

**CONSTRAINTS OF FINANCIAL RESOURCES MANAGEMENT IN
SECONDARY SCHOOLS OF WEST HARARGHE ZONE, OROMIA
REGIONAL STATE, ETHIOPIA.**

MA THESIS

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DEDICATION

I dedicated this thesis manuscript to my wife Mrs Asha Usmael for the whole responsibility to take care of our daughter and son ,Monet Hasane Guracha and Towrat Hasane guracha during my stay away from them.

STATEMENT OF THE AU THOR

First, I declare and affirm that this thesis is my own work and that all sources of the materials used have been duly acknowledged. This thesis has been submitted in partial fulfillment of the requirement for MA Degree at Haramaya University and is deposited at the University Library. I seriously declare that this thesis is not submitted to any other institution anywhere for the award of any academic degree, diploma or certificate.

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BIOGRAPHICAL SKETCH OF THE AUTHOR

The author was born in Oromia Region of West Hararghe Zone Gemachis Woreda Homacho Dayo Kebele in April, 1981 E.C. He attended primary School in West Hararghe Zone Gamachis Woreda Homacho Sogido Primary School and secondary school at Bedessa secondary at Bedessa Town. He then joined the Jimmaa Teachers' Training College and earned Diploma in Educational Planning and Management (EdPM) in 2001 E.C. He then pursued BA degree in EdPM from Wollega University and graduated in 2008 . Then, he has been serving as School Principal in Gemachis Woreda. Finally, in 2010 he joined Haramaya University to pursue MA postgraduate study in school leadership in summer program to upgrade his academic qualification that helps to provide holistic service to his country.

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ABBREVIATIONS AND ACRONYMS

CRC	Cluster Resource Center
CSA	Censuses and Survey Agency
EMIS	Education Management Information System
ETP	Education and Training Policy
ESDP	Education Sector Development Program
FRM	Financial Resources Management
KEB	Kebele Education Boards
MoE	Minister of Education
OEB	Oromia Education Bureau
OREB	Oromia Regional Education Bureau
OSD	Occupational Specific Dispensation
PTSA	Parent Teachers Students Associations
SPSS	Statistical Package for Social Sciences
TEO	Town Education Office
UNESCO	United Nations Educational Scientific and Cultural Organization
WEO	Woreda Education Office
WHZ	West Hararghe Zone
WHZEO	West Hararghe Zone Education Office
ZEO	Zone Education Office

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Constraints of Financial Resource Management in Government Secondary Schools of West Hararghe Zone.

Hasane Guracha

ABSTRACT

The purpose of this study was to assess constraints of financial resources management in secondary schools of West Hararghe Zone. For this study, mixed research design was employed. A total of 74 samples (20 school leaders , 6 school supervisors, 22 financial personnels, and 24 school PTSA members) were the participants of the study. The samples were selected from eight secondary schools by purposive, availability, census and simple random sampling techniques. Questionnaires, interview, and document review were used as instrument of data collection. The quantitative data were analyzed by using descriptive statistics. And qualitative data were presented in narrative. The major findings were lack of competences, training, transparency, timely auditing and appropriate checks and control, and delay of budget, violation of school finance rules and regulations, Poor participation of stakeholders, and the scarcity of financial materials in the schools. Based on the findings of the study, the following conclusions were drawn. Incompetent financial personnels and school leaders on the position lead to the schools not to be successful in their financial resource management activities. Low participation of stakeholders, and lack of transparency hindered contribution of stakeholders in the schools. Absence of auditing, financial materials and violation of school finance rules and regulations hinders schools not to be effective in financial resource management. And Improper budget planning and delay of budget from woredas affected schools' not to achieve the preplanned goals. To improve the above mentioned problems, Woreda Education Offices and Zone Education Offices collaborately, should assign competent employees and prepare short term training for school financial stakeholders. Woreda Finance Offices auditor and planning experts should facilitate experience sharing program and give technical supports to schools. Similarly, supervisors, and school managers should make appropriate monitoring and supervision for school financial stakeholders.

Key words:Financial Resource Management, Constraints,Government Secondary Schools,West HarargheZone

1. INTRODUCTION

1.1. Background of the Study

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. According to Levacic (2011) financial management is concerned with the acquisition, financing, and management of assets with some overall goal in mind. Therefore, financial resource management influences and limits the activities of marketing, production, purchasing and personnel management. In addition, recognizing education as an investment, importance of educational activities requires resources such as human, material, and financial resources. UNESCO (2013) in this connection educational activity cannot be successfully run without financial resources managements in secondary schools. On the other hand, Jack (2012) stated that FRM helps to reduce costs and improve performances through the cost-effective selection, utilization, and standardization of improving the quality of education.

In the meantime contrary to this, improper use of financial resources and incompetent use of financial management makes the activities of the teaching-learning process tend to be less successful. Eventhough, various forms of training were given for secondary school principals on FRM (MoE, 2007). The training indicated that the accountability of school Principals are very high but it did not improve the FRM practices in secondary schools as expected. Moreover, if financial resource is not managed wisely and utilized properly in the schools it would affect the teaching-learning process and student's academic performances (MoE, 2013).

According to MoE (1994), the Ethiopian government devotes a large amount of money to education since it plays a major role in promoting economic development and improvement in the living standard of a society. However, allocating a large amount of budget alone could not bring change in the quality of education. Thus, effective management of financial resources is a very essential issue for the provision of the quality of education and the achievement of educational objectives. Lack of capacity in financial management would be lead to the absence of quality education. In addition, lack of finance, participation, unable to manage funds, and unable to coordinate different actions at the ground level results in the low implementation of policies and

objectives. It is observed that there are different problems in financial management in education. As indicated in ESDP III (2005), there was a problem of low budget utilization in civil works due to the weak capacity of financial management. The public financial management reform of the government in Ethiopia is intended to improve the transparency, accountability, efficiency, and effectiveness of public financial management processes [(Ministry of Finance and Economic Cooperation (MoFEC, 2018)].

Reforms in this area aimed at managing the budgetary process in a medium-term perspective and redirecting government expenditure to poverty-oriented sectors, enhancing the quality of public service delivery by public institutions. Strengthening the financial management processes and systems, provide timely transparent, and accurate financial information across the public sector remained critical in the reform endeavor. Moreover, the government has placed serious emphasis on the efficiency and effectiveness of public expenditure. Given this, the objective of fiscal policy in Ethiopia is promoting sustainable, fast, and inclusive economic development in addition to its function of promoting macroeconomic stability.

According to Mobegi, Ondigi, Simatwa (2012) every year the government channels amount of funds in public schools to cater to their needs. Despite this, some schools are currently experiencing financial management constraints. This may be due to a lack of financial management skills by the staff, government regular auditing, involvement of the parents and teachers during the final budgeting may have a great influence on the financial management of public schools.

In similar case, in secondary schools of WHZ, there was a problem in the over management of financial resources. Zonal education office complained about secondary schools' financial mismanagement in their annual school's performance that was identified through evaluation and audit reports as per report of (WHZEO,2013).Such circumstances normally put the school managers to blame and wastage of educational finance that leads to school low performance. Therefore as indicated above, there was a gap of FRM constraints remained unsolved particularly in this study area. So, the above gap initiated the researcher to conduct the study on constraints of FRM in the government secondary schools of WHZ.

1.2. Statement of the Problem

The practice of FRM in education determines various kinds of school services. The educational system needs proper use of financial resources and competent managers to implement the educational plan. According to Yunas (2014) the financial aspect of schools also merits consideration as the allocation of funds and its proper utilization on students' learning enhance the internal efficiency of schools. But unfortunately budget amount is allocated annually to schools and that is not adequate to help and promote the efficiency of schools. This is to mean that effective and efficient management of school financial resources possibly will lead to achieve school goals. However, inappropriate or poor management of financial resources are likely lead to failure.

Similarly, inadequate manpower training and incompetent managers are might cause the low quality of educational institution (ESDPV,2006) Wyk (2004) stated that the financial administration in schools is not good if there are inadequate financial training and poor internal control systems. Moreover, the extents to which these complex educational tasks were achieved depend on the skill, knowledge, practices, and ability of educational managers at all levels in mobilizing adequate financial resources and wise utilization of the educational budget.

Different studies have been conducted on FRM in public secondary schools. To cite some, the study conducted in Cambodia senior & secondary school by Chruy & Tiep (2017) revealed that there was limited knowledge and capacity of the school governing body on financial expenditure and financial expense procedure. The researcher used only a quantitative research approach in their study which was less appropriate to get better findings without a qualitative research approach.

In a similar case, Kahavizakiriza, Walela, and Danstan wanyonyikukubo (2015) in their study showed that schools depend mostly on funds from parents and the government and hardly generated funds of their own which are based on sources of school budget in public secondary schools in Kenya. The researcher used both quantitative and qualitative research approaches in their, but used descriptive survey design which was not appropriate to analyze the qualitative data. But its better to use mixed methods to analyze both data. And employs questionnaires, interviews, and observation as data-gathering instruments. The study was better instead of using observation to use document review to get precise results.

Endale (2011) conducted on the practices of FRM focusing only in government primary schools in the Shashamane town. This study was restricted to primary schools and limited to variables like allocation of budget and utilization and used descriptive survey design which was difficult to analyze the qualitative data. Tola (2016) revealed that lack of qualified persons in terms of knowledge, skill and experience were major problems of FRM practices in secondary schools of Oromia special Zone surrounding Finfine. The researcher used both quantitative and qualitative research approaches and used descriptive survey research design in his study and employs questionnaire, interview, focus group discussion and document analysis as research instruments. The study was focused only on the practice of FRM, and used descriptive survey research design which was difficult to analyze qualitative data. So, it's better to use mixed methods which was appropriate for both data.

The above cited writers focused on competences of school financial stakeholders, sources of finance and practice of financial resources management in general. But, they were not included the real constraints of financial resource management activities like planning, accounting, auditing, reporting and purchasing in detail in their study. Similarly, there was mismatch on research instrument and methodological. Therefore, the researcher interested to use mixed method research design and questionnaire, interview and document review as instruments of data collection. Because the methods and instruments were more appropriate to find better solution for the gaps seen above.

Similarly, the research topic under study was not studied in WHZ government secondary schools yet. In current situation, many of school leaders in study area were complaining about transparency of school budget, participation of stakeholders on budget, competence of stakeholders and audit result in accordance with misuses of school finance. Furthermore, it was observed that appropriate school budget planning, well organized accounting system, timely auditing, reporting, purchasing, delay of budget, and scarcity of financial materials were critical problems school leaders and other stakeholders face in government secondary schools of WHZ or the study area. Moreover, the researcher has personal experience as a teacher, as a secondary school financial personnel, and school principal in one of the districts of WHZ, Gammachis woreda (study area).

In addition to the above, the researcher believed that the existence of gaps and from the experience of the researcher and these gaps initiated the researcher to conduct this study on this specific area. And researcher hoped that the study would come up with the solution to the problem under investigation and the way forward. As a result, the purpose of this study was to assess the constraints of financial resource management deeply in government secondary schools of WHZ.

1.3. Research Questions

Based on the above mentioned problem the study would answer the following basic research questions.

1. What are the status of FRM practices in government secondary schools of WHZ?
2. To what extents do the school financial stakeholders participate in FRM process in secondary schools of WHZ?
3. What are the major constraints of FRM in secondary schools of WHZ?

1.4. Objectives of the Study

1.4.1. General objective

The general objective of the study was to assess the constraints of FRM in government secondary schools of WHZ.

1.4.2. Specific objectives

The specific objectives of the study was to:

1. Assess the status of FRM practice in government secondary schools of WHZ.
2. Examine the extents of school financial stakeholders participation in secondary schools of WHZ.
3. Find out the major constraints of FRM exist in govsernment secondary schools of WHZ.

1.5. Significance of the Study

The finding of the study might help to improve the awareness of school leaders, supervisors, school financial personnels, and PTSA members in how to manage and utilize the financial resources efficiently and effectively. It might help to form a conducive teaching-learning environment in the school that helps to improve student's achievements. In similar, the WHEO and finance offices might get information about the implementation and its gaps to show the area should be given attention in financial management issues.

