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THE UNIVERSITY OF ZAMBIA
SCHOOL OF EDUCATION
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POLICY STUDIES

THE EFFECTIVENESS OF DECENTRALIZED FINANCIAL
MANAGEMENT IN BASIC SCHOOLS: A CASE STUDY OF
CHIBOMBO DISTRICT

By

Sibeso Alexina Lisulo


*A Dissertation Submitted to the University of Zambia in partial
fulfillment of the Requirements for the Award of the Degree of Master
of Education (Educational Administration)*

JUNE 2009



DECLARATION

I Sibelo A. Lisulo do solemnly declare that this dissertation represents my own work, which has not been submitted for a degree at this or another university.

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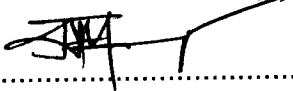
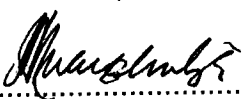
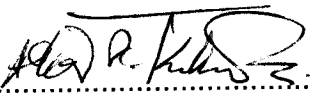
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APPROVAL

This dissertation of Sibeso Alexina Lisulo is approved as fulfilling part of the requirements for the award of the degree of Master of Education in Educational Administration by the University of Zambia.

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ABSTRACT

The Decentralised Financial Management in Basic Schools was introduced in order to foster local participation to safeguard the principles of transparency, efficiency and effectiveness with which funds would be used. Hence, the purpose of this study was to assess the effectiveness of the decentralized financial management in basic schools of Chibombo District.

A case study was used to carry out the research. The study employed qualitative and quantitative techniques. Data were collected from the District Education Board Secretary, the Internal Auditor (Kabwe), six (6) head teachers, six (6) Accounting Officers, 60 teachers, 12 parents and 12 pupils. The data were collected using interview schedules on the DEBS, Internal Auditors, head teachers and Accounting Officers. As well as questionnaires on teachers and Focus Group Discussions on pupils and parents. Qualitative data were analysed by comparing and categorising respondents' opinions. Emerging themes from data collected were analysed using Microsoft Excel to obtain graphs and pie charts.

The findings of the study revealed that the decentralized financial management in basic schools was not effective. The following variables relevant to decentralized financial management effectiveness were studied: Participation of local stakeholders in financial management, accountability and transparency in the management of school funds and financial management skills.

The overall analysis showed that teachers, pupils and parents were not incorporated in the management of funds. The study showed that financial management was more tied to the head teachers and Accounting Officers.

It was also revealed that pupils and parents were not given the powers to monitor the utilization of school funds hence the management of funds was being done behind closed doors. This meant that there was lack of transparency and accountability.

It was further discovered that most of the stakeholders including the DEBS and the head teachers lacked financial management skills and it was only when local stakeholders were skillful and qualified enough to manage the funds that the decentralized financial management could be implemented.

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ACRONYMS

AWPB	-	Annual Work Plan and Budget
BESSIP	-	Basic Education Sub-Sector Investment Programme
DEB	-	District Education Board
DEBS	-	District Education Board Secretary
DECC	-	District Education Coordinating Committee
DEMC	-	District Education Management Committee
EFA	-	Education for All
ERIP	-	Educational Reform Implementation Project
FMC	-	Financial Management Committee
IMF	-	The International Monetary Fund
JICA	-	Japan International Co-operation Agency
MMD	-	The Movement for Multi-party Democracy
MOE	-	The Ministry of Education
PTA	-	Parent – Teacher Association
SBM	-	School Based Management

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CHAPTER ONE

INTRODUCTION

1.1. Overview

This chapter introduces the study on decentralised educational financial management. It begins with the historical background of the decentralised educational financial management in Zambia. Thereafter, the chapter presents how the effectiveness of the decentralized financial management was measured. The chapter also presents the problem under investigation, research objectives, research questions, purpose of the study and the significance of the study. The next section of the chapter provides the conceptual framework for the study by defining some of the core concepts applied in the effectiveness of the decentralised management, while the last section presents a summary of the issues dealt with in the chapter.

1.2. Background to the problem

Improvement of basic education has been a fundamental objective in Zambia as well as a central issue in the international educational arena, particularly since the 1960's (Carmody B, 2004). However, this desire which Zambia had of uplifting its educational achievement to achieve basic education for all has been constantly hampered by financial

factors. These factors were caused by poor management of financial resources.

The Decentralisation policy had been perceived as a critical component of any development strategy geared towards solving educational problems in Zambia. This was reflected not only in the increase of the number of countries worldwide that attempted to decentralise their financial management but also in the growth and development of Administration as a discipline.

The research study investigated the effectiveness of the decentralised financial management in basic schools with a view to improving access in learning. Evidence shows that decentralised financial management can contribute positively to the improvement of education. However, this contribution can be greatly hampered if all the local Stakeholders are not participating in financial management, if there is no transparency and accountability and also if the stakeholders are not skilful and qualified enough in financial management.

After Zambia got independent in 1964, she made sure she did not continue to make use of the inherited colonial administrative structures but to create new ones in response to the new demands of the independent nation. One of the pivotal demands of the United National Independence Party (UNIP) was to have a system of Universal Primary Education so that all seven year old children could enrol in grade one. In its manifesto UNIP stated that education would be free and compulsory (Carmody, 2004). It is therefore not surprising

that prior to the 1968-69 administrative reforms, Zambia experienced a period of trial and error without any clear administrative style.

The organisation and structure of the education system was quickly changed and tuition and boarding fees were abolished. The changes introduced in the system came particularly through the Education Act of 1966. This gave government full control over the provision of Education. It laid the framework for government to take centre stage in the management of the education system (MOE, 2005)

However, the new government faced major human resource problems. There was evidently a shortage of skilled, educated human resource that was greatly needed (Kelly, 1999). Thus, financial management was very poor in that there were very few human resources trained in this field. While the expansion of the system was indicated at the primary level, it was also necessary to increase higher education. Accompanying all these difficulties was the fact that education had not yet been brought to every eligible child.

In 1973, the Zambian economy entered a period of depreciation, following a major decline in the price of its main export copper and the subsequent loss of revenue. The loss of revenue from copper coincided with the rising oil prices that resulted from the oil war of that same year (Kelly, 1991).

The fall in revenue also happened at a period when the expansionist policies of the previous era had resulted in major

on-going financial commitments. The government thus faced a major dilemma. The earlier commitment to expand universal primary education proved more and more difficult than anticipated (Carmody, 2004). The government was now, however, faced with high on-going costs of the educational expansion it had initiated and a rapidly growing population. This rapid population growth continued and made the full implementation of a universal access to basic education progressively more critical. The rapid expansion which had taken place at the primary level put pressure on parallel expansion at the secondary level.

With the pressures which we have noted, there was the issue of ideology as Carmody (2004) noted. The new government had to adopt the centralisation policy. The President of the Republic, Dr Kenneth Kaunda, and those close to him, had begun to practice a very tight control over the economic system through the introduction of a One-Party State and nationalisation. With it came a huge bureaucratic party machinery wholly funded by the State meaning that the financial resources allocated to education by Parliament were largely diverted to party functions by the provincial accounting units. This resulted in a very rapid deterioration of education services.

From 1975 to 1985, the education system saw a sustained and rapid expansion of the primary school level. Carmody stipulated that the population in Grade One increased from 872,392 to 1,348,689 with ample places for 92.4% of the seven year olds. Thus, every effort was being made to

channel financial resources towards the primary sector, for it was argued that social and private rates of return to primary education tended to be higher than those of other levels. In pursuance of nine years of basic education for all, communities were encouraged to expand primary schools to enable pupils to continue between grades 8 and 9. These became known as basic schools.

In 1986, the Educational Reform Implementation Project (ERIP) Report which was presented to the Government concentrated on primary education, the need to find other sources for financing the sector including the payment of fees and the enlisting of the assistance of the local community, whose help was evident. The report endeavoured to prioritise universal primary education:

The principle quantitative element of the report was that population growth was so rapid, the back log of children receiving no schooling so great and the economic prospects so bleak, that the only target that could be realistically aimed at was universal primary education (grades 1-7) by the year 2000, with only minimal expansion at the junior secondary level (Kelly, 1986:52)

Its main goal was that absolute priority had to be accorded to the provision of facilities that would ensure that every child attains primary education from grade 1 to 7. While a great deal was achieved in line with the ERIP recommendations, the fundamental aim of the project was still not fulfilled (Carmody, 2004).

An important element in the report, which was lacking in other previous documents, was an attempt to envision how

the system would be financed (Carmody, 2004). It talked about cost sharing at all levels, proposing parental payments for teaching material for all costs, the introduction of some form of tuition fees and the mobilisation of local authority levies. However, the management of finances was not discussed. Because of that, Education for All proved to be a struggle.

The twenty seven years of the UNIP government in 1991, left the education system in despair. The government was incapable of delivering quality basic education to every eligible child. In this critical circumstance the new Movement for Multiparty Democracy (MMD) won the majority of the seats in Parliament. This change of government heralded a new era in the nation's life with a promise of liberalisation and prosperity through a non-socialist path. As Lungwangwa (1994: 3) put it: "The leap into the Third Republic carried a promise for a complete and far ranging rearrangement of the society and the people's lives." To this effect, the education system was decentralised and liberalised in accordance with the democratic principles of local governance (MOE, 1996). This called for a sudden restructuring of the existing highly centralised system. The Ministry of Education established Education Boards at District, School and College levels. The pivotal point of educational administration and management for basic schools were District Education Boards.

The new government also introduced the Structural Adjustment Policy. This included trade liberalisation, credit control, currency devaluation, elimination or reduction of

subsidies and debt servicing. As a result, the new MMD government faced an economy and education system in disarray, yet it continued with SAP. The most important principles on which the policy rested were free market, private control of capital and minimal state presence in the economy. In order to revive the economy, the MMD government established a number of measures to stabilise and restructure in accordance with the IMF and World Bank directives. These included further lifting of currency restrictions, reduction of public expenditure, devaluation of the currency, elimination of price controls, major reduction or removal of subsidies and increased taxation.

