

**UNIVERSITY OF CAPE COAST**

**CHALLENGES IN FINANCIAL ADMINISTRATION OF SENIOR HIGH SCHOOL  
HEADS IN THE KWAHU EDUCATIONAL DISTRICTS OF GHANA**

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## DECLARATION

### Candidate's Declaration

*I, hereby declare that this dissertation is the result of my own original research and that no part of it has been presented for another degree in this University or elsewhere.*

Signature:..... Date:.....

Name: Daniel Kwadwo Lenwah

### Supervisor's Declaration

*I hereby declare that the preparation and presentation of the Dissertation were supervised in accordance with the guidelines on supervision of Dissertation laid down by the University of Cape Coast.*

Signature:..... Date:.....

Name: Joseph Dzinyela

## **ABSTRACT**

This work was a descriptive study intended to unravel the challenges facing Senior High School heads of the four Kwahu Educational Districts in financial administration. Data were gathered mainly from 13 Senior High School heads through the administration of questionnaires. For validity of the instruments, I critically examined them and later pilot-tested them on 5 headmasters of the Koforidua Municipality. 13 heads of Senior High schools in the four Kwahu educational districts were the main respondents of the study.

Questionnaires were the main instruments used. I administered open-ended questions. Verbal interviews however preceded the use of the questionnaires in order to ensure that the questions would elicit responses from the main respondents. The use of the instruments led to the revelation that Senior High School heads of the four Kwahu Education Districts of Ghana, were encountering challenges in financial administration of their schools. Among these was their knowledge of financial administration gained from learning on the job, poverty, non-payment of fees, late release of government grants and the employment of incompetent accounting staff.

Recommendations such as school heads being asked to study Financial Administration, government and stake holders should give adequate financial support to the school heads, donor agencies such as DANIDA could be approached for help, appointment of competent accounting staff and sincerity of the heads were made.

## **ACKNOWLEDGEMENTS**

A philosopher once opined that any life without reflection is not worth living. This idea could be associated with the need for the education of every school going child to acquire knowledge and wisdom for life. This process however, requires periodic reflection on the work of educators. Although the child goes through informal education right from birth, the bulk of the work of formal teaching rests on the shoulders of teachers in the classroom. It is for this reason that I am highly indebted to Mr. Joseph Dzinyela, my lecturer of “Supervision of Instruction” who moderated this work with his critical views, comments and advice. He was very challenging only to ensure that I did my best by unfolding all the potential in me.

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## **DEDICATION**

This work is dedicated to my family and friends.



## **CHAPTER ONE**

### **INTRODUCTION**

#### **Background to the Study**

Administration of public and government assisted schools is undertaken by government through personnel appointed by the Ghana Education Service. Financial administration is the most arduous task of school heads. It underlies the success story of every good school. In the present economic situation in Ghana, there is great concern among heads of Senior High Schools about the smooth running of schools academic terms because of financial constraints. As a result, one often sees a saddening mood among educational workers of the Ghana Education Service, who are also under the arm of the Ministry of Education. This often arises when the government of Ghana presents its annual budget every financial fiscal year. The budgets allocated to the Ministry of Education are generally described by its workers as highly inadequate for any effective and efficient realization of the policies for education at the Senior High School level.

The above feeling of educational workers under the Ministry of Education, especially those under the Ghana Education Service is often interpreted against the rationale that Education is recognized the world over as the single most important social institution that influences and is influenced by other social institutions.

Education at the Senior High School level for the many public and government assisted Senior High Schools, is also funded by government through the numerous subsidies it pays to institutions at this level.

In effect, the late release of government subsidies to schools in the form of scholarships and other bursaries, late payment of school fees by parents and the rising cost of commodity prices are generally, additional worries for heads of Senior High Schools in Ghana, but particularly to heads of the same schools in the four Kwahu Educational Districts. It makes the running of schools very difficult. The work of Senior High School heads as financial administrators has become increasingly challenging.

Despite the reasons stated above, there are other factors that make the financial administration of schools difficult. These are ethical in character. Complaints at Parent Teacher Association meetings of financial misappropriation, anger of school heads about theft at their stores, diversion of supplies for their intended purposes and unreasonable pricing of commodities by suppliers with the rationale of donating ten percent (10%) of their charges to a “certain unknown charity” are all wastages that underscore the financial problems incurred by school heads.

The idea by researchers that a good school depends largely on the strong and effective leadership of school heads is seen in the exemplary attitude of the latter from their founding to the 1990’s. Notable among these were non-religious men and women, priests, religious, and missionaries in Ghana. They were often honest, selfless and transparent in their disbursement of school funds with the help of a financial committee. These dignified men and women were also accountable to stakeholders.

Reports on the success story of schools founded by religious missionary societies such as Divine Word Missionaries (SVD), Society of Africa Missions (SMA), Sister Servants of the Holy Spirit (SSPS), the Holy Cross Brothers, Dominican Sisters (OP), the Presbyterian, Anglican and Methodist Churches reveal that, Jesus Christ’s teaching in the Gospels that gain the whole

world and loose your soul, and the common saying that good name is better than riches are the bedrock of the success story of the above mentioned religious societies, missionaries and some lay personnel.

St. Peter's Senior High School, Nkwatia-Kwahu, St. Augustine's College, Bishop Herman College, Kpando, St. Paul Technical Institute, Kukurantumi, Holy Child School, Cape Coast, St. John Grammar School, Takoradi, Adisadel College, Cape Coast, Presbyterian Boys Senior High School, Accra, Aburi Girl's Senior High School, Aburi, Mawuli Senior High School, Ho are among the many schools founded by the religious and missionary societies.

The early management of some public schools such as, Achimota Senior High School, Accra, Prempeh College, Kumasi, Tamale Senior High School, Tamale, Navrongo Senior High School, Navrongo and Ghana National College, Cape Coast deserves recognition among the exemplary heads of schools in Ghana.

It is the above mentioned financial concerns of school heads that form the basis of this work.

### **Statement of the Problem**

In the management of Senior High Schools in Ghana, Financial Administration is inevitable. In these educational institutions however, the term Financial Administration applies to the general management for efficient and effective administration to ensure the success of teaching and learning.

In July 2007, the administration of St. Peter's Senior High School, Nkwatia-Kwahu, sought the urgent intervention of the Architectural Engineering Services Limited (A. E. S. L.) of the Eastern Region to inspect the main dormitory of the school. This clarion call was necessitated by structural problems to the building which was constructed in 1961.

A letter to the school administration requested the immediate evacuation of students from the main dormitory; for, it was dangerous for habitation. Urgent repairs were recommended by the A. E. S. L. The school nonetheless, had inadequate funds for renovation since the total cost was in several thousands of Ghana New Cedis.

A question was then raised by the founders of the school namely, the Divine Word Missionaries and the Board of Governors about the financial state of the school. There was also the remembrance of the administration of the religious missionaries who administered the school until the present non-religious administration took over endearing themselves to all stakeholders.

Several solutions to the structural problem of the main dormitory block including appeals to the Ghana Education Service, the Divine Word Missionaries, the Old Boys Association and the Parent Teacher Association were suggested. The Board of Governors also saw the need for the formation of a financial committee to help raise funds for the school.

My work as an Assistant Headmaster, Administration and my training as a religious missionary priest who had been working in Senior High Schools in Japan and Ghana for the past fifteen years unfolds to me the importance of financial administration as being at the centre of any efficient and effective management of schools. Strict management of school funds and the display of transparency and accountability of funds had been at the foundation of the success story of many school heads I have encountered so far. The problems of carelessness and laxity in management, the pursuit of wealth, non-transparency and lack of accountability had also characterized the failure of school heads I have further encountered. The above and my personal interaction with some school heads of the Kwahu Educational Districts on their financial challenges or problems to ensure the success of teaching and learning, underpins this research paper.

### **Purpose of the Study**

Having acknowledged that the efficient and effective management of schools depend also on the availability of sufficient funds, this work aims at probing the actual problems or challenges facing heads of Senior High Schools in their respective administration. The focus is on difficulties they actually encounter because of the various constraints associated with funding of activities during the academic year. This work further hopes to examine the ethical or attitudinal issues associated with management of school funds. Furthermore, the role of parents, contributions by communities in which schools are located and the help of donor agencies such as Japan International Cooperation Agency (JICA), Danish International Development Agency (DANIDA) and the German Foundation to ensure that curriculum of schools are sustained throughout an academic year would be examined.

### **Research Questions**

This study poses some research questions to which the work seeks solutions. They are:

1. What do heads of Senior High Schools perceive financial administration to be in school management?
2. What are the main financial challenges facing school heads in the four Kwahu Educational Districts?
3. What are the causes of the financial challenges?
4. How do school heads execute procurement in their schools?
5. What role do Procurement Committees undertake in the schools?

6. How do school heads evaluate income and expenditure?
7. What modalities do they employ to achieve a successful financial evaluation?
8. In what ways does the Parent Teacher Association (PTA) contribute to the schools financially?
9. What is the contribution of government to the schools?
10. What are the other sources of funding in the schools?

### **Significance of the Study**

The aim of this study is to contribute to the ability of all heads of Senior High Schools to identify the problems or challenges they share in common and to manage their financial resources effectively and efficiently. This would be by finding out the level of knowledge and available skills in financial administration of the School heads. This work is also to enable the educational policy maker's grapple with the need to release grants and subsidies due to schools in time for the smooth running of these institutions and for the holistic or integral education of students. This study is to further acknowledge the efforts of policy makers and funding agencies in ensuring that the school going child in Ghana enjoys a reasonable, sound and formal education at the Senior High School level. This notwithstanding, the study is to acknowledge that government and funding agencies could expedite action always in time by following an established plan or guide to alleviate school heads from unwarranted conflicts with suppliers and frustration over unpaid debts for logistics and other supplies to schools.