In addition to this, the woreda education office and finance office of WHZ might get the same inputs that helps them to change their management systems. Similarly, the research findings might benefit the education officials, and policy makers to design strategies and policies help to improve the problem of FRM in the education sectors. Finally, it might help other researchers as initial and additional sources of information to conduct a detailed and comprehensive study on a similar topic area.

1.6. Delimitation of the Study

Conceptually, the study was delimited to only to assess the constraints of FRM in government secondary schools of WHZ Oromia regional state. And the study delimited to the FRM activities inline with budget planning, accounting, auditing, purchasing and reporting. Geographically, the study was delimited to 6 woredas out of 17 woredas and 8 general government secondary schools out of 47 general government secondary schools in the WHZ. Because of time and financial constraints and to make the study feasible and manageable. The data gathered limited to 6 school supervisors, 20 school leaders, 24 PTSAs, and 24 school financial personnels, and a total of 74 respondents.

Methodologically, the study was confined to mixed research design with both qualitative and quantitative methods were used. Similarly, purposive sampling for sample woredas, schools and school leaders and simple random sampling for PTSAs and census sampling for sample supervisors and availability sampling for sample school financial

personnels. Theoretically, the study was delimited to the bucket theory which puts the school needs in the hierarchy, and the financial agent theory of financial management.

1.7. Limitation of the Study

The major limitation encountered was lack of experience from researcher, lack of time due to work load and some respondents' were unwillingness to fill out and return the questionnaires on time. In addition to this, the problem of transportation of some schools and unavailability of references materials at local. However, the researcher circumvented these obstacles by commitment, close supervision and undertake these problems by using extra time efficiently and vacation days to get personnel and on foot voyage instead of vehicles.

1.8. Definition of Key Terms

Block grants- budget allocated by woreda education office to schools per student to enhance the school activities (MOE, 2002).

Budget- a financial plan that sets out anticipated revenues and/or estimated expenditure over a forth coming period typically one year (Maitlamd, 1996).

Financial management- the process in which the school manages and uses its financial recourses optimal to achieve school objectives Mbama(1992).

Financial Resource Management is a process of relating resources to objectives required in organization, which explicitly exist to provide education (Paisley, 1992).

Secondary schools-an institution that offers teaching-learning process in line with grade (9-12) (MoE,1994).

School grant-the funds which raise per student to the school to performing GEQIP programs (MoE, 2002).

Supervisors-professional bodies that have the responsibility to guide and advise the secondary school principals and other staff members.

School financial personnels-a professional body that has responsibility for financial issues at the school level(MoE, 202).

1.9. Organization of the Study

This study was organized in to five sections. The first section dealt with the background of the study, statement of the problem, objectives of the study, significance of the study, delimitation of the study, limitations of the study, definition of the key terms and organization of the study. The second section covered review of related literatures. Section three deals with the research design and methodology, section four covered the analysis and interpretation of data collected. Lastly, section five of the study dealt with the summary of the major findings, conclusions and recommendations. At the end, references and appendices were attached.

2. REVIEW OF RELATED LITERATURE

2.1. Financial Management

Clarke (2008) describes financial management as follows: It is essential that the school principal 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 practices and controls that are necessary to ensure that the school's money is not misappropriated. Momoniat in Erasmus (2008) explains financial management as a requirement of managers to take responsibility for the actions and achievements in exchange for greater managerial discretion over their input. Thus, managers have to take responsibility for their performance.

2.2. Financial Management in Education

Different scholars explain the school's financial resource management and its impact on education. For example, financial resource management is a means to manage money that schools 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). It is connected also with the procurement and utilization of funds in the proper manner. As MoE (2013) stated that the diversities of educational institutions, the varied nature of problems encountered, and the multidimensional nature of theory in education currently.

As Bush (2004) classified the main theories of educational management into six major models such as formal, collegial, political, subjective, ambiguity and cultural models. This study uses formal model that schools are hierarchical systems in which principals use rational means to pay particular attention to agreed goals. Principals possess authority legitimized by their formal positions within the schools and are accountable to school governing bodies for their activities. Formal models give prominence to official structures, rational processes, the authority of leaders and accountability. These may be linked to the school management tasks identified by Clarke (2007) namely planning, organizing, leading and controlling.

As cited Zena (2016) according to (Wikipedia, the free encyclopedia) financial management is the process of managing the financial resource, including accounting and financial reporting, budgeting, collecting accounts receivable, risk management, and insurance of a business. Financial management refers to the efficient and effective management of money (funds) in such a manner as to accomplish the objectives of the organization. It is the specialized function directly associated with the top management. The significance of this function is not seen in the line but also in the capacity of 'Staff' in the overall of a company. It has been defined differently by different experts in the field.

It includes how to raise the capital and how to allocate i.e. capital budgeting. Not only long-term budgeting but also how to allocate the short resources like current liabilities. It also deals with the dividend policies of the Shareholders. It is in recent years that the Ethiopian government has paid attention to the importance of school management and school-level decision-making. Research in the area of school management is almost nonexistent in Ethiopia. However, various reports and policy documents prepared by the Federal Ministry of Education indicate the extent to which the Government has been focusing on improving school management in recent years (MoE 2005; MoE 2010a). As cited in Tadiwos (2014) according to (Susan Fuhrman Morvinlazerson. 2005) educational finance is financing the educational institution, depending on their ownership.

They can either privately or publically financed. Privately owned schools or colleges receive funds from tuition fee, sponsors, contributions, private donations and grants. The government directly allocate fund to public institution. Financing provided by the government is especially common in developing countries. Therefore it is the subject to the economic situation of the country and fiscal resources. Investment on education in turn boosts economic growth and employment and the future prosperity of the nation as the whole. Now a days, due to increased school cost and the lack of adequate finance it is difficult to overcome the sky rocketing cost of materials. However, practical implementation of financial management could minimize *these* challenges in educational system. Genearily, reviewing the concepts of financial management in

education helps to know the degree to which financial managements have importance in supporting education and without financial resources educational objectives cannot be achieved.

2.3. Theoretical Framework of Financial Resources Management

Theoretical review of financial resource management presents theories importance in this study.

2.3.1. Financial agency theory

Financial Agency Theory is a way of checking/monitoring the work of a principal i.e. an employer by an agent i.e. an employee (Kinyanzii, Ombuki & Kalii, 2019). The theory also emphasizes on the cost and benefits of the principal-agent relationship. Beneficial agency cost is one that increases a shareholders' value while unwanted agency cost arises when management actions conflict with those of stake holders. This theory was developed by financial economists Michael C. Jensen and Management theorist William H. Meckling and they published it in the journal of financial economics in 1976. According to Jensen and Meckling, agency relationship is a contract whereby one person who is the principal hires another person who is the agent, to perform some duties on his behalf.

The principal delegates decision making authority to the agent. They further argued that the theory postulates that the principal have to deal with the issue of being in control of all the affairs in an organization. They select the agents and monitor their actions so as to ensure that they are working to their level best. This theory is applicable to this study since Woreda education office manages secondary schools (principals) and employs the bursar and accounts clerk to manage the finance on their behalf for schools, because principals lack the financial management skills. They also delegate the decision making authority to the school principal. Then they monitor how well these agents are performing their duties. They hold meetings annually to come up with strategies which will be used in the management of schools.

2.3.2. Bucket theory

This theory was developed by Barbara Rowe, with Kay W. Hansen and Marsha M. Peterson in 1990. The Bucket theory of financial management is an approach to planning a family's financial future Kinyanzii, et al. Through this theory families are in a position to set and reach their financial goals and also build a sound financial foundation. They argue that for one to become financially worry-free is a very attainable goal. One can achieve it through working at it systematically using a common sense approach. According to Rowe et al., Bucket theory talks about five buckets hanging in stair step fashion, each below and a little to the right of the one above it. As water flows into the top bucket the bucket begins to fill. When it reaches its capacity, the water flows over the edge and into the second bucket. The process continues until all the buckets are filled.

The assumption is that the five buckets represents basic financial & priorities. The first one being basic needs i.e. food, shelter and clothing and investment of surplus finances. The water that flows from bucket to bucket represents the resources that are owned by families. To build a sound financial base for a family, each bucket must be filled before resources are diverted to the next one. This "bucket theory" of financial management is a common sense approach to planning a family's financial future Rowe, et al as cited in Kinyanzii, et al. This theory is applicable to this study since schools can use it when budgeting for their financial resources moving from basic needs to other needs like investment in entrepreneurship. Basic needs include food and teaching/learning materials such as textbooks, exercise books, laboratory equipment's and other stationeries.

2.3.3. Prudential theory

This theory was propounded by the American economist Arthur B. Laffer in 1980. According to this theory everybody including school managers must know how to handle and spend money wisely Kinyanzii, et al. According to him, to be prudent simply means to spend money wisely in order to achieve maximum goal. It is essential to note that prudence implies being careful acting

only after careful thought, fore thought or planning and exercising sound judgment in the management of practical affairs. In handling financial resources, the school administrator should eliminate wants and reduce unproductive costs in terms of time and money.

2.3.4. Efficiency theory

This theory was propounded by another American economist Havey Leibenstein in 1993. According to this theory, the general efficiency of a farm school rests in transforming inputs at minimum costs into maximum profits Kinyanzii, et al. Here it is important to note that the achievement of the school using little resources to achieve so much will go a long way to speak about the school administrators' capacity to manage resources and also see him as a manager with good management skills. Therefore, reviewing the theories of financial managements helps to know the degree to which financial resources managements are supported by theories and to identify the concepts which applied with this study. Accordingly, the Bucket theory of financial managements was more applicabile to this stud because it encourages families contribution.

2.4. Significance of 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. According to (Melaku, 2010) Finance is an important and mandatory resource in educational provisions'. Finance, is the most important resources which through a process and mechanism of budgeting is converted in to real instructional resources. The educational systems greatly work and help to render quality education effectively by the amount of finance available to education.

Clarke (2007) described financial resource management is essential that the school principals make sure whether they have the knowledge, skill, understanding of the basic processes involves in managing the school's accounts, budgeting process, the systems and controls that are necessary to ensure the school's monies because budget systems cannot function without effective and appropriate control. Similarly, Dash and Nena (2008) stated financial resource management practice helps to run tasks of education and to achieve educational goals. In order to get the work done, principal has to plan everything clearly by organizing person and materials, direct the

members, coordinate their activities and monitor, control and evaluate the progress and achievements in collaboration with teachers, students, PTA and staffs finance personnel in general.

Another writer Jefferson (2003) states that, adequate practices of financial management support underline 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 determines the quality and quantity of education is determined by the availability of educational resources 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 to be limited. Generally, reviewing the significance of finance in education helps to know the degree to which Finance is an important and mandatory resource in educational provisions 'and Finance is the most important resources which through a process and mechanism of budgeting is converted in to real instructional resources.

2.5. Rationale for Educational Financial Management

Effective management in public interest requires the wise expenditure of money for educational purpose and the avoidance of any wastage. Education can benefit from greater managerial attention to systematic financial planning and budgeting. (Alebachew, 2005) Financial planning enables school administration optimally to select, combine and direct resources. In line with this, Lirensio (2006) asserts that “taking into account the scarcity of financial resource available in education sector one should be able to understand the efficient and quality management and utilization of finance makes a great difference.”

According to IIEP (2011), the continuous growth of enrollment, though it is not adequate, calls for 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 ones have to be expanded and repaired. For these activities, fund raising and effective and efficient financial resource

management practice in the school very important. Management control an internal financial management function that deals with controlling the proper flow of cashes to programmed or per determined cost unit and activities.

As MoE (2013), the school system should mobilize scarce resources to attain stated objectives and satisfy the educational needs of students and the community. One of the sources that the school system mobilizes is finance. Consequently, 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 and efficiently managed. In the 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 carryout activities with the minimum cost in terms of money and effort. Through controlling managers check whether all these activities are going on according to plan. Therefore, reviewing the rationale for educational financial managements helps to identify how the school managers should have to prepare the effective financial plan to achieve the school with in scarce resources.