In 1992, the new government ushered in the second national education policy; **Focus on Learning** which affirmed the issue of resource mobilisation to support educational provision. It was moreover clear that under the new policy, much of the funds would need to come from user fees. Yet, many of those who would be asked to pay the fees were being retrenched and were not able to bear additional costs as inflation had already impoverished them.

In 1993, the government initiated the Public Service Reform Programme (PSRP) with the overall goal of improving the quality, delivery, efficiency and cost effectiveness of public services. The Public Service Reform Programme had three key components namely, restructuring of the civil service, capacity building and decentralisation. However, as the years went on primary school enrolments deteriorated from 95% in 1985 to 85% in 1994. According to Carmody (2004) many

people started to lose confidence in the system's ability to improve their lives because those who had sacrificed much were unable to find jobs at the end of the years of schooling.

Due to the decline of the education system, decentralisation was re-affirmed in 1995 with the establishment of Education Boards on the Copperbelt with a view to enhancing greater community participation and efficiency which would bring about quality education (MOE, 2005). The boards were to have full authority for management of finances in basic schools. The re-affirmation of educational decentralization was strengthened by the initiation of **Educating our Future** in 1996(MOE, 1996). The policy was conceived on the basis of restructuring of the existing highly centralised system. The policy essentially addresses the issues of education delivery in an environment of a liberalised economy and a democratised political governance system. It emphasizes the principles of liberalisation, decentralisation, efficiency and cost effective management, access and quality education (MOE, 1996).

Some of the policies set forth in this document had been implemented, whereas others on decentralisation particularly decentralised financial management were in the process of being implemented because the policy was being carried out in the absence of a national decentralisation policy which was conceived far much later in 2003(MOE,2004).

From 1999 to 2002 the Ministry of Education had been implementing **Educating our Future** through the **Basic Education Sub Sector Investment Programme**,

(BESSIP) and other stand alone projects and programmes which created imbalances in the development of the education sector. It was therefore, paramount for the Ministry to change its implementation strategy and paradigm to the **Sector Wide Approach (SWAp)**. A sector wide strategic plan was initiated and approved in February 2003.

The Ministry implemented the **Basic Education Sub Sector Investment Program (BESSIP)** in order to address the decrease in participation and quality in basic education. Access and quality were seen as the major problems facing the sub sector. From 2003 to 2007, attention was largely paid on the implementation of the **Strategic Plan (2003-07)** with stress on effective decentralisation of decision making, procurement and financial management to districts and schools.

From the literature review, one would argue that the MOE tried by all means to decentralise the system in order to make it effective and efficient. On the contrary, however, nothing much was done. The literature seems to review that no study was conducted on decentralised financial management in Zambia.

Further, as has been reviewed in the literature, emphasis was placed on the administrative structural changes of the system and the mobilisation of funds and not on the management of limited funds. One wonders how funds were being mismanaged in a decentralised system when decentralised financial management should bring about transparency,

effectiveness and efficiency. It is the reason why Winkler and Gershberg (2003) argue that it is decentralised financial management which can improve the education system. This is why it will be of interest in this study to ascertain the effectiveness of the decentralised financial management in basic schools.

Effectiveness in this study implied achieving stated goals and the goals were to safeguard the principles of local participation, transparency and accountability and financial management skills which brought about effectiveness and efficiency with which funds were utilised (MOE, 2005).

1.3. Decentralised Financial Management Effectiveness

The concept of management effectiveness has, however, been contentious. Hoy and Miskel (1987:393) state that "there is no single ultimate criterion that can capture the complex nature of organisational effectiveness." Preedy (1993) agrees that effectiveness is a complex matter with no universally applicable prescriptions. However, depending on the measure being used to determine effectiveness, some scholars have come up with definitions of the term. Reddin (1970:30) argues that "effectiveness is the extent to which a manager achieves the output required in his position." In the same vein Hoy and Miskel (1987:394) agree that effectiveness can be defined in terms of the degree of goal attainment. Levin and Lockheed (1991:211) have defined the term as "the degree of acceptance the final decision achieves."

Narrowing the term effectiveness to education, Preedy (1991:1) says "an organisation or policy is effective in so far as it fulfils its goals or objectives."

The objectives of decentralised financial management in schools are:

1. Local stakeholders participating in financial management.
2. Transparency and accountability in the management of school funds.
3. Local stakeholders possessing financial management skills.

Therefore, effectiveness was measured using these objectives.

It has been found out that decentralised financial management of education becomes more effective when it incorporates the sharing of responsibilities for managing school funds. Sharing of responsibility requires team work among local stakeholders (educators, pupils and parents). In this vein, Mohamed (2003) argues that the decentralised financial management cannot be effective without collaboration and synergy among all the stakeholders involved in the management of funds. Participation of local stakeholders is important because it fosters efficiency in the utilisation and optimisation of the financial resources.

Closely related to local stakeholders' participation is transparency and accountability. Transparency and accountability cannot be achieved if local stakeholders are not

involved in the management of funds. Hence, the democratic style of management should be encouraged in the schools so that all the stakeholders freely participate in the management of funds. Research has indicated that when local stakeholders are involved in the management of funds, prudent management of financial resources is fulfilled (MOE, 2005). Effective decentralized financial management cannot be achieved in a closed-door culture of financial management. Hence the need to open up doors and allow local stakeholders to monitor the utilization of funds.

On the other hand, effective decentralized financial management is largely dependent on skilled stakeholders who can manage financial resources efficiently and effectively. Opfer and Denmark (2001), suggested that decentralized financial management could be implemented if empowerment and knowledge that enabled educators and parents to manage funds could be present. To manage funds in a school, stakeholders should have at least the knowledge and skills of accountancy, education management, values (ethics and transparency), communication and record keeping (De Tollenaire, 2002). A survey of the literature of Ponder and Ware (2003) shows that limited one-shot training (workshops and briefings) is not the answer. Real learning comes from daily practice in different and effective ways of saying and doing until the new ways become ways of being and thinking.

In sum, the above objectives were used to measure the effectiveness of the decentralised financial management.

1.4. Statement of the Problem

Basic education in Zambia is of poor quality because Educationists seem not to think seriously of financial management. It is a truism, that whereas the concepts of decentralized administrative structures and mobilization of funds have been generally discussed and that much literature attends to them, little has been said about decentralized financial management in basic schools and no study has been conducted to investigate whether it is being implemented in basic schools.

1.5. Research Objectives

1. To find out if stakeholders at the local level participated in financial management.
2. To ascertain whether local stakeholders were transparent and being held accountable for the mismanagement of funds.
3. To assess the financial management skills of stakeholders at the local level.

1.6. Research Questions

1. Are stakeholders at the local level participating in the financial management?

2. Is there transparency and accountability in the management of funds in Basic schools?
3. Do the Stakeholders at the local level have financial management skills?

1.7. Purpose of the Study

The purpose of the study was to assess the effectiveness of the implementation of the decentralized financial management in basic schools.

1.8. Significance of the Study

It was hoped that this study would prove helpful to the Ministry of Education and other stakeholders in education, in that they would learn from the experience of Chibombo District. It was also hoped that this study would raise questions that would stimulate further theoretical and practical investigations in the way financial management was designed and implemented. It was envisaged that the study would improve management of school funds which automatically would enhance educational access and quality.

1.9. Delimitation of the study

The study could have been extended to many schools in Chibombo district but because of limited time and resources, the study only used a representative sample of six schools.

1.11. Limitations of the study

Considering that the study was based on financial management at school level, there is a possibility that some teachers could have not responded correctly to the questionnaires for fear of putting their Head teachers in problems. While on the other hand some respondents could have responded on grounds of not getting on well with financial managers.

1.12. Definition of Terms.

Accountability – The requirement to be responsible for the effects of an action and willingness to explain or to be criticized. This leads to the decision maker to demonstrate responsible action.

Audit – An official inspection or examination of an organization's financial records in order to check that they are correct.

Budgeting – The process of formulating a financial plan.

Centralization – The retention of responsibilities, authority, functions, as well as power and appropriate resources by top management.

Community – Members' area of residence, such as a village or a district sharing educational concerns, which include

parents' associations and similar bodies that are based on shared concern for the welfare of students.

Decentralization – Top management sharing responsibilities, authority, functions, as well as power and appropriate resources with subordinates (lower levels).

Decentralized Financial Management – The delegation of greater authority to the District Education Board, the school and the community to enable them to deploy financial resources to achieve the authority's policies.

Effectiveness – This is a measure between stated objectives and their achievements. In other words it is the extent to which an activity fulfils its intended purpose or function.

Financial Management – The planning and controlling of financial resources. It is concerned with the acquisition and allocation of financial resources and with using budgets to plan and control the deployment of real resources.

Local stakeholder – A person who has important connections with the school and therefore is affected by its success and failure. He/she is found at the local level and he/she can be a pupil, teacher, head teacher, accounting officer, parent and the community at large.

Management – The activity of controlling, planning and organizing an organization's operations in order to achieve coordination of material and human resources essential in the effective and efficient attainment of objectives.

Participation – Involvement in real decision making at every stage, including identification of problems, the study of feasibility, planning, implementation and evaluation.

PTA Funds – These are funds raised by the parents in order to improve schools.

School Based Management – High degree of authority which has been delegated and redistributed to principals, teachers, parents and pupils at the school site to make or influence decisions related to the budget.

School Funds – Funds from government and donors allocated to schools.

Stakeholders – Interested persons or entities affected by the success and failure of the school.

Transparency – Acting openly for everyone to see one's action.

