from the early twentieth century with the work of Frederick Taylor and Henri Fayol. Since then many scholars of management have been propounding different theories about how to manage work and workers efficiently and effectively. He states that the classical theory considered structural and technical factors as important in improving organizational performance. The theory regarded a formed hierarchical organizational structure marked by vertical lines of authority, communication, co-ordination between members of the concern as per-requisites for organizational functioning and effectiveness he added.

Nadu, et al. (1997) stated some principles of classical management theory which will serve as guides for managers. They are: objectives, specialization coordination, authority and responsibility. The principles stipulates that in an organization there must be one supreme authority and cleat lines of authority and their relationships should be hierarchically and horizontally specified. Other segment of management principles include; efficiency, delegation, unity of command, span of control chain of command and balance. The school principal is expected to apply these principle in staff employment and placement putting into cognizance their relevance and areas of specialization for proper delegation of duty.

2.13.2. Behaviorist management theory

One of the major theories to take into consideration when studying financial management practices of principals in secondary schools is B.F skidders behaviorist theory. the theory`s main focus is the basic principle of reward and punishment in which case a student is rewarded for exhibiting good behavior and is punished for misbehaving.

Mondy, Gordan and Premaux (2007) opined that behaviorist theory was developed in reaction to the formal tradition of the classical models. According to main Emile Durkheim, a French sociologist emphasized the idea that groups of people having established their own value, rule and norms of behaviors, control human conduct in and social organization. This is, they were able to subordinate the behaviors of individual

members of the group to the group value and norms. The school principal in discharging his managerial duties should apply the principles of this theory for rewarding and punishing staff as the case may be. This could save the school from wastage of financial resources. Where staff like the bursars and the cashiers are rewarded or punished for financial malpractice.

2.14. Financial Resource Management in Schools

Education is essential for the survival and progress of any country. Modern civilization is unthinkable without knowledge and technological skills, which can mainly be achieved through financial supported education. Jefferson (2003) states, that school finance is the backbone of school programs. Because all other resources are the conversion of financial resources; education without finance is a vehicle without engine.

According to Pscharapoules (1985), the growing financial constraints on education investment which has been resulted by high demand of education have led several governments to realize the necessity of increasing the share of financial support provided students and, their families by various cost recovery measures. This all implies the urgent need of finance in education. From the above we can conclude that nations with the least adequate program of education are among the most backward in many respects and tend to have the lowest standard of living. All this can tell us the direct relationship of finance with education and its great significance.

According to the Educational Act in England Levacis (1989), principals are accountable for educational finance resources management practice in schools. 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. Levacis (1989) noted that educational expenditures according to 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.

Similarly in Ethiopia, Educational institutions have a power to manage their financial resources, as a business organizations and public organizations (MoE, 2013). Financial resource management includes the responsibility of the governing body of school

committees, principal, and the staff should be clearly defined, and the limits of delegated authority firmly established (MoE, 2002). The budget should reflect the school's prioritized educational objectives, seek to achieve value for money and be subjected to regular effective monitoring. The school should properly control the operation of the bank account and reconcile bank balance with the accounting records.

3. RESEARCH DESIGN AND METHODOLOGY

This chapter discusses about research methodology that was employed to achieve the objectives of the study. It includes research design, data sources, sampling and sampling techniques, instruments for data collection , procedures of data gathering methods of data analysis.

3.1. Research Design

In this study, descriptive survey research design was employed. This method was helped gather various kinds of data with relatively minimum resources to obtain information about the current status of phenomena and also to know the existing condition of changes and challenges of implementing educational financial management in secondary schools. According to Cresswel (2003) descriptive survey design descriptive study describes and interprets what is concerned with conditions or relationships that exists, opinions that are held, processes that are going on effect that are evident or trends that are developed. In line with this, Koul (1996) stated that descriptive method helps to have general understanding of the problem by studying the method of the current status, nature of the prevailing conditions, practices and trends through relevant and precise information.

3.2. Description of the Study Area

Bale Zone is one of the 19 zones of Oromia regional administration. It is 430 kilometers far from Addis Ababa, of the capital city of Ethiopia. Bale is named for the former Sultanate of Bale. Bale is bordered on the South of by the Galane Dorya River which separates it from Guji, on the West by the West Arsi, on the North by Arsi, on the Northeast by the Shabele River which separates it from West Hararge. On the East by the Somalia Region. Bale Zone has 18 Woreda and 3 sub city administration and has 349 kebeles. Population of the zone is about 1,444,020 in which out of the total population about 766,713 are male and 677,307 are female. Its geographical location are 55.89% plain, 30.77% rugged, 0.4% Gorge and 12.94% Mountain. The four largest ethnic groups reported in Bale were the Oromo(88.93%), the Ahmara(7.65%), the Somali (1.39%) and the Sidama (0.88%) all other ethnic groups made up 1.15% of the population.

Afan Oromo was spoken as a first language by (87.5%),9.5% Amharic 1.15% spoke Somali.,and 0.88% spoke sidama, the remaining 0.61 spoke all other primary languages.

Bale zone is classified into the three basic climatic conditions with 14.935% highland, 21.545% mid land 63.535% lowland with 67,329,59KM² total area of the Zone. The highland of Bale zone is 3000-4377above sea level and total area 6,732,959KM² It found at 7.8°N and 40.0° E and having an attitude of 2492 meters above sea levels with an average maximum and minimum temperature of 22.1 °c and 9.5°c respectively. From this the study was conducted in six randomly selected secondary schools of Bale Zone.

3.3. Sources of Data

To collect reliable information, the researcher was used both primary and secondary sources of data. Primary data were collected from secondary schools principals, teachers, supervisors, secondary school accountants and woreda education office heads. While secondary source of data were collected from documentary sources like budget report, the federal and regional budget proclamations.

3.3.1. Primary sources of data

The primary data were collected from Woreda education office heads, principals, supervisors, and teachers of selected secondary schools in the zone.

3.3.2. Secondary sources of data

Secondary source of data was collected from documentary sources like budget report, the federal and regional budget proclamations.

3.4. Population, Sample Size and Sampling Techniques

The study was carried out in Bale Zone. Out of 20 woredas , the researcher was taken a sample of 6 woredas. The researcher stratified the Zone in to two strata. Each stratum has a chance to be sampled in the survey. In the Zones there are 6 woredas in the lowland and 14 woredas in the highland. so that using simple random sampling techniques 2 woredas from lowland and 4 woredas from highland were selected as representatives

from each woreda. From each selected woredas one secondary school was selected by simple random sampling techniques. Because this technique provided each school independent and equal chance of being selected for the study. As for this technique, Abiy et al. (2009) describe that its utilization gives an opportunity for each element to have an equal and a nonzero chance of being selected.

In the selected schools, there are about 86 teachers, and 42 school leaders including six principals, six supervisors and 30 department heads and the other respondents those who were participated on the interview six education office heads and six schools' accountants. Regards the sample size of the respondents 65(75.6%) teachers, six(100%) principals, six (100%) supervisors and six(100%) education office heads, 30(100%) of department heads and six(100%) of the accountants were included in the study. The total sample size of the study is 119. It accounted 85 % from total population. In relation to this, woreda education office heads, principals, and supervisors were selected by availability sampling technique and considered to be evaluators in the study. But, for the selection of teachers were selected by using simple random sampling technique to give final chance for all participants by listing the name of the teachers in the population. Where, N= survey population, Generally, 42 school leaders including 6 principals, 6 supervisors, 30 departments' and 65 teachers participated on questionnaire where as for interview 6 Education office heads, and school accountants and the total of 119 respondents were selected (See table 3.1)

Table 1: Population, sample size and sampling techniques

Name the woreda	Name the School	Type	Population size (N)	Sample size(n)	Sampling techniques	
Sewana	Galma	Woreda officers	1	1	Availability	
		Roba	Supervisors	1	1	Availability
	Gololcha	Jara	Principals	1	1	Availability
			Teachers	12	9	SRS
			Department heads	5	5	Availability
			Accountant	1	1	Availability
Ginir	Turge	Woreda officers	1	1	Availability	
		Supervisors	1	1	Availability	
		Principals	2	2	Availability	
		Teachers	20	15	SRS	
		Department heads	5	5	Availability	
		Accountant	1	1	Availability	
Sinana	Hisu	Woreda officers	1	1	Availability	
		Supervisors	1	1	Availability	
		Principals	2	2	Availability	
		Teachers	12	9	SRS	
		Department heads	5	5	Availability	
		Accountant	1	1	Availability	
Rayitu	Chalchal	Woreda officers	1	1	Availability	
		Supervisors	1	1	Availability	
		Principals	2	2	Availability	
		Teachers	12	9	SRS	
		Department heads	5	5	Availability	
		Accountant	1	1	Availability	
Gassera	Salu	Woreda officers	1	1	Availability	
		Supervisors	1	1	Availability	
		Principals	2	2	Availability	
		Teachers	12	9	SRS	
		Department heads	5	5	Availability	
		Accountant	1	1	Availability	
Total		Woreda officers	6	6	Availability	
		Supervisors	6	6	Availability	
		Principals	6	6	Availability	
		Teachers	86	64	SRS	
		Department heads	5	5	Availability	
		Accountant	1	1	Availability	
Total			172	128		

3.5. Data Gathering Tools

The main data gathering instruments of this study was questionnaire, interview and document review were used to strengthen the main instruments of the study.