2.6. Practices of Financial Management in schools

Financial Management is a system which provides frame work for which the resources of an organization are directed towards the attainment of goals of an organization, United Kingdom (2009). According to Padilla et al (as cited in Simweeleba, 2019), effective financial management practices is essential in enhancing transparency, efficiency, accuracy, accountability which enables an organization to achieve its objectives. Hendrickse (as cited in Simweeleba, 2019) noted that financial management should include keeping an accurate record of all financial transactions, linking the budget to the firm's strategic and operational plans. The government and parents invest so much money in education for the students and therefore school management is required to spend it well towards the success of the school programs. Experts in finance intimate that for effective financial management, an organization must be careful, efficient and effective.

According to [(Occupational Specific Dispensation (OSD)] (as cited in Swartz, 2012) one of the core duties and responsibilities of the school principal is to manage the school's finances and apply the necessary controls to maximize the use of funds available and to account for all spending. The management of school finances can be one of the most challenging of principals responsibilities, because for many it is an area in which they have little or no training or expertise. It is also likely that the elected members of the school governing body may be equally ill equipped for the task Clark as cited in Swartz. This should be taken as a priority by the government that schools' managers acquire some skills in financial management for them to be effective. Educational institutions have to manage their financial resources, in business and public organizations. Generally, analyzing the the practices of financial management in schools enable the researcher to know how to manage, plan, and the way school financial activities were practiced.

2.7. Decision Making in Financial Managements

The financial resource management has sequential stages in order to make appropriate decisions on finance to implement (UNESCO, 2006). The first stage in the process of financial resource management is securing or the demand of resources. To do so, it needs assessment need based and preparing participatory plan. So, the major source of school finance is the budget share or the manual appropriation to the school system. The budget amount is directly related to the number of students. The second stage in making financial decision is allocating to the required budget depends on the amount that is expected to spend on each individual budget headings.

The budget heading are given on the basis of activities of the education system such as teaching learning materials, maintenance, salary, infrastructures, co-curricular activities, projects and other educational materials. The third stage execution of the implementation of budgets regulation by accounting procedures. The financial manager's administrative duties include the supervision of cash flows and involve in the major decisions of school finance. To sum up, reviewing the decision making in financial managements in a school enable th researcher to know the steps and types of decision making that should be done in the school on financial activities.

2.8. Sources of Finance for Education in Ethiopia

In Ethiopia different actors finance education from domestic and external sources, the external source includes loans and grants while the domestic source comprises government budget, parent, Community contribution and schools' internal income. The share of government in financing education declines as the level of education increases. General education is free in Ethiopia. Students in public schools from Grade 1-10 are not required to pay for their education. The public primary and general secondary schools are fully supported by government budget. However, students in the second cycle of secondary and in higher education are required to share a portion of the total expense made per student (ETP,1994).

According to Thomas (2010), participation of various stakeholders is manifested in the process of budget preparation, approval, implementation, and reviews. It is through participation that peoples' perspectives can be brought to the attention of policy makers. School principals should no longer say „we best and we will tell the community how schools should be run““, the community wants to become involved and wants to know the rationale before school decisions made. Parents and community members become offended if the school arbitrarily makes decisions that directly affect them. Therefore, the school principal has to make the community participate in areas that concern them. It should not assume, however; School Board and PSTA members should invite or be requested to participate in making all the decisions.

If the decisions are found to be more routine and of academic or professional, they should not be requested. If done, they may consider it an imposition on them, a waste of time and, passing the back (Thomas, 2010). Taking this reality in mind, school principals have to create conducive environment for active participation of the school board and PSTA as well as the community in the decision making of the school affairs that concern them. 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.

2.8.1 Government budget

The government budget consists of funds from treasury and external loans and assistances that directly flow through the ministry of Finance and Economic Development. The total education budget for education from those sources has been increasing significantly.

2.8.2 Non-Government organizations

Non-government organizations finance education in two ways. Some non-government organizations establish and run formal schools and alternative basic education centers. Others provide assistance in different forms (cash, material, technical support, etc) to schools and education bureaus/ offices. According to the definition of Ministry of Education (in its Annual Statistical Abstract), non-government schools are defined as all types of schools that are not run by government. These schools include private, faith based organizations (mission, church and mosque), community and public schools.

2.8.3 Parents contribution

Parents incur direct and indirect costs for the education of their children. The objective of this section is not to analyze those costs. It simply attempts to show the contribution of parents in financing government and non-government schools. As clearly indicated in the Ethiopian Education and Training Policy (ETP, 1994), general education (grades 1-10) is free. No child will be required to pay school fee in government schools for those grades. However, if parents prefer to send their children to non government schools they may pay.

2.9.4 Community contribution

The community has been supporting primary and secondary education for a long time. Although the community supports all types of non-private schools, its support is mainly for government schools. Since the faith-based and public schools charging fee (though it may be small), parents are more involved in the support of the school rather than the whole community. Communities contribute cash, labor and materials for the expansion and renovation of schools, purchase of educational materials and equipment, and to run the day-to-day operation of schools.

As indicated in ESDP V (2015), community involvement will go beyond financial, material and labor contribution which will be expected to exercise leadership, participate in school management in such a manner that it reflects their ownership of the school. In some cases, teachers and pupils contribute to the costs of education by producing and selling goods in the school obtained from contribution of the community.

In rural areas it is customary for the community to contribute local materials and labor during the construction new schools, and upgrading and expansion of existing schools. However, these contributions were not made in a structured and regular manner. In order to address this problem, in August 2002 the Ministry of Education developed the “Directive for Educational Management, Organization and public participation and Finance” which is known as the “Blue Book” The Directive (Blue Book), which is currently under revision, has been implemented for the last six years and resulted in increased and useful community participations.

2.8.5 Internal income of schools

Prior to the 1994 Education and Training Policy, schools’ internal income was one of the major sources for financing education. Schools were charging students registration fee and other contributions at the beginning of the school year. They were also generating income from sale of services and products such as producers of handcrafts and school farms. After the Education and Training Policy was launched in 1994, primary and general secondary schools were not allowed to charge students any form of fee. As result schools’ incomes that were derived from student payment were no more available. Moreover, the new financial regulation required all government institutions including schools to report and transfer the amount they collected in a given fiscal year to the finance office since the government is allocating budget for them according to their plans.

The major sources for schools internal income were farmlands, Parent’s contribution ,school club activities ,evening classes and rent of classrooms for different activities, etc (Oxfam GB and BEA-E,2006). The location of schools determines the type of income. The income from farmland is for rural schools while incomes from evening class and rent of classrooms are for urban schools. The community contribution is for all schools regardless of the location of the school.

Generally, analyzing the sources of school finance enables to identify the major sources of our school depending on the local socio-economic conditions.

2.9. Expenditures in Education

Expenditures in education and costs of education are two different concepts. The cost of education is the total opportunity cost and the cost of all real resources used in the program while the expenditure in education refers to those programs which requires money expenditures (Woodhall, 2005). For example, the time of students is not reflected in money expenditure, but it is reflected in the total cost of education. At present the expenditure of education increases because of the population growth which raises the demand of education, which in turn necessitate the increase in expenditures for premises, equipments and materials of education .The important point is that, even though the high expenditure and quality of education is directly related; the existence of high expenditure alone does not guarantee high quality of education.

In present condition of Ethiopia education appears to have taken arising share of the national income. This is because different development and social sectors requires a more skilled manpower and so requires advanced educational institutions. As a result increase the expenditure on education is essential. Also the increase in enrollment and high demand for education needs high expenditure for premises, equipments and education materials. Expenditure should be allotted for particular heading and approval must be given for the appropriation. Regarding this, UNESCO (2011) recommends the annual estimate expenditure must be prepared by spending departments and agencies and be voted by a central body such as the MoE. This helps to insure that expenditure on particular items is not wasteful.

2.10. Budget Planning in Schools

Budgeting is the most important element in the process of financial management. It is important in that it indicates the available funds. More ever, the schools budget is the management process reflecting revenues and expenditures of the various program me in the school, which is related to the school financial plan (Van Deventer and Kruger, 2005).The educational budget is a financial plan for providing an educational program in school district for a specific period, usually for one year.

According to Melaku (2010) a budget allocation is the total amount of money that schools plan for specific period of time, normally one year. It can be defined as a plan for the allocation and expenditure of resources to achieve the objectives of the school over a period of one calendar year. A budget is not a balance sheet. It is rather an instrument of planning and a statement in financial terms of the school's priorities. It is an expression of intent, written in financial terms. Schools' financial income is obtained from block grant allocated. According to, UNESCO (2011) 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.

2.11. Competent Personnel for Effective Financial Management Education in Ethiopia

Since 2002 schools much more freedom on managing their own finance and opened the door to better ways of managing the school fund and considerable delegation with in the schools, individuals being responsible for managing school finance MoE (2013). The parent teacher association is an important element of democratization in education. So, it is essential that the parent-teacher-association work closely with the school principals as school financial managers and should assist principals in administering the school finances; with fund-raising projects; to establish a school fund account; and to administer it in accordance with the guidelines. They prepare the school budget each year that shows the estimated income and expenditure and is presented to the general parent's meeting for approve and should find ways of obtaining enough money for the school by approaching business people to sponsor school activities; asking parents to contribute as they want; and organizing fundraising projects for their schools. (MoE, 2013) allows the parent teacher association to use the school hall for fund-raising.

The school finances should be administered in terms of the rules drawn up by (MoE, 2013).The guidelines on school financial management indicates that the school principals and parent teacher association should open and maintain a single bank account in the name of the school at a registered bank. Nobody is allowed to keep money or deposit it into a bank account other than the one that exists in the name of the school. The parent teacher association should look 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 purposes only.

2.12. Monitoring and Evaluation in Management of Educational Finance

Financial planning and preparing budget alone would not suffice to bring about desirable result, unless modern techniques of monitoring and evaluation are applied.

2.12.1. Accounting

Accounting involves complete and accurate recording, classifying and summarizing of all the financial facts or transaction from this it is possible to understand that accounting help in a better analysis of financial facts. According to Davies and Boczkd (2006), the original, basic purposes of accounting are to classify and record monetary transactions and present the financial results of the activities of an entity. The major functions of accounting in education are: for attaining accurate records of significant details in business transactions, it provides a system of control to assure the appropriate use of resources, it provides a medium of reporting the financial condition of the educational system; it helps to set priorities by establishing analyzing and selecting alternatives.

2.12.2. Auditing

Auditing focuses on investigation of financial records of the educational organization. It is important in that it enables public confidence, safeguard money, property and employees of the school. It also gives unbiased statistics with respect to the educational system. Thus, the expenditure process should be examined through auditing. Therefore, auditing and accounts is compulsory and necessary to avoid errors of commission, compensate errors, and falsified errors (Chalam, 2003).

Without audit the account may not reveal the true financial acts. In addition to this, the function of auditing is to examine the fiscal efficiency. It also protects the system and the personnel from illegalities, losses or improper expenditures. Auditing can be internal and external. Internal auditing is the pre-auditing done by employees to minimize mistakes to avoid financial trouble, while external auditing is a post auditing made after a year's work has been completed. External auditing is done by independent auditors and which are not employees of the office.

2.12.3. Reporting

Reporting is the process of providing information. Accounting information with a variety of others is summarized, analyzed and reported to those who are responsible and authorized to be informed in the organization. This helps managers compose planned inputs and outputs. Mulugeta (2005) when explaining the purposes of reporting indicates: First, financial reports are basis for coordination and controlling the current activities of the organization. Second, financial reports are used as basis of evaluating operational performance which helps managers praise for jobs well done, criticize, demote or terminate employees for mean and faulty performances. Third, reports are used as basis for program evaluation. (Mulugeta, 2005). Three levels of financial reports are prepared by local institutions.

The comprehensive financial report, prepared annually comprising all financial statements, the general purpose financial report, prepared monthly or quarterly and the popular report, summarizing data contained in the comprehensive financial report in a format that is easily understood by public and that may contain figures and graphs to enable reading (Mulugeta, 2005). Therefore, analyzing the monitoring and evaluation in management of educational finance enables to know whether the school financial activities were done accordingly. Because, financial planning and preparing budget alone would not suffice to bring about desirable result, unless modern techniques of monitoring and evaluation are applied. Those modern techniques were auditing, accounting, and reporting should be done effectively.