1.13. Summary

This chapter introduced the effectiveness of the decentralised financial management in schools. The presentation began with the historical background of decentralised financial management in education as having had a major bearing on the management of funds. The chapter also showed how the *effectiveness of the decentralized financial management was* measured. Thereafter, the chapter presented the problem under investigation, the research objectives, research questions, purpose of the study and significance of the study. The chapter also presented the theoretical framework for the study by defining the core concepts. The next chapter reviews some of the available literature that is considered to be of direct relevance to the present study in order to place the study within the context of similar surveys thereby enriching it as well as providing a justification for it.

CHAPTER TWO

LITERATURE REVIEW

2.1. Introduction

The previous chapter introduced the effectiveness of the decentralised financial management in basic schools. The presentation began with the historical background of the decentralised financial management. Thereafter, the chapter showed how the effectiveness of the decentralised financial management was measured. The chapter also presented the problem under investigation, the research objectives, research questions, purpose of the study and significance of the study. The chapter ended by presenting the theoretical framework for the study by defining the core concepts. A summary of the chapter was also presented.

The present chapter reviews some of the available literature that is considered to be of direct relevance of the present study in order to place the study within the context of similar surveys thereby enriching it as well as providing a justification for it.

2.2. The concept of the decentralized financial management in Schools

Decentralization, the antonym of centralization, refers to the style of governance in which top management shares decision making authority with subordinates (Kreitner, 1995). The concept of decentralization stems from human relations and behavioural organizational theories. It was initiated because of the reaction of some scholars like Mac Gregor who viewed a typical employee as an energetic and creative individual who could achieve great things if responsibilities were devolved to him/her. In his famous Theory Y, he asserts that work is a natural activity to people, like play or rest. Contrary to the Classical Theory, he argued that subordinates were capable of self direction. He went on to say that many people were endowed with imagination, ingenuity and creativity.

The decentralization phenomenon is not new to the education sector. The basic concept common to most definitions of decentralization, which applies to educational decentralization as well, is that decentralization is a transfer of some form of authority from the centre to the local level. It is important to understand the various ways in which decentralization, more broadly, is used because educational decentralization is often not implemented as an independent sectoral policy but is engulfed in larger state reforms.

Furthermore, decentralization is an ambiguous concept that has been variously defined and interpreted (MacLean and

Lauglo, 1985; Govinda, 1997; Litvack **et al**, 1998). It covers a broad range of concepts and each type has distinct characteristics, policy implications and conditions for success. As alluded to above, a basic conception similar to most definitions, however, is that decentralization is a transfer of some form of authority from the centre to the local levels. Accordingly, it may be defined in terms of the form (or functional activities), levels (national, sub-national or local) and nature or degree of power that is transferred. Administrative, fiscal, market and political dimension capture the form and level of decentralization while devolution, deconcentration and delegation refer to the nature or degree of power being transferred (See table 1 on the next page). Further it may involve alterations in institutional structures and the transfer of roles and responsibilities from national to regional or local entities (Street, 1985).

Table 1: Dimension of Decentralization

FORM		DEGREE OF POWER	
<div>↑ ↓</div>	Market Transfer of public functions to independent organizations or the private sector	Devolution May have completely independent decision making authority	<div>↑ ↓</div>
	Political Developing pluralistic political parties, strengthening legislatures, creating local political units.		
	Fiscal Self & co-financing, cost recovery and user charges, expansion of local revenues, intergovernmental transfers of revenues.	Delegation Some independent authority	
	Administrative Transfer of authority, responsibility and financial resources to different levels of government or autonomous bodies	Deconcentration No independent authority from the centre	

At the same time deconcentration, delegation and devolution have also been used referring strictly to the form or functional dimension where: deconcentration refers to the transfer of planning, decision-making or administrative authority from the central government to local units or to non-governmental

organizations; delegation refers to the transfer of some power of decision-making and management authority for specific functions to units or organizations that are not under direct control of central government ministries; and devolution refers to the transfer of authority for decision making, finance and management to quasi-autonomous units of local government such as municipalities that choose their own mayors and councils, raise their own revenues and have independent authority to make investment decisions (Rondinelli and Cheema, 1983; Rondinelli, 1998 and 1999).

As with decentralization more broadly, financial decentralization in education too, may be defined in terms of shifts in authority, noting that it is about shifts in the location of those who govern, about transfers of authority from one location or level of educational organization, to another (Welsh and Mc Ginn, 1999). This may involve moving financial control to regional or local levels. At the local level it may involve shifting certain responsibilities closer to the school and classroom, strengthening some decision-making arenas and weakening others, empowering communities and parents and removing professionals' control and inserting the style and substance of modern business and financial management (Arnott and Raab, 2000).

In education this type of decentralization is often described under the heading of school or site based management (SBM). It has, in many cases, involved a major shift to self-governance and greater authority for schools. Schools are being asked to become self-managed and make decisions

regarding the budget and financial resource allocation (Abu-Duhou, 1999). Formal authority is supposed to be delegated and redistributed to Heads, Teachers and Parents (and sometimes pupils) at the school site to make or influence decisions related to the budget. It is presumed that benefits such as better quality decisions, more humane work environments, equitable educational opportunities and improvement in learning and teaching will ensue (Malen **et al**, 1990).

In sum, decentralized financial management is the delegation of greater authority to managers of schools to enable them to deploy resources to achieve the authority's policies (Levacic, 1989). Rather than over-define the financial management task in detailed duties and over-limit the way finances are to be used, the management task is defined by what has to be attained within the policy of the authority and the financial resources made available.

2.3. Decentralized Financial Management: International Perspectives

International experience displays a wide range in decentralization designs, ranging from transfers from central to sub-national levels as well as to school level (Naidoo and Kong, 2003). At this level it varies from offering school councils or governing bodies limited power to allocate non-personnel budgets to allowing autonomy under strict performance contracts to almost complete management

autonomy. In the United Kingdom, New Zealand and in several Australian and USA States and increasingly in other parts of the world, school boards and management councils can now decide on how to use their budget and within the limits of general guidelines laid down by the State. In financing basic education in China, decentralization means, essentially, that the upper echelons have significantly reduced financial responsibilities leaving to the local echelons full responsibility for the costs of school operation and expansion (Tsang, 1996). At local government level, the community level and the school level, great efforts have been made to garner resources to expand schooling as much as possible. With a few exceptions, such as the United States of America, most countries in the world finance schools through allocations from the central government budgets. Since fund raising capabilities of lower level governments and communities to finance expenditures for education are inherently limited, they must rely heavily on the central government (Jimenez, 1994). However, the Chinese case of decentralized financial management in basic education is an unusual exception, characterized by "decentralization of neglect" or abnormal "over decentralization" (Rosen, 1985). Communities and poor households who cannot afford the increasing school fees and tuition have become the mainstays of resource generation and mobilization.

In recent years, however, there has been some evidence of a tendency towards "re-centralization" in order to redress the financial abnormalities. For example, in some rural areas, the

State has decided to return the governance and financing of basic education from the hands of villagers to central government. If the over-decentralized financial system for basic education is not restructured, financial inadequacies will continue to prevail. The central government of China should resume its financial responsibilities for basic education and relieve the burden of resource constrained and underserved school districts. However financial management should continue being practiced by the local levels.

On the other hand, Latin America has had rich international experience in educational decentralization which may help guide educational decentralization in Africa (Winkler and Gershberg, 2003); for instance Chile and the Netherlands clearly delineate authority and responsibility in order to have accountability. They have shared the responsibility of financial management by more than one level of Government, in that a school principal has only limited managerial powers. Like that it may not be difficult to identify who is responsible for poor performance. The stakeholders need reliable and timely information on how finances are being managed.

Winkler and Gershberg go on to say that in Minas Gerais State, Brazil, school councils are comprised of Parents, Teachers and Students where they are provided with a formula-based capitation grant for non personnel expenditure. In New Zealand financing comes from the central government via formula-driven capitation grants, but schools may raise their additional funds. Efficiency and effectiveness have

improved in both countries because schools, local governments or regional governments are held accountable for results (the consequences of poor performance).

A case study was conducted in El Salvador where decentralization of real decision-making power to schools or councils was a means of increasing the voice of education's clients. Jimenez and Yasuyuki (1998) discovered that there was a significant increase in parental participation in financial management. As a result school performance improved. In several cases, parents play a role in monitoring how finances are being utilized.

However, Argentina has not had successful financial decentralization because responsibility for financing and providing basic education only transferred from central government to sub-national governments (Winkler and Gershberg, 2000). This policy does not empower parents and improve school performance. Argentina should have further decentralized its financial management to schools or local communities to empower parents and improve school performance, especially when restructuring the organization of education is simultaneously accompanied by attempts to improve teaching and learning (Winkler and Gershberg, 2003).

Based on the rich international experience in decentralized financial management in education, Africa has learnt several lessons which have helped guide educational decentralization. The experience suggests an idealized model of

decentralization consistent with schools being effective in teaching pupils. In this idealized model communities are empowered to manage their own schools; Principals take on significantly enhanced roles in leading and managing schools; parents are annually provided with information on their school's performance relative to others and provided with a mechanism to increase their voice and financing instruments are introduced to provide predictable revenues with incentives for enrolling and retaining students.

However, the African context is different from that found in the United States of America, Europe, China or Latin America. Winkler and Gershberg (2003) observed that banking systems are less well developed, parents are less literate, democracies are more fragile and administrative capacities are weaker. On the one hand, the unsuccessfulness of the state has taught people to be more self-reliant and to draw on their cultural strengths.

Educational decentralization in Africa runs a gamut from limited deconcentration of functions from the central offices of the education ministry to its regional offices to communities financing and managing their own schools (Winkler and Gershberg, 2003). A few countries have devolved the delivery of education to regional governments and others have devolved it to local governments and community boards. However, the most common and most successful decentralization is not the result of government policy but,

rather, the result of government failing to execute the most basic services.