3.5.1. Questionnaires

For primary data collection, questionnaires were prepared to collect information from school principals, teachers and supervisors. The same questionnaires were prepared for principals and supervisors and used as a preferable data-gathering tool for this research because of the fact that the researcher collected information on facts and attitudes from a wide range of sources. Questionnaire were used commonly to gather data for descriptive survey. All of the questionnaires was written in English as the researcher believes that respondents could understand the questions.

In order to get reliable and adequate information, the researcher were used a set of questionnaire containing mainly close- ended items some followed by open ended questions were used to collect data from school supervisors, principals and teachers. Close ended question type such as Likert rating scale type was used because they were suitable for large scale survey as they are quick for respondents to answer, easy to analyze using statistical techniques, and to make comparison across groups. The open ended questionnaire enables the respondents to provide some more relevant information that the student researcher has not included in the questionnaires.

To establish the reliability of the questionnaire and interview schedule items, pilot test was conducted. In the process of pilot testing, the questionnaire were administered to 10 teachers ones supervisor, one principal and one wereda of the education officer in the Bale Zone. The participants for the pilot test were selected from one secondary school of Bale Zone using purposive sampling technique. The reviewed questionnaire were tested using Cronbach's alpha reliability measurement and the result of cronbach alpha was 0.823, for that reason the items were accepted by the researcher.

3.5.2 Interview guide

In qualitative study, interview is one of the tools used for data collection. In this study, interview has been undertaken in the form of person-to-person encounter using semi-structured questions, enabling respondents to address the ideas in their own terms and words. Interview was prepared for woreda education office heads only. Interview items were prepared for them propose of cross checking and substantiate the result of the questionnaire.

Interview were the second tool used to collect additional data from the respondents. The reason for using interview is that it permits the exploration of issues, which may be too complex to investigate through questionnaires and also justifies as it allows better chance to explain more explicitly what the respondents knows about the issue (Best and Kahn 2004). Thus, the purpose of the interview was to collect more supplementary opinion, so as to stabilize the questionnaire response. With this in mind, interview was conducted with six woreda education office heads. Semi-structure items were prepared for the above respondents. The reason behind the semi-structured interview items is the advantages of flexibility in which new questions could be forwarded during the interview based on the responses of the interviewees. The process of interview was conducted in Afan oromo language to minimize barrier of communication.

3.5.3. Document Analysis

The data were searched from different documentary sources, in order to find the facts in the study area. The researcher was analyzed different documents such as school guidelines, files and reports used in relation to the practices. The researcher used different files to check appropriate financial resource management implementation in each selected school.

3.6. Procedure of Data Collection

A contact was made with Bale Zone education department and request letter was sent to six Woredas education offices to get permission for the data collection. Then, the six Woreda education offices were send the request letter to the sampled schools. Then the information and instruction for respondents were given about the questionnaire.were. Then, the questionnaires were distributed to the respondents and the completed questionnaire was collected. In addition to this, interview was conducted based on the characteristics of the respondents. A convenient time was arranged for each of the respondents in order to maximize the quality of data. During the process of interview,the researcher was selected free and calm environment to lessen communication barriers that disturb the interviewing process.

The qualities of the instruments were checked by the academic advisors. After this, the questionnaires were tried out for piloting to ascertain its clarity and to check the accuracy with which it measures. To attain these objectives, the pilot test was conducted in one non sampled secondary school (Turge secondary school) found in Ginir woreda. 14 teachers and 1 principals were filled the questionnaires. The responses of the respondents were examined item by item to found out whether or not there is ambiguity, response clues or other factors which can affected the respondents' genuine responses.

3.7. Methods of Data Analysis

The goal of datd analysis was to describe accurately what happened in the data. Both quantitative and qualitative data analysis methods were employed in order to answer the research questions and to attain the objectives.The quantitative data were collected, coded, tabulated, analyzed, described, and interpreted. The data that collected through close-ended questionnaire for all the respondents were analyzed quantitavely by using the descriptive statistics like frequency; percentage , mean value and standardeviation were used to guide the analysis and interpretation of the findings. Moreover, to test the statistical signifance difference of means on the responses of the groups in the study inferential statistical ways of analyzing data was employed to compare the means.The data that were collected through interview and open-ended questionnaire was analyzed

qualitatively using narrative form correspondence to the main research questions. As Bogdan and Biklen (1992) stated analysis in qualitative study basically involves word argumentations than numerical explanations.

Additionally, various characteristics of sample population such as sex, age, qualification and service years. The reaction of the respondents is indicated in numbers and/or percentages. The interpretation analysis and discussion therefore is based on the results obtained.

3.8. Ethical Consideration

Ethical considerations play a role in all research studies and all researchers must be aware of and attend to the ethical considerations related to their studies. Therefore, the researcher communicated all secondary schools legally and smoothly. The purpose of the study was made clear and understandable for all participants. Any communication with the concerned bodies was accomplished with their voluntarily consent without harming and threatening the personal and institutional wellbeing. The school records and information was kept confidentially.

4. RESULTS AND DISCUSSIONS

This chapter deals with the presentation and analysis of data that are categorized in to two major parts. Part one presents the characteristics of respondents and the second part deals with the analysis and interpretation of the data obtained through questionnaire, interview and secondary source of regarding practice and problems of educational financials resource management in Bale secondary schools. In order to achieve these purpose, 113 questionnaires were distributed to academic staff in six sampled schools. Thus, the returned rate of the questionnaire was (77) 68.1%this is considered to be valid since the unreturned questionnaires are less than 32%.77 out of 113distributed questionnaires were properly filled and returned by 68.1of the respondents.

Among the distributed questionnaires six (100%) of school principals, six(100%) , six (100%) of school supervisors and sixty five (77%) of school teachers were filled and returned the questionnaires. In addition to this, woreda education office heads were interviewed. The responses to each of the questions given were analyzed and interpreted. Most of the data gathered were organized using tables. Presentation of the data was followed by discussion and interpretation in line with the survey research questions. For the sake of the (convenience) of interpretation related questions were treated together.

4.1.Characteristics of the Respondents

This section includes the background information of the respondents. The detail characteristics of the respondents were indicated in the following table 4.1 as follow.

Table 1: Charecterstics of the respondents

No	Indicators	Respondents										
		Teachers		School leaders				Accountants				
				Supervisors,		Principals		Department heads				
		F	%	F	%	F	%	F	%	F	%	
1	Sex	Male	49	75.4	6	100	6	100	25	83.3	4	66.7
		Female	16	24.6	-	-	-	-	5	16.7	2	33.3
2	Age(in years)											
	Below 25	2	3.1	-	-	-	-	-	-	1	16.6	
	25-30	32	49.2	2	33.3	3	50	15	50	4	66.7	
	30-45	31	47.7	4	66.7	3	50	15	50	1	16.6	
	Above 45	-	-	-	-	-	-	-	-	-	-	
3	Qualification											
	Degree/BA/BSC	65	100	6	100	6	100	30	100			
	MA/MSC	-	-	-	-	-	-	-	-			
	Diploma/Level									6	100	
	Service year	25	38.5	1	16.6	1	16.6			6	100	
4	0-5											
	5-10	36	55.4	4	66.6	4	66.6	2	3.1			
	10-15	2	3.1	1	16.6	1	16.6	3	4.6			
	15 & above	-	-	-	-	-	-	-	-			
5	Having training on financial resource mgt	Yes	-	-	-	-	-	-	-	2	33.3	
	No	65	100	6	100	6	100	30	100	4	66.7	

As indicated in table 1, regarding sex all six principals respondents were males that was (100%) of the principals and. In the same, a number of 6(100%) of supervisors were also males as it was in the same table, the majority of the teachers were male which was 49(75.4%) and only 16(24.6%) were females and most of the department heads in the sampled schools of the Zone were males which was 25(83.3%) whereas only 5(16.7%) of them were females and out of six selected accountants of the sampled schools, four of

them(66.7%) were males and only two of them (33.3%) were females . These statistical data showed lower number of females represented in secondary schools positions in Bale zone. From this one can identify that gender inequality shows to represent women in financial management position is low, compared to their male counterparts.