2.12.4 Purchasing

Purchasing is the acquisition of goods and services in the exchange of money. By its very nature purchasing is a basic and integral part of business management and thus it is impossible for any organization to achieve its full potential without a successful purchasing activity (Dobler, Talluri, and Narasimhan, 1984). As the part of managerial activity purchasing requires planning, organizing and controlling the interrelated activities. Educational institutions or organizations require materials which are either directly offered by the government or purchased using the fund available or the local governmental level. They require materials to run their daily activities.

The five “Right” in relation to these purchasing objectives stated by Bally, Farmer, Crocker, Jessop, and Jones, (1994) is to purchase: - the right quantity of the material in right time, in the right quality from the right sources at the right price. Thus, for an organization to continuously operate and render the public services effectively it has to get materials made available through the purchasing process. The materials delivered should satisfy or fit the need of the organization. Here, time should also be taken into consideration that the materials should be made available in the time required by the organization (i.e. right material) with a reasonable price.

2.13. Challenges of Financial Resource Management

The enrolment surge in access to primary education will, in the foreseeable future, result in rapid growth of the second level of education. If responsibilities such as education finance left completely to sub-national governments, decentralization may produce inequities.

2.13.1. Challenges at the woreda level

Block grants not given to the schools yet and, as a result, the woredas over tasked. Woreda allocations of non-salary budget vary among schools, indicating that a standard unit cost is lacking at present. The rapid rise in enrolment because of school fee abolition and other factors, like school construction and community involvement, has raised other serious challenges. These include crowded classes and overworked teachers, and hence, quality and school discipline problems. Bank in collaboration with UNESCO (2009).

2.13.2. Some challenges at school level

Schools are over populated and in many cases unmatched with space, time and resources that are set in the standards. Delays of supply and finance from the woreda are another serious problem that requires a solution and the fee-free education policy, school leaders says, has relieved them from the free collection routine. Generally, analyzing the previous challenges of financial managements at different level enable the researcher to compare with the new findings, this implies knowing the past challenges may help as starting point and to know whether the challenges were increasing or decreasing.

2.14 . Conceptual Frame work

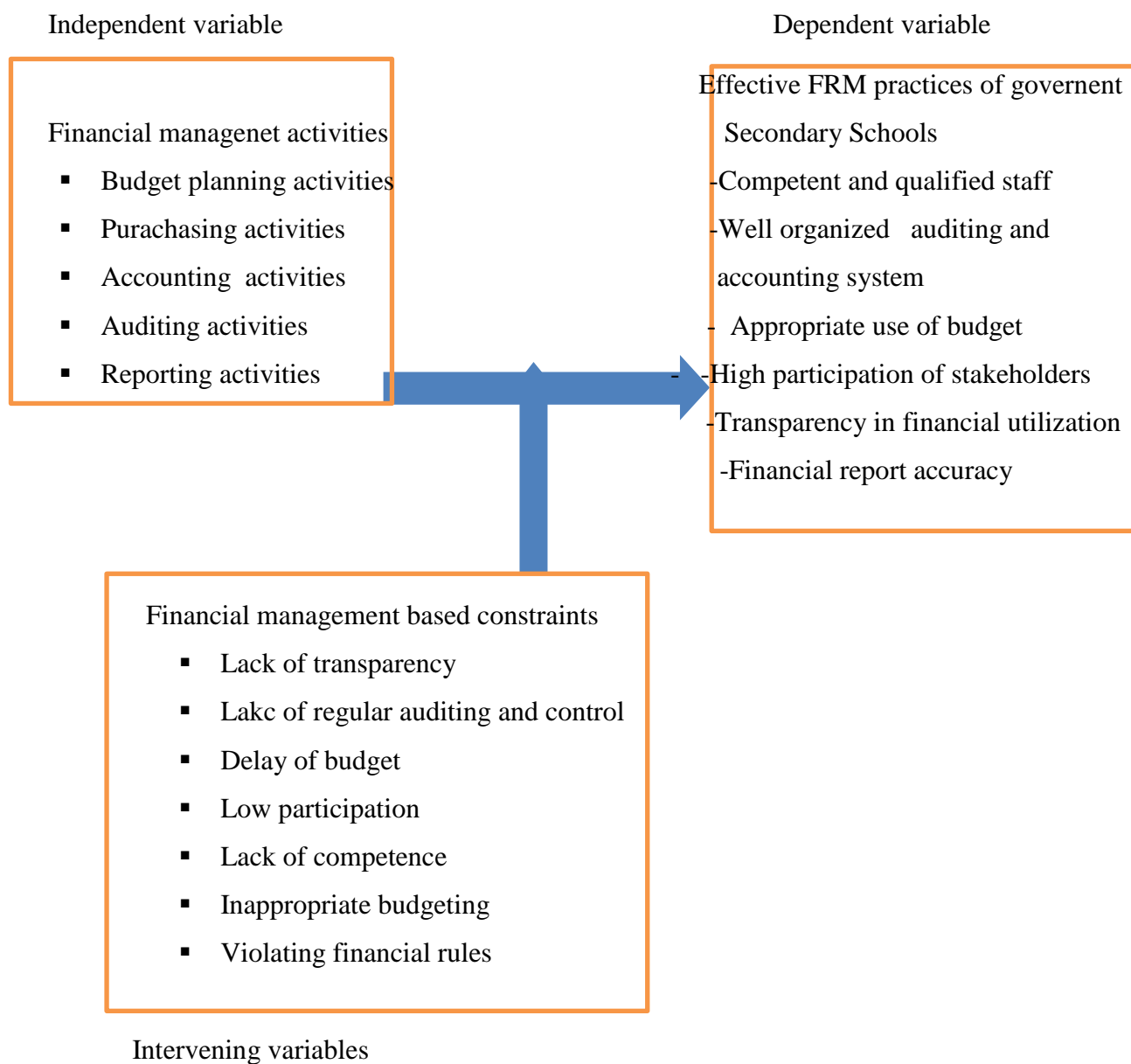


Figure 1.The Conceptual Framework of the studySource:

Author developed for this study

2.15. Education Financing System in Ethiopia

The Ethiopian government began its effort to establish the education system from the scratch after the liberation from the Italian invasion. At that time there was no adequate money, no trained teachers, no equipment and no teaching materials as indicated in Ayalew (2000). This expansion work in education in different parts of the country called for increased funds, the need for annual budget increased. Already the budget of the ministry of education represented a large share of the total national budget allocation.

The finance of the educational sector was mainly from the government with assistance from international organizations and bilateral donations. Educational expenditure has been increasing gradually through the years from about 100 million birr in the 1960s to about 500 million birr at the end of 1980s. This makes about 15% and 9% of the annual budget and 2% and 4% of the GDP respectively. In the years 1991 to 1993 the budget showed a sustained increase in its allocation, getting over 1 billion birr which was 13% of the annual budget. Despite the increase there was a wide gap between the unmet demand and the available resources (MoE, 1994).

After the fall of the Derg regime, in 1991, a new policy and strategy is developed for the education sector. Currently regional states are mandated to manage primary and secondary education. The regional administrations have the freedom to choose their own experience policy, cost recovery norms and educational curriculum. The MoE, sets key educational standards and the national organization of examinations prepares and administers. After 1942, the central government played a vital role and undertook different policy measures to strengthen the expansion of education and established the MoE. The government tried to create a system to finance the education sector from the central treasury and earmarked educational taxes.

Nowadays the resources to finance education come from donor agencies, private sectors, and communities, central and local governments. The government takes the lion's share allocates the required amount of budget for education. Because nowadays, there is no country at any level of development that has made the user community fully cover all educational expenditure by leaving the matter solely to the market essentially countries like Ethiopia; this is because there are more compelling reasons for the government to use its educational finance policy to insure the equality of educational opportunities and services (MoE, 2002).

According to MoE (2002), a government intending to provide educational fairly, it is necessarily to devise an educational finance strategy and interfere because: the government has responsibility to provide education to the large society by formal and non-formal education system and education has a useful role in creating a common national wide understanding of issues.

The policy document provided by the MoE summarized the financing of education as follows:

1. The priority for government financial support will be up to the completion of the general secondary education and related training but with increased cost sharing at higher levels of education and training.
2. Scholarship will be given for deserving outstanding students.
3. Special financial assistance will be given to those who have been deprived of educational opportunities.
4. Financial support will be provided to raise the participation of women.
5. Private investors will be encouraged and supported to open schools.
6. Conditions will be created for education and training institutions to generate their own income.

2.16. Summary of the Review Literature

Over this entire chapter, there was a presentation of a review of the literature relating to the constraints of FRM in education. In this review, the researcher tried to review the concepts of financial management in education, the theoretical framework of school finance to decide the theory that supports the study, the significance of school finance. In addition, the rationale for educational financial management, practices of the financial management in schools, decision making in financial management in schools, sources of finance for education in Ethiopian schools, the concepts of expenditure.

In addition to this, the competent personnel for effective financial management in education and schools and the role of stakeholders in financial management, monitoring, and evaluation in the management of educational finance in schools. Furthermore, to guide with the framework of the study the researcher proposed a conceptual framework for the study that obtained from the theoretical literature. Further, to enhance the conceptual framework, the researcher reviewed the Ethiopian education financing system and related empirical literature of similar studies in constraints of financial resource management in secondary school.

3. RESEARCH DESIGN AND METHODOLOGY

3.1. Description of the Research Site

The study was conducted in West Hararghe Zone. It was bordered on the South by the Wabe Shabelle river which separates it from Bale, on the Southwest by the Arsi zone, on the Northwest by Afar Region, on the North by Somali Region and on the East by the East Hararghe zone.

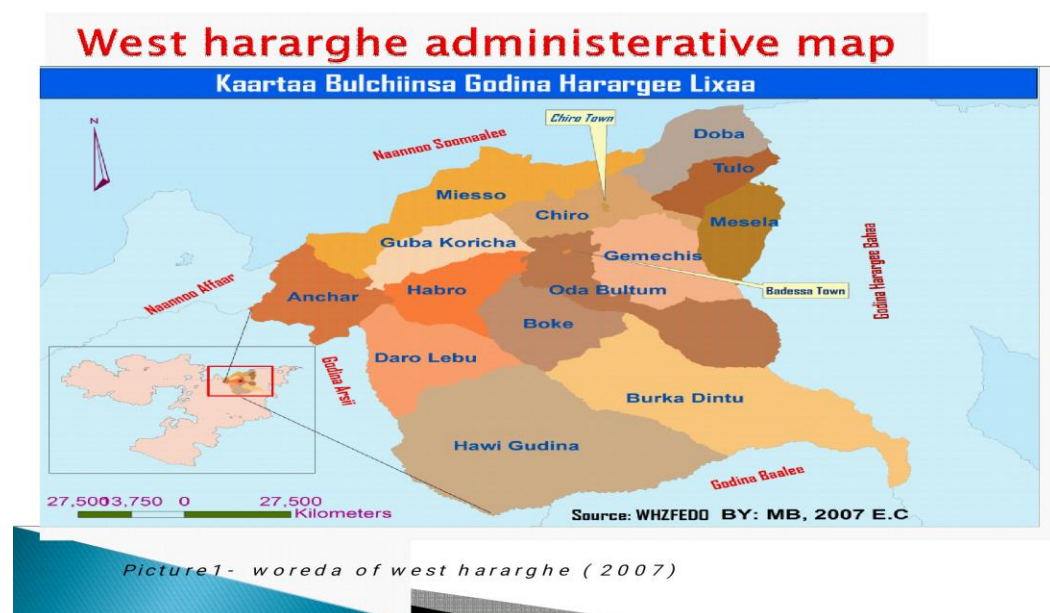


Figure 2. West hararghe zone administrative map

Based on the census conducted by CSA, the zone has a total population of 1,871,706 with an area of 15,065,85 square kilometers. The three largest ethnic groups reported were Oromo (90.12%), the Amhara (7.24%), and Somali (1.26%) all other ethnic groups made up of 1.38% of the population (CSA 2007), and the dominant culture of the zone was Oromo, the dominant language spoken in the zone were Afan Oromo and Amharic. Also, in the zone there was one government University and one branch of private University. In addition, there were three government-owned and eight private-owned TVET institutions and 15 woreda education offices and 2 city administration education offices, and around 615 primary schools and there were 47 secondary schools, with 47 principals, 58 vice principals, 17 Secondary School supervisors, around 329 PTSA, and 141 School financial personnels in the Zone.