According to Naidoo and Kong (2003) African experience with educational decentralization is slow. Although the historical and colonial heritage varies dramatically across the region, the context that moulds educational decentralization management reforms in Africa is quite similar, with limited financial resources. Since most decentralization efforts occur in the context of severe economic constraints they often entail a shifting of financial responsibilities. However, the financing of education remains a central responsibility with management of some financial functions (for instance recurrent or discretionary budgets) moving to lower echelons to ensure efficient uses of limited financial resources.

Education decentralization in African countries suggests that families, teachers and community members participate and improve schools in their areas. In some countries, communities have exhibited increased participation in financial management issues at the school level and the capacity to execute improvements in the school environment (Naidoo and Kong, 2003). Interest and ability to support educational changes grow when fiscal and administrative responsibilities are shifted to local levels. Therefore, building partnerships between community stakeholders and central, regional and local educational authorities are important to supporting education management reforms. However, not all communities or officials are ready to handle new

responsibilities or want to improve schools (Winkler and Gershberg, 2003). It is imperative that capacity building and advocacy at all levels are considered and to ensure that regional and district education officers have the capacity to support, train and partner with local community members regarding school budgets.

In relation to management reforms, there is a need to clearly connect educational quality expectations. One problem in making the connection in Africa is that implementation experience in Africa is relatively recent and often has been uneven, weak and focused more on financial resource mobilization than on improvements in instructional quality (Naidoo and Kong, 2003).

On the other hand, the critical issues in the process of providing Education For All are the quality of education received by beneficiaries at all levels of the system and the efficient management of financial resources under the decentralized education system in Africa. These two issues are interwoven to the extent that for quality to be assured there must be adequate funding and prudent management of funds made available (Mohamed, 2003). Even then quality control measures and institutions put in place cannot function effectively without the necessary funding.

Nigeria, for example is subsisting a revenue sharing formula. It allocates 48.5% to the federal government and the country has only succeeded in putting too much funds in the hands of that level of government to the detriment of the others

(Hinchiliffe, 2002). Therefore, if the states and local governments are to commit more funds to education, it is imperative to device a revenue allocation formula or revenue mobilization mechanisms that will be more favourable to them. More important is that the unavailability of adequate funds at the lower level implies that serious constraints are imposed on them. The decentralization process may thus have compromised efficiency and the provision of good quality education in the Nigerian education system. Devising an appropriate revenue formula, which will take into consideration the responsibility of governments at the different levels, will go a long way in easing the financial burden, thus ensuring quality education at the different levels. Furthermore, the active participation of the community and Parent Teacher Associations at the primary level of the education system may serve to alleviate some of the problems.

Uganda is another example where financial management is still wanting. However, according to Mohamed (2003), there are key interventions which if well implemented would dramatically improve financial management of education in Uganda. Indeed, improved financial management will depend on training and sensitization workshops for all the actors to appreciate the structures and guidelines of record keeping, accountability and above all honesty (Mushemeza, 2003).

However, Nigeria is facing accountability problems which stem from the fact that the 1999 constitution does not define clearly the division of responsibilities and functions

(Government of Nigeria, 2001). While Gershberg (1999) has argued that it is not always necessary to put the legislative horse before the reform cart, it appears that Nigeria provides an example where the horse has failed. In institutional and intergovernmental relations that have been set up for providing basic education, leaving no government or agency clearly accountable for results. The Federal government has used local state and local capacity to justify its role, but has done little to enhance that capacity. Thus, the center has had a hard time letting go of any real power.

Tanzania also provides an example of not clearly defining the division of functions and responsibilities between the higher and lower echelons. According to McLean (1997) Tanzania provides an example of a top-down decentralization reform in which top management has retained most of the financial management powers. He goes on to say that the failure to decentralize further has been hindered by the lack of clarity concerning the role of local government on the outset and by the fact that the motivation for the decentralized financial management was political rather than educational. Nonetheless, in recent years, the Tanzanian reforms have begun to show some of the promise of improved service delivery from locally driven and controlled governance.

In the same vein, Ethiopia's educational system was one of almost exclusive reliance on top-down or hierarchical controls during allocation and implementation. Schools were not empowered to procure inputs under any circumstances, although both District Education Board Schools exhibited

capacity to monitor budgets, manage personnel and undertake monitoring and evaluation (Girisharnkar **et al** 2001). He further goes on to argue that schools and local officials can be resourceful even within relatively centralized constraints. For instance, schools are required to create Financial Management Committees (FMCs) which raise fees, help construct and maintain buildings and advice on school improvement plans (SIPs). In sum, Ethiopia has been unable to strike an appropriate balance between hierarchy and participation, between control and flexibility in educational planning.

South Africa has faced many challenges relating to accountability and management of funds in schools. As Momoniat (2001:39) says, "the new government inherited a system of education in which the authority of the state had been steadily eroded over a period of two decades." An additional challenge that arose with the provincial control over education and other social sector spending was the apparent over spending identified in 1997. The basic cause of the overspending was the requirement that provinces fulfil centrally established criteria such as maximum pupil- teacher ratios and nationally negotiated teacher salaries. The whole of the national budgeting system was reorganized to allow provinces to determine their allocations based on their own priorities and the needs of their people. This was neither entirely accurate nor effective.

In a nut shell, African educational decentralization experience by and large confirms the international experience

summarized earlier. Based on the literature on African educational decentralization and country cases. Table 2 summarizes African experience with respect to several lessons learned from international experience. In a nut shell, Africa does relatively well in terms of informal or formal parental participation, does reasonably well in terms of the design of financial transfers to schools and local governments, and does quite poorly in terms of clearly assigning roles and responsibilities to local governments and in providing the mechanisms and information required for accountability.

Table 2: Assessing African Education Decentralization Experience

International lesson learned	African Experience (grade 1-5)	Comments
Accountability is critical for results	(5) weak formal accountability mechanisms	Informal accountability mechanisms work well in community schools
Assignment of functions and responsibilities must be clear and not overlapping	(5) Role of local government poorly defined and overlapping	Significant divergence between legal statements of roles and reality
Well trained principals are crucial for well managed schools	(4) role and capacity of principals not well developed	Very little evidence of serious attention to the issue
Design of financial transfers determines equity and efficiency	(3) very mixed experience – some good, some bad	Increasing use of capitation grants to sub national governments and schools

2.4. Decentralized Financial Management: Zambian Perspectives

According to the MOE (2005) funds are sent directly to the Education Boards meaning that issues of accountability and transparency are critical to the continued disbursement of funds from the central level to the points of delivery. The Boards have to ensure prudent use of financial resources not only those being made available by the government but also those locally generated by the Boards themselves. The Boards have to outline the procedures, policies, guidelines, regulations with a view to enhance accountability, transparency and strengthening the overall financial management in Education Boards.

However, according to the joint Annual Review (2005), the Introduction of boards appears to complicate decision making and the implementation of sector issues and may show a certain ambivalence about their overall worth. There appears to be a lack of clarity with regard to roles, functions, responsibilities, funding and the link with the PTA's. For instance, there is a problem of duplication of responsibilities and roles across many departments. Since job description and specifically defined responsibilities are not available for nearly all positions in the Ministry, position holders lack points of reference for differentiating their tasks and responsibilities (MOE, 2007). As a consequence, it is common within departments to have a number of positions performing the same tasks. This contributes to the under utilization of staff in the Ministry. This is further explained by the tendency where

some functions have been too thinly split and distributed among more people than otherwise would be necessary, as is the case with the responsibility for the financial management.

The communities sometimes are not even recognized as stakeholders in the financial management (MOE, 2005). The authority for decision-making is concentrated in the office of the Permanent Secretary, leaving departmental heads with minimal decision-making powers and authority (MOE, 2007). The departmental heads carry the title and have the authority, in essence, to oversee activities through to their logical conclusion by working at provincial and district level. As a result, this system of control and management has the inevitable inherent deficiency of delaying decision making processes, creating bottlenecks, referring all decisions to the Permanent Secretary removing ownership of the decision making process and therefore responsibility and accountability and eliminating a participative approach to decision making. Thus, there is need to make a deliberate and inclusive decision with regard to the level of devolution of powers to the lower organs of the Ministry, in order to ensure that there is participation, ownership and consistency in the approach to decision making.

The root cause of this is the insufficient initial orientation and capacity building (MOE, 2005). Therefore, financial management is not efficient and effective. Bwalya (1999) recognizes that the efficiency and effectiveness of the Education system depend to a large extent on enhancing its capacity in various areas. In particular, there is need to build

capacity for the management of finances. Lack of capacity goes hand in hand with lack of investment in management training. The majority of staffs have not received training for their posts (MOE, 2005). As a result poor performance and inefficiency have become the order of the day in the financial management.

It is therefore against this background that the MOE has found it necessary to train and retrain education managers and supervisors to enable them carry out their functions effectively according to the needs of the education sector.

On the one hand, nearly all offices at provincial and district levels of the MOE are at present operating with out-dated or inadequate equipment, though the Ministry has been trying to replace some of the out-dated equipment such as computers which are very important for financial records (MOE, 2007). The absence of a network based system to aid information dissemination and management affects the Ministry's ability to operate effectively.

As a result, the management and distribution of information is generally poor in the Ministry as manifested by the widespread inability among the departments to maintain up-to-date information on various aspects of their operations, in particular financial management. For example, the Ministry should have up-to-date information on financial records. This would assist in planning for financial resources for the present and the future (MOE, 2007).

In addition, the lack of adequate computer equipment within the Provincial and District Offices has been a major concern to the Ministry as it is unable to fully computerize its operations, through provision of equipment by various donors and also through its own resources, the help falls far short of what is needed to meet the Ministry's equipment modernization requirements.