As it was stated in table one of item 2, the age distribution of the respondents revealed that principals which was three of them (50%) were male and three of them (50%) were respectively live between the age ranges of 25-30 and 30-45 years. Additionally, two teachers(3.1%), 32(49.%) and 31(47.7%) of the teachers were lies between the year below 25 years, 25-30 years and the age range 30-45 respectively. Regarding the qualifications of the respondents, 100% of principals, supervisors and all teachers were degree graduates. The interview conducted with interviewee, the majority interviewee revealed that, “The positions of financial officers were occupied by those degree holders.” But they do not have experience on the current positions.

According to the service years, 25(38.5%) of teachers, 1(16.6%) of secondary school supervisors, 1 (16.6%) of principals,20 (66.7%) of department heads, 6(100%) of secondary school accountants and 3(50%) of woreda education officers in the sampled schools were served between 0-5 years and 36(55.4%) of teachers, 4(66.7%) of supervisors, 4(66.7%) of principals, 7(23.3%) of department heads, and 3(50%) of woreda education office heads were served between 5-10 years.

Besides, it could be identified that higher age and maturity level of the respondents affect financial management in education. In addition, “the interview conducted with one of WEO and secondary school accountants revealed that and the majority of other respondents stated that lack of training affect the performance of the personnel occupied by unqualified and less experienced school personnel.” Similarly, data collected from document review were support the above finding.

4.2.The Competence, Training and Position of Financial Personnel in Practicing Financial Resource Management

Professional training is a means to improve one potential and experience. Unless the employee's capacity is improved and updated managerial problem will rise and efficiency may be hampered. In the study efforts were made to investigate whether the employees were provided with relevant trainings to support their activities or no and responses were collected. In this, it was observed that there was some, management training. However, many of the employees working in related field did not take any relevant training. The following table 2 portrays the response of respondents regarding this issue.

Table 2: Competence and Training of the Respondents

No	Items	Respondents			
		Teachers		School Leaders	
		F	%	F	%
1	The relation between the current position and field of specialization:				
	A)Related	9	13.8	12	28.6
	B)not related	56	86.2	30	71.4
	Total	65	100	42	100
2	Duration training related to financial management:				
	A) from 1-4 weeks	-	-	-	-
	B from 5-6 weeks)	-	-	-	-
	C) 1 year	6	9.2	11	26.2
	D) 1- 2 days	59	90.8	31	73.8
	Total	65	100	42	100
3	The mode of training attended :				
	A) workshop	59	90.8	35	83.3
	B) seminar	6	9.2	2	4.8
	C) on job training	-	-	5	11.9
	Total	65	100	42	100
4	The competence of financial officers:				
	A) satisfactory	7	10.8	10	23.8
	B) unsatisfactory	58	89.2	32	76.2
	Total	65	100	42	100

f=Number of respondents

As indicated on Table 2 item 1, 9(13.8%)of school teachers and 12(28.6%) of the school leaders teachers respondent respectively responded that they were assigned was more or less related to their area of specialization, while 56(86.2%) of school teachers and

30(71.4%) of school leaders respondents respectively responded that the relation between the current position and field of specialization on a position different from their areas of specialization were not related. This implies that the majority of teachers lack of sufficient knowledge and experience for the work that they are working. Moreover, the interview conducted revealed that most of respondents reported that, "they had 2-5 years in their current position. In fact, in the school, all the activities other than teaching are done by teachers.

As can be seen on Table 2, item 2, indicated that 6(9.2%) of school teachers and 11(26.2%) of school leaders respondents respectively responded that they attended that training related to their current position. This shows a greater number of the school personnel had not trained on the job they are doing and 59(90.8%) of school teachers and 31(73.8%), of school of school leaders respondent responded that they had no training in the area of financial management scholars, that Mestry and Grobler, (2002) said that, "the training and development of school personnel can be considered as the strategically most important process necessary to transform education successfully."

As indicated in the same Table item 3, only 59(90.8%) school teachers and 35(83.3) of school leaders respondent responded that they attended workshop on financial management but this is trivial, it was for two or three days every short workshop. Moreover, an interview conducted with woreda educational head; the need for efficient capacity was precious stone clear. "There is capacity gaps at all levels are self evident and hence needs to be improved continuously in terms of planning, management, monitoring and evaluation of the education service for effective service provision, but more importantly, at the school level, said the school supervisors interviewed also revealed similar concerns. There is an urgent need to training school principals, teachers and school supervisors around financial management because; they didn't take enough training in relation with financial management. "In country (Tsakudu and Taylor, (1995) stressed that adequate training for school personnel was very essential to manage schools resource effectively.

In addition to this, in Table 2 item 4, 58(89.2%) of school teachers and 32(76.2%) of school leaders respondents respectively responded that, the finance officers are not assigned while, 7(10.8%) of school teachers and 10(23.8%) of school leaders respondents respectively responded that the finance officers are assigned. This implies that school financial activities was questionable. Thus, it can be concluded that the competence of financial officers in the sampled schools were unsatisfactory and this conclusion implies that financial formats are not used properly; financial regulations of budget process are not obeyed, control and report of budget implementation may not completed due to the lack of competent accounts and auditors. The above finding was supported by literature Sanyal, 1995; state that the scarce resource was not effectively and efficiently utilized for educational activities, because of lack of this competence. Similarly, Van Wyk(2004) stressed that, if school personnel are competent and committed the financial management would be effective.

4.3.Budget preparation and utilization

Respondents were asked to identify whether the budgeting activities were in proper and reliable manner including the participation of relevant individuals or not. For the respondent's population relevant questions were presented.

Table 3: The Analysis on Practice of budget preparation and utilization

No	Stage/phase 1	Respondents		5	4	3	2	1	M	C.M	Std	t-va	P-va
1	Financial resources are allocated efficiently in the schools.	T (65)	F	10	39	13	2	1	2.15		0.775		
			%	15.4	60	20	3.1	1.5		2.14			
		SL(42)	F	11	22	2	6	1	2.14		1.049	0.062	0.951
			%	26.2	52.4	4.8	14.3	2.4					
2	Financial resources are utilized Efficiently and effectively in the schools.	T (65)	F	21	31	4	2	7	2.58		0.882		
			%	32.3	47.7	6.2	3.1	10.8		2.42		2.455	0.016
		SL(42)	F	6	28	3	5		2.17		0.824		
			%	14.3	66.7	7.1	11.9						
3	Allocating the budget in cash is an important mechanism of budget allocation for school.	T (65)	F	13	39	8	3	2	2.11		0.886		
			%	20	60	12.3	4.6	3.1		2.37			
		SL(42)	F	6	14	9	10	3	2.76		1.185	-3.260	0.002
			%	14.3	33.3	21.4	23.8	7.1					
4	Allocating the budget in kind is another important mechanism of budget allocation for school.	T (65)	F	16	33	7	7	2	2.17		1.024		
			%	24.6	50.8	10.8	10.8	3.2		2.32			
		SL(42)	F	7	19	6	6	4	2.55		1.214	-1.734	0.086
			%	16.7	45.2	14.3	14.3	9.5					
5	There is the active Participation of teachers, an organized committees, students , principals and PTAs in budget preparation at school level		F	8	38	14	4	1	2.26		0.815		
		T (65)	%	12.3	58.5	21.5	6.2	1.5		2.56			
		SL(42)	F	6	13	5	10	8	3.02		1.388	-3.579	0.001
			%	14.3	31	11.9	23.8	19					

Note:-f=frequency, M=mean,5=strongly agree, 4=Agree, 3=undecided,2=Disagree,1=Strongly disagree ,T=teacher's=School leader

As it was revealed on item 1 of table3 ,the respondents were requested to explain their level of agreement on whether financial resources are allocated efficiently in the schools. Accordingly, the majority of the respondents which comprised 49(75.4%) of teachers and 33(78.6%) of school leaders were disagreed on whether the financial resources are allocated efficiently in the schools with the over all mean 2.14 which clearly shows the disagreement of the respondents on the issue under the study. There fore this implies the low level of allocation of financial resources in the secondary schools of Bale Zone. The significance level ($p=0.95$) which is greater than 0.05 and calculated t-value 0.062 this is less than the critical table value 1.98, this indicates that there is no significant difference between the opinions of teachers and School leaders in case of financial resources are allocated efficiently in sampled schools of the study.

As can be noticed from Table 3 of item 2, the respondents were asked to show their agreement weather the financial resources are utilized efficiently and effectively in the school . Accordingly, the majority of the respondents which comprised 52(80%) of teachers and 34(81%) of school leaders were disagreed on whether the financial resources are utilized efficiently and effectively in the school with the over all mean 2.38 which clearly shows the disagreement of the respondents on the issue under the study. There fore this implies the low level of utilizing the financial resources in the secondary schools of Bale Zone. The significance level ($p=0.02$) which is less than than 0.05 and t-value 2.46 which is greater than the critical table value 1.98, this indicates that there is a significant difference between the opinions of teachers and School leaders in case of financial resources are utilized efficiently and effectively in sampled schools of the study area. Generally, from the above results of the study one canconclude that the financial resources were not allocated and utilized efficiently in accordance with objectives of educational policy in the sampled secondary schools of Bale Zone.