3.2. Research Design

For this study a mixed research design was used. Because the study has both qualitative and quantitative data and analyzed through explanatory sequential methods. Mixed methods research is an approach to inquiry involving collecting both quantitative and qualitative data, integrating the two forms of data, and using distinct designs that may involve philosophical assumptions and theoretical frameworks. The core assumption of this form of inquiry is that the combination of qualitative and quantitative approaches provides a more complete understanding of a research problem than either approach alone (Cresswell, 2014).

3.3. Sources of Data

In the study, the researcher used both primary and secondary sources of data.

3.3.1. Primary source of data

The researcher collected primary data from secondary school principals, vice-principals, PTSA, school finance experts, and secondary school supervisors.

3.3.2 Secondary source of data

The Secondary source of data of this study was gathered from documentary sources. Those sources were the plans, reports, models, documents, files, and other relevant records in the given offices of sample secondary schools.

3.4. Population, Sample Size, and Sampling Techniques

3.4.1. Population

The study was conducted in West Hararghe Zone, which had 15 rural woredas and 2 City administrations in the Zone. From those woredas and schools 6 woredas and 8 secondary schools with 20 school leaders, 24 financial personnels, 6 secondary schools supervisors, and 56 PTSAs members totally 106 were population of the study.

3.4.2. Sample size and sampling techniques

The sample size constituted six 6(35.3%) Woredas namely, Habro, Gemechis, Boke, Oda Bultum, Chiro and Bedessa. From those woredas 8 secondary schools were selected using purposive sampling. Accordingly, Gelemso secondary school from Habro woreda, Boke Tiko secondary school from Boke woreda, Chiro Gola secondary school from Chiro town, Bedessa No, 1 secondary school from Bedessa town. In addition, Oda bultum and Burka Gudo secondary school from Oda bultum woreda. Finally, Barkume and Gaw Gaw secondary school were selected from Gammachis woreda. The participants were 24 school financial personnels, 20 school leaders, 24 Secondary Schools PTSAs, and 6 secondary school supervisors. Thus, the total population size of the research were 74 respondents.

The sample woreda was selected by purposive sampling techniques because those Woredas were found geographically in the same direction and helps the researcher economically and saves time during the process of data collection. It also helps the researcher to easily manage the sample population and the researcher intended that the sample woreda were real representative of the zone. And the sample schools were also selected through purposive sampling by diversifying the existing schools and new opened schools because the researcher thought that those schools have detail information and those face challenges repeatedly. As a result of this, they can represent the other schools in the zone.

In addition, the sample school leaders were selected by purposive sampling. Whereas, sample school supervisors were selected through census sampling because they were small in numbers and easier to manage the study and researchers intended that both respondents had a direct connection with the schools financial activities, had detail information and they were more familiar to the problems for identification. The PTSAs members were selected using simple random sampling techniques because to give equal chances for all respondents and sample school financial personnel's were selected through availability sampling techniques. Because, those respondents were small in numbers and they had direct connection with the problem under study. Therefore, both respondents had chief information and more familiar to the problem under study because their daily activities were focusing on financial managements tasks.

Table 1: The Population size and sample size

<i>N</i> <i>o</i>	Sample Woredas	Name sample Secondary Schools	Number of Respondents												
			School leaders			Finacial Personnels			PTSA Members			School Supervisors			
			<i>P</i>	<i>S</i>	<i>%</i>	<i>P</i>	<i>S</i>	<i>%</i>	<i>P</i>	<i>S</i>	<i>%</i>	<i>P</i>	<i>S</i>	<i>%</i>	
<i>1</i>	<i>Gamma chis</i>	<i>Barkume</i>	<i>2</i>	<i>2</i>	<i>100</i>	<i>3</i>	<i>3</i>	<i>100</i>	<i>7</i>	<i>3</i>	<i>42.8</i>	<i>1</i>	<i>1</i>	<i>100</i>	
		<i>Gaw Gaw</i>	<i>2</i>	<i>2</i>	<i>100</i>	<i>3</i>	<i>3</i>	<i>100</i>	<i>7</i>	<i>3</i>	<i>42.8</i>				
<i>2</i>	<i>Boke</i>	<i>Boke Tiko</i>	<i>3</i>	<i>3</i>	<i>100</i>	<i>3</i>	<i>3</i>	<i>100</i>	<i>7</i>	<i>3</i>	<i>42.8</i>	<i>1</i>	<i>1</i>	<i>100</i>	
<i>3</i>	<i>Habro</i>	<i>Gelemso</i>	<i>3</i>	<i>3</i>	<i>100</i>	<i>3</i>	<i>3</i>	<i>100</i>	<i>7</i>	<i>3</i>	<i>42.8</i>	<i>1</i>	<i>1</i>	<i>100</i>	
<i>4</i>	<i>Chiro</i>	<i>Chiro Gola</i>	<i>3</i>	<i>3</i>	<i>100</i>	<i>3</i>	<i>3</i>	<i>100</i>	<i>7</i>	<i>3</i>	<i>42.8</i>	<i>1</i>	<i>1</i>	<i>100</i>	
<i>5</i>	<i>Oda Bultum</i>	<i>Oda Bultum</i>	<i>2</i>	<i>2</i>	<i>100</i>	<i>3</i>	<i>3</i>	<i>100</i>	<i>7</i>	<i>3</i>	<i>42.8</i>	<i>1</i>	<i>1</i>	<i>100</i>	
		<i>Burka Gudo</i>	<i>2</i>	<i>2</i>	<i>100</i>	<i>3</i>	<i>3</i>	<i>100</i>	<i>7</i>	<i>3</i>	<i>42.8</i>				
<i>6</i>	<i>Bedessa Town</i>	<i>Bedessa No .1</i>	<i>3</i>	<i>3</i>	<i>100</i>	<i>3</i>	<i>3</i>	<i>100</i>	<i>7</i>	<i>3</i>	<i>42.8</i>	<i>1</i>	<i>1</i>	<i>100</i>	
<i>T o t a l</i>	<i>6</i>	<i>8</i>	<i>20</i>	<i>20</i>	<i>100</i>	<i>24</i>	<i>24</i>	<i>100</i>	<i>56</i>	<i>24</i>	<i>42.8</i>	<i>6</i>	<i>6</i>	<i>100</i>	
	Samplin g Techniq ues	Purposive Sampling	Purposive sampling			Availability sampling			Simple random sampling			Census sampling			

3.5. Data Collecting Instruments

The study used three basic data collection instruments to obtain reliable and adequate information.

3.5.1 Questionnaires

The questionnaire consisted of two parts. The first part dealt with the general background of the participants. The second and the largest part contained the whole number of both closed and few open-ended question items that addressed the basic questions of the study. Therefore, 8 closed-ended items were constructed to gather data from 20 school leaders and 24 school financial personnel. The statements were constructed on a five Likert scale. The five-point Likert scale ranged as strongly disagree, disagree, undecided, agree, and strongly agree (1 to 5) points and this item helped the researcher to have the chance to get a greater uniformity of responses of the respondents that would help him/her to make it easy to be processed and 6 open-ended items were constructed to collect information from 20 school leaders and 24 school financial personnel.

To control the given response by questionnaires the Likert scale were used throughout the questionnaires. Because, the approach was suitable to provide more flexibility to the respondents and affords greater accuracy in recording their views on given subjects. Questionnaires were prepared in English for the validity of the questionnaires and, it allowed the respondents to express their opinions, perceptions, and intentions freely. Also, the questionnaires were commented by advisors and senior post graduate students before distributing to the respondents. Based on the given comments the questionnaires were modified.

3.5.2. Interview guide

This used when the researcher wanted to fully understand someone's impression or experiences or learn more about their answers to questionnaires. In order to get relatively more detailed information and to fill the gaps that was not covered in the questionnaires. In this study all the interviews were individual interviews. To do this, similar questions were used for all respondents and the interviews were made according to the schedules made by the researcher at all sample schools, researcher made appointment with sample school supervisors and assign the school principal to call the PTSA members at school according to appointment then carryout the interview in Afan Oromo face to face individually based on the prepared questions.

Depending on this the semi-structured questions which composed 8 items were prepared for 6

school supervisors and 24 PTAs members by giving code for supervisors A-F for six supervisors and 1-24 for 24 PTAs members.

3.5.3 Document review

Documents review were used to enable the researcher to easy get previous practices of financial resource management information. Hence, in come and expences receipts, cash book, purchasing procedures, budget plan, auditing report, leagers, financial statements, financial report, PV, financial models, and financial decisions minutes were analyzed. The researcher prepared the necessary guiding points that in line with the research questions to collect the information from these documents.

3.6. Validity and Reliability

3.6.1. Pilot test

Before using the questionnaire method, it is always advisable to conduct pilot study* (Pilot Survey) for testing the questionnaires. The researcher prepared 22 items for pilot test for school leaders, financial personnels, supervisors and PTSA members in Waccu secondary school which was out of sampling schools for pilot test of the questionnaire in order to test their validity and reliability. The researcher prepared 22 items for pilot test but during pilot test two items from status of financial resource managements variables and one items from constraints of financial resource management dimensions which had problem of clarity were removed amd modified. The refined 22 items, which had high reliability and validity were proceeded to use as instrument for the final data collection process .

Results of pilot test

No	Items	N	α (cronbach) alpha
1	The status of FRM practice in the school	6	0.985
2	The participation financial stakeholders on FRM	6	0.980
3	Major Constraints of school FRM	10	0.995
	Reliability coefficient for pilot test	22	0.987

n=number of items

3.7. Data Gathering Procedures

To answer the basic research questions, and to confirm cross-validate findings within the study the researcher passed through series of data gathering procedures. The expected relevant data were gathered using questionnaires, interviews, and document analysis. First, the researcher selected the sample schools by simple random sampling method. Then, the researcher requested a permission letter from the Department of Educational Planning and Management at Haramaya University. Accordingly, the researcher made discussion with the woreda education office and town education office to get permission by explaining politely the importance of the research.

After that, a pilot study was carried out on 3 school leaders, 1 supervisor, 3 school financial officers, and 7 PTSA were not included in the study to check the content validity and clarity of the items and to ensure any problems before distributing questionnaires. Based on the advisor's comment and results of the pilot test, the researcher revised the questionnaires to minimize the confusion in the process of answering the research questions. Secondly, the researcher contacted with school principals of each sample school to introduce the purpose study and to secure a corporation for collecting data for all questions. Next, the researcher secured information about the background of respondents and identified the respondents that were included in the study with their sampling methods, and arranged the time to get respondents.

After distributing the questionnaires for sample respondents the researcher assigned one school supervisor to organize and collect the questionnaires after the respondents filled with their opinion freely, during this the researcher conducted the interview with PTSA and school supervisors and review the documents until the questionnaires were returned. After the interview and document analysis were completed the researcher filled the checklists and took the collected questionnaires from the coordinator and finally thanked all respondents for their honesty participation.

3.8. Methods of Data Analysis

Both quantitative and qualitative data analysis methods were used. After the necessary data were collected, the data was organized according to their homogeneity then, tallied, tabulated, and analyzed to answer the basic research question in meaningful full way. The Quantitative data

collected from school leaders, and financial personnel were described in descriptive statistics such as percentage, frequency, standard deviation and combined mean and processed by SPSS version 20. The qualitative data collected through semi-structured interview questions and information obtained from document analysis through guiding points was narrated in words by triangulating the information obtained from the questionnaires. Finally, the result of the interpretations were discussed and summarized.