The MOE (2007) further argues that limited funding of Departmental, Provincial and District Offices is the cause of poor financial management. The MOE (2007:43) in the review of the Ministry of Education Sector Plan states that "in some instances there has been insufficient funding to perform even the most basic of the Ministry's functions due to limited budgetary allocations and erratic release of funds by the Ministry of Finance and National Planning (MOFNP)". The Ministry's budget has to be adjusted to sometimes suit the allocation given and in most cases, the Ministry Headquarters without informing the respective departments, units, provincial and District offices to adjust the budgets accordingly.

On the other hand, the MOE (2005) argues that it is not the limited financial resources causing poor financial management, but lack of great alertness to financial control mechanism for financial management. For instance, some provinces like Luapula have not moved towards more performance based control (MOE, 2005). Hence, there is need to strengthen internal and external audits and consider

providing more financial resources from pool funds for contracted audit services or internal services.

In addition GRZ, has experienced problems in accounting to partners in the format of the Annual Work Plan Budget (AWPB) (World Bank, 2006). In the case of the Sector Pool, for instance, in the audit report for 2004, only about 9% of the funds spent by MOE have been traced to specific purposes of expenditure according to the guidelines of the AWPB, with 90% of the funds released accounted merely as "advances" to various education institutions and boards, without identification of the purposes (such as education materials or infrastructure) for which these funds have been spent. In the Joint Annual Review (2005), data presented by MOE on expenditures financed from various sources (GRZ, the Sector Pool, other donor sources) were not presented in a comprehensive and integrated way.

Similarly, a JICA report of 2006 argues that funds are available and that they are not spent. It states that "there were \$150 000 000 in 2005 pool of which \$50 000 000 was carried over from 2004".

Thus, the Zambian decentralized financial management does not match with International standards due to grey areas discovered in the literature review. To enhance the management of financial resources in schools, it was thought wise to carry out a research study to assess its effectiveness.

2.5. Summary

The chapter presented the review of some of the available literature that was considered relevant to be direct relevance to the present study in order to place the study within the context of similar surveys thereby enriching it as well as providing a justification for it. The next chapter explains the research procedures and techniques adopted in the study in order to provide answers to the questions raised in chapter one of the investigation.

CHAPTER THREE

METHODOLOGY

3.1. Introduction

The previous chapter presented a review of some of the available literature that was considered to be of direct relevance to the present study in order to place the study within the context of similar surveys thereby enriching it as well as providing a justification for it.

This chapter explains the research procedures and techniques adopted in the study in order to provide answers to the questions raised in chapter one of the investigation. Hence, it describes the research design, location, target population, sample size, sampling procedure, research instruments, data collection procedures, problems encountered during data collection, data analysis, data interpretation and ethical considerations.

3.2. Research Design

Research design is the framework within which a given research exercise is to be undertaken and gives the basis for the selection of appropriate research methods to be utilised in investigating a given phenomenon.

The study adopted the descriptive research design in order to understand the views of local stakeholders about the effectiveness of financial management in basic schools of Chibombo district. Bless and Achola (1988: 42) say that "a descriptive design gives an accurate

account of the characteristics of a particular phenomenon, situation, community or person.” The researcher aimed at giving an accurate account of the respondents’ views in the schools.

The study utilised methodological triangulation which involved the use of both qualitative and quantitative approaches. The study utilised a qualitative approach so that the researcher could probe questions involving why certain phenomenon occur the way they do. Rudestam and Newton (1992) observed that in qualitative research, the research sought the psychologically rich and in depth understanding of the individual and his or her social context in order to develop a complete understanding of a person, programme or situation.

On the one hand, the researcher used a qualitative approach in order to measure the reaction of many people to a limited set of questions thereby facilitating comparison and statistical aggregation of the data. Wimmer & Dominick (1994) agree by stating that the use of numbers, which is one of the major characteristics of quantitative research, allows greater precision in reporting results.

3.3. Location

The target area of this study was Chibombo District in the Central Province of Zambia, located north of Lusaka.

3.4. Target Population

The potential respondents in the study were all Chibombo District Basic School Head Teachers, Teachers, Pupils, Parents, the Bursar, the District Education Board Secretary, and the Internal Auditor.

3.5. Sampling

Sampling is a process of selecting a few (a sample) from a bigger group (the sampling population) to become the basis for estimating or predicting a fact, situation or outcome regarding the bigger group in which one is interested. On the one hand Rudestam and Newton (1992) define a sample as a subset of the population that is taken to be a representation of the entire population. Meaning that a sample should represent the entire population for results to be generalised. This study employed sampling in varying degrees under each of the research methods presented in this chapter. It employed both random and purposive sampling.

3.5.1. Sample Size

The sample for the study was drawn from Chibombo district basic schools to investigate the effectiveness of the decentralised financial management. Samples of six (6) schools were randomly selected from the district. These were drawn from two (2) different sites or localities to ensure a fair geographical distribution as much as possible. Three (3) schools were closer to the Provincial Education Office and the other three were farther away from the Provincial Education Office. This was

done to find out if the Internal Auditor audited the schools which were further from his office.

A sample of 10 teachers in each school were considered sufficient for the study as it was a case study. Two (2) pupils and two (2) parents from each school were considered for focus group discussions. However, the DEBS and Internal Auditor were included in the total sample population but were not sampled because they were the only ones in the district. Head teachers and Accounting Officers were also not sampled as they were the only ones in their respective schools.

The total sample used for the research was 98. To come up with that figure, the respondents for each school were multiplied by six (six schools) and respondents who were not sampled were also included.

3.5.2. Sampling Techniques

Purposive and random sampling techniques were used in the study. Through random sampling 60 teachers were randomly selected in Chibombo District basic schools. A simple random sampling was done in each school to ensure that equal opportunity was extended to everyone in all the six (6) schools. At each school all the teachers were told to write their names on pieces of paper. Thereafter they were told to fold them and put them in the box. The researcher then shuffled the papers thoroughly and picked 10 pieces of paper. Those picked were the participants of the study.

Purposive sampling techniques were used in selecting parents and pupils from each school to participate in focus group discussions. The parents and pupils who were selected had satisfied a particular criterion. This meant that parents and pupils were stakeholders in the

financial management of school funds and that they were supposed to belong to the financial management committee.

The District Education Board Secretary, Internal Auditor, Accounting Officers and head teachers were not sampled as they were the only ones in their respective areas. The respondents were selected because they had rich information which helped the researcher receive diverse views about school financial management effectiveness.

3.6. Research instruments

Four methods were used: Questionnaires, semi-structured interviews, focus group discussions and document analysis. A combination of methods was employed in the study to ensure triangulation.

3.6.1. Questionnaires

Questionnaires were used on teachers because they had a larger sample. Wimmer and Dominick (1994) stated that the key advantage of using questionnaires was that they usually helped researchers investigate problems in realistic settings and that their costs were reasonable considering the amount of information gathered. They added that large amounts of data could be collected using a questionnaire with relative ease. Hence it was felt that the use of questionnaires would enhance reliability and validity of the findings and conclusions of the study. The questionnaires contained closed and open-ended questions. The questions were based on all the questions mentioned in chapter one.

3.6.2. Semi-structured Interviews

The study used semi-structured interviews on the District Education Board Secretary, the Internal Auditor, Accounting Officers and head teachers because these participants were key informants who had rich information on the financial management in basic schools. In order to answer the research questions, semi-structured interviews had to be used on them to yield rich information which could be used in the investigation of the effectiveness of the financial management. Rich information was collected because the method gave room for additional questions during the course of the interview. The interviews were tape recorded and later transcribed by the researcher.

3.6.3. Focus Group Discussions

Focus group discussions were conducted on parents and pupils. Focus group discussions were used on them to make them feel relaxed to talk freely as much as possible. The discussions were recorded on the audio tape. This was to enable the researcher to get and write down the actual words and tone that were spoken by the respondents.

3.7. Data Collection

Data were gathered during the second term of the 2008 school calendar year. Semi-structured interviews were conducted on Head Teachers, Accounting officers, the Internal Auditor and the DEBS to collect data. Focus-group discussions were used on Parents and Teachers to gather information and questionnaires were utilized on

Teachers. The study also employed document analysis to collect information.

3.7.1. Problems encountered during data collection

The research was done during election time making it difficult to access some of the respondents and informants as they were attending election briefings.

3.8. Data Analysis

The researcher began the process of data analysis during the interviews by recording what was considered relevant to the research questions according to the interview guide. Then qualitative data that had been recorded were transcribed and analysed by coding them into themes that emerged. By identifying a theme, we isolate something that firstly happens a number of times. Secondly, that it happens in a specific way. In the same vein, Ely (1984) in Ely **et al** (1995:150) defines a theme as a statement of meaning that runs through all or most of the pertinent data or one in the minority that carries heavy emotions of factual impact. Quantitative data collected were analysed *using a computer software called excel to generate tables of frequencies and percentages, pie charts and graphs.* From the analysis of data collected the researcher assessed the effectiveness of the decentralised financial management system in basic schools of Chibombo district.

3.8.1. Document Analysis

Patton (1990) stated that the significance of document analysis in qualitative research was that it yielded quotations, excerpts or entire passages from reports and official publications. Hence, document analysis provided the researcher with valuable information and also provided stimulus for generating questions that were pursued through interviews and discussions.

3.9. Data Interpretation

Qualitative and quantitative data were gathered in this study. Data were both qualitatively and quantitatively interpreted. Data which were analysed quantitatively were interpreted according to statistical procedures. In most cases respondents' views with the highest frequencies or percentages were considered to be the views of the majority. Frequencies and percentages were illustrated using tables, graphs and pie charts. Qualitative data were interpreted from respondents' views, statements and facial expressions.