### **Delimitations of the Study**

My work nevertheless, was delimited to school heads, public and government assisted Senior High Schools, of the four Kwahu Educational Districts of Ghana for the reason that they

are the main managers of every financial resource in their Senior High Schools. The Districts are Kwahu-West, Kwahu-East, Kwahu-North and Kwahu-South. The total numbers of schools are 13.

The study was also delimited to only the school heads even though the personnel for financial administration such as the Principal Domestic Bursars and Accountants could have been of help. Finally, the study was delimited to financial administration although there are other areas of resource management such as the management of human and material resources.

### **Limitations**

The study involved Senior High School heads, among others, have the responsibility of supporting government in the provision of education to the Ghanaian child; hence, are under the control of superior officers of the same service. They may not have given all relevant data on the challenges they encounter in financial administration for fear of undermining government and suffering victimization.

Another limitation is the feeling of anxiety among the school heads to provide relevant answers to the research questions since this might expose their own weakness and maladministration. This might affect the credibility of the expected results.

### **Organization of the Study**

The research paper is divided into five major chapters. Chapter One, which is the introduction to the entire work outlines the background to the study, the statement of the problem, purpose and significance of the study, delimitations, limitations and the organization of the study.

The second chapter focuses on “Review of Related Literature.” It discusses some notions on the existing topic. The chapter which forms the basis of the whole research will discuss the prevailing situation of the Senior High Schools of study and the financial challenges that confront school heads. In Chapter Three where the focus is on the methodology of the study, it describes the research design, population for the study, sample and sampling techniques, research instruments, pilot testing of the instruments, data collection procedure and data analysis plan. Chapter Four deals with results and discussions of the findings, it starts with the responses of respondents for the study and analysis of data.

The fifth and last chapter which culminates in the conclusion of the whole study presents a summary of the findings of the entire study. It also presents recommendations as a result of the major findings from the study. It ends with suggestions for further studies or research.

## **CHAPTER TWO**

### **REVIEW OF RELATED LITERATURE**

The meaningful study or research on themes or topics of relevance in all academic disciplines calls for reliance on literature in the discipline or subject in question. The purpose of study of this work was to identify the actual financial challenges/difficulties/problems of school heads in the Kwahu educational districts in Ghana. As a result, this chapter deals with review of some primary works of authors or scholars, study of commentaries, case studies or repercussions of the work of previous researchers and all that go into a balanced literature review. In the discussion therefore, are generally existing ideas or notions on finance, educational administration and finance. Governmental laws on financial management of institutions, funding of education in Ghana and some problems that emerge in financial administration of institutions



such as ethical concerns, incompetent or unskilled financial administrators, inadequate managerial training of school heads for them to function effectively and efficiently as financial managers and the late release of government grants to schools would also be discussed.

### **The Notion of Finance and Financial Management**

A brief review of the first chapter of this work unfolds the underlying need for enough funding for school heads to effectively and efficiently manage Senior High Schools in Ghana. This section therefore sets out to discuss the existing ideas or notions on what finance in general and finance as applied to educational institutions in Ghana are. The definitions that would follow undoubtedly are pointers to good management and administration of schools. In his book “Essentials of Financial Management” Pandey (2004) admitted that “Financial Management is that managerial activity which is concerned with the planning and controlling of the firm’s financial resources” (p.3). It is of vital importance to all managers including school heads because it underpins all successful operations in any responsible administration. All practicing managers demonstrate much interest in how to manage their finances because it forms the central point among their most crucial decisions on issues related to understanding finance and financial management. The latter provides managers with conceptual and analytical insights into how to arrive at skilful and responsible decisions in financial administration.

Regarding the concept “Finance”, Pandey opined that the term deals with a number of factors affecting a firm or institution. He posed the questions “What are a firm’s activities? How are they related to the firm’s other activities?” (p. 3). Every firm or institution secures whatever capital it needs and employs it in activities which generate returns on invested capital. This occurs within the finance activity of the institution or firm. Almost all activities of institutions

directly or indirectly involve acquisition and use of funds. For example, repairing vehicles and other machinery, rehabilitation of infrastructure, provision of infrastructure to meet changes in population and sustenance of existing laboratories and other infrastructure.

In Fianko's work, *Financial Management* (2009), "Finance is defined as the provision of money at the time when it is required" (p. 2). Every enterprise he admits, irrespective of its size, needs finance to undertake its operations and to achieve its targets. As a result, finance is indispensable in the management of institutions including those of education. Finance has become the life blood of many enterprises and institutions. Thus, Fianko pointed out that, "Without adequate finance, no enterprise can possibly accomplish its objectives" (p. 2).

In Bergeron's (2002) book, *Survivor's Guide to Finance*, "Financial Management ensures that a company uses its resources in the most efficient and effective way, maximizing the income generated business, which ultimately increases the value of a business" (p. 6). Further, "it deals with two things, first, raising funds, and second, buying and utilizing assets in order to earn the highest possible return" (p.6). The definitions above ultimately point to the fact that in financial administration, the administrator has the duty to raise and manage financial resources.

### **Educational Administration and Finance**

In educational circles, Mankoe (2007) described administration as "directing and controlling life in a social organization" (p. 174). The major role of the administrator is to ensure that set goals are realized.

The survival, maintenance and sustenance of organizations, including Senior High Schools, demand an effective control by the leading administrator and his subordinates. The latter is a function which requires the use of human, material and undoubtedly, financial resources. In citing Burke in his work, Mankoe (2007) reveals that "in education administration

practically every educational decision can hamper educational operations in a major way” (p.174).

In its submission, The Encyclopedia Americana (1957) argued that “The area of finance is of such a broad and comprehensive nature that it defies pat and precise definition, but it is not far from the whole truth to characterize finance as the study and practice of providing funds for economic activity” (pp. 212-214). Further, it revealed that the completion of economic and productive activities of individuals, businesses and nations largely require the use of funds.

In his book Ghorman (2010) opined that, “financial administration activities in education is the fusion and integration of some topics in accountancy which constitute financial administration in education” (p. 11). As a result, the direct or indirect management of finance in Senior High schools comprise some financial activities. Among these are annual budget-planning, annual procurement plan, compliance with management and statutory financial accounting instructions, cash management, stores management, regular managerial supervision and control, financial reporting and management of fixed/durable assets or furniture and equipment.

### **Funding of Education in Ghana**

A critical observation of the trend of the funding of education in Ghana which actually traces its roots to the Pre-Western School Education period of the mid-1520’s revealed that in the latter period, funding of education was undertaken by the indigenous and traditional systems available. This was done through skills acquisition, for example, in fishing, drumming and blacksmithing.

The advent of missionaries in the Gold Coast before the 1850’s also saw a trend in which education was solely financed by the various missions that trouped to the shores of the country.

Among these were the Basel Mission (today, known as the Presbyterian Missions) with 154 schools, Wesleyan Methodist missionaries with 100 schools, the Bremen missionaries with 20 schools and the Catholic missionaries with 17 by 1900. It must be noted however, that the Catholic missionaries had their first school as early as 1882.

Funding of education largely became the responsibility of government through the introduction of the 1852 Education Act by the British Colonial government led by Governor Stephen Hill. Subsequent governments continued to fund education through the revised Education Ordinances of 1882, 1887, 1925, the Accelerated Development Plan of 1951 and the Education Act of 1961.

The Educational Reforms of 1987 and the most recent reform of September 2006 also sustained funding of Senior High Schools in Ghana largely by the Central Government. The latter according to Owusu, (1998, p.114) often commits herself through the provision of the following:

1. Payment of salaries of teachers and the non-teaching staff. Central Government's financial provisions are largely made to Public Schools and Government Assisted Schools. The latter were privately established by missionaries and other private owners.
2. Payment of grants for expandable and non-expandable equipment.
3. Payment towards the construction and maintenance of school plant and provision of pavilions in some cases.
4. Subsidization, in some cases, of the feeding cost of pupils.
5. Health maintenance of staff and pupils.

Central Government's funds to schools are normally obtained from grants and the collection of fees paid by students. There are other sources of funding for Senior High Schools. The onus

however, rests largely on the provision of funds by Central Government. Notable among the other sources of school funding are The Parent-Teacher Associations, Traditional Chiefs and people of communities in which schools are located, Continuing Student Associations, Foundations, Charitable Organizations, Corporate Bodies, Old Student Associations and Philanthropists or Individuals.

In its module on Financial Management of schools, The Commonwealth Secretariat observes that, it is necessary for other stake holders in developing countries, such as parents to contribute the financial needs of schools. This is because

...even in countries where governments can afford to provide good buildings, qualified teachers and a wide variety of resources, parents may still wish to contribute money for even more resources, such as transport and computers, and pay for educational visits, because they want their children to enter adult life having obtained the best possible education. In rather crude terms they want to be at the front of the queue for good jobs. p. 112.

Further, the secretariat sees the contribution of parents in school funding among many others as

1. Paying official tuition fees.
2. Paying PTA Dues.
3. Paying a specific fee for a building project such as houses for teachers.
4. Parents may also give their time and skills to a range

- of activities from building work to coaching at sports.
5. Paying teachers for additional lessons and coaching, special duties, general welfare.
  6. Paying for resources, such as textbooks, exercise books and writing materials, school uniforms, desks and chairs, library and sports contributions.
  7. Paying for the children's welfare, such as transport, money, school meals, caution money. p. 113.

In spite of the need for all stakeholders to contribute to the financial needs of Senior High Schools in Ghana, it is important not to assume that all parents are able to make the same contribution, whether financial, in kind or in time, to schools. This is because income levels of workers in both urban and rural areas in Ghana vary considerably.

### **School Budgeting**

The financial administration of Senior High School heads further includes their responsibility for financial analysis, accounting, budgeting and financial reporting. In discussing school budgeting as a very important area of financial administration of school heads, it is important that as financial planners, they have to “draw up a plan for securing and expending the resources.”

Budgeting in a school therefore refers to a process of preparing a statement of the anticipated income and the proposed expenditure. In other words, it is a process for preparing a summary of the programmes of the school reflecting the expected revenues and expenditures.