The above finding was supported by literature (sanyal, 1995) stated that the scarce resource was not effectively and efficiently utilized for educational activities, because of lack of this competency. In addition, Niemann(1997) believes that financial activities are deal with most effectively when both the administrative and academic personnel are involved in the process. Similarly, the expansion of education and maintaining the required quality in

schools are greatly influenced by the amount of finance available to education and the way these available financial resources are effectively managed (Niemann and Bennet, 2002).

As indicated on table 3 of item 3, the respondents were asked to show their agreement on whether allocating the budget in cash is an important mechanisms of budget allocation. Accordingly, the majority of the respondents 52 (80%) of teachers and 20(47.6%) of school leaders were disagreed on whether allocating the budget in cash is an important mechanisms of budget allocation with the over all mean 2.44, that indicates the disagreement of the majority of respondents with the issue. This means that, the schools understudy were not consider the allocating the budget in cash as an important mechanism of budeget allocation for the school.

Moreover, the significance level ($p=0.002$) which is less than 0.05 and calculated t-value - 3.26 which is greater than the critical table value 1.98, this indicates that there is a significant mean difference between the opinions of teachers and School leaders in case of allocating the in cash is an important mechanisms of budget allocation for the schools.

As shown in Table 3 of item 4, the respondents were asked to show their agreement on whether allocating the budget in kind is another important mechanism of budget allocation for schools. Consequently, 49(75.4%) of teachers and , 26(61.9%) of school leaders were disagreed on whether allocating the budget in kind is another important mechanism of budget allocation for schools with over all mean 2.36 which is clearly indicates both teachers and the school leadfers were disagreed on the issue. Moreover, to test the significance difference of means between the groups t-value was computed at 0.05 level of significance ($p=0.086 > 0.05$ and $t\text{-value}=-1.734 < 1.98$ the critical table value) 2-tailed. This clearly shows as thereb is no significance difference between the opinions of teachers and school leaders in the sampled of the study area.

As it was stated on Table 3 of item 5 , the respondents were asked to show their agreement on whether there is the active participation of teachers, an organized committees, students, principals, and PTAs in budget preparation at school level. Consequently, 46(70.8%) of teachers and 19(45.3%) of school leaders were not decided on whether there is the active participation of teachers, an organized committees, students, principals, and PTAs in

budget preparation at school level with over all mean 2.64 which is clearly indicates both teachers and the school leadfers were not sure on the issue. Moreover, to test the significance difference of means between the groups t-value was computed at 0.05 level of significance ($p=0.001 > 0.05$ and $t\text{-value}=-3.579$ which is greater than 1.98 the critical table value) 2-tailed. This clearly shows as there is a significant difference between the opinions of teachers and school leaders in the sampled of the study area.

From this result , one can conclude as there was a serious problems of the stakeholders participation on budget preparation in secondary schools of Bale Zone. Similarly, as interview conducted, the woreda education office heads and selected schools accountants interviewed respondents admitted this reality and this more implies no school based budgeting is experienced. Even, regarding the a few budget of the schools, it lacks participation in its preparation. Hence, it can be concluded that if budget is not participatory in its preparation, it is obvious that it may affect its implementation of the activities of the schools. Also, it could be concluded that the budget flow from woreda to schools since there was not school based budgeting. This may greatly affect the implementation of educational plan in that it is not responsive to the local needs of the schools. Similarly, research was conducted by Bisschoff, 1997; Davies, 2004; Sharp and Walker, 2005) stressed that the importance of the involvement of stakeholders in the budgeting process.

Additionally, as it was indicated in interview session held with accountants and woreda education office heads , As it was indicated in the interview session, “Our participation at the binging after year was on the school planning and checking the documents, in this process there was financial planning check up. At the budget planning activities schools include one teacher as representative with budget planning committee. Other finance management activities like finance controlling were left to school principal. When finance planning check up and budget breakdown at the binging oh the year as school supervisors we were participated in the process and check up the activities. “

4.4. Financial source of education

In connection to the response, MOE (1999) served that, the policy directives also clearly indicated that community contribution in schooling were important means of financing education. The above finding was sported by literature, the educational system of Ethiopia has financial source either from government or external aid providing financial resource to the educational purpose is not only the responsibility of the government, but also the joint responsibility of different group: schools, parents, and community (MOE, 1999).

Table 4: Approval Annual budget and Period of released.

No	Items	Respondents			
		Teachers		School leaders	
		F	%	F	%
1.	Proportion of budget approved against budget requested				
	A) 100%	-	-	-	-
	B) 70-905%	-	-	-	-
	C) 50-70%	21	32.3	15	35.7
	Below 50%	44	67.7	27	64.3
	Total	65	100	65	100
2	The amount of budget approved is:				
	A) Adequate	-	-	-	-
	B) Inadequate	60	92.3	35	83.3
	C) I don't know	5	7.7	7	16.7
	Total	65	100	42	100
3	Period of budget released:				
	A) 1 st quarter	13	20	7	16.7
	B) 2 nd quarter	16	24.6	9	21.4
	C) 3 rd quarter	21	32.3	21	50
	D) 4 th quarter	15	23.1	5	11.9
	Total	65	100	42	100

According to Table 4 of item 1, that is 21(32.3%) of school teachers and 44(66.7%) of school school leaders respondents respectively responded that the proportion of budget approved against budget requested were covered only 50%-70%. While the remaining 44(67.7%) of school teachers and 27(64.3%) of school leaders respondents respectively responded that the budget approved were less than 50%% of the budget requested. This shows that a shortage of budget was a serious problems which causes failure to accomplish the work planned to be done and the difficulty of fulfilling the necessary inputs.

As interview were conducted with woreda office heads and all selected schools accountants the majority of interviewees revealed that “the approved budget for educational sectors office including primary and secondary schools would get much less than their request”. From this we can infer this may affect utilizing the scarce resources and the total teaching-learning process in that inadequate facility are the result of shortage of finance. The above finding is supported by Jofferson (2003) states that, adequate financial support underlines every aspect of educational activities. Therefore, school finance is commonly referred to as a backbone of school program. Because all other resources are the conversion of financial resources; education without finance is vehicle without engine. Financial resources purchase educational materials.

Moreover, finance is necessary salaries to be paid for employees in the sector. So, as it is stressed by many writers, the quantity and quality of material resources, which again determines the quality and quantity of education is determined by the availability of educational resources.

In addition, the way of allocation of budget is, each sector office formulates its budget proposal based on the budget ceiling and the instruction it received from our office. As any sector office of the woreda, the woreda education office prepares its budget proposal in conclusion with the schools in the woreda. The schools don't directly participate in the budget preparation. The

woreda education office asks the schools about their needs and plans for the next fiscal years, The sector office send their budget proposal along with implementations plan/for which the budget is requested/to the woreda finance office.

In addition to this, in table 4 item 2, 6(100%) of school principals, 65(100%) of school teachers and 6(100%) of supervisors respondents respectively responded that the amount of budget approved was inadequate. This shows that the approved budget was not enough.

According to Table 4 of item 2, that is 60(90.2%) of school teachers and 35(83.3%) of school school leaders respondents respectively responded that the amount of budget approved were inadequate. While the remaining 5(7.7%) of school teachers and

7(16.7%) of school leaders respondents respectively responded that the the amount of budget approved were unknown by all concerned boy. This shows that a shortage of budget was a serious problems which causes failure to accomplish the work planned to be done and the difficulty of fulfilling the necessary inputs.

As indicated on table 4, item 3, the majority of respondents,that is 13(20%) of school teachers and 7(16.7%) of school leaders respondents respectively responded that the budget was released on the 1st quarter of the year. In addition to this 16(24.6%) of school teachers and 9(21.4%) of school leaders respondents respectively responded that the budget was released on the 2nd quarter of the year. This implies that the budget was released after 1st quarter of the year.

In addition to this, that is 21(32.3%) of school teachers and 21(50%) of school leaders respondents respectively reported that the budget was released on the 3rd quarter of the year. This show the budget was released after a mid-year and after half of the plan is expected to be completed. In addition to this 15(23.1%) of school school teachers and , 5(11.9%) of school leaders respondents respectively responded that the budget was released on the 4th quarter of the year. This means at the final year. Thus, it could be concluded that the dalliance of budget has a greater impact on purchasing educational materials on time. Therefore, the dalliance budget release was a great problem in accomplishing the work according to the plan and in managing the financial activities on time.