3.10. Ethical Considerations

The study took into consideration all possible and potential ethical issues. The issues included the respondent's rights to withhold their consent to participate in the research undertaking and maintenance of confidentiality of the people who participated in the study and the values of the participants were given due respect.

3.11. Summary

This chapter has presented the methodological aspects of the investigation by focussing on the research procedures and techniques which were adopted in order to provide satisfactory answers to the questions raised in chapter one of the study. The next chapter presents the research findings without any attempt to analyse them as the analysis is done in chapter five.

CHAPTER FOUR

PRESENTATION OF RESEARCH FINDINGS

4.1. Introduction

In the previous chapter, research methodology was discussed. The chapter described the location, target population, sampling, research instruments, data collection procedure, data analysis, data interpretation and ethical considerations.

This chapter sets forth the research findings without any attempt to analyze them as the analysis is done in Chapter Five. The research findings are both qualitatively and quantitatively presented. Qualitative data are presented by grouping or categorising emerging themes from respondents' opinions. The categorised themes are presented under full headings drawn from the objectives of the research. The headings are:

- (i) Participation of local stakeholders in the management of school funds.
- (ii) Transparency and accountability in the management of school funds at the local echelon.
- (iii) Financial management skills of local stakeholders.

However, quantitative data are drawn from questionnaires and presented by displaying tables, figures and pie charts.

4.2. Participation of local stake holders in the management of school funds.

The composition of the financial management committee in the six schools that were sampled in this study revealed that most of the subordinate local stakeholders such as teachers, pupils and parents were not involved in the management of school funds. This study revealed that in most schools what constituted the school financial management committee were the head teachers, deputy head teachers and the accounting officers. During fieldwork parents and pupils even expressed ignorance of the existence of financial management committees in their schools. This was evident from the remarks of a parent who asserted:

I do not know if there is a financial management committee for the school, the only committee I know of is a financial management committee for the PTA

A similar view was shared by one of the pupils in another school, who equally expressed ignorance of the existence of such a committee. He argued, "We do not know the composition of the financial management committee because we are not part of the committee."

Furthermore, all the head teachers testified that parents and pupils were not incorporated in the school financial management committee.

However they were aware that these stakeholders were supposed to be members of such a committee. Nonetheless, there was no justification for their exclusion from such a committee.

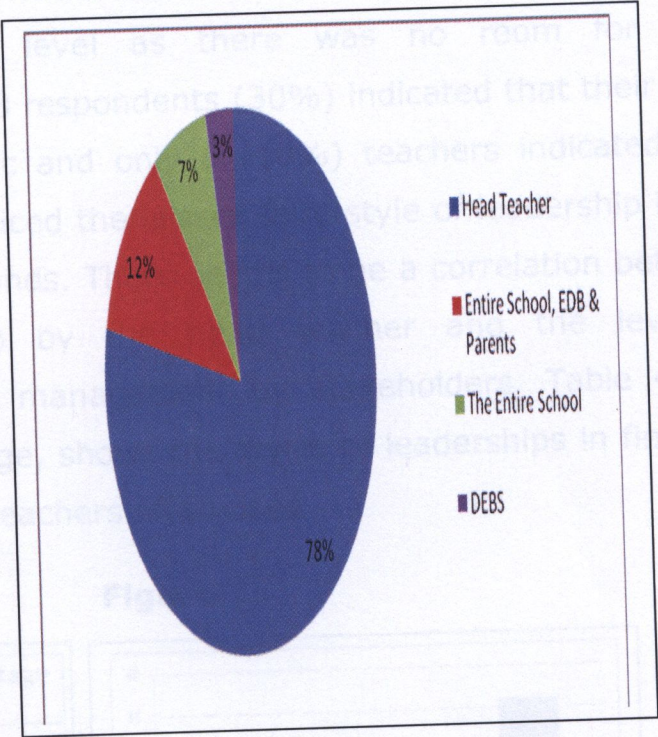
The quantitative data from questionnaires further indicated that subordinate local stakeholders were not managing school funds. This is

evident from the responses of the majority of 47 (78%) teachers, who indicated that their head teachers were the sole managers of school funds. Only 7(12%) teachers indicated that the entire school, district education board and parents participated in the management of school funds. 4 teachers (7%) indicated that the entire school managed school funds. There were only 2 (3%) teachers who indicated that the district education board secretary managed school funds. This is illustrated below in table 3 and pie chart 1.

Table 3

Response	Frequency	%
Head Teacher	47	78
Entire School, EDB & Parents	7	12
The entire School	4	7
DEBS	2	3
Total	60	100

Pie Chart 1



4.2.1. Styles of Leadership as factors in undermining participation of stakeholders in financial management at school level

Having established that the subordinate local stakeholders did not participate in school financial management, the study further examined

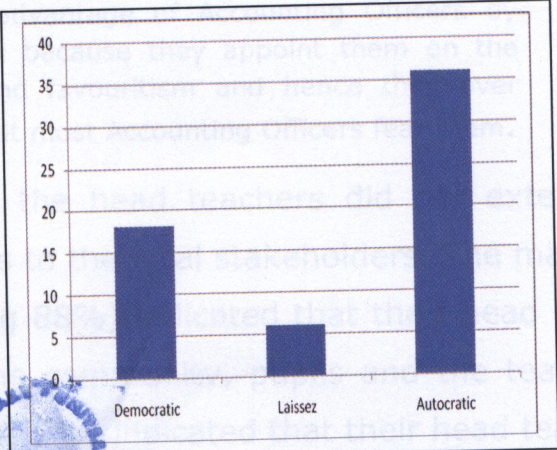
styles of leadership and how they undermined participation of such stakeholders in financial management. The study revealed that the style of leadership had an impact on participation of stakeholders in financial management.

The quantitative data gathered in this study indicated that most head teachers practiced autocratic style of leadership in managing school funds. The majority of the respondents, specifically 36 (60%) indicated that their head teachers practiced autocracy in their leadership. This prevented other stakeholders from participating in financial management at school level as there was no room for their involvement. However, 18 respondents (30%) indicated that their head teachers were democratic and only 6 (10%) teachers indicated that their head teachers practiced the laissez faire style of leadership in the management of school funds. There seems to be a correlation between the style of leadership by the head teacher and the level of participation in financial management by stakeholders. Table 4 and Figure 1, on the next page, shows the styles of leaderships in financial management that head teachers often used.

Table 4

Figure 1

Response	Frequency	Percentage
Democratic	18	30
Laissez	6	10
Autocratic	36	60
Total	60	100



In the same vein, qualitative data from the parents and pupils clearly revealed that the head teachers practiced autocracy in the management of funds. It was discovered that superiors at the local level were not sharing financial management powers meaning that subordinate local stakeholders were being marginalised or excluded from the management of funds. One of the parents complained:

Who are we? We are not seen as stakeholders because we are not part of the school administration. That is why we are not given the power to manage school funds. We are only given the power to manage PTA funds and not government and donor funds.

In the same line, a pupil from one of the schools stated:

We are not given the authority to manage school funds because we are only pupils. Management of school funds is for school authorities like the head teacher and the accounting officer.

Another clear manifestation of autocracy in the management of funds was noticed by the Internal Auditor who said that the financial management powers were only shared between head teachers and the Accounting Officers. He further stated that some head teachers and Accounting Officers misused school funds. He testified:

Head teachers take advantage of Accounting Officers by misusing school funds because they appoint them on the basis of friendship and favouritism and hence they overpower them. As a result most Accounting Officers fear them.

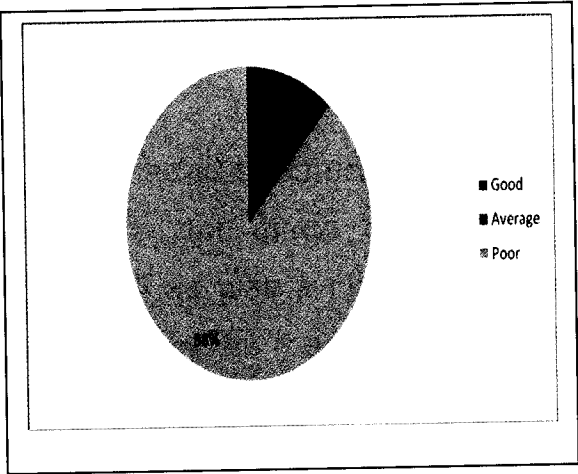
Teachers also revealed that the head teachers did not extend their financial management powers to the local stakeholders. The majority of the teachers (53 representing 88%) indicated that their head teachers were poor at encouraging the community, pupils and the teachers to manage school funds whilst 4 (7%) indicated that their head teachers

were average at encouraging the community, pupils and the teachers to manage school funds and only 3 (5%) indicated that their head teachers were good at encouraging the community, pupils and the teachers to manage school funds. As illustrated in Table 5 and figure 2, most of the head teachers did not encourage other stakeholders to participate in financial management at school level.

Table 5

Response	Frequency	%
Good	3	5
Average	4	7
Poor	53	88
Total	60	100

Pie Chart 2



The study revealed that subordinate local stakeholders advocated that top management should foster local participation in the management of school funds. As one Pupil said:

We are the chief stakeholders, hence decisions on financial management made by school authorities affect us. So it is important for school authorities to involve us, as they would know what affects us.

It was not only pupils who demanded for participation in financial management at school level, but parents also wanted to participate in the management of school funds as they were concerned about their children’s welfare.

In a nutshell, it was clearly exposed that subordinate local stakeholders were not participating in the management of school funds because superiors at the local level did not extend financial management powers to them. Parents were only allowed to manage 50% of the PTA funds. However teachers and pupils were not given the powers to manage any kind of funds.