The stages in drawing a suitable school budget includes identifying and listing activities school heads want to carry out in a school year, listing the resources needed and possible sources

for acquiring them. It further includes, giving an estimated cost of each resource needed, critically studying the available governmental budgetary rules and regulations as a guide for presenting the budget, by listing down the costs of each activity against the expected resources.

The main functions of budgeting can be seen as:

1. Providing an operational cost-time framework for implementing school programmes.
2. Serving as an instrument for delegating authority, since its preparation reveals the particular personnel responsible for specific programmes in a school.
3. Helping school heads to control and evaluate performance.

Every school head at the Senior High School level is the Business Manager responsible for the efficient disbursement of school funds and other available resources. A comprehensive budget therefore, is very instrumental in the successful financial administration of schools.

### **Financial Laws and Regulations in Education**

There are public sector financial laws and regulations regulating the financial administration of educational institutions in Ghana. These laws and regulatory framework are the following:

- i. The constitution of the Republic of Ghana, 1992;  
Article 187(2, 3, 4&5);
- ii. The Financial Administration Act (2003), Act 654(FAA);
- iii. The Financial Administration Regulations (2004) L.I. 102 (FAR);
- iv. The Public Procurement Act (2003), Act 663(PPA);
- v. The Internal Audit Agency Act (2003), Act 658 (IAAA);

- vi. The Audit Service Act (2000) Act584
- vii. Stores Regulations, 1984
- viii. The Ghana Education Service Act;
- ix. Financial and Accounting Instructions (FA)
- x. Financial Directives and Circulars.

Following are the details or exact prescriptions of the above stated financial laws and regulations:

### **1. The Constitution of the Republic of Ghana, 1992.**

**Article 187(2):** Concerning the Audit of Public Accounts, it reveals that the public accounts and all offices including the Courts, Central and Local Government Administration, Boards and Corporations, Universities and Public Institutions shall be audited by the Auditor General or any other person authorized.

**Article 187(3)** is on Access to Records. The Auditor General or any other person authorized shall have access to all the books, records, returns and other documents relating to or relevant to those accounts.

**Article 187(4):** On Approval of the form of account. The Public Accounts of Ghana and of all authorized persons shall be kept in such a form as the Auditor General shall approve.

**Article 187(5):** Time of Reporting to Parliament. The Auditor General shall within six months after the end of the financial year submit audit report to Parliament on: any irregularities in accounts; and Any other mater in his opinion ought to be brought to the notice of Parliament.

### **2. The Financial Administration Act (2003), Act 2003, (FAA)**

- i. regulates the financial management of the public sector;
- prescribes the responsibilities of persons entrusted with financial in Government



- ii. ensures the effective and efficient management of state revenue, expenditure, assets, liabilities;
- iii. deals with the control and management of government revenue and expenditure and stores and provides for accounting and auditing matters, liability, offences, penalties and miscellaneous matters.

### **3. The Financial Administration Regulations, 2004 L.I 1802(FAR).**

The FAR gazetted on 9<sup>th</sup> June 2004, interprets the financial laws (FAA, PPA,IAAA) in more specific details. That is, it gives explanation or establishes the meaning or significance of the Acts.

### **4. The Procurement Act (2003), Act 663 (PPA)**

- i. Regulates public sector procurement.
- ii. Establishes the Public Procurement Authority to oversee public procurement.
- iii. Provides administrative and institutional arrangement for procurement.

### **5. The Internal Audit Agency Act 2003, Act 658 (IAAA)**

To co-ordinate and provide quality assurance for internal audit activities within the public sector.

Main activities include:

- i. To conduct audits in accordance with standards and procedures set by Agency and in accordance with Generally Accepted Principles of Internal Auditing.
- ii. See to maintain experience and competent personnel to ensure effective and efficient auditing.
- iii. The Audit Report Implementation Committee is responsible for the implementation recommendations of internal audit reports.

### **6. Financial Accounting and Instructions (FAI)**

These are accounting instructions or guidelines designed to suit the peculiar operations of the GES. Its details are

- i. Narration on document flow through the accounting system indicating the source and destination.
- ii. Sample forms or formats with details of how to complete them including, eg., Cash Books, Ledgers, SRV, SIV etc.
- iii. Details of operations and controls required for guidance of scheduled officers.

### **7. Financial Directives/Circulars**

The GES, Controller and Accountant-General, Ministry of Education, Ministry of Finance and the District Assemblies periodically issue official financial directives and circulars for compliance to accommodate changes in fiscal policy arising out of corresponding changes in policy goals.

### **8. Institutional Accounting Policies and Universally Accepted Principles and Practices**

Compliance with the latter is essential to good management of institutions. The GES financial statements are prepared mainly on a modified cash basis, meaning:

- i. The institution reports revenues in the period in which they are received in cash.
- ii. Expenditures are recognized when goods and services are received and paid for.
- iii. Payments for fixed assets acquired are written off in the accounting year of acquisition.
- iv. The accounts are recorded on historic cost basis without any provision for depreciation of fixed assets.

The above mentioned Financial Acts and Regulations repealed the Financial Administration Decree, 1979, SMCD.221 (FAD) and the Financial Administration Regulations, 1979, L.I 1, 2, 3, 4(FAR).

The financial laws and regulations are aimed at directing, guiding and controlling the financial administration and management of all institutions, including educational institutions, to enable school heads become transparent and accountable to the people of Ghana. In effect, Ghorman (2010) argues that, “it is the responsibility of the head to ensure that the institutions operations are conducted in accordance with existing laws, regulations and instructions.”

### **Some Problems in Financial Management of Second Cycle Educational Institutions**

Notwithstanding the numerous challenges in the sources of funding in Senior High Schools in Ghana especially, in the schools of concern in this work, there are real problems encountered by heads who are the managers of school administration. With a common saying that “to err is human, and forgiveness is divine,” the problems associated with financial management of schools range from uncontrollable and unforeseen difficulties to perhaps, those caused by mere human error because of the use of unskilled personnel in the handling of accounting related issues.

In the Ghana Education Service’s notes on Financial Management, it is stated that,

Managing funds is one of the major tasks of a school head.

The success of any school programme depends very much on the way the financial inputs are managed and this, in turn, affects the overall performance of each school. It is therefore important that all school heads have a sufficient knowledge

of finance to be able to be effective financial managers.

However, financial management is one of the arrears where many practicing heads have had neither pre-service, nor in-service training prior to their appointment, and this has contributed to the failures of many schools.

The smooth administration of every school head certainly lies in his/her ability to direct and control life in the school. Management of schools also, involves the coordination and controlling of funds, facilities, equipment, personnel and time. As a result, improper planning of financial issues leads to many problems for school heads. Every school head must ensure that budgets are prepared for every academic year. Budget which is also a profit plan is defined by Pandey as “an action plan to guide managers in achieving the objectives of a firm.” p. 160. For the purposes of education, Musaaazi (1982) defines budget as “a financial plan through which educational objectives are implemented and translated into reality. It is a reflection of past performance, including both successes and failures.” (p. 210).

From the above, a budget is therefore, a comprehensive and coordinate plan expressed in financial terms for the operation of an enterprise for some specific period in the future. It contains estimated income and estimated expenditure.

In the view of oral literature, based on a thorough interaction with most heads of the Senior High Schools being consideration in this study, it has been observed that a problem encountered by school heads in budget preparation is the hasty preparation of budgets, leading to improper projections. The preparation of budget takes time and involves a clear working out of all estimated revenue and expenditure. Other problems related with school budgets are virement

of funds, misapplication and misappropriation of funds for a specific budget after the approval of budgets.

Lack of managerial or administrative training for personnel appointed to the position of school head is also a problem. Unfortunately, the Ghana Education Service relies mostly on ranks or grades and basic academic and professional degrees or qualification of its members and through periodic interviews to appoint school heads. The latter albeit, are given some orientation before assuming their new roles of headship, often lack the sufficient managerial or administrative knowledge, obtained from specific courses offered by universities, for efficient and effective administrative roles.

Undoubtedly, many newly appointed school heads learn their roles on the job. Some rely on the advice of their friends and acquaintances who are already managing schools. Others too, acquire the needed experience without the required knowledge only with time.

The engagement of the services of unskilled personnel in the accounting offices of many schools is also a problem to reckon with. Misappropriation of school funds for personal reasons and gain is an ethical problem encountered by some school heads. Here, the low salaries and allowances paid to the heads for their services could be a major cause.

The collection of school fees also certainly poses a problem in the financial management of schools by heads. Many schools struggle to collect fees, leading to their difficulty of undertaking successfully, activities including teaching and learning during school terms. Although the Ghana Education Service encourages school administrators to ensure that all fees are collected, problems related with the collection still abound. The late release of government subsidies such as scholarship grants, grants for maintenance and development, sports and other

school activities to supplement fees and internally generated funds is also a major component of the financial difficulties school heads contend with.

### **Summary**

Literature Review which deals with existing information on any valuable and feasible topic for research, is the concern of this chapter. I have pointed out that financial administration is an institutional function of managers including school heads.

All the definitions on finance and its management reveal that it is an obligatory managerial activity of all managers of financial resources. The latter must be managed in an efficient and effective way to achieve institutional goals including those for Senior High Schools.

In educational administration, school heads must ensure that they draw annual budgets, procurement plans and must undertake other financial activities in accordance with existing financial laws and instructions for schools and colleges in Ghana. This among other things makes the work of school heads as financial administrators challenging.

Further, I have argued that the financing of education in Ghana is an indispensable responsibility of government. It has a long history as far back as the 1520's when education was funded by indigenous and traditional systems. The Western missionaries who came to the Gold Coast in the 1850's also financed education. Currently, there are several donor agencies and individuals who are also contributing to the funding of education in Ghana.

The above notwithstanding, school heads of Senior High Schools in Ghana, especially, those in the four Kwahu educational districts are experiencing several challenges. Among these are their ability to manage the meagre financial resources at their disposal, preparation of

budgets in time for approval and insufficient professional training prior to their appointment as school heads.