4.5. Educational Financial Resources Auditing and Monitoring

There are a number of factors that negatively affect finance utilization and management among these, lack of continuous audit can be considered as the important issue. In the study, related questions were raised in auditing practices of the study area. The following table explains some the important related issue to auditing practices

Table 5: Auditing and controlling financial operation

No	Item	Respondents			
		Teachers		School leaders	
		F	%	F	%
1	The existence of internal auditing service:				
	1.ver-y high	-	-	-	-
	2.High	-	-	-	-
	3.Not as expected	48	73.8	38	90.5
	4.very poor	17	26.2	4	9.5
	Total	65	100	42	100
2	If there is internal auditing how frequently is financial inventory undertaken by internal auditors?				
	1.once a week	14	21.5	5	11.9
	2.once a month	14	21.5	5	11.9
	3.once in 6 th month	19	29.2	21	50
	4.once a year	18	27.7	11	26.2
	Total	65	100	42	100
3	If there is external auditing, how frequently schools seen by auditors of ministry of finance or external auditors				
	1.Once in a year	12	18.5	10	23.8
	2.Tu twice in a year	-	-	-	-
	3.Occasionally as needed	20	30.8	17	40.5
	4.I didn` t observe	33	50.7	15	35.7
	Total	65	100	42	100

As it can be seen on Table 5 item 1, 48(73.8 %) of schools teachers and 38(90.5%) of school leaders respondents responded that internal auditing didn`t exist as it was expected. Even both 17(26.2%) of school teachers and 4(9.5%) of school leaders respondents responded that it was very poor and also, when it exists it is not done regularly. Moreover,

from the interview of all the education office heads of some selected schools all school accountants revealed that, “Most internal auditing is usually only to check the balance between income and expenditure, but not targeted to check the wise utilization of the budget.” As indicated on table 6 items 2, that 14 (21.5%) of school teachers and 5(11.9%)of school leaders respondents respectively responded that it was carried out once in a month and 19(29.2%) of teachers and 21(50%) of school leaders respondents respectively responded it was carried out in 6th months. The remaining 18(27.7%) of school teachers and 11(26.2%) of school leaders respondents responded as it is conducted once a year. This implies that financial controlling system of school was very weak.

As indicated on table 5, item 3, 33(50%) of school teachers , 15(35.7%) of school leaders respondents respectively responded that as they didn’t observe the trend of external auditing. These conditions implies that as the monitoring and controlling of the budget was weak, since legal processing of finance was incomplete, which may lead to misuse of scarce of resources. Moreover, from the interview conducted, the majority of interviewee revealed that,” the school finance is never seen by external auditors. The reasons is woreda education office heads has no its own auditors its structure.” In contrary, auditing is a formal examination and verification of accuracy of the accounts maintained in the accounting system of on organization (Corbally, 1997). In addition to this the function of auditing is to examine the fiscal efficiency. It also protect the system and the school personnel from illegalities and losses financial control is the principal’s task that ensures that there is coordination and effective functioning of all the school financial activities, so that the formulated school objectives are implemented and pursued according to the school financial plan (Van Deventer and Kruger, 2005 and Nieman and Bennet, 2004).

4.6. Problems of Financial Resource Mananement

The problem of finance state is most scarce resource partly can be sole by proper management through planning. Coordinating and controlling so as to utilize it effectively and efficiently. Mophet(1987) stated that the purpose of financial management is not to save money but to use it wisely. In relation to this, respondents were asked answer the degree of major problems of financial management in schools. If mean value is above 4

very high, in between 3-4 high, in between 2-3 medium, in between 1-2 poor and less than 1verypoor.

Table 6: The responses of respondents on the degree of some major problems of financial management

No	Stage/phase	Respondents		5	4	3	2	1	M	C.M	Std	t-va	P-va
1	The scarcity of budget/resource	T (65)	F	1	13	8	31	12	2.38	2.47	1.056		
			%	1.5	19.4	11.9	46.3	17.9					
		SL(42)	F	2	12	7	10	11	2.62		1.287	-1.028	0.306
			%	4.8	28.6	16.7	23.8	16.4					
2	Lack of experience	T (65)	F	2	7	10	35	11	2.29	2.29	0.980		
			%	3	10.4	14.9	52.2	16.4					
		SL(42)	F	2	4	6	23	7	2.31		1.024	-0.087	0.931
			%	4.8	9.5	14.3	54.8	16.7					
3	Lack of clear guide line	T (65)	F	2	18	8	26	11	2.60	2.83	1.157		
			%	3	26.9	11.9	38.8	16.4					
		SL(42)	F	5	17	4	13	3	3.19		1.215	-2.529	0.013
			%	11.9	40.5	9.5	31	7.1					
4	Delay of budget	T (65)	F	3	24	8	22	8	2.88	2.76	1.179		
			%	4.5	35.8	11.9	32.8	11.9					
		SL(42)	F	4	6	6	20	6	2.57		1.192	1.303	0.195
			%	9.5	14.3	14.3	47.6	14.3					
5	Lack of proper monitoring and evaluation.	T (65)	F	2	12	6	32	13	2.35	2.37	1.096		
			%	3	17.9	9	47.8	19.4					
		SL(42)	F	2	6	5	23	6	2.40		1.061	0.238	0.813
			%	4.8	14.3	11.9	54.8	14.3					
6	Improper purchasing	T (65)	F	1	17	6	31	10	2.51	2.59	1.091		
			%	1.5	25.4	9	46.3	14.9					
		SL(42)	F	1	16	2	16	7	2.71		1.215	-0.914	0.367
			%	2.4	38.1	4.8	38.1	16.7					
7	Lack of adequate financial materials such as different models; 19, 22, 20, 21. POOR 1=VERY POOR ,Tr=teacher,SL=	T(65)	F	2	8	25	5	27	3.322	2.92	1.125		
			%	3	11.9	37.3	7.5	40.3					
		SL(42)	F		10	4	16	12	2.29		1.132	4.164	0.000
			%		23.8	9.5	38.1	28.6					
8	Misuse of school funds.	T (65)	F		32	4	25	4	2.98	2.72	1.068		
			%		47.8	6	37.3	6.0					
		SL(42)	F	1	7	5	21	8	2.33		1.052	3.099	0.002
			%	2.4	16.7	11.9	50	19					

Note:-f=frequency, M=mean, c.m= combined mean 5=VERY HIGH 4=HIGH 3=MEDIUM 2= School lead

As can be seen on table 6 of item 1, the majority the respondents were asked to rate the degree of their agreement on whether there is scarcity of budget/resource. Consequently, 14(20%) of teachers and 14(33.4%) of school leaders were rated the degree of their agreement as high on whether there is whether there is scarcity of budget/resource with over all mean 2.5 which is clearly indicates both teachers and the school leadfers were not sure on the issue. Moreover, to test the significance difference of means between the two groups t-value was computed at 0.05 level of significance ($p=0.306 > 0.05$ and $t\text{-value}=-1.028$ which is less than 1.98 the critical table value) 2-tailed. This clearly shows as there is a no significant difference between the opinions of teachers and school leaders in the sampled of the study area.

As it was indicated on table 6 of item 2, the majority the respondents were asked to show their degree of agreement on whether there is lack of experience . Consequently, 9(13.4%) of teachers and 6(14.3%) of school leaders were disagreed on whether whether there is lack of experience with over all mean 2.3 which is clearly indicates both teachers and the school leadfers were rated their degree of agreement on the item. Moreover, to test the significance difference of means between the two groups t-value was computed at 0.05 level of significance ($p=0.931 > 0.05$ and $t\text{-value}=-0.087$ which is less than 1.98 the critical table value) 2-tailed. This clearly shows as there is a no significant difference between the opinions of teachers and school leaders in the sampled of the study area.

In connection to this, Bisschoff (1997) argued that good experience will ensure that each staff member who is involved in school influences would be informed about authorization for various expenditures, is knowledgably about the financial procedure for expanding money, and knows to whom the result of the expenditures should be reported. This will motivate them to work hard and consequently achieve effective and efficient financial administration. Similarly, (Mestry and Grobler, 2002) stressed that, “the training and development of school personnel can be considered as the strategically most important process necessary to transform education successfully.” Besides to this, Accordingly, the majority of the respondents responded that, “there are different problems of financial management in schools, for example: most of the school principals and teachers are degree

graduates, even though they are qualified in different subject, but not related with current position, they are not well experienced on their current position and the PTA members are unqualified, no experienced and untrained for educational finance management. So, that the experience would not enable them to manage, plan, organize, coordinate and control the budget.

In addition to above discussion, financial management at the schools was generally weak. There was not able lack of management skill among schools principals and Parent-Teacher-Association (PTAs). When a teacher is promoted to be a school principal or vice-principals; in most case such a teacher does not undergo any additional training to prepare him/her for the management roles. He thus learns on the job (more like trial and error). The same case applies numbers of the Parent-Teacher-Association (PTAs), Therefore, all concerned body should be taken training regularly, safeguarded money and school property. The condition that budget is not released on time, it influence on teaching-learning process.”