3.9. Ethical Considerations

Throughout the research, the researcher was governed by the ethical principles of the research. Specially, the most importantly emphasized ethical principles applied in this study was respecting the privacy of respondents and confidentiality of information revealed by the respondents. So, during data collection, an official letter from Haramaya University Department of Educational Planning and Management was taken to concern bodies and used as introductory means to get permission for collecting the data required for this study from the sample secondary schools of WHZ.

The data collection process was conducted by informing the respondents' the right they have to participate or not in this study and to respond questionnaire or interview questions. Thus, all the data needed for this study was collected from the sample respondents by their own interest only. Confidentiality of information about the respondents was secured no personal details of individual respondents were produced on any parts of this study. Furthermore, any confidential information that was revealed by the respondents had kept secret except they were used for academic purpose.

4. RESULTS AND DISCUSSIONS

This section contains two sections and the first part deals with characteristics of the respondents in terms of sex, age, educational background, and services. The second section deals with the analysis of the findings in line with the basic research questions.

Totally, 44 copies of the questionnaires were distributed to the respondents. From those copies 42(95.45%) of the questionnaires were responded and returned. From this participants 20(47.6%) were school leaders and 22(52.4%) were financial personnels who completed the questionnaires. So, it was found sufficient to continue by responded copies.

Each of the items was designed in the form of five rating scales these are strongly disagree, disagree, undecided, agree and strongly agree. The values given were 1, 2, 3, 4, and 5 respectively. The average value was obtained by dividing the sum of ratio scales ($1+2+3+4+5=15$) by number of rating scales that is 5. Thus the average value is 3.0. In the interpretation, effort was put to show that the mean score indicates. The result obtained from the score was interpreted as following: If $1.0 \leq \text{mean score} \leq 1.5$, it was interpreted as strongly disagree, $1.5 \leq \text{mean score} \leq 2.5$, it was interpreted as disagree, if $2.5 \leq \text{mean score} \leq 3.5$, it was interpreted as average, if $3.5 \leq \text{mean value} \leq 4.5$, it was interpreted as agree. If the mean value was above 4.4, it was interpreted as strongly agreed. As, (Bluma, 2012).

4.1. Demographic Characteristics of Respondents

Description of the characteristics of the respondents provides some basic information about the sample population involved in the study. Hence, this part contains general characteristics of respondents. The data obtained regarding the sex, age, academic status, service in their current position, and total service of years of respondents were summarized in table below.

Table 2: Demographic characteristics of respondents

No	Item		Respondents				
			School managers		Financial personnels		Total
			F	%	F	%	
1	Sex	Male	20	100	18	75	38
		Female	0	0	6	25	6
		Total	20	100	24	100	44
2	Age	25 and below	0	0	2	8	2
		26-30	14	70	16	67	30
		31-36	4	20	4	17	8
		37-40	2	10	2	8	4
		40 and above	0	0	0	0	0
3	Educational back ground	Certificate	0	0	6	25	6
		Dipiloma	0	0	14	58.3	14
		First degree	11	55	4	16.7	15
		Second degree	9	45	0	0	9
		Total	20	100	24	100	44
4	Services on current position	5 and below	12	60	14	58.3	26
		6-10 years	6	30	8	33.3	14
		11-15 years	2	10	2	8.3	4
		16-20 years	0	0	0	0	0
		21-25 years	0	0	0	0	0
		26-30 years	0	0	0	0	0
		30 and above	0	0	0	0	0
		Total	20	100	24	100	44
5	Total services	5 and below	4	20	8	33.3	12
		6-10 years	8	40	14	58.3	22
		11-15 years	4	20	2	8.3	6
		16-20 years	2	10	0	0	2
		21-25 years	2	10	0	0	2
		26-30 years	0	0	0	0	0
		30 and above	0	0	0	0	0
		Total	20	100	24	100	44

Regarding sex, on table 2. As the sex matrixes shows 20(100%) of school leaders and 18(75%) of financial personnels were males. This shows thata the participation of respondents in the financial resource management practices was dominated by males. Concerning age, on table 2. One can be observed from the above data, the majority of age distribution of 16(67%) of financial personnels and 14(70%) of school leaders found between the range of 26 and 30 years old. In addition, regarding educational status of the respondents, on table 2, shows that the position of school leaders especially

principals and vice principals required second degree with the necessary qualification and skills as the MoE standard stated.

In general, the majority of school leaders 11(55%) were first degree holders which was below the standard and majority 14(58%) of financial personnels were certificate and Dipiloma holders which was below the standard. Concerning services years on the current position, on table 2. As it shown on above table, there were no above 15 years service on current position for both school leaders and school financial personnels. This shows that the majority of 26(59%) the respondents' work experiences on current position were between 1 to 5 years. This shows that respondents lack experiences that needed for the position. Similarly, regarding total services of respondents, on table 2, indicated that both respondents lack experiences that needed for the position.

4.2.The Status of FRM Practices in Secondary Schools

The status of financial resource management practice was the main task to accomplish the teaching- learning processes and to assure quality education in the schools. In the financial resource management practices many stakeholders were involved in the schools to mobilize and utilize financial resources. To know the status of financial resource management in secondary schools, different questions were raised to respondents. On top of this, the responses of respondents were analyzed by using likert scale, average mean, and standard deviation in the table 3 below.

Table 3 : The Status of financial resources management practice in the school

SN	Items	SD		D		U		A		SA		M	SD
		F	%	F	%	F	%	F	%	F	%		
1	Your school have implemented financial resource regulations	12	28.6	18	42.9	4	9.5	5	11.9	3	7.1	2.26	1.12
2	Is qualified finance personnel are employed for finance work in your school	9	21.4	20	47.6	4	9.5	5	11.9	4	9.5	2.40	1.231
3	The stakeholders effectively participate in financial resources	10	23.8	17	40.5	5	11.9	5	11.9	5	11.9	2.48	1.311
4	Principals have competency to manage school finance	13	31.0	12	28.6	3	7.1	12	28.6	2	4.8	2.48	1.330
5	Is there clear guidelines for financial resource	12	28.6	10	23.8	13	31.8	4	9.5	3	7.1	2.48	1.213
6	Currently your school is effective in financial resource managements	13	31.0	19	45.2	5	11.9	3	7.1	2	4.8	2.10	1.078

Key:Strongly Agree =SA, Agree=A, Undecided=U, Disagree=D Strongly disagree= SD
f=frequency M=Mean SD=Standard deviate

As it shown on the above table 3, Concerning item 1, the respondents asked whether the school implemented regulation of finance or not requested to rate their agreements. As the combined mean 2.26 shows that the results were disagree. Supporting the above idea, as PTSA (1) said that ‘there was no financial regulations in our school’. This indicated that there was problem of financial regulations in the schools.

On the same table, item 2, regarding whether qualified financial personnel were employed or not the respondents to rate their agreements. As combined mean 2.40 shows that the result was disagree. Supporting the above idea, as Sup (C) said that “there was a problem of qualified financial personnels in school under my CRC”. This indicated that there were no qualified

financial personnel employed in the schools and most of the financial personnels were under qualification.

According to table 3, item 3, concerning the stakeholders effectively participate on financial resources management. As the above data shows the majority of respondents with the combined mean 2.48 shows the results were disagree. Supporting the above idea, as PTSA (18) raised during interview “there was low stakeholders participation on school financial activities”. This indicated that there were no effective stakeholders participation on school financial resources managements.

In supporting the above idea (MoE, 2013) the guidelines on school financial management indicates that the school principals and parent teacher association should open and maintain a single bank account in the name of the school at a registered bank. Nobody is allowed to keep money or deposit it into a bank account other than the one that exists in the name of the school.

Similarly, on the same table, item 4, regarding whether the principal has competence or not requested the respondents to rate their agreements. As the combined mean 2.8 shows that results were disagree. This shows that the school principals have no competence to manage the school finance. In addition to the above, on table 3, item 5, the respondents were asked whether the schools have clear guide lines or not requested the respondents. As combined mean value 2.48 shows that results were disagree. In addition to this, as the researcher reviewed the school document there were no clear guidelines in the schools. On the same table, item 6, regarding whether the school is effective in managing the financial resources or not requested the respondents. So, as majority of respondents replied and the combined mean score 2.10 shows that results were disagree.

Supporting the above idea, as Sup (D) raised during interview “there was problem on managing the school financial activities effectively”. This indicated that schools were not effective in managing the financial resources. According to Wyk (2004) stated that the financial administration in schools is not good if there are inadequate financial training and poor internal control systems. Moreover, the extents to which these complex educational tasks were achieved depend on the skill,

knowledge, practices, and ability of educational managers at all levels in mobilizing adequate financial resources and wise utilization of the educational budget.

4.2.1. Issues Related to practice of budget Planning, and auditing in Secondary Schools

Auditing is essential instrument for monitoring, checking and controlling of budget implementation having this in mind, questions were presented to the respondents in the table 4 below.

Table 4 :Issues related to planning and auditing

No	Items	School Managers		Financial Personnel	
		F	%	F	%
1	How often your school deposited money in the bank ?				
	A, Every month	4	20	5	22.7
	B, Quarterly	5	25	7	31.8
	C, Immediately after collecting	8	40	8	36.4
	D, At half a year	3	15	2	9.09
	E, not at all	-	-	-	-
2	How many times internal auditors audit your school in a year ?				
	A, Once a semester	5	25	7	31.8
	B, Once a quarter	4	20	5	22.7
	C, Once a year	10	50	9	40.9
	D, not at all	1	5	1	4.5
3	How many times external auditors audit your school in a year ?				
	A, Once a semester	4	20	2	9.09
	B, Once a quarter	2	10	2	9.09
	C, Once a year	4	20	6	27.3
	D, not at all	10	50	12	54.5
4	In which way your school community participate to raise school finance ?				
	A, by contributing money	16	80	14	63.6
	B, by labor participation	2	10	2	0.09
	C, by providing materials	2	10	6	27.3
	D, not at all	-	-	-	-
5	What are the main sources of your school budget ?				
	A, School internal income	10	50	14	63.6
	B, Government budget	6	30	5	22.7
	C, Community participation	3	15	2	9.09
	D, Donors	1	5	1	4.5
	E, Other	-	-	-	-
6	For which activity your school budget allocated more ?				
	A, for purchasing stationary	12	60	13	59.09
	B, for maintenance	3	15	4	18.2
	C, for the administration purpose	4	20	5	22.7
	D, for new building	1	5	-	-
	E, for other purpose	-	-	-	-

Regarding to item 1, on table 4, as indicated on the above table the majorities of respondents' 16(36.4%) agreed that the collected money deposited into the bank with in immediately after collection. On the same table item 2, regarding the issue of internal auditing, respondents were asked to choose for how many times internal auditing applied. The above table shows that majorities of the respondents 19(43.2%) were agreed on internal auditing was audited once a year which is in sufficient to control school finances. As it shown on the above table 4, item 3, respondents were requested to choose for how many times school finance audited by external auditors. So, the above data shows that the majority of respondents 22(50%) replied there was no external audit implemented in their school at this year.

In supporting the above idea, as the researcher reviewed school documents there was no regular auditing in the school under the study. On table 4, item 4, respondents asked to choose the way the school community participate on school financial issues. As shown on the above table, the majority of respondents 30(68.2%) replied community participate on school financial issues mainly by providing money to school. In supporting the above idea, PTSAs (16) said during interview “ The local community participate to school mostly by providing money to schools ”.

In addition, on the same table, item 5, regarding the sources of school finance respondents requested to respond. As it shown on the above table, the majority of respondents 24(54.5%) responded that the main sources of the school budget was gained from school internal income. Similarly, on table 4, item 6, concerning for which activity school allocated school budget asked the respondents to replied on above, data indicated that as the majority of the respondents 25(56.8%) responded the school allocated their budget mainly for purchasing stationary materials. As the results of document review and Sup (B) raised during interview shows the school allocated budget mainly to purchase stationary materials.

4.3.The school financial stakeholders participate on FRM process in secondary schools

In this parts the participation of the school financial stakeholders were analyzed by using average mean, and standard deviation in the table 5 below.