## **CHAPTER THREE**

### **METHODOLOGY**

The focus of this chapter is to present all relevant issues on the methodology being employed in this work. The purpose of study was to find out the financial challenges facing school heads in the four Kwahu educational districts in their work as Senior High School administrators. It was to also seek the various means or measures employed to ensure an efficient and effective management of all financial resources. To achieve these, this section describes the research design, population of the study, sample and sampling procedure, research instruments, data collection and data analysis procedure.

### **Research Design**

With a critical consideration of the topic of research which is, Challenges in Financial Administration of Senior High School Heads in the Kwahu Educational Districts of Ghana, the research design employed is a descriptive survey design to achieve the purpose of study. This is the survey that deals with observation or study of the actions of the people at the centre of research work. It is to observe what they do and why they employ the means they use. The descriptive survey is very appropriate for this work because it would enable me know the reasons underlying the financial challenges of school heads and the measures they adopt to attempt to solve them. With reference to Avoke (2005), Descriptive Survey is grounded in the experiences of the individual. He argues that “these are designed to portray accurately the characteristics of particular individuals, situations or groups.” p. 89.

My interest in this study is to establish through the administration of ten open-ended questions to the headmasters and headmistresses of this study the real financial challenges confronting them, challenges that might arise from their own negligence and unintentional actions and challenges emanating from institutional or systemic difficulties such as the employment of incompetent financial administrators, late release of government subsidies, etc..



By employing descriptive survey, the school heads would be able to describe in detail the actual difficulties confronting their work as financial administrators of their respective schools. Notwithstanding their ability to examine closely questions posed to them, some heads are likely to have doubts regarding the exact purpose of the questions.

An advantage of using the descriptive survey is that, it allows me to study the phenomenon, that is, the responses of the school heads on financial administration without manipulating them. In effect, I would simply report their answers to my questionnaire and interviews.

Nevertheless, a disadvantage with the descriptive survey is that, it may deny me the opportunity of getting authentic responses to my questionnaire and interviews. The respondents are likely to give me favourable answers only and these would not reflect the truth about the questions and interviews.

### **Population**

In their view, Ofori and Dampson (2011), describe population in research as “basically, the universe of units from which the sample is to be selected” pp. 19 Population in effect, refers to the entire aggregate of cases that meet a designated set of criteria. Thus, considering the relevance of financial administration in institutions in general and in the management of Senior High Schools in particular, it would have been my preference to do a detailed and extensive study of most Senior High Schools in Ghana. Nevertheless, the population of this study was limited to headmasters and headmistresses of the thirteen (13) Senior High Schools found in the four educational districts of the Kwahu Traditional area in the Eastern Region of Ghana. These school heads are capable of providing the needed information I am desiring in this study. In

addition, although the heads are only thirteen, the geographical location of the schools in which they work is so extensive that it covers a big part of the Eastern Region. Extending the research beyond them would create many problems such as devoting much time to travelling around the region spending too much money outside my limited budget thus, disrupting the collection of data and other unforeseen problems.

The school heads were purposively selected. This is because they have all been managing schools for more than five years. Their experience in the administration of the Senior High Schools they are managing puts them in a good position to provide suitable responses to the questions of this research work.

The school heads who are the target population are working in four districts, namely, Kwahu-North, Kwahu-South, Kwahu-East and Kwahu-West. Many of the schools are found in the Kwahu-East and Kwahu-South districts. Four of the schools are public, founded by the government and the remaining eight (8) schools are Mission schools founded by the Presbyterian and Roman Catholic Churches. Further, with the exception of St. Peter's Senior High School, Nkwatia, which is a single-sex and boys school, all the others are mixed schools.

The school heads operate in the following schools:

#### **Kwahu-North**

1. Donkorkrom Agricultural Senior High School, Donkorkrom- Government and Mixed.
2. St. Fidelis Senior High School, Tease-Catholic Mission and Mixed.

#### **Kwahu-South**

1. Mpraeso Senior High School-Government and Mixed.
2. Kwahu Ridge Senior High School, Obo-Government and Mixed.

3. Bepong Senior High School-Government and Mixed.
4. St. Paul Senior High School, Asakraka-Catholic Mission and Mixed.

#### **Kwahu-East**

1. St. Peter's Senior High School, Nkwatia-Catholic Mission and Single-Sexed.
2. Nkwatia Senior High School, Nkwatia-Government and Mixed.
3. Presbyterian Senior High School, Abetifi- Presbyterian and Mixed.
4. St. Dominic Senior High School, Pepease, Catholic and Mixed.
5. Presbyterian Senior High School, Kwahu-Tafo- Presbyterian and Mixed.

#### **Kwahu-West**

1. Nkawkaw Senior High School-Government and Mixed.
2. St. Michael Senior High School, Akoase-Catholic Mission and Mixed.

All the Senior High Schools including those founded by the Catholic and Presbyterian Missions, where the school heads are the financial administrators, enjoy some funding from the Ghana government. The Mission schools enjoy funding from government because they are in partnership with the latter in the provision of education to the Ghanaian child.

The population comprises thirteen school heads of the selected Senior High Schools. It is my hope that the specificity of knowledge and long experience of the school heads as financial administrators would lead to appropriate responses on the topic for a balanced sampling.

#### **Sample and Sampling Procedure**

To undertake a good study, all the school heads of the private, public and mission but government assisted schools were chosen. Again, the selection was purposive. According to Ofori and Dampson (2011), Purposive Sampling is one in which “the researcher makes

judgments about typicality or interest” pp. 22. The school heads were therefore chosen because of their deep knowledge and experience in the administration of Senior High Schools. Considering the fact that the Ghana Education Service (G.E.S.) appoints only qualified and deserving personnel among its membership to head schools, the heads being studied are up to the task. With the exception of one school head who had been headmaster for only two years, all the others had been managing schools for a minimum of five years. Each school head was involved in the study.

The Eastern Region within which the Kwahu Educational Districts exist has so many schools. Nevertheless, I intentionally selected my population from a particular district, in order to achieve the purpose of study of my research. These school heads undoubtedly represent the many school heads of the region. All school heads in the Eastern Region cannot be studied because their large numbers.

### **Instruments**

Regarding the instruments for collecting data, I distributed questionnaire and had some interview with the thirteen school heads of this study. Regarding the questions posed to the school heads, questions one to six were questions on the definition of financial administration, its main challenges in Senior High Schools, causes of the financial challenges, establishment of procurement committees as proposed by law by the Ghana Government and undertaking periodic evaluation of schools’ income and expenditure. The remaining four questions which were also on financial administration probed the modalities employed for a successful financial evaluation, the financial contribution of the Parent Teacher Association (PTA) to the schools of study and the other sources of funding available to school heads respectively.

As explained above, since all ten questions were open-ended in nature, there were no alternative answers provided to the heads. The latter were also given the free hand to provide answers according to their understanding of the questions as a way of helping them to really revise their notes on Financial Administration of Senior High Schools in Ghana.

According to Kerlinger (1973), questionnaire is often used for gathering data in educational research. This is because, it is effective for securing factual information about practices and conditions for enquiring into opinion and attitude of the subject. Questionnaires generally aid researchers in collecting valid and reliable data quickly.

### **Pilot-Testing of Instruments**

To embark on the distribution of questionnaire, I first did a pilot testing of five school heads of other Senior High Schools in the Koforidua Municipality. They were the headmasters of Pope John Senior High School, Koforidua Senior High and Technical School, Ghana Secondary School, Oyoko Senior High School and New Juaben Senior High School. They were selected at random and they were given the same research questions on financial administration which I had for the target group of school heads.

The research instruments were administered to five Senior High School heads in the Koforidua municipality. They were tasked to read through the questionnaires for their comments in order to ensure validity of the open-ended questions constructed. It was also to enable me know if the research questions on financial administration were comprehensible, intelligible and viable for the study. It was further, to enable me review the ten open-ended questions for the target population or respondents for appropriate answers.

The responses from the five randomly selected school heads that is, the heads of Pope John Senior High School, Koforidua Senior High and Technical School, Ghana Secondary

School, Oyoko Senior High School and New Juaben Senior High School for the pilot-testing revealed that financial administration was understood by many school heads as an essential part of their roles as managers of a school's financial resources. The responses of the school heads enabled me to eliminate all irrelevant and inaccurate items. They also enabled me to inculcate into the study their useful suggestions.

### **Data Collection Procedure**

Interviews were first carried out in an informal way to gather data on how school heads were managing their schools financially. The school heads were visited and questioned generally on their perception of financial administration. This was followed with the distribution of questionnaires to the school heads of this study. They were given questionnaires to complete at their convenience but within the period of one month. They were reminded after two weeks about the need to complete the questionnaires within one month.

To ensure that a serious work was executed in this research, exactly after one month a follow up was made to collect the questionnaire distributed to the Thirteen (13) Senior High School Heads in the four (4) Kwahu Educational Districts. Although a period of one month was given for the collection of responses, actual pursuit of the latter was in the first week of November 2010. The first attempt to collect responses by the researcher himself yielded only four completed answers. The remaining headmasters and headmistresses for reasons such as insufficient time on their side, engagement in several conferences and attendance at sudden meetings prevented them from completing their responses on schedule. This problem was encountered because of the nature of the instrument used. The open-ended questionnaires made a serious demand on the heads to reflect deeply and to apportion time to answer the questions.

A second attempt in the second week of December 2010 resulted in the collection of seven (7) additional responses. I can therefore claim that although with difficulty, there were additional responses from the school heads indicating a rise from the initial four responses to eleven (11). Later, a response was received from one school head. The last school head also gave a response. Considering the final responses, all thirteen (13) headmasters and headmistresses gave a feedback. In effect, there was cooperation from all school head respondents. With thirteen (13) responses finally received, the percentage response was 100%. Generally, the aim of administering questionnaires for the study was rewarding. They were administered in order to obtain valid basis for the study.