As can be seen on table 6 item 3, the majority, 20 (29.9%) of school leaders and teachers and 22(52.4%) , the majority of 37(55.2%) of teachers and 16(38.1%) of school leaders and 8(11.9%) of teachers and 4(9.5%) of school leaders were rated the degree of the problem at low, medium and medium level regarding to lack of a clear guide lines With mean value of 2.895. Moreover, to test the significance difference of means between the two groups t-value was computed at 0.05 level of significance ($p=0.013 > 0.05$ and $t\text{-value}=-0.2529$ which is less than 1.98 the critical table value) 2-tailed. This clearly shows as there is a no significant difference between the opinions of teachers and school leaders in the sampled of the study area. Similarly, the researcher made an interview for the woreda education office heads and schools accountants of the same item.

In contrary, the school finances should be administrated in terms of the rules down up by MoE, 2002. The guide lines of school financial management indicates that the school principals and parent-teachers-Association should open and maintain a single bank account in the name of school at a registered bank. Nobody is allocated to keep money or deposit in to a bank account other than the authorized body. The Parent-Teacher-Association school

looks after school property. Principals are not free to use the school finances as they please and money donated to the school should be used for educational purpose only.

Similarly, According to Clarke (2008) the governing body of every public school must ensure that there are proper policies and procedures in place for the effective, efficient and economic management of school finances and the school governing body must have systems in place to monitor and evaluate the current implementation of policies and procedures and to report thereon put in place. Clarke (2008) states that one of the main purposes of financial policy is to put in place a system of control (checks and balances) to create that the schools finances are safeguarded and correctly managed.

As indicated on Table 6 items 4, some of the respondents, 27(40.3%) of teachers and 10(23.8%) of school leaders, the majority of the respondents 30(44.3%) of teachers and 26(61.9%) of school leaders and a few of the respondents 8(11.9%) of teachers and 6(14.3%) of school leaders were rated the degree of the problem at medium, high and medium level regarding to the delay of With mean value of 2.65. This over all mean value indicated as the respondents were rated the issue that is a delay of budget as a moderately a serious problems that negatively affects the management of financial resource management in the sampled secondary schools of Bale Zone. Moreover, to test the significance difference of means between the two groups t-value was computed at 0.05 level of significance ($p=0.195 > 0.05$ and $t\text{-value}=1.303$ which is less than 1.98 the critical table value) 2-tailed. This clearly shows as there is a no significant difference between the opinions of teachers and school leaders in the sampled of the study area.

Similarly, the researcher also made an interview for woreda education office heads, the majority of the respondents revealed that “dalliance of budget has impacts negatively on the general operation of the school including on the services that are provided.” Moreover, schools were supposed to purchase the necessary materials for the final examinations, but not have the money. In addition the major problems of education finance in schools were scarcity of budget, lack of experience, lack of clear financial guide line, lack of proper monitoring and evaluation, lack of management skill, by many principals especially in

expenditure and relevant control and budget formulation etc...To reduce these problems, giving continuous training related with financial management for concerned body, discuss with community, stakeholders to solve the shortage of budget and also strengthen follow up of supervision, increasing internal income. "This idea is supported by literature i.e. (Nevev,1995) stressed that, lack of adequate finance, it is difficult to overcome the

Sky rocketing cost of material, However, effective and efficient financial management could minimize this problems in educational system.

As it was revealed in Table 6 of item 5, some of the respondents, 14(20.9%) of teachers and 8(19.1%) of school leaders , the majority of the respondents 45(64.2%) of teachers and 29(61.9%) of school leaders and a few of the respondents 6(9%) of teachers and 5(11.9%) of school leaders were rated the degree of the problem at medium, high and low level regarding to the lack of proper monitoring and evaluation of the management and utilization of financial resources in the sampled schools With a over all mean value of 2.385.This over all mea value indicated as the respondents were rated the issue that is a lack of a proper monitoring and evaluation rated at the highest degree of the seriousnuous problems that negatively affects the management of financial resource management in the sampled secondary schools of Bale Zone.

Moreover, to test the significance difference of means between the two groups t-value was computed at 0.05 level of significance ($p=0.813 > 0.05$ and $t\text{-value}=0.238$ which is less than 1.98 the critical table value) 2-tailed. This clearly shows as there is a no significant difference between the opinions of teachers and school leaders in the sampled of the study area. From this result of the study one can conclude lack of proper monitoring and evaluation (auditing) was very high.The necessity of auditing was an integral part of financial management. The literature components the importance of control in financial management (Berbout and Berkbout, 1992, Clarke2003, Ntseto, 2009), Allen cited in Niemann(1997)explain control as “the work of manager does to assess and regulate work in progress and completed. Similarly, financial planning preparing budget alone would not suffice to bring about desirable result.

As it was stated on Table 6 of item 6, the respondents asked to rate their degree of agreement on whether there is a problem of improper purchasing . Accordingly, some of the respondents, 18(26.9%) of teachers and 17(40.5%) of school leaders , the majority of the respondents 41(60.2%) of teachers and 23(52.8%) of school leaders and a few of the respondents 6(9%) of teachers and 2(4.8%) of school leaders were rated the degree of the problem at medium, high and low level respectively regarding to the improper

purchasing of the management and utilization of financial resources in the sampled schools With a over all mean value of 2.61.This over all mea value indicated as the respondents were rated the issue that is improper purchasing rated at the medium degree of the seriousnuous of the problem that negatively affects the management of financial resource management in the sampled secondary schools of Bale Zone.

Moreover, to test the significance difference of means between the two groups t-value was computed at 0.05 level of significance ($p=0.367 > 0.05$ and $t\text{-value}=-0.914$ which is less than 1.98 the critical table value) 2-tailed. This clearly shows as there is a no significant difference between the opinions of teachers and school leaders in the sampled of the study area. From this result of the study one can conclude the problem of improper purchasing was moderately a serious challenges that negatively affects the management and utilization of financial resources in secondary schools of Bale Zone. The necessity of auditing was an integral part of financial management. This implies that the process of purchasing system were questionable.

With regard to table 6 of item 7, the respondents asked to rate their degree of agreement on whether there is a lack of adequate financial materials such as different models 19, 22, 20 and 21 . Accordingly, some of the respondents, 10(14.9%) of teachers and 10(23.8%) of school leaders , the majority of the respondents 32(47.8%) of teachers and 38(66.7%) of school leaders and a few of the respondents 25(37.3%) of teachers and 4(9.5%) of school leaders were rated the degree of the problem at medium, high and low level respectively regarding to the lack of adequate financial materials such as different models 19, 22, 20 and 21 of the management and utilization of financial resources in the sampled schools With a over all mean value of 2.75.This over all mean value indicated as the respondents were rated the issue that is lack of adequate financial materials such as different models 19, 22, 20 and 21 rated at the medium degree of the seriousnuous of the problem that negatively affects the management of financial resource management in the sampled secondary schools of Bale Zone.

Moreover, to test the significance difference of means between the two groups t-value was computed at 0.05 level of significance ($p=0.000 < 0.05$ and $t\text{-value}=4.16$ which is greater than 1.98 the critical table value) 2-tailed. This clearly shows as there is a significant difference between the opinions of teachers and school leaders in the sampled of the study area. From this result of the study one can conclude the problem of lack of adequate financial materials such as different models 19, 22, 20 and 21 was moderately a serious challenges that negatively affects the management and utilization of financial resources in secondary schools of Bale Zone. This generally implies that schools were not following finance rule and regulation. This may lead to misuse of scarce resources. Orderly fiscal administration is not feasible without adequate system of financial accounting. Second budgetary procedures cannot be developed without the aid of financial accounting. On the other hand, financial accounting without the aid of a budget is not as much benefit to management (Morphet, 1987).

Regarding to the Table 6 of item 8, the respondents asked to rate their degree of agreement on whether there is a problem of misuse of school funds. Accordingly, some of the respondents, 32(47.8%) of teachers and 8(19.1%) of school leaders, the majority of the respondents 29(43.3%) of teachers and 29(69.0%) of school leaders and a few of the respondents 4(6.0%) of teachers and 5(11.9%) of school leaders were rated the degree of the problem at medium, high and low level respectively regarding to the misuse of school funds in the management and utilization of financial resources in the sampled schools. With an overall mean value of 2.65. This overall mean value indicated as the respondents were rated the issue that is misuse of school funds rated at the medium degree of the seriousness of the problem that negatively affects the management of financial resource management in the sampled secondary schools of Bale Zone.