4.3. Transparency and Accountability in the Management of School Funds at school level

It was revealed that the majority of the head teachers solely managed school funds. Parents and pupils were not given the authority to monitor the utilisation of school funds. This was a clear manifestation of lack of transparency and accountability in the management of school funds at the school level. This meant that top management were at liberty to misuse school funds as the subordinates did not have the powers to observe how funds were being used. One of the parents from the schools stated:

It is impossible for us to monitor government and donor funds as we are not given a chance. The schools have really emphasised that we are only supposed to monitor 50% of the PTA funds. Hence we do not know how funds are being utilised.

This was a clear indication that top management at the local level were not transparent. This meant that the school funds were being managed behind closed doors. As a result, top management were not answerable to subordinate local stakeholders because they were not aware of what was happening.

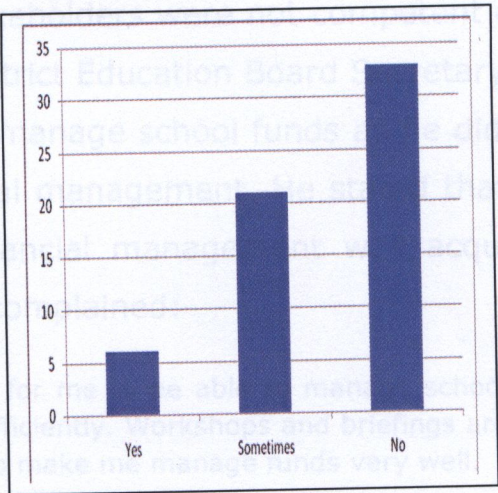
The research further revealed that the head teachers and Accounting Officers did not brief teachers on how school funds were being utilised. This was an indication that they were not transparent. Quantitative data show that 33 (55.3%) teachers indicated that their head teachers did not brief them about how funds were being utilised and 21 (33.1%) indicated that their head teachers sometimes briefed them. However, only 6 (10.6%) of the teachers indicated that their head teachers briefed them. This is illustrated in Table 6 and figure 2 on the next page.

4.4. Financial Management Skills of Local Stakeholders

Table 6

Response	Frequency	%
Yes	6	10.6
Sometimes	21	33.1
No	33	55.3
Total	60	100

Figure 2



In the same vein, head teachers complained that they were not skilled enough to manage school funds. Hence, they experienced severe

The Internal Auditor also stated that the financial management at school level was not transparent and accountable. He testified:

Financial management in schools is not transparent and accountable because am not there to audit transactions. This is why most schools do not comply with the financial regulations.

He further stated:

Basic schools receive a lot of funds from government and donors and a lot of transactions are made which are not accounted for.

He suggested that the MOE should employ extra Internal Auditors, four in each district for them to be able to audit all the schools in the province. He said it was not easy to audit all the schools in one year as the work load was too much for him. Lack of financial management skills amongst the local stakeholders further undermined their participation.

4.4. Financial Management Skills of Local Stakeholders

It was revealed that local stakeholders were not competent enough to manage school funds. The District Education Board Secretary said that he was not skilled enough to manage school funds as he did not have any proper training in financial management. He stated that the little knowledge he had about financial management was acquired from briefings and workshops. He complained:

I need proper training for me to be able to manage school funds effectively and efficiently. Workshops and briefings are not sufficient enough to make me manage funds very well.

In the same vein, head teachers complained that they were not skilled enough to manage school funds. Hence, they experienced severe shortcomings in the management of school funds. This view was also shared by the Internal Auditor who testified: "Most head teachers are not trained to manage school funds that is why they do not maintain proper financial records."

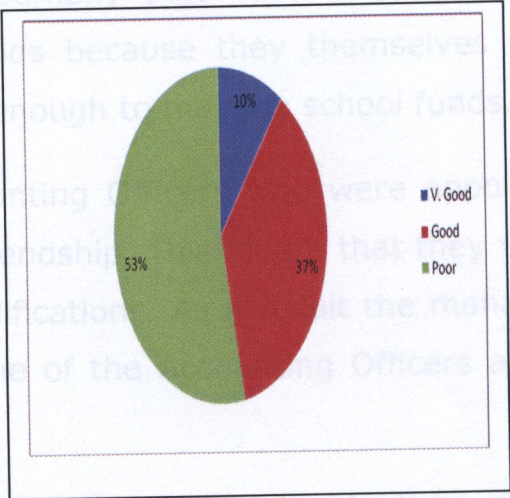
In agreement with the Internal Auditor, teachers indicated that their head teachers were not competent enough to manage school funds. 32 (53%) teachers indicated that the financial management of their head teachers was poor. On the other hand, 22 (33%) teachers indicated that the financial management of their head teachers was good and only 6 (10%) indicated that the financial management of their head teachers was very good.

Table 7 and Pie Chart 4 indicate various perceptions of teachers on how head teachers in various schools managed school funds.

Table 7

Response	Frequency	Percentage
V. Good	6	10
Good	22	37
Poor	32	53
Total	60	100

Pie Chart 3

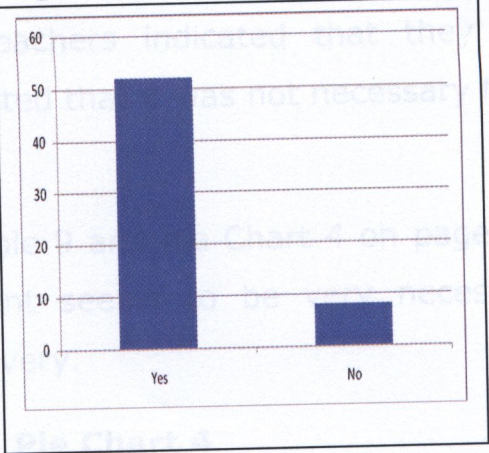


The study established the need for the training of teachers in financial management. The majority of 52 (86%) teachers indicated that their head teachers should undergo training and only 8 (14%) teachers indicated that they should not undergo training. This is illustrated in Table 8 and figure 3 on the next page: should head teachers undergo training in financial management?

Table 8

Response	Frequency	Percentage
Yes	52	86
No	8	14
Total	60	100

Figure 3



These results were a true testimony that head teachers were not skilled enough to manage funds because they themselves testified that they were not competent enough to manage school funds.

This also applied to the Accounting Officers who were appointed on the basis of favouritism and friendship. This meant that they were not appointed on the basis of qualifications. As a result the management of funds was not effective. One of the Accounting Officers at one of the schools stated:

We should be properly trained to manage school funds for us to manage them effectively. Some of us have never even attended briefings and workshops on how to manage funds.

It was also revealed that most Accounting Officers did not have ample time to manage school funds as they were also committed to teaching. They complained:

We do not have enough time to manage school funds as we are supposed to teach. Therefore, head teachers should appoint us on full time basis for us to be able to do a very good job.

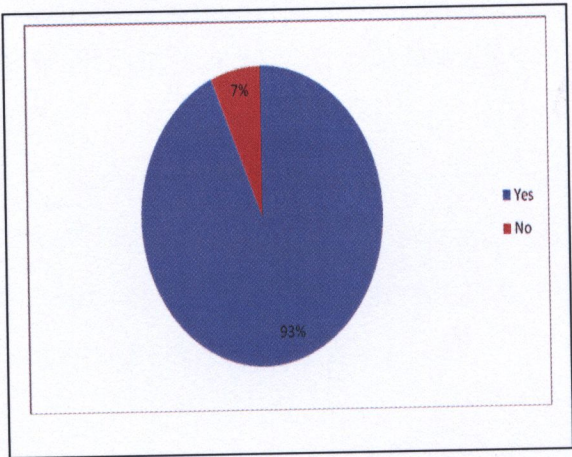
Teachers also did not have financial management skills. This is clearly displayed when 56 (93.3%) teachers indicated that they needed training and only 4 (6.7%) indicated that it was not necessary for them to get training.

Nevertheless as indicated on Table 9 and Pie Chart 4 on page 63, the training in financial management seems to be very necessary for stakeholders at the points of delivery.

Table 9

Response	Frequency	Percentage
Yes	56	93
No	4	7
Total	60	100

Pie Chart 4



In the same vein, most of the parents were illiterate hence they did not have any financial management skills. This explains why they were marginalised because they lacked the knowledge about school financial management. One parent stated “Most of the parents are illiterate and this makes them feel too inferior to participate in school activities.”

On the whole, it was discovered that all local stakeholders did not have financial management skills.

4.5. Summary

The chapter presented the findings on the decentralised financial management in basic schools of Chibombo District. The research findings were both qualitatively and quantitatively presented. Qualitative data were presented by grouping or categorising emerging themes from respondents' opinions and quantitative data were drawn from questionnaires and were presented by displaying tables, figures and pie charts. The next chapter presents the discussion of the findings of the study.

CHAPTER FIVE

DISCUSSION OF RESEARCH FINDINGS

5.1. INTRODUCTION

The previous chapter presented the findings on the effectiveness of the decentralised financial management in basic schools of Chibombo. This exercise was done in order to provide answers to the research questions raised in Chapter One of the study.

The present chapter presents the discussion of the findings of the study. The discussion is presented under three headings drawn from the objectives of the study, namely the participation of local stakeholders in the management of school funds, the transparency and accountability in the management of school funds and finally the financial management skills of local stakeholders.

5.2. Participation of local stakeholders in the management of school funds

It is evident from the findings that some teachers, parents and pupils did not participate in financial management. Firstly, all head teachers interviewed testified that they did not incorporate pupils and parents in the financial management committee. Hence, this meant that these stakeholders were denied the powers to manage school funds. In agreement, the majority of the teachers indicated that their head teachers were poor at encouraging the community, pupils and teachers to participate in the management of school funds. Quantitative data

show that 53 (88%) teachers indicated that their head teachers were poor at encouraging the community, pupils and teachers to participate in the management of school funds, while 4 (7%) teachers indicated that their head teachers were average at encouraging the local stakeholders to participate in the management of school funds. There were only 3 (5%) teachers who indicated that their head teachers were good at encouraging the local stakeholders to participate in the management of school funds. These findings are however not in conformity with Wholstetter and Mohrman (1994) who pointed out that effective financial management should incorporate all stakeholders at the local level by empowering them to have a voice in financial management.