### **Data Analysis Procedure**

As stated in the aforementioned discussion, the gathering of data was by means of a questionnaire. The questionnaire contained only open-ended questions to the Senior High School heads of this study. The open-ended type of questions were administered for the purpose of obtaining concrete responses that would depict the actual financial challenges confronting them.

From the above, the detailed analysis of data which would be spelt out in the fourth chapter of this work would be determined by means of scores based on percentages. Issues such as the background or type of schools being headed, number of years one has been heading a school, training and knowledge in financial administration before ascending the position of a school head would be outlined. In addition, prior knowledge acquired in financial administration and procurement laws for schools and colleges, causes of financial challenges, periodic evaluation of income and expenditure, PTA contributions, Ghana government's contributions to Senior High Schools and other sources of funding would be analyzed and scored.

The presentation in the next chapter in effect, would also discuss the implications of all the responses received from the school heads. This would be done to reflect the actual thoughts and feelings of the school heads as financial managers of their schools. In effect, the major items were tabulated and frequency distribution tables were drawn to present the results accordingly.

## **CHAPTER FOUR**

### **RESULTS AND DISCUSSION**

The modus operandi of this research paper is to find out how Senior High Schools in Ghana, especially those located in the four educational districts of the Kwahu Traditional area namely, Kwahu-North, Kwahu-South, Kwahu-East and Kwahu-West, are funded and managed financially by the school heads. Very often reactions of school heads and other educational workers in the Ghana Education Service (G.E.S.) to the annual budget allocation for the educational sector in Ghana whenever the Minister of Finance reads his annual budget in Parliament is often negative. That is to say, educational workers in general have been dissatisfied with government spending on education.

Nonetheless, funding of schools whether private or public has been going on in Ghana since the introduction of education into the country. Management of financial resources by school heads has also been a regular sustained practice for many years. The administration of this questionnaire to school heads of this study was to obtain their thoughts and reactions on the challenges of managing the financial resources of Senior High Schools. This chapter therefore deals with the presentation of data findings and data analysis. There would also be a comprehensive discussion of the results to reflect the challenges to the school heads.



Table depicts the responses and exact views of the school heads on financial administration and its inherent challenges.

**Table 1**

**Definition of Financial Administration**

<b>Responses</b>	<b>Frequency</b>	<b>Percentages (%)</b>
Management of Financial Resources for the benefit of a School	8	62
Insufficient Knowledge	2	15
No Response	2	15
Other	1	8
<b>Total</b>	<b>13</b>	<b>100</b>

Table 1 presents the response from eleven (11) school head respondents who returned their questionnaire. Regarding the correct definition of the term Financial Administration as the management of financial resources for the benefit of schools, eight school heads representing 62% of total respondents identified with the definition. Their correct interpretation revealed knowledge of the financial rules and regulations of the Ghana Education Service for the management of schools and colleges. Two respondents representing 15% demonstrated insufficient knowledge of the concept in question. This is certainly an indication that these heads would be struggling with the financial management of their schools. Two (2) school heads representing 15% gave no responses. They also did not attach any valid reasons for their decision. One of them is the headmistress of the only private school in this study. A school head strongly reacted negatively to the whole exercise. He argued that there was no direct permission

from the Director General of the Ghana Education Service. Several efforts to convince him that the exercise was being undertaken with the approval of the District Director of Education, the immediate representative of the Director General, proved futile. As a result, he categorically refused to give any answers to all the questions. He represents 8% of the respondents.

Tale 2 points to the main or major financial challenges confronting school heads in their administration.

**Table 2**

**Main Financial Challenges Facing Senior High School Heads in Financial Administration**

<b>Responses</b>	<b>(Frequency)</b>	<b>Percentages(%)</b>
Non-Payment of fees and poverty of Parents	12	92
High Commodity Prices	0	0
Other Reasons	1	8
<b>Total</b>	<b>13</b>	<b>100</b>

A critical look at Table 2 leads one to an interesting observation. An absolute majority of school heads opined that they really encounter financial challenges in their administration as school heads. These represent 92% of the total respondents. Although the details of the challenges would be presented in the discussion of the results or findings, it concerns the non-payment of school fees and poverty of parents. No school head indicated high commodity prices as his or her major challenge. One headmaster gave no response since he and his principal accountant had doubts about the purpose of the whole study.

The next table reveals the reasons which lead to the experience of financial challenges or problems by school heads.

**Table 3**

**Causes of Financial Challenges for School Heads**

<b>Responses</b>	<b>(Frequency)</b>	<b>Percentages (%)</b>
Poverty	2	15
Non-Payment of fees and late Release of government grants	7	54
Incompetent Accounting Staff	1	8
Insufficient Training of Heads in Financial Administration	2	15
No Response	1	8
<b>Total</b>	<b>13</b>	<b>100</b>

In Table 3, a simple majority of the respondents, that is, seven (7) school heads representing 54% revealed that the challenges they encounter in financial administration are caused by problems associated with non-payment of school fees and late release of government grants or subsidies to schools during each school term. A total of 15% of respondents attributed the cause of their financial challenges to insufficient training of school heads in financial administration. This indicates that some school heads learn financial administration only on the job. Monitoring and control of finances would therefore be very difficult for the heads. Until they become acquainted with the rules and regulations guarding financial administration, such school heads may rely only on their accounting staff. Problems would definitely arise. According to 15% of the total respondents, the low income, that is, poverty level of a significant number of parents of their

students prevented them from collecting seventy percent (70%) of school fees each term, hence their financial challenges.

A total of 8% of respondents made reference to incompetent accounting staff as the major cause of their financial challenges. In the latter situation, administration of school funds would definitely become a problem for school heads. One school head representing 8% verbally reacted to the exercise and so gave no answer to the question.

The concern of the next table is the way or manner in which procurement is carried out in schools.

**Table 4**

**How Procurement is Executed in the Schools of the Heads**

<b>Responses</b>	<b>(Frequency)</b>	<b>Percentages (%)</b>
Procurement Committee	10	77
School Head and Principal		
Accountant Only	0	0
School Head, Principal Accountant and Matrons	2	15
School Head Only	1	8

Total	13	100
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As shown in Table 4, the majority of school head respondents totaling 77%, demonstrated that all procurement is done through a tendering process by procurement committees in their schools. The latter includes the head of the private school. Some school heads totaling 15% of respondents nevertheless, argued that procurement committees in their schools are drawn into procurement only when they are needed. As a result, procurement is done by the school heads, principal accountants and matrons. Here, the problem of these heads not respecting the procurement law of government is seen. One school head representing 8% gave no response for doubting the rationale behind the study. There was no indication from the analysis that any school head single handedly did purchases alone.

Procurement Committees are mandatory in schools. This table therefore examines their existence in the schools of this study.

**Table 5**

**Existence of Procurement Committees in schools**

<b>Responses</b>	<b>(Frequency)</b>	<b>Percentages (%)</b>
Assist Administration to do		
Procurement	12	92
No Role	0	0
Other Reasons	1	8
Total	13	100

As demonstrated in Table 5, an absolute majority of school heads including one from a private school indicated that they have Procurement Committees in their schools and their main role was to assist them to do procurement. The discussion of this finding later, would show whether they are functioning in accordance with the laid down procurement laws or not. One school head as was seen in the preceding tables refused to give an answer to the question. He represents 8% of the total respondents.

Auditing and Control are necessary in the efficient management of financial resources of schools. The following table examines the responsibility of school heads in ensuring that they evaluate their income and expenditure periodically.

**Table 6**

**Periodic Evaluation of Income and Expenditure of Schools**

<b>Responses</b>	<b>(Frequency)</b>	<b>Percentages (%)</b>
Periodically	12	92
No Evaluation	0	0
Other Reasons	1	8
<b>Total</b>	<b>13</b>	<b>100</b>

Table 6 shows the mode and need for periodic evaluation of income and expenditure of Senior High Schools in Ghana, especially in the Kwahu educational districts, to facilitate the administration of financial resources. It points out that 12 school heads do undertake the needed evaluation periodically. These represent 92% of total respondents. If a large number of school

heads as recorded above are really aware of the task and need of evaluating their income and expenditure regularly, then I find it strange that they are unable as a body to pressure and convince government about their genuine financial difficulties such as the late release of government grants which has a negative effect on their work as financial administrators. Again, one school head declined to answer the question posed to him. He represents 8% of respondents.

The success of every school head is largely determined by his efficient management of financial resources. This table presents some of the means employed by school heads for a smooth financial administration.

**Table 7**

**Modalities Employed to Achieve a Successful Financial Evaluation in the Schools**

<b>Responses</b>	<b>(Frequency)</b>	<b>Percentages (%)</b>
Internal Auditing	8	62
Spending within school Budget	4	30
Reliance on Accounting Staff	-	-
Other Reasons	1	8
Total	1	100

Concerning the modalities employed for a successful financial evaluation, Table 7 shows that eight school heads representing 62% of total respondents stated that they use the available internal auditing system to do their evaluation. Four school heads who represent 30% of the respondents emphasized that efforts to disburse available funds in consonance with the school budget was their method of undertaking a good evaluation. While no school head depended on

their accounting staff as a major means of evaluation, one school head refused to comment on the topic. He represents 8% of the respondents. An analysis on the above would reveal that the employment of multiple means of evaluation is definitely a more reliable way of achieving a successful financial evaluation of any school's financial resources.

Considering the non-industrialized nature of Ghana, financing of education cannot be the sole responsibility of government. The table therefore examines the contribution of the Parent Teacher Associations.

**Table 8**

**Financial Contribution of PTA's to Schools**

<b>Responses</b>	<b>(Frequency)</b>	<b>Percentages (%)</b>
Incentives to Staff	1	8
Provision of Cash to School	3	22
Funding of Projects	8	62
Other Reasons	1	8
<b>Total</b>	<b>13</b>	<b>100</b>

As Table 8 shows, contributions of Parent Teacher Associations (PTA'S) to Senior High Schools in Ghana is paramount to the smooth financial administration of many school heads. A school head depicting 8% of total respondents identified PTA help with the provision of incentives mainly in the form of cash and material gifts to the teaching and non-teaching staff of his school. Three school heads opined that PTA financial support is in the direct provision of physical cash to their schools. The latter is for payment of salaries of additional staff recruited to work in their schools. Although the services of additional staff are crucial for the smooth-running of many



schools in Ghana, problems associated with employment of new staff are serious. These school heads represent 22% of the total respondents to the question posed.