Table 5: The participation of financial stakeholders on FRM process in secondary schools

S N	Items	SD		D		U		A		SA		M	SD
		F	%	F	%	F	%	F	%	F	%		
1	The school budget plan preparation is participatory	1	26.	1	42.	5	11.	5	11.	3	7,1	2.2	1.184
		1	3	8	8		9		9			7	
2	The school budget plan is in line with teaching-learning activities	7	16.	7	16.	9	21.	1	30.	6	14.	3.0	1.305
			7		7		4		3		3	5	
3	School budget plan approved by stakeholders before implementation	1	26.	1	42.	4	9.5	5	11.	4	9.5	2.2	1.209
		1	2	8	9				9			9	
4	School finance implementation follows the finance guidelines	1	26.	1	45.	3	7.1	5	11.	4	9.5	2.2	1.173
		1	2	9	2				9			2	
5	School allocate the annual budget using proper code of finance	9	21.	1	26.	4	9,5	1	35.	3	7.1	2.7	1.33
			4		1		2		5			8	
6	In your school, budget utilization is transparent	1	28.	2	47.	3	7.1	4	9.5	3	7.1	2.1	1.152
		2	6	0	6							5	

As indicated in the above table 5, item 1, concerning whether the school budget plan is participatory or not requested the respondents. As the combined mean score 2.27 shows that the result was disagree. In supporting this idea, through interview one of the PTSA (4) said that *‘In our school all stake holders were not participate on school budget planning’*. This indicated that the school budget planning was not participatory. On the same table, item 2, regarding whether the school budget planning is in line with teaching–learning activities or not requested respondents to rate their agreements. As the combined mean score 3.05 shows that the results were medium or undecided. However, as CRC Sup(A) said during interview, *“The school budget plan was in line*

with the school teaching –learning activities”. So, it indicated that the school budget plan is in line with teaching learning activities rather than others.

On the same table, item 3, concerning whether the school budget plan was approved by stakeholders before implementation or not were asked respondents. As the combined mean score 2.29 shows that the results were disagree. Similarly, as the results of document review shows the school budget was not approved by stakeholders before implementation. This shows that the school budget plan is not approved by stakeholders before implementation. On the same table, item 4, regarding whether school finance implementation follows finance guide lines requested respondents to rate their agreements. So, as the combined mean score 2.22 shows that the results were disagree. In supporting this idea, as a researcher reviewed the budget documents most of the budget activities were not follow the finance guide lines and process. This shows that the school finance implementation were not follows finance guidelines.

According to table 5, item 5, regarding whether the school allocate annual budget with the proper code of finance were requested the respondents to rate their agreements. As the combined mean score 2.78 shows that the results were medium. In supporting the response of the majority of respondents as one of the school Sup (E) said during interview “ *The school under my CRC allocate annual budget with the proper code of finance in all items of budgets*”. This implies that the school allocated annual budget with the proper code of finance. On the same table, item 6, whether the school budget utilization is transparent or not were asked the respondents. As the mean score 2.15 shows that the results were disagree. This shows that the school budget utilization was not transparency. Supporting the above idea as PTSA (2) raised during interview “ *There was no transparency of budget in our school* ”. This shows that lack of transparency was serious problem in the school.

4.4 Major Constraints of Financial Resources Management

In this parts of the study, major constraints of financial resources management have been discussed. In light of this, respondents asked to rate their level of agreement on questions that related to major constraints of financial resources management in their schools. Based on this, the respondents’ responses were analyzed by using combined mean, and standard deviation in table 6 below.

Table 6. Major constraints of financial resources management in secondary schools of WHZ.

<i>SN</i>	<i>Items</i>	<i>SD</i>		<i>D</i>		<i>U</i>		<i>A</i>		<i>SA</i>		<i>M</i>	<i>SD</i>
		<i>F</i>	<i>%</i>	<i>F</i>	<i>%</i>	<i>F</i>	<i>%</i>	<i>F</i>	<i>%</i>	<i>F</i>	<i>%</i>		
1	Lack of training for school financial stakeholders	5	9.5	7	16.7	4	9.5	18	42.9	8	19	3.40	1.308
2	Lack of timely auditing and control system	3	7.1	5	11.9	5	11.9	20	47.6	9	21.4	3.88	1.310
3	lack of appropriate checks and controlling	3	7.1	5	11.9	9	21.4	16	38.1	9	21.4	3.55	1.173
4	The delays of school budget from woreda to schools	4	9.5	5	11.9	7	16.7	18	42.9	8	19	3.50	1.215
5	The problem of transparency on school budget	3	7.1	5	11.9	5	11.9	23	54.8	6	14.3	3.57	1.107
6	The violation of school finance rule and regulation	5	11.9	4	9.5	5	11.9	16	38.1	12	28.6	3.55	1.383
7	Illegal purchasing materials practices in your school	4	9.5	13	30.1	4	9.5	13	30.1	8	19	3.19	1.330
8	The school financial personnel incompetency and inadequacy	3	7.1	5	11.9	5	11.9	20	47.6	9	21.4	3.64	1.65
9	Poor participation of stakeholders	4	9.5	5	11.9	3	7.1	24	57.1	6	14.3	3.55	1.173
10	The school financial materials are un fulfilled	9	21.4	7	16.7	7	16.7	14	33.3	5	11.9	2.98	1.370

According to table 6, item 1, regarding, the extent to which lack of training for school financial stakeholders affect school financial management requested the respondents to respond on. As the combined mean 3.40 shows the results were medium or undecided. However, as CRC Sup,(C) said during interview “ *There was no training given to the school financial stakeholders*”. This indicated that there was a lack of training for school stakeholders in the school which affects highly the implementation of financial resources management activities.

On the same table, item 2, concerning, the extent to which lack of timely auditing and control system affect school financial management requested the respondents to rate their agreements. So, as the majority of the respondents agreed and the combined mean 3.88 shows the results were agree. In connection with this as Sup(B) said during interview “*There was no regular auditing in school under my CRC* ”. Supporting the above idea, while the researcher reviewed the school financial documents there were no recent audited documents and feedback given. This shows that the problem of timely auditing were serious problem in the schools.

On the other hand, on table 6, item 3, regarding the extent to which lack of appropriate checks and controlling hinders school financial resource management in the school requested the respondents to rate their agreements. As the combined mean score 3.55 shows that the results were agree. Supporting this idea, during interview one of the PTSA (6) said that “ *There was a problem of auditing ,check and control in our school*”. Therefore, the results above of idea, shows that there were a problem of check and control that affect school financial managements. UNESCO (2013) in this connection educational activity cannot be successfully run without the potentials of financial resources management in secondary schools.

As it can be seen on table 6, item 4, regarding whether the delays of the school and block garent from woreda affect the school financial resources management or not requested the

respondents to rate their idea. As the combined mean value 3.50 shows that the results were medium. In supporting this idea, as Sup (D) raised during interview “ *The delays of school and block garents from woreda was one of serious problem affect the school goals* ”. This shows that the problem mentioned above was serious problem that exist in the school.

On the same table, item 5, concerning, the extent to which the problem of transparency affect financial resource management in school requested the respondents to rate their agreements. On this only 3(7.1%) of the respondents said strongly disagree. On the other hand, 23(54.8%) of the respondents responded agree. From this as the combined mean value 3.57 with SD 1.107 shows the results were agree. Supporting this idea, as one of the CRC Sup (A) said during interview “ *Lack of transparency was one of the serious problem of the school under my cluster* ”. This implies that there was problem of transparency in the school.

According to Padilla et al (as cited in Simweeleba, 2019), effective financial management practices is essential in enhancing transparency, efficiency, accuracy, accountability which enables an organization to achieve its objectives. Regarding table 6, item 6, concerning the extent to which the violation of school finance rule and regulation affect school financial management respondents requested to rate their agreements. As the combined mean value 3.55 shows that results were agree. In supporting this idea, as a results of document review shows that there was violation of school financial rules and regulation in the schools. From this one conclude that there was violation of finance rules and regulatios in the school which highly affacts school financial managements.

In addition to the above, on table 6, item 7, Concerning to what extent illegal purchasing materials practices in the school requested the respondents to rate their agreements. So, as the combined mean value 3.19 shows the results were medium or undecided. However, as the researcher reviwed the school financial documents the illegal purchasing materials were existed in many schools. This shows that there were illegal purchasing practices in school which highly affect the school financial managements.

On the same table, item 8, regarding , the level of school financial personnel incompetency and inadequacy that affect school finance asked the respondents to respond. As the combined mean value 3.64 shows the results were agree. On the other hand, as one of the CRC Sup (F) said through interview *“There were incompetence and inaducacy of school financial personnels that affect the school financial resources managements”*. This implies that there was the problem of incompetency and inaducacy in the school.

As it can be seen on table 6, item 9, regarding extent to which the poor participation of stakeholders affect school financial resources management decision requested the respondents to rate their agreements. As the combined mean value was 3.55 shows that the results were agree. In supporting this idea, as PTSA (12) raised during interview in their school *“There was poor participation of school stakeholders in our school on financial management activities”*. This shows that there was poor participation of school stakeholders in the school which affected the school goals.

In connection with this, on table 6, item 10, regarding the extent to which the school financial materials are un fulfilled in the school requested to the respondents to level their idea. As the combined mean 2.98 shows that the results were medium or undecided. In supporting the majority of the respondents idea, as a researcher reviewed the school financial documents some of the necessary finanacial materials were not fulfilled in many schools. This indicated that there was in sufficient financial materials in the schools which highly affects the implementation of school financial activities.

5. SUMMARY, CONCLUSION AND RECOMMENDATIONS

In this section, the summary of the major findings of the study, conclusions, and recommendations have been presented.

5.1 Summary of Major Findings

The purpose of this study was to assess the constraints of FRM in secondary schools of WHZ. In light of this, the following basic research questions were tried to be answered in the process of the study.

1. What are the status of FRM practice in government secondary schools of WHZ?
2. To what extents do the school financial stakeholders participate in FRM process in secondary schools of WHZ?
3. What are the major constraints of FRM in secondary schools of WHZ?

Mixed research design was employed in this study and the related review literature was tried to reviewed. Both quantitative and qualitative data analysis were used and data gathered through questionnaire, interview and document review. In addition to this, the respondents who completed the questionnaires were 20 school leaders, 22 financial personnels and 6 secondary school supervisors and 24 PTSA members were selected for interview questions. Finally, data obtained from the respondents were analyzed by using frequency, percentage, combined mean and standard deviation. Based on the analysis of data the following findings were obtained from the study.

Although, there was numbers of assessments in the constraints of financial resources managements activities inline with budget planning, accounting, auditing, purchasing and reporting. Based on this, the finding with respect to constraints of FRM in secondary schools of WHZ were presented as follows:

5.1.1. Concerning the status of FRM practice in secondary schools .

Regarding educational qualification there was high competency problem of school financial stakeholders and school leaders in terms of qualification, experiences, skills, and

knowledge that needed for the position. And the study indicated schools did not follow finance rules and regulations appropriately. In addition, there were no clear financial guide lines in the school.

5.1.2. Concerning the extent of stakeholders participation on FRM in secondary schools.

As the majority of the respondents responded the participation of school financial stakeholders on budget plan preparation and approving budget plan before implementation was below expected. In addition, there was lack of transparency and providing genuine financial report to school stakeholders.

5.1.3. Regarding the major constraints of FRM in secondary schools.

Lack of training for school financial stakeholders, timely auditing, appropriate checks and control, delays of school budget from woreda to the schools, the violation of school finance rules and regulations, and lack of organized accounting system in the schools, scarcity of school financial materials in the school and inappropriate budget planning with related to schools activities were major problems identified.

5.2 Conclusions

Based on the findings of the study, the following conclusions were drawn:

Regarding the status of FRM practice in Secondary Schools: Regarding educational status and qualification, of respondents the majorities of school leaders and finance personnels were below the standard of MoE for the position required. This indicates that, competency problems hinder to manage schools financial resources management. So that, this creates problem in the financial resource management working cooperatively with other stakeholders. The majorities of school financial stakeholders were not taken training on school financial resource management. So that, the schools financial resource management ineffective and difficult to achieve the pre planned schools goals. On the other hand, gaps of knowledge, skill and experience that affect not confidentially play their own role and influence the others to work properly.