Moreover, to test the significance difference of means between the two groups t-value was computed at 0.05 level of significance ($p=0.002 < 0.05$ and $t\text{-value}=3.099$ which is greater than 1.98 the critical table value) 2-tailed. This clearly shows as there is a significant difference between the opinions of teachers and school leaders in the sampled of the study area. From this result of the study one can conclude the problem of

misuse of school funds was moderately a serious challenges that negatively affects the management and utilization of financial resources in secondary schools of Bale Zone. Moreover, the interviewed six woreda education office heads responded that, in case of school budget allocation, the majority of woreda education office heads revealed that “no cash was allocated for schools for some materials budget and allocated in kind.”In addition “Annual budget is not released on time and the delay of budget has a greater impact on purchasing educational supporting materials and also the allocated non salary budget is not based on student enrollment, the school finance is never seen by external auditor. Even they did not have internal auditors. The reason is our office has not own auditor on its structure. In some schools they cannot report the income and expense or utilization of school budget on timely, recording school property; financial statement efficiently improper purchasing, absence of external auditing or auditor in our office/education office/ etc...are the main problems of financial management of schools.”

Finally, to reduce these problems, “giving continuous training related with financial management for concerned body, discuss with community and stakeholders to solve shortage of budget and also strengthen follow up of supervisors increasing generating internal income.

In further, to see the other major problems of financial resource management, interview session was held with woreda education officer and secondary school school sampled accuontants result clearly showed, the financial management activities of secondary schools were influenced by overload work of principals. Accordingly, it indicates that the school financial management activities were delayed because principals and PTAs overload work in schools.

5.SUMMARY, CONCLUSION AND RECOMMENDATIONS

This chapter of the thesis consists of summary, conclusion and recommendations of the research result. The study was intended to investigate the practice and problems of financial management in government secondary schools in Bale Zone. Therefore, to reach at the overall purpose of the study, three types of data gathering instruments (Questionnaire, interview and document analysis) were used. The data which is was gathered through the above mentioned data gathering tools was tabulated, analyzed and discussed in chapter four).Based on the analysis and discussion, the following summary, conclusion and recommendation were made.

5.1.Summary

The purpose of this study was to investigate the practice and problems of financial resources management in secondary schools in Bale Zone. The data source of the study were totally 77 sellected from six schools purposive and simple random sampling technique. Principals, supervisors and woreda educational office heads were selected by using purposive sampling techniques, while, the simple teachers were selected by using simple random sampling techniques. The data were collected from these data sources by using three tools, such as questionnaire for principals, teachers and school supervisors and interview was conducted on woreda education office heads. Finally, document analysis from minutes assessed.

After collecting the data by using the above mentioned tools, both qualitative and quantitative data analysis methods were employed in order to arrive at the results. The data that was collected through interview and open-ended questionnaire were analyzed qualitatively using narrative forms. Whereas, the data that was collected through close ended questionnaire were analyzed quantitatively using frequency, percentage and mean value.

In order to attain this purpose of the study the following four basic questions were raised.

1. What were the practices of financial resource management in Bale Zone government secondary schools?
2. What were the mechanisms on practice of budget preparation and utilization in Bale Zone government secondary schools?
3. How often the financial resources were audited and monitored in Bale Zone government secondary schools?
4. What were the problems of financial resource management exist in Bale zone secondary schools?

To answers the basic questions data were gathered through questionnaires and interviews. Questionnaires were designed and distributed to the school principals, school teachers and supervisors. Interview was conducted with woreda educational office heads. After the data were obtained, analyzed and interpreted the following were the major findings of the study.

1,regarding sex all six principals respondents were males that was (100%) and in the same, a number of 6(100%) of supervisors were also males as it was in the same table, the majority of the teachers were male which was 49(75.4%) and only 16(24.6%) were females and most of the department heads in the sampled schools of the Zone were males which was 25(83.3%) where as only 5(16.7%) of them were females and out of six selected schools accountants, four of them(66.7%) were males and only two of them (33.3%) were females . These statistical data showed lower number of females represented in secondary schools positions in Bale zone. From this one can confirm that gender inequality show to represent women in financial management position is low, compared to their male counterparts.

2. Most of the respondents are matured in age and they have long time experience in the education sectors.

3. All respondents of the schools were degree graduates. In addition to this service year in the current position of the respondents from the school showed that most of them had work experiences of above 15 years.
4. The study revealed that all (100%) of school principals,(100%) of supervisors,(100) of schools department heads and (92.3%) of teachers were married.
5. The majority of respondents responded that the budget approved were less than 50%. This indicates that small amount of budget was approved and relation between budget approved and budget requested and the amount allocation had variation.
5. Similarly, the majority of the school principal`s respondents reported that they were working in a position not relevant to their areas of specialization. In addition to this, the study showed that schools personnel who were working in different administrative positions financial personnel were neither trained in neither regular school nor get on job training concerning financial management. This indicates the most school personnel had no adequate knowledge and experience in their current position.
6. Most of the school teacher`s respondents responded that the education budget released at the 2nd and 3rd quarter of the year. On the other hand the entire schools principals, teachers and supervisors respondent responded that the educational budget for the year released at the 3rd and 4th quarter of the year. This shows that annual budget is not released on time and the alliance of budget has a greater impact on purchasing educational material (stationary) for schools.
7. All the respondents from principals, teachers and supervisors responded that the mechanism of allocation budget for schools were in kind, not in cash. This shows that budget remains and financial operations is done at the woreda education office.
8. The study revealed that most of teachers, principals and teachers respondents responded that the major problem of school finance were scarcity of budget, lack of proper monitoring and evaluations, improper purchasing. This implies that there were very high and serious problems the affect the practice of education financial management in schools.
9. Regarding competent financial personnel majority of school principals, teachers and supervisors respondents reported that the competence of finance officers was unsatisfactory on those duties. This reveals that financial format were not used properly,

financial regulations of budget process were not obeyed, and control and reports of budget implantation may not be complete.

10. The majority of respondents responded that the main source of financial activities was government and parents while the rest respondents, i.e. 1(16.7%) of principals, 13(20%) of school teachers and 1(16.7%) of supervisors respondents respectively responded that schools had internal income from different sources. This implies that schools were weak in generating additional income for the organization.

5.2.Conclusions

The quality of education made accessible for the public would depend largely on the pattern of resource management in our schools. This implies that there is a direct relationship between the quality insractical facilities provided and the managerial practices employed by school adiministrators. The problem of shortage of qualified teachers and lack of instractical facilities do not exclusively rest on finding as often depicted, rather the problems are made complex due to poor management. Education is a collective responsibility of all stake-holders. Therefore, the school principal expected to complement governments` effort by diversifying their income bases and utilizing the available funds judiciously for the attainment of their organizational goals. Moreover, a situation where school principals do not employ accountability in their financial management practice implies a hazardous condition in such schools. One can therefore conclude that principals in Bale zone selective secondary schools should perform their financial management duties in a manner satisfactory enough to enhance sustainable development of secondary schools. Hence, secondary school principals shoud seek for innovative practice such as taining in ICT, accunting, prompt disbursement of funds implementation of budeget in order to enhance subsainable management of secondary education in Bale zone.

5.3.Recommendations

On the basis of the findings in this study,the researcher made the following recommendations for improvement bearing the need for effective financial resource managemen practices in selectve secondary schools.

- It is difficult for schools principals and teachers members who have no training in accounting matters to effectively manage school funds. The,government should consider employing accounts clerks in schools to to manage the school finances.
- A one week seminar/work shop / on financial management is not enough and therefore, the government should be organizing more intensive training sessions in financial management for the school principals, teachers and supervisors thus involve in financial. Thus, training of the school managers should be regularly and continuous.
- The money allocated from woreda education office to students per year for teaching and reading materials as well as for other expense the allocation per student per year and release on time.
- As indicated in the findings, most schools principals didn`show any effort to overcome the shortage of budget to get additional activities. Only waiting for public budget is not the solution to reduce financial problems of Bale zone secondary schools.Thus, the woreda education office and school management should motivate parents, local communities and non-government organizations to contribute additional income for shoools in order to improve financial problems.
- As can be seen in the findings there is no controlling and evaluation of schools financial resource. Therefore, woreda education office,woreda finance and economic development office ouditors and school supervisors should be visiting schools more often and should offer guidline to PTAs and teachers those

involved in financial management, school principals on a continuous basis`s. In addition to this, woreda education office must have its own auditor.

- The schools financial officers did not follow budget preparation in participatory approach as the research shows. This may affect budget implementation. So, to minimize such problem, the schools management should develop cooperative efforts of different departments and evry responsible body in budget preparation at the schools.

- The devolution power due to the current decentralized stracture need competent personnel, skilled manpower and expertise to different positions.However, the study reveals that the experience of financial office in the schools would not enable them to manage,plan, organize, coordinate and control the budget. Therefore, to overcome these problems, woreda education office and woreda capacity building offers should provide training for the existing employees and recruit well skilled manpower as needed, and the budget should be released at the beginning of the fiscal year for which it is to serve. To this effect,the efficiency of the low sc hool management system should be improved so as to encopurage flexibility and help to respond to the local needs.