Further, eight school heads indicating 62% of total respondents in Table 8, acknowledged PTA support in the provision of infrastructural projects to supplement those provided by government and other stake holders, such as missionaries and local communities who also founded good Senior High Schools in Ghana.

The government of Ghana undoubtedly owes a big responsibility to its citizens in the provision of education. The table presents some ways in which government helps in this vein.

**Table 9**

**Financial Commitment of Government to Schools**

<b>Responses</b>	<b>(Frequency)</b>	<b>Percentages (%)</b>
Provision of Infrastructure and Grants/Subsidies	11	84
No Financial Commitment	1	8
No Response	1	8
<b>Total</b>	<b>13</b>	<b>100</b>

Table 9 portrays the financial contribution of the Ghana government to the Senior High Schools of this study in Ghana. The absolute majority of school head respondents, who are 11 in number and representing 84%, acknowledged the support of government in the provision of infrastructure and grants or subsidies. The details of the contribution would be revealed in the discussion later. It is however important to note that government support to education in developing countries like Ghana is indispensable. This would encourage the efforts of honest and

transparent school heads in their financial administration. The head of the only private school of this study acknowledged no support from government. One school head again declined to give an answer because he does not trust the objective of this study.

Considering the numerous responsibilities of government in the provision of majority of needed resources to its citizens, financing of education, calls for partnership from donors. The table therefore examines the other sources of funding available to school heads.

**Table 10**  
**Other Sources of Funding in Senior High Schools**

<b>Responses</b>	<b>(Frequency)</b>	<b>Percentages (%)</b>
Community Help	2	15
Donor Agencies	8	61
Internally Generated Funds (IGF)	1	8
Other	1	8
No Response	1	8
<b>Total</b>	<b>13</b>	<b>100</b>

As Table 10 demonstrates the other sources of funding for many school heads and their respective schools are clearly seen. The majority of school heads representing 61% referred to Donor Agencies as their main other sources of funding. Two school heads who represent 15% of the total respondents indicated that the local communities in which their schools are located are their other source of funding. One school head referred to Internally Generated Funds (IGF) as his main other source of funding. He represents 8% of the respondents. Similarly, another school head argued that other sources of funding do not exist in his school. He relies only on the

formally available means of obtaining funds for schools as laid down by government, namely the collection of school fees and government grants. He represents 8% of all respondents. There was no response from the headmaster who still had doubts about the study. He depicts 8% of the school head respondents.

One can discern from the above presentation that funding of education in Ghana cannot be the sole responsibility of government. Although insignificant, efforts to generate funds (IGF) from within the Senior High Schools are an important responsibility of every school head. It should be noted however that other sources of funding could be internally or externally generated.

### **Discussion of Results**

Having concluded the presentation and analysis of data, it is now appropriate to discuss or examine critically the results or views of the Senior High School heads who are the direct financial administrators of their respective schools. The preceding presentation portrayed financial administration of school heads as an indispensable part of any efficient and effective management of all Senior High Schools whether public or mission founded in Ghana. The Literature Review of this study also revealed that financial administration deals with the correct management of financial resources in schools to enable the school head achieve educational goals of enhancing teaching and learning. Without funds, school heads would surely encounter the difficulty of managing all the other resources namely, time, material or physical plants and

human input. Financial resources are central to any school administration. It has been observed in this research that the funding of education of Senior High Schools in Ghana is not a recent phenomenon. Its origin can be traced to the introduction of formal education in its colonial history.

I have further observed that, although Ghana is still categorized as a developing country, funding of education had never been the preserve of government alone. All those who form part of the general group of stake holders of Senior High Schools, for example missionaries who started mission schools, chiefs and their subjects who built community schools, philanthropists both local and foreign, donor agencies and today, parent-teacher associations all form a crucial part of financing Senior High School education in Ghana.

The above notion notwithstanding, the financial administration of Senior High Schools has been fraught with several financial challenges thus leading school heads to introduce mid-term breaks and other measures to ease the burden on them. Although financial administration is a common responsibility of all school heads, the results of this study reveal varying views that could enrich any recommendations on how to improve upon the administration of funds efficiently and effectively.

The majority of school heads who demonstrated enough knowledge of the concept “Financial Administration” stated that they obtained it from in-service orientation courses given to them upon their first appointment. Periodic revision of their notes on the topic as well as sharing of ideas with colleague school heads and principal accountants are other sources of knowledge. Participation in in-service programmes organized by the Ghana Education Service and other consultancy firms on financial administration could also be exploited by the school heads for more knowledge.

A few of the school heads with sufficient knowledge on financial administration indicated that they did further studies in Educational Administration at the University of Cape Coast and the College of Education at Winneba. They highly appreciated the importance of the studies as being indispensable to any good financial administrator. Although the latter training is theoretical knowledge acquired, it is at the foundation of any good practice of financial administration. It enhances learning on the job which is the experience of majority of school heads on assumption of work as heads of Senior High Schools.

The following submissions by the school heads define financial administration as dealing with the collection and expending of revenue in line with government regulations as well as the control and use of money that flows into the school for use by school authorities. It is the art or theory of mobilizing resources and its application to the well-being of an organization. Further, that it is the prudent expenditure of funds by school management and involves all activities undertaken to obtain the needed resources for the day to day business of schools as well as the judicious disbursement of these resources. These are an indication that the majority of school heads of this study have a clear idea about their roles and responsibilities as financial administrators. This knowledge, however, ought to be translated into actual practice on daily basis for a more efficient and effective management of all financial resources of Senior High Schools.

In spite of the majority of school heads demonstrating good knowledge of financial administration, answers such as "...that it is the search for money, it is executing your position as a school head, you need permission before I and my bursar can give you any information," leaves much to be desired about the appointment of school heads on the basis of long service in the Ghana Education Service and some practical knowledge.

Two school heads who expressed insufficient knowledge in financial administration attributed the source of what they know to frequent interaction with colleague school heads and in-service training sessions organized by the Ghana Education Service.

On the search for the main financial challenges confronting school heads, the study revealed that an absolute majority of heads, that is 92% of total respondents, acknowledged the existence of a myriad of problems. Some of the challenges are: (a) schools in deprived areas and who have a low enrolment do not receive high subvention from the Ghana government. (b) Parents also do not pay school fees of their wards early enough for the school heads to expend their budgets. (c) Some parents are unable to pay fees no matter how low they may be or even if their wards are registered as day students. This is because their livelihood is dependent on hunting, fishing and farming which they undertake on a small scale. (d) The Ghana Commercial Bank which is the only bank schools are to do business with, delays payments of school fees made in bankers draft into the accounts of many schools for their disbursement by school heads.

Another challenge that some school heads encounter is the problem of uneducated parents from poor communities not seeing any value in the education of their children, hence they do not invest in their children's education with their meager financial resources. Children of such parents begin school only to be abandoned later by them. They therefore build huge debts by not paying school fees.

Further arguments on the main financial challenges experienced by school heads are the non-registration of commercial enterprises with the Value Added Tax (VAT) offices. Hence, some shop owners refuse to pay compulsory Withholding Tax of 5% to government as required by law. Although commodity prices in such enterprises are reasonably moderate, school heads

who do business with them could definitely be charged by government officials or auditors for tax evasion.

Furthermore, some school heads complained about their inability to purchase their food supplies directly from farms. They are also denied the opportunity of dealing with manufacturers of other supplies they need to reduce expenditure. This is because the Public Procurement Authority laws require all schools to do all financial transactions as required by law to ensure transparency, accountability and the judicious use of public funds. Although it is important for government to put in measures to control all funds it provides to schools, it reneges on its duty of paying financial administrators well to eliminate any form of corruption. Procurement Laws alone cannot be a good check on any financial administrator of government funds.

Inadequate, unqualified and unreliable administrative staff to monitor income and expenditure of all school funds was also identified as a major challenge in financial administration. A school head narrated an unfortunate incident he suffered from one of his accountants. Apparently, he panicked and became overly nervous as a result of his accountant quietly putting away part of money he had already counted with two of his teachers to reduce the cash balance. In relation to the latter, the researcher observed that a person's worth in Ghana today, is often measured by the material possessions one has instead of one's integrity. This has led to the desire to amass wealth quickly and corruption among handlers of funds in any institution in Ghana.

Inadequate feeding grants and the late release of these grants by government is also a major hurdle school heads must surmount in financial administration. Ghana from all indications does not have a strict price control system to sustain her economy. One therefore finds a sudden increase in the price of goods and services on daily basis without the corresponding adjustment

in school fees. The latter prevents majority of school heads from obtaining quality supplies and services at moderate prices.

Other causes of financial challenges for Senior High School heads are (a) the inability to generate funds internally (IGF) to supplement their income (b) the absence of agricultural programmes that could challenge and encourage many schools to go into farming or other agriculture related ventures such as animal husbandry to support schools. There are also instances of personal deals being made in the acquisition of supplies and services for example, over-invoicing of the price of supplies, the failure of school heads and their principal accountants to inspect and conclude all financial transactions daily and the running of many schools on a high deficit budget. The latter creates the unfortunate problem of school heads having to delay payments to suppliers and other creditors. Thus these same creditors also overprice their goods and services.

Concerning the execution of procurement and the existence of procurement committees in schools, the majority of school heads denoting 92% of total respondents intimated that they have the committees in existence. They also hinted that most purchases are done through a tendering process by their procurement committees. The composition of the latter committee in three schools included students. For the majority however, the composition of members are made up of representatives of all stakeholders of the schools of this study. There were situations whereby school heads relied on long term suppliers because they often allowed them to obtain supplies on credit. The result is that creditors overprice their goods and services because delayed payments reduce the value of monies owed to them due to inflation.