Concerning the extent of stakeholders participation on FRM in secondary Schools: Schools did not provide genuine financial report for stakeholders timely and poor participation of stakeholders.

This affects the contribution of local community and other stakeholders to increase the education finance and participating actively in schools and creates an impact in cooperation to work among stakeholders and school management to promote quality education. In addition to the above, lack of transparency leads to hinders the community participations on school activities and the school financial stakeholders mistrust on the school financial activities.

Regarding the major constraints of FRM in secondary schools: As the finding of the study shows that there was improper budget planning and accounting systems in the schools. Regarding this, absence of proper planning and accounting made auditing process difficult and it paves the ways for corruption. As a result, the school activities lack of integration and create difference among staff employees in their work. In addition to this, it influences the teaching-learning processes not facilitate properly. The absence of internal and external auditing aggravated inappropriate utilization and misadministration of schools financial resource and hinders the schools' financial resource managements.

In addition, delays of budget, and the scarcity of school financial materials in the schools leads to hinder school activities and leads to unwisely utilization of finance. Absence of check and control and following finance rules and regulation leads for cheating and unwisely utilization of schools finance. This implies that the financial activities of budget planning, accounting, auditing, purchasing and reporting activities were not done properly.

5.3 Recommendations

Based on the findings and conclusion of the study , the following recommendations were drawn:

5.3.1, Concerning the status of FRM practice in secondary schools

ZEO and WEO collaborately, should prepare training program to improve the in competences of school leaders, financial personnels, supervisors and PTSA members. And checking and controlling whether the school implementing financial resources with regard to financial guide lines. Similarly, they should concern while they employ financial personnels and school leaders for the position and checking whether all duplicated and distributed

financial materials were reached the schools proportionally and timely. And conduct close supervision and inspection to schools and then give immediate feedback. In addition, Woreda plan and budget experts should give training to the school financial stakeholders on how to prepare budget plan, internal audit and prepare financial reports.

5.3.2. Concerning extent of stakeholders participation on FRM in secondary schools

KEB should follow the school resources, initiate, and mobilize the local society to the school improvements. PTSA committee members should have to follow the schools' financial resources and take immediate corrective measures to improve problems that encounter at schools level. School leaders should prepare the participatory budget plan, genuine budget report on time for school stakeholders and arranging the experience sharing program among school stakeholders. And empower and motivate the school financial personnels, internal auditor committees and PTSA members. In addition, creating intimacy relationship with in/out of school stakeholders.

5.3.3. Regarding the major constraints of FRM in secondary schools

Woredas and towns Finance office should share their experiences for school financial stakeholders and distributing the financial materials to schools on time and release and inform the school budget on time. On the other hand, empowering the school to use their budget independently without any interferences, coordinating the external auditors to audit the schools and purchasing the quality materials for schools on time. Secondary school supervisors make consistent monitoring and supervision to school managers, financial personnels and school committee. And facilitating experience sharing program among his CRC and with others schools. In addition to this, checking and controlling the implementation of financial resources management activities closely then give feedback. Schools leaders should have to be committed to manage school financial resources and follow finance rule and regulation critically. School financial personnels should be committed to play their role on financial resources managements and should have to improve their competences.

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7.APPENDICES

7.1.APPENDIX I

HARAMAYA UNIVARSITY

Postgraduate Program Directorate

College of Education and Behavioral Science

Department of Educational Planning and Management

A questionnaire will be filled by school leaders & School financial personnel

I am currently conducting a study on constraints of financial resource management of secondary schools in west Hararghe zone.

Dear respondent: This is MA research questionnaire; the main objective of this study is to assess information about constraints of financial resource management in secondary schools of West Hararghe zone, from school leaders and school finance personnel. The information and opinions gathered from the respondents will be used only to assess the information on constraints of financial resource management and forward recommendations for future progresses at secondary school's level.

To this end, you are given an opportunity to express your opinion pertaining to the current constraints of financial resources management practice in your school. Your genuine response will be great help for this study. Therefore, you are kindly requested to extend your cooperation by honestly responding to the given questions. Be sure that your response will be confidential and will be used for academic purpose only.

General Instruction

No need to writing your name anywhere.

The questions have two parts. Part I personal information and part II about potential and constraints of financial resource management.

Please, read the instruction carefully and the response to each of the item.

For open-ended questions please, give your genuine response on the space provided. General information

Instruction; write your answers corresponding to the questions on space provided and complete the following questions by putting (X) mark in the box please, give only one answers to each requested questions.

Name of your school/ office_____

Write your current position/ Job title_____

PART I; personal information

Sex male female

Age , 1,below 25 2,26-30 3,31-36 4,37-40 5,above 40

Education background

Certificate Diplo□a first degree□ second degree □ □

Service in your current position; 1, below 5 2,6-10 3, 11-15 4,16-20 5,21-25 6, ,26-30
7,above 30

Total service years; 1, below 5 2,6-10 3, 11-15 4,16-20 5,21-25 6, ,26-30 7,above 30

PART II

Instruction I; - Answer the question in the table below by putting (X) mark in front of statement under (strongly disagree= 1, disagree= 2, undecided=3 Agree=4 and (strongly agree= 5

1. The status of financial resource management practice in the school

No	Items	Alternatives				
		1	2	3	4	5
1	Your school has implemented Financial resource regulations					
2	The qualified finance personnel experts are employed for finance work in your school					
3	The stakeholders effectively participate in financial resource management in your school					
4	Principals have competency to manage school finance					
5	There are clear guidelines for financial resource management in the school					
6	Currently your school is effective in financial resource managing					

2. The participation of financial stakeholders on school FRM process in secondary schools

No	Items	Alternatives				
		1	2	3	4	5
1	Your school budget plan preparation is participatory					
2	Your school budget plan is in line with teaching-learning activities					
3	Your school budget plan approved by stakeholders before implementation					
4	Your school finance implementation to follows the finance guidelines					
5	Your school allocate the annual budget using proper code of finance					
6	In your school, budget utilization is transparent					

3. Major Constraints of financial resources management in Secondary schools

No	Constraints	Alternatives				
		1	2	3	4	5
1	Lack of training for school financial stakeholders					
2	Lack of timely auditing and control system					
3	Lack of appropriate checks & controlling					
4	Delays of school grant budget from woreda to schools					
5	The problem of transparency					
6	The violation of school finance rule and regulation					
7	Illegal purchasing materials practices in your school?					
8	The school financial personnel incompetency and inadequacy					
9	Poor participation of stakeholders					
10	The school financial materials are fulfilled in your school					

Instruction 2; Choose the correct answer for the following questions

1. How often your school deposited money in the Bank? A. every month B. quarterly
C. Immediately after collection D. At half of a year E. not at all
2. How many times internal auditors audit your school in a year?
A. Once a semester B. Once a quarter C. Once a year D. Not at all
3. If your answer to question number 2 is D, < not at all > what is the reason?
4. How many times external auditors audit your school in a year? A. One a semester B.
once a quarter C. Once a year D. Not auditing in a year
- 5, In which way your school community participate in raising financial activity?
A, Contributing money B, Labor participation C, Providing materials D,all
- 6.What is the main sources of your school budget?A, school internal income B, government
budget C,School garent D,Community participation E,donors F,all
- 7, For which activity that your school budget allocated?
A,for stationary B, for maintenance C, for new building D, to run the school activities D,all

Instruction; 3 Give your suggestion for the space provided below for Open-ended question

- 1,What do you think major constraints of financial resource management in your school?_____
- 2, Discuss the major sources of your school budget?
- 3, What are the main activities that your school allocated budget?
- 4, As you, what are the alternative strategies you suggest to improve FRM constraints in your school?
- 5, How your school budget stakeholders are participated in your FRM process?_____
- 6, What are the potential role of your school finance in achieving your school goal?

Thank you for your Cooperation !

7.2. Appendix II

HARAMAYA UNIVERSITY

Postgraduate Program Directorate

College of Education and Behavioral Science

Department of Educational Planning and Management

Interview Questions to be prepared for School Supervisors, and members of PTSA

The purpose of this interview is to gather relevant information on Constraints of financial resource management of west Hararghe zone secondary schools. Since the research finding may assist financial personnel in education institutions and may help them for decision making; your co- operation in giving answers has institutional importance. Therefore, please take some of your time to give answer for my questions and be objective for your response.

Hence, you are kindly requested to provide the necessary information and comments.

Interview Questions

- 1.To what extent does your school financial resources have potential role on achieving school goal?
2. What are the major sources of your school finance?
3. To what extent does financial resources management constraints affect your school activities?
4. To what extent does your school financial stakeholders participate in financial resource management process?
5. Is your school implement the financial resources management in line with the financial rule and regulation?
6. What are the strategies do you suggest to improve constraints of financial resources management in your school?
7. What are the major factors that affect financial resource management in your school?
8. To what extent does your school have transparency on implementation of school budget?

Thank you in advance !

7.3 Appendix III

HARAMAYA UNIVERSITY

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Document Review Checklist.

The purpose of this document analysis sheet is to assess the availability and effectiveness of financial related documents in secondary schools of west Hararghe zone.

Which of the following documents are available in sample secondary schools?

No	Types of document	Availability of documents/files	
		Yes	No
1	Cash book		
2	School budget report (financial statement)		
3	Leager		
4	Receipt		
5	Minutes		
6	Purchasing procedures		
7	School budget planning		
8	School income and Expense		
9	Financial decision making process		
10	Model 19,20,and 22		
11	Auditing report		
12	Balance and income sheet		
13	PV		
14	Transaction registers		
15	Purchasing receipt		
16	Community participation files		
17	Donors files		
18	Agreement files		
19	Other		

7.4. Appendix IV

YUUNIVEERSITII HARAMAYATTII

SAGANTAA DAAREKTOREETI EEBIFAMTOOTA BARNOOTA

BOODAA

Gaaffii ; QOMAA (AF-GAAFI) kan qopha'eef , supeervizaroota, fi miseensota koree gamtaa maati barattota fi barsiisota mannen barnoota sad 2ffaa Godina Hararge Lixaa akka iddattotti filataniif ,

Kaayyoon gaaffilee kana yaadaa fi Odeeffannoo waa'ee sirna hooggansaa qabeenya baajata Mana barumsa gaggeessuurratti sochii jiru kan Mana barumsa sad. 2^{ffaa} Godina harargee Lixa irratti sassaabbachu dha. Faayidaan biroos Qorannoo hojjachuu qofaaf waan ta'eef yaadaa fi odeeffannoo barbaachisu bilisa ta,uun akka nuuf laattan kabajaa guddaa waliin isin gaafanna.

GAAFI ; QOMAA (AF-GAAFI) (Interview)

1. Bulchiinsi qabeenya baajata hojiilee mana barumsa kessanii galmaan gahuu keessti gahee akkaamii qaba?
2. Maddi baajata mana barumsa keessanii maal faadha ?
- 3.Rakkoleen bulchiinsa qabeenya maallaqa mana barumsa kessanitti hangam galma gahiinsa hojii mana barnootaa miidhuu danda,aa ?
- 4.Dhimmamtoonni mana barumsa keessanii hangam takkaa adeemsa bulchiinsa qabeenya maallaqa mana barumsa keessattii hirmaatu?
- 5.Haalli hojiirraa oolmaa bulchiinsa qabeenya maallaqa mana barumsa keessanii hangam seera faaynansii eegge raawwatamaa jira ?
6. Tarsiimoo fi tooftaan rakkolee bulchiinsa qabeenya maallaqa mana barumsa ittiin fooyyessan maal maali jette yaaddaa?
7. Rakkoleen ijoon hojiirraa oolmaa bulchiinsa qabeenya maallaqa mana barumsa keessanii miidhan maal faadha ?
- 8.Mana barnootaa keessaniitti haalli hojiirra oolmaa bulchiinsa bajata hangam iftoomina qabaa ?

Galatoomaa!