- Generally, the study reveals that lack of trained and experienced manbpower, lack of coordination integration of budget preparation activities,budget shortage, the late release of budget, missing of necessary auditing and missing of reporting financial activities to the responsible bodies are the main problems observed in all the sampled woreda government secondary schools in it. Which strongly affects the activities of the educational program. Therefore, all concerned bodies, which as the oromia educational Bureau, and the woreda education office being together should improve such experience and capacity problems of schools through short and long term training, so as to achieve the objectives of educational sector development program practically.

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7. APPENDICIES

7.1.Appendix-I

Questionnaires

**HARAMAYA UNIVERSITY
SCHOOL OF GRADGUATE STUDIES
COLLEGE OF EDUCATION AND BEHVIORAL SCIENCES
DEPARTEMENT OF EDUCATIONAL PLANNING AND MANAGEMENT**

An investigation of practice and problems of financial resource management inBale zone selected secondary schools.

(To be filled by schools princiopals, teachers and schools supervisor).

The purpose of these questionnaire is to obtain information about practice and problems of educational financial resource management in your school. The study aims to generate suitable and practical based statements about the sources, ways of allocation financial resources and utilization of finance Bale zone secondary schools. In the study, your real and genuine responces to each item do have an essential role for its accuracy and reliability. Therefore, you are kindly requested to go through all questions and respond appropriately.

Thak you in advance for your cooperation

Part I.General Information

Note: please, before you get a head of the questions fill the following biographical information.

School name:-----

Sex:-----

Educational qualification:-----

Experience:-----

Position in school:-----

Part II. Research Related Information

INSTRUCTION I: The following are same awareness of financial management. Please answers the questions accordingly.

I) Source of budget

1.Is school annual budget known? 1.Yes [] No []

2.What are the main sources of financial resources in your schools?

1.Government budget [] private and different aids []

3.Internal incomes of the schools itself 4.parents []

5.other,specify-----

3.Do you think that the amount of budget approved for you(for your school) to implement your annual educational plan for the school is

1. Adequate [] 2. Inadequate []

4.What persantage of budget approved as compared to that of budget requested

1.100% [] 2.70-90% [] 3. 50-70% [] below 50% []

5.In what period of a year your school budget is released from woreda education office?

1. 1st quarter [] 2. 2nd quarter [] 3. 3rd quarter [] 4. 4th quarter []

]

6.How do you explain the community participation in decision making in your school?

1.Very high [] 2.High[] 3. Poor[] 4. Very poor []

7.During shortage of budget created in your school, what is your role and experience to get additional budget?please specify shortly.

II/ Allocation of budget

1. What is the mechanisms of budget allocation for your school?

1. In cash [] 2. In kind [] 3. No budget allocated []

2.If your answers for the abouve questions no 2 is “in kind” why this mechanism was selected? Explain shortly.-----

-----.

3. Is it your school choice to be financed in that way? 1. Yes [] 2. No []

4.Is part of your school budget allocated for you(school) by education office reach your proper lie as planed? 1. Yes [] 2. No []

5. Is the amount of budget you obtained from education office adequate?

1. yes [] 2. No [] 3. I don't know []

6.Do you think that the allocated financial resource is utilized efficiently in your school?

1. yes [] 2. No []

7. Do you(school) report all financial utilization of budget on timely?

1.Yes [] 2. No []

III. Man power, Trainig and Experience

1. Has it the relationship between the current position and field of specialization.

1. Related [] 2. Not related []

2.Doworkers received training related to financial their current position?

1. Yes [] No []

3. The mode of training attended

1.Workshop [] 2.Seminar [] 3.On job training []

4.Duration of training related to financial management.

1.From one week and below [] 2.From 1-2 week []
3.From 2-4 week [] 4.One month and above []

5. Who are participants in budget plan preparation in your schools.

1. Teachers [] 2. An organized committee/ by school []
3. Students [] 4. Other practice []

6. The competence of the existing financial officers in your school.

1. Very high [] 2. High [] 3. Satisfactory []

4. Unsatisfactory []

7. Do suggest the qualification and experience of the account in your school.

1. Very high [] 2. High [] 3. Poor [] 4. Very poor []

8. Is there the necessary staffs assigned for financial management in your schools

9. According to your personal view what do you suggest to minimize and avoid problem related to financial, property administration and utilization of budget in your schools. (Please mention briefly)-----

IV/ Utilization and Administration

1. How are your school income and/ or revenue collected?

1. By receipt prepared by the school for purpose. []
2. . By receipt sent to you from education purpose []
3. Any white paper [] 4. Specify if any-----

2. Any support (financial and material) from the community and others to school is recorded regularly? 1. Yes [] 2. No []

3. Does the school have a bank account? 1. Yes [] 2. No []

4. Does the school have sufficient store? 1. Yes [] 2. No []

5. Is there an inventory carried out to regularly in your school?

1. Yes [] 2. No []

6. The existence of internal auditing service and its effectiveness

Very high[] 2. High[] 3. Not as expected [] 4. Very poor []

7.If there is internal auditing how frequently is financial inventory undertaken by internal auditors?

1. Twice per week [] 2.Once a week [] 3.Once a month []

8. Does the school finance auditing by external auditors regularly)

1. Yes [] 2. No []

9.If there is external auditing, how frequently the school seen by auditors of ministry of finance or external auditors?

1. Once in a year [] 2. Twice in a year [] 3. Occasionally as needed []

4. I didn't observe since I came to this position [] 5.Once in 6th month []

10.What do you suggest regarding the role played by education office in establishing sound auditing system in your schools?

1.Very high [] 2. High [] 3. Poor [] 4. Very poor []

11.How could explain the transparency and accountability of budget utilization in your school?

1. Very high [] 2.High [] 3. Poor [] 4. Very poor []

12. What do you suggest to build a well organized auditing system in your school?

Explain shortly-----

Instruction III

1. The following are some reasons for the perception of teachers and schools leaders towards budget preparation and utilization. Please rate your opinion by using Tick “x” the appropriate number after each statement to indicate the degree of the problems.

1=strongly Disagree 2=Disagree 3=Undecided 4=Agree 5=strongly agree for the following reasons:-

No	Reasons	1	2	3	4	5
1	Financial resources are allocated efficiently in the schools.					
2	Financial resources are utilized efficiently and effectively in the schools.					
3	Allocating the budget in cash is an important mechanism of budget allocation for school.					
4	Allocating the budget in kind is another important mechanism of budget allocation for school.					
5	There is the active Participation of teachers, an organized committees, students , principals and PTAs in budget preparation at school level					

1. Each of the following items in this section refers to possible problems which influences implementation of financial management in secondary schools.

Tick “x” the appropriate number after each statement to indicate the degree of the problem. 5=very high, 4=High 3=medium 2. Not serious 1=Not very serious

No	Indicator	Degree of problem				
		5	4	3	2	1
1	The scarcity of budget/resource					
2	Lack of experience/financial personnel					
3	Delay of budget					
4	Lack of clear schools financial guideline					
5	Lack of proper monitoring and evaluation(auditing)					
6	Improper purchasing					
7	Lack of adequate financial materials such as different models: 19, 22, 20, 21, Receipt etc					
8	Work overload of the concerned individual					
9	Misuse of school fund					

7.2. Appendix-II

Questions for interviewing, woreda education office heads of selected woredas.

HARAMAYA UNIVERSITY
SCHOOL OF GRADUATES STUDIES
COLLEGE OF EDUCATION AND BEHAVIORAL SCIENCES
DEPARTEMENT OF EDUCATIONAL PLANNING AND MANAGEMENT

The aim of this study is to obtain information about practice and problems financial resource management in Bale Zone secondary schools. The study aims to generate suitable and practical based statements about the sources and allocation of financial resources and utilization of finance in Bale zone secondary schools. Be sure that the information gathered will be used only for the research purpose. Hence, you are kindly requested to provide the necessary information which is very helpful to be quality of the research.

Thank you in advance for your cooperation.

The name of the wored:-----

Position in your office:-----

Education qualification:-----

Others-----

1. When there is the scarcity of the budget allocation for education purpose and for other sectors, what strategy would have set/use to get additional income? Please describe the experience of the woreda and your?
2. What the way of budget allocation for different for different schools?
3. Is there a system of controlling and monitoring whether the allocated budget is being forward for the targeted purpose/specially in school?

4. Does your office facilitates capacity building/training/for schools in related to financial management?
5. Do you believe the untrained schools principals and the Parent-Teachers-Association have the necessary capacity to manage effectively school`s finances?
- 6.Does your office facilitate auditing system in schools?
- 7.Please list sound problems on finance and budget addiministration in schools?
- 8.Suggest possible solutions for the problems have you listed above.

Thak you in advance for your coopration.