Many school heads argued that while the Public Procurement Agency may be a good check on their disbursement of government funds, its laws prevent them from obtaining many of



their needed supplies from wholesale points. They are therefore compelled to do business with retailers whose goods and services are often very expensive and inimical to sincere financial transactions.

Regarding the evaluation of income and expenditure, I observed that a majority of school head respondents had been responsible in doing evaluation. This is indispensable to any institution whose activities have something to do with the handling of financial resources. The mode of executing this, however, varied from school head to school head.

As required by the Ghana Education Services' regulations on financial administration, each financial administrator, in effect, the school head is to ensure that a monthly trial balance is prepared to reflect a school's income and expenditure. Although it is an important exercise that is known to the school heads, several principal accountants do not carry it out because it is tedious. The inadequate accounting staff most of whom do not possess the needed qualification, is also part of the above problem.

Some school heads ensured that their accounting staff made a quarterly financial report to reflect income and expenditure in their schools. For many, however, these reports are not executed properly. There were school heads who hinted that they often depended on auditors to assess their financial accounting books as a means of financial evaluation.

From the aforementioned means employed by the school heads of this study to ensure that they carry out a successful evaluation of their finances, the researcher observed that the preparation of the monthly trial balance was not intensive and not strictly prepared and monitored properly by the authorities concerned.

I further observed that many schools are really struggling with qualified personnel for their accounting departments. Although school heads genuinely revealed that they need such

personnel, their efforts to secure them through the employment procedure of the Ghana Education Service, hardly yields any positive results. They struggle with the bureaucratic process of recruitment and very often bribes are demanded from them by recruiting personnel.

I furthermore discovered that the preparation of budgets to guide school heads in the disbursement of funds each term was mentioned only briefly by a few school heads as an important means to ensure strict control of their finances. The strict issuance and collection of receipts for all financial transactions, reconciliation of financial records of school heads with those kept by principal accountants, a weekly meeting of a committee to review and plan food menus and a weekly reconciliation of bank statements are all important means of control for any financial administrator.

On the financial contribution of the Parent Teacher Associations (PTA's) to Senior High Schools of this study, majority of school heads opined that it is an invaluable contribution that supplements all their income. These form 54% of total respondents. In their view, PTA's are an integral part of every school's financial administration today. Thus, apart from the approved levies by government with approval from the Ghana Education Service, schools collect levies on behalf of PTA's. For some of the heads, the PTA serves as the main back bone in the provision of external funding for infrastructure such as classroom blocks, dormitories, staff bungalows and other crucial infrastructure.

PTA's recently started paying electricity bills, a service for schools which government withdrew in 2010. In some schools, PTA's are also responsible for motivating staff periodically to retain them and payment of allowances to additional hands employed by the school prior to their permanent employment by government. The recruitment of additional staff without government approval was necessitated by the imposition of students on schools through the

newly introduced Computerized Schools Selection Placement System (CSSPS) which seriously ignores the availability of sufficient infrastructure and staff.

One school head reported that PTA help in his school is exemplified in the payment of all school fees for very brilliant but needy students. All the contributions mentioned above are an essential support to many Senior High Schools heads as they struggle for funds to undertake their many needs in financial administration.

On the issue of commitment of the government of Ghana's financial contribution to Senior High Schools, 11 of the heads comprising 84% of the total respondents stated in the affirmative that they get government support in the form of grants or subsidies. An example is the Ghana Education Trust Fund (GETFUND) monthly allocation to schools. The quantum of these grants, however, differed from school to school. Certainly, schools with high enrolment receive more funds in the form of grants than schools with a lower enrolment. These grants are strictly given to public and mission schools that fall under the domain of government assisted schools. Private schools receive no subvention whatsoever. Mission schools by virtue of their roles of providing education in accordance with laid down rules and regulations of government, are in partnership with the latter in the provision of quality education to the Ghanaian child of school going age. Private schools are profit oriented. Hence for now they receive no financial support from government.

Public schools of this study acknowledged government's financial support in the provision of indirect funds and other resources. Indirect funding is seen in government providing schools with physical plants such as vehicles, buildings and furniture. Mission but government assisted schools nevertheless complained of enjoying little or no such support for physical plants.

Heads of the public and mission schools further declared that government is responsible for the payment of salaries and allowances of all educational workers under the Ministry of Education and the Ghana Education Service. The researcher further found that government gives financial support to schools as scholarship grants to brilliant but needy students. There are also hardship scholarships for children of poor parents. All the heads who enjoy the grants outlined above complained about serious delays by government in the release of most of these grants and further delays in the release of funds for approved projects. Besides the contributions already stated, government is responsible for all important statutory items for Senior High Schools in Ghana.

Additionally, the majority of school heads who enjoy financial support from government complained about the insufficiency of the grants or subsidies, compelling many of them to operate a high deficit budget through crediting of their purchases of supplies and services.

Considering the above discussion, one can discern that government indeed is highly committed to Senior High School heads by providing financial resources to support their work as the financial administrators or managers of their respective schools. Undoubtedly, government's financial contribution to schools reduces the financial burden on both parents and school heads.

Concerning "other sources of funding" in support of the work of school heads as financial administrators, a school head indicated that such "other sources" are absolutely non-existent in his school. But considering the nature of inter-dependence among peoples and institutions of the world today is it not strange that such an unusual situation of no support to schools exists in Ghana?

The majority of school heads representing 69% of total respondents however acknowledged donor agencies such as Non-Governmental Organizations (NGO'S), Japan

International Cooperation Agency (JICA), Danish International Development Agency (DANIDA) and United States of America International Development (USAID) etc. as their main means of other sources of funding. The latter is not in direct cash flow but in the provision of needed infrastructure and training of human resource to improve upon curriculum instruction. Although dependence on such agencies is good, it can lead to the dumping of overused and culturally foreign materials such as outdated computers, old books and old vehicles in many schools. Indoctrination of the Ghanaian child in foreign cultures which might alienate them from their own is also likely to occur.

Philanthropists, Missionary Congregations and Church Institutions in the case of mission schools and old students associations were also identified as other sources of funding to school heads. Some communities in which schools are located were also mentioned as providing periodic financial support to schools. These come in the form of needed infrastructure, vehicles, communal labour for new building projects, scholarships to needy but brilliant students from the locality and incentives to boost the morale of teaching staff and to retain them. A few schools who have exchange programmes with foreign Senior High Schools also acknowledged support from these foreign partners.

A few schools hire their premises out to organizations, churches and other institutions during vacation to generate funds internally. School vehicles are also hired out for the purpose of generating income internally. Donations in cash by generous benefactors and sympathizers were identified as another good source of funding of Senior High Schools in Ghana today.

The above discussion reveals that although government is largely responsible for the provision of quality education to the school going child in Ghana, there exists other contributors

who support its efforts. These should be acknowledged by all school heads. These contributions should be properly used for the benefit of their schools.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **Summary**

To all intents and purposes, this study on the challenges which Senior High School heads in Ghana, especially, those in the four Kwahu educational districts are grappling with in their financial administration, calls for a conclusion and responsible recommendations to enhance their work of managing schools to their best. Several action plans by all stake holders to improve the capacity and performance of all schools in Ghana are on the increase. As an example, one could refer to the introduction and strict enforcement of the Public Procurement Policy by government in 2008 as a good measure aimed at stepping up supervision of public funds in all government institutions. It is, however, necessary to recognize that in the Senior High Schools,

the school head carries prime responsibility for creating an effective educational environment. As a result, without the necessary administrative skills many school heads are overwhelmed by their responsibilities.

The first chapter introduced the topic and the reasons underscoring my preference for it. Thus, issues relating to the statement of the problem, purpose of study which was to unravel the challenges in the management of financial resources of Senior High Schools in the Kwahu educational districts, by the school heads were presented. In addition, research questions, the significance of study, limitations and delimitations of the study were also outlined. The second chapter, which covered a review of literature on the topic, presented the nature, scope and purpose of the subject. To aid this work, some already existing ideas on finance, the place of financial administration in institutions, especially Senior High Schools, and some problems encountered in financial administration of all funds by school heads were discussed.

Regarding the methodology adopted in the third chapter, a descriptive survey was chosen for the purpose of eliciting from the school heads the reasons underlying their actions as financial administrators of Senior High Schools. The fourth chapter, in which the analysis of data was presented with its consequent discussion, revealed the varying activities of school heads in financial administration and the associated problems that come with the administration of schools.

### **Major Findings**

This study has revealed that Senior High School heads are overwhelmed with many challenges in financial administration. While some problems are caused by conditions beyond the control of the school heads, others are the result of human errors and the lack of goodwill to

work at achieving one's best. The findings below refer to the school heads of the four educational districts of the Kwahu.

1. There was a good knowledge or understanding of the concept of Financial Administration by many school heads. Nonetheless, this knowledge was obtained from their experience gathered over the years as they worked as school heads. In effect learning on the job characterized their knowledge, understanding and interpretation of the concept. Their knowledge base was not from further studies in a field of Administration. But further studies could have helped them obtain a sound understanding and a firm grounding in their work as the financial managers of schools resources.

2. The financial challenges facing the school heads of the four Kwahu educational districts were enormous. The challenges ranged from the non-payment of school fees to the late release of government subsidies. Poor parents and the high cost of commodities on the market were among the challenges of the school heads.

3. Many of the school heads used their school's procurement committees to do the selection of qualified suppliers of items needed by their respective schools. The other details such as reception of supplies and the mode of payment did not involve the entire procurement team. Only the school heads and their accountants undertook the latter.

4. School heads and their accountants ensured that they carried out periodic evaluation of income and expenditure. This was not without difficulties since they encountered the problem of the non-availability of sufficient and qualified personnel with the requisite knowledge in financial administration or management.



5. The Senior High School heads of the four Kwahu educational districts of this study ensured that they did a good evaluation of their financial transactions periodically. I however found out that not all the required means of evaluation were used or applied.

6. Although the PTA was very much involved in assisting the schools with funds, they often did this by not providing direct cash to the school heads. Instead, their contributions were made in the provision of things needed by schools for example, buildings and vehicles.

7. The Ghana government had been assisting the schools in the Kwahu with subsidies and provision of infrastructure and needed logistics. Government did not give cash to the school heads to build the needed infrastructure themselves.

8. The majority of school heads enjoyed financial support from stake holders and donors. These were sometimes given to the schools through projects and not direct cash.

### **Conclusions**

The main concern of this study was to investigate the realistic problems or challenges confronting Senior High School heads in the four Kwahu educational districts of Ghana, as they carry out their duties as the managers of the available resources especially, financial resources in their respective schools.

Certainly, considering the major findings of the study the conclusions are that: The school heads are really and seriously facing many challenges in doing their work as financial administrators.

Some School heads do not have a clear understanding of their roles as financial administrators. This is because they did not have training prior to their appointment. They learnt their roles on the job.

The School heads encounter financial challenges ranging from the difficulty in collecting school fees to the late release of government subsidies.

Although many school heads execute procurement of needed items for their schools with a team, the execution of the actual procurement is by the Principal Accountants and heads alone.

Items are often procured for the schools on credit. Thus payments are delayed. This had led to over pricing of commodities by the suppliers concerned.

Although the school heads ensure that their income and expenditure are evaluated, this is done by incompetent and unqualified accounting staff. Many of those who work in the accounting offices of the schools did not undergo proper training in financial accounting.

Other stake holders such as PTA's were making contributions to schools to enhance the work of the school heads.

The bulk of financial contributions to Senior High Schools for effective and efficient financial administration were still the responsibility of the Ghana government.

Public schools with a high population and located in non-deprived areas received more financial support from government than those with low enrolment and located in deprived areas.

Heads of mission schools managed financial resources better than their colleagues in public schools.

It is imperative that notwithstanding the efforts of all stakeholders to assist the school heads in question, the heads must be conscious of their unique and sensitive roles as the main drivers or managers whose loss of focus could push their schools into ditches of no return or total collapse.

## **Recommendations**

1. Financial Administration is still one of the areas where many practicing heads have had neither pre-service nor sufficient in-service training prior to their appointment. This has contributed to the mal-administration of some school heads in financial administration. Many of these heads run school terms on high-deficit budgets. To reverse this trend, the Ghana Education Service in collaboration with the Ministry of Education could ensure that specific in-service programmes in financial administration and management are introduced. This would prepare all professional teachers aspiring to become school heads if they are appointed as heads later. Once they attain the required rank for headship in the Ghana Education Service, these potential heads are already prepared.

2. No school head can run his or her school without adequate funds. The majority of Senior High School heads in Ghana obtain funds for their schools from four major sources. These are parents, government, missionary cum donor groups and the communities in which the schools are established. Nevertheless, the non-payment of school fees either in time or not at all is a basic attitudinal problem confronting many school heads. Those in the deprived or poor areas with less economic activities are the worse victims.

It is therefore imperative on school heads to explore all the available means to convince parents to realize that, although government has a major responsibility towards the school going child, it may not necessarily be able to provide all the funding for the most basic needs of schools. To assist government therefore, poor parents who are farmers could be made to pay school fees with some of their farm produce. Other parents who are equally poor could be encouraged to provide free services such as helping with labour activities in schools.

Further, considering the existence of various forms of scholarships for Senior High School students in Ghana, school heads could consistently seek the help of government for

brilliant but needy students by applying for bursaries such as merit and hardship scholarships. Although the latter is in practice, it faces many problems. Many school heads for example, do not explore the provisions of government to help the brilliant but needy students mainly because of the delay of government releasing subsidies to schools. This could help increase cash-on-hand for school heads to execute daily transactions.

Furthermore, parents with high income levels could also be sensitized at Parent-Teacher Association (PTA) meetings to assist children from poor homes. In effect, school heads could set ambitious targets to raise external funds for their schools. In all their efforts, they need to bear in mind that not every parent will be able to contribute to the same extent. Their efforts must be concentrated on parents who have the means but may not have the will to give freely and generously.

In consonance with existing government regulations on proper management of schools plants, school heads could generate income internally to supplement available income by hiring out school facilities to communities, church groups and other organizations that may want to use them. Also for programmes such as sports, meetings, rallies and in the case of vehicles for educational trips, schools could hire out their physical plants. All efforts must be made by the school heads to ensure that the facilities are not misused or destroyed.

The “Operation Feed Yourself” agricultural programme of farming of the Acheampong regime in Ghana could be resuscitated and adopted for Senior High Schools today. This must however, be well-planned, directed and controlled in order for it not to affect classroom learning. This would enable many schools in the Kwahu educational districts to embark upon farming activities such as animal husbandry, citrus and cereal cultivation to supplement food supplies.

Although it was a good programme in the past, it was not sustained because of abuses and its negative effect on instructional time and classroom learning.

In addition, school canteens could be introduced to generate needed income. In cases where schools have good machine shops, for example carpentry and auto-mechanic shops, school heads could hire them to the public to generate additional income. School heads and their accountants ought to ensure proper accountability of all Internally Generated Funds (IGF). These funds must be used to enhance an efficient and effective financial administration. Care must however be taken to ensure that school heads do not substitute the goal of education with the constant search for funds to run schools.

3. School heads must be encouraged to involve their procurement committees in all financial transactions to ensure transparency and accountability.

The Central government through the Ministry of Education (MOE) and the Ghana Education Service (GES) provide the bulk of financial resources to Senior High Schools. Where funding is in the form of grants, it is important that government must enforce all existing laws of financial administration. These include proper auditing and procurement to ensure the judicious use of public funds and to eliminate bribery and corruption as well as any wastage in the educational system.

4. Some school heads in the past were allowed by government to undertake market surveys themselves. This enabled them to obtain most supplies and services at reasonable prices. This was a good practice that could be re-introduced if regulated. Similarly, the government of Ghana had a food distribution system that allowed the then Ghana Food Corporation (GFC) to purchase locally produced foodstuff such as rice, maize and millet. These were periodically distributed to schools and colleges across Ghana, at subsidized prices. This reduced the incidence

of school heads and accountants of schools from over-pricing supplies and services for personal gain at the expense of the schools they headed. Such a policy could only be effectively carried out if government ensures that school heads, their accountants and domestic bursars and matrons are well remunerated.

5. In addition to the above recommendations, government could further increase its annual budget for education to address the many financial challenges of school heads. It should ensure that instead of government grants being released to schools at the end of school terms, grants should rather be released when schools re-open. This and prompt payment of school fees would help prevent school heads from operating high-deficit budgets. It is paramount for school heads to exhibit honesty and transparency in all financial transactions to prevent wastage and unforeseen financial malpractices such as embezzlement, misappropriation, misapplication and unapproved virement.

6. The central government could sponsor, train and appoint qualified and needed accounting personnel for all Senior High Schools in the country. These accountants should be bonded to serve in the Ghana Education Service for a certain number of years. The accounting personnel should be educated about the serious consequences of mismanagement. Government should also provide good remuneration to all its workers to eliminate any form of financial malpractice and corruption.

This could contribute to efficiency in the financial administration of school heads since it would help to eliminate impediments they encounter in the recruitment of competent and much needed accounting personnel.

7. It appears that without exaggerating, the majority of Senior High Schools in the Kwahu educational districts are understaffed. Any government that values the use of public funds would

also appreciate efficient and effective financial administrators in all its institutions. Consequently, it would ensure that the needed and qualified human resource are duly recruited, employed and remunerated.

Government could pursue the random scrutiny (checking) of all financial transactions by school heads. Reports on all malfeasance should be submitted, studied and action taken for correction and progress.

Missionary congregations, philanthropists, local communities and their chiefs as well as all other contributors to education in Ghana could be encouraged by government to do more to assist schools in the provision of financial resources through her respect for all partnership agreements. In this vein, government should be challenged to avoid any form of discrimination in her financial support to mission but government assisted schools. This is because the latter schools are still noted for their sense of discipline and enviable academic achievements in Ghana.

8. The Ministry of Education and Ghana Education Service could also encourage dialogue with school heads about their genuine complaints regarding inadequate school fees being charged. Currently the astronomical increase in all commodity prices in Ghana is a serious problem. Government should acknowledge the real financial burdens challenging school heads and support them in order to provide them encouragement. Some schools by virtue of their achievements over the years are financially better endowed than others. Concentration should be on the poor and less endowed schools such as are found in the four Kwahu educational districts of Ghana for their progress and development.

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## **APPENDIX A**

### **QUESTIONNAIRE TO HEADMASTERS/HEADMISTRESSES OF SENIOR HIGH SCHOOLS IN THE FOUR KWAHU EDUCATIONAL DISTRICTS OF GHANA**

#### **NOTE:**

The following is a questionnaire to headmasters and headmistresses of Senior High Schools in the Four Educational Districts of the Kwahu Traditional Area, on the financial administration of schools at the Second Cycle Level in Ghana. I am conducting this exercise to study and assess the challenges facing headmasters and headmistresses in the running of schools. Your realistic

contribution which is very vital, will enable me to gather enough data for the completion of my research work, which aims at making recommendations to improve the lot of the numerous financial challenges facing Senior High School heads.

Your contributions will be treated highly confidential.

All questions are open-ended. Kindly provide your answers on different sheets of paper. I am counting very much on your cooperation.

### **Questions**

1. What do Senior High School heads perceive financial administration to be in school management?
2. What are the main financial challenges facing school heads in the four Kwahu Educational Districts?
3. What are the causes of the financial challenges?
4. How do they execute procurement in their schools?
5. What role do Procurement Committees execute in the schools?
6. How do they evaluate income and expenditure?
7. What modalities do they employ to achieve a successful financial evaluation?
8. In what ways does the Parent Teacher Association (PTA) contribute to the schools financially?

9. What is the contribution of government to the schools?

10. What are the other sources of funding in the schools?