Furthermore, the study discovered that the head teachers did not encourage teamwork in financial management meaning that schools had limited managerial powers. This was evident from the responses of 39 (65%) teachers from the sample who indicated that their head teachers did not encourage teamwork in financial management. 13 (22%) teachers indicated that their head teachers sometimes encouraged teamwork and only 8 (15%) teachers indicated that their head teachers encouraged teamwork. In this vein, Mohamed (2003) argues that the decentralised financial management cannot be effective without collaboration and synergy among all the stakeholders involved in the management of school funds. The MOE (2005) further argues that all stakeholders should participate in education matters to allow for rapid reaction and action to problems that occur at the points of delivery.

The study further revealed that the schools did not render pupils a platform to participate in financial management although they knew that it was mandatory for them to participate. Parents were also denied the powers to manage school funds. They were only given authority to manage 50% of the PTA funds. This scenario is in conflict with the **National Decentralisation policy of 2005** which states that local people should be empowered to strengthen local institutions to facilitate more effective citizen participation in governance (MOE: 2005). In a similar vein, the MOE (2005) agrees that community participation in all matters related to national development should be promoted as it yields effective management. Therefore, the lack of participation by subordinate local stakeholders led to poor utilisation of funds by the superiors because the main stakeholders were not given the authority to monitor school funds. The poor utilisation of funds is clearly manifested when the majority of the teachers specifically 32 (53%) indicated that their head teachers' financial management was poor whilst 22 (37%) teachers indicated that their head teachers' financial management was good and only 6 (10%) teachers indicated that the financial management of their head teachers was very good.

It appears that the Accounting Officers and the head teachers were the only stakeholders managing school funds. The Internal Auditor testified that the head teachers appointed Accounting Officers on grounds of friendship and favouritism. Hence, the Accounting Officers would fear to query wrong acts done by their head teachers. On the other hand, they would connive to misuse funds because they were at liberty to do so because they were the only ones with the power to manage school funds.

Going by these findings, it is clear that subordinate stakeholders were not incorporated in the management of school funds. Hence, the findings were not in agreement with the first objective in chapter one.

5.3. Transparency and Accountability in the Management of School funds at the Local Echelon

Local stakeholders' participation in financial management is meant to accentuate the need for greater transparency and accountability (MOE, 1996). However, to the contrary, the findings in the previous section clearly showed that chief stakeholders were not participating in financial management. This meant that these stakeholders were not able to safe guard the school funds to ensure the best possible use of financial resources. As a result transparency and accountability were poor.

It is evident from the findings of this study, that head teachers were not allowing subordinate stakeholders to monitor school funds. Although it has been asserted that effective decentralised financial management cannot be fulfilled in a closed-door culture of financial management (MOE 2005), evidence for this study has clearly shown that there was lack of transparency in schools because stakeholders were not given the power to observe the utilisation of funds.

It was also revealed that accountability tended to be directed upwards rather than downwards. This is why the DEBS preferred to be answerable to the Minister of Education and not the parents and teachers. It was for this reason that he clearly stated:

I prefer to be answerable to the Minister of Education because he is my boss and he is in charge of the whole education system. So he needs to be updated on any information and I need to be answerable to him.

Transparency and accountability is about being answerable to everyone that is why all stakeholders are encouraged to participate in the management of school funds. According to the MOE (2005) local stakeholders should participate in the management of funds for prudent management of financial resources in schools. Thus, we conclude that the upper level at the local echelon did not manage funds in the open and they were not willing to explain or to be criticised.

In most cases, stakeholders were not even briefed on how the funds were being utilised. This comes to light when 21 (33.1%) teachers responded that sometimes their head teachers did not brief them about how funds were being utilised in the school. 33 (55.3%) teachers indicated that they were at times briefed though not always and only 6 (10.6%) teachers indicated that they were briefed in most cases. This shows lack of both accountability and transparency in financial management at school level.

On the other hand, the internal Auditor said that there was lack of accountability in schools because he could not manage to audit all the financial records in schools in that he was the only Internal Auditor in the whole of the Central Province. Therefore, some schools which were farther from the Provincial Education Office knew that they could not be reached as a result they were at liberty not use school funds prudently.

In cases where the Internal Auditor discovered that the school authorities had misused the school funds, he could not press charges against them because he felt that they were not trained to manage funds. Besides, there was no mechanism to penalise them. Because of that, a lot of schools did not have passable accounts records.

In sum, it was revealed that there was lack of transparency and accountability in the management of school funds at the local level because the chief beneficiaries were not given the authority to participate in financial matters.

5.4. Financial Management Skills of Local Stakeholders

Mohamed (2003) pointed out that the most important factors contributing to the poor book keeping and accountability were the lack of capacities, the time consuming accountability process and the fact that most parents were illiterate. This is in agreement with the basic schools of Chibombo District. Some parents testified that they were illiterate and that they could not manage school funds. Hence, due to ignorance, they were not aware about their rights to participate in financial matters. As a result they were marginalised.

It was also revealed that the schools had poor record keeping skills and hence vital information was lost. This complicated the accountability process and subsequently sometimes delayed the monthly accountability. This is a clear manifestation of local stakeholders not equipped with skills to manage school funds. However, this is not in line with Opfer and Denmark (2001) who

suggested that the decentralised financial management could be implemented if empowerment and knowledge that enabled stakeholders to manage funds would be present. Therefore, effective decentralised financial management should have skilled accounting and book keeping staff.

In line with the above statement, it was revealed that all the stakeholders were not equipped with skills enough to manage funds. For instance, teachers felt it necessary for them to be trained. The head teachers and Accounting Officers also testified that they did not acquire any financial training except for briefings and workshops. This was not sufficient because the majority of the teachers indicated that their head teachers' financial management skills were poor. However, the District Education Board Secretary also did not have financial skills. For parents, it was obvious that they did not have financial management skills because most of them were illiterate. As has been mentioned above, most Accounting Officers were not appointed on the basis of merit, hence it was discovered that they did not have any skills of accountancy as they only attended briefings and workshops on financial management. However, Ponder and Ware (2003) were not in support of workshops and briefings as they argued that limited one-shot training was not the answer to effective financial management. Real learning comes from daily practice in different and effective ways of saying and doing until the new ways become ways of being and thinking.

The largest obstacle to decentralised financial management is lack of capacity building. Naidoo and Kong (2003) stated that for decentralised financial management to be effective, stakeholders must

acquire new skills in financial management. They further said that the government should provide formal training.

It can be concluded that all the stakeholders who participated in the study did not possess financial management skills.

5.5. Summary

The chapter presented the discussion of findings of the study. The discussion followed the objectives upon which data collection was based. The next chapter presents the overall conclusion of the dissertation and the recommendations based on the findings of this research.

CHAPTER SIX

CONCLUSIONS AND RECOMMENDATIONS

6.1. Introduction

The previous chapter presented the discussion of the findings of the study. This chapter presents the overall conclusion of the dissertation and the recommendations based on the findings of this research.

6.2. Conclusions

Through a careful analysis of the decentralised financial management in basic schools of Chibombo District, this study has shown that decentralised financial management was not effective.

There was lack of willingness by superiors at the local level to share financial management powers with the subordinate local stakeholders. There was an overemphasis on routine financial management tasks by top management, marginalising the subordinate stakeholders. The lack of commitment to sharing responsibilities of financial management seriously compromised their transparency and accountability.

As stated above, there was a lack of transparency and accountability in the management of school funds because of not sharing responsibilities and managing funds in a closed door culture. This meant that subordinate local stakeholders were not allowed to monitor school funds. Hence, they were not given the powers to question wrong transactions.

It was also further revealed that the stakeholders lacked financial management skills. Lack of skills in financial management amongst stakeholders meant that those entrusted with positions of responsibility could not execute the management of funds in an effective and efficient manner. Briefings and workshops were not adequate enough to produce effective financial management skills.

6.3. Recommendations

The main findings of this study were that the decentralised financial management in basic schools of Chibombo District was not effective. Hence, there was a possibility that other districts in the country faced the same predicament. Therefore, in view of these findings and conclusions of this study, the following recommendations are made to the MOE, DEBS and head teachers:

- The MOE should provide formal training for all those responsible in financial management at the local level, including parents, so as to improve financial management.
- The head teachers should share financial responsibilities with lower levels of school administration.
- The MOE should sensitise the school authorities to encourage parents to participate in the management of school funds.
- The MOE should provide full time qualified Accounting Officers in schools.

- The MOE should penalize members of staff who misuse funds.
- Head teachers should allow all stakeholders to monitor how funds are being used by browsing through the financial records.
- The MOE should provide Internal Auditors in each District and at least four (4) per District in order to reduce the workload and be able to audit all the schools in one year.

6.4. Suggestions for further Research

Any academic piece of work seeks to clarify certain issues. No doubt, in an endeavour to address these issues, more provoking ones are raised, which unfortunately supersede the scope of the research objectives. This study has found itself in the same web.

Such topics, therefore would include the following:

- A detailed comparative analysis between the urban and rural basic schools in the management of funds.
- The effects of Parent participation in the management of government funds in Basic schools.

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APPENDIX A: QUESTIONNAIRE FOR TEACHERS

THE UNIVERSITY OF ZAMBIA

SCHOOL OF EDUCATION

**DEPARTMENT OF EDUCATIONAL ADMINISTRATION AND
POLICY STUDIES**

Questionnaire on Decentralized Financial Management in Basic Schools

Dear respondent

I am a postgraduate student at UNZA. You have been selected to participate in providing information to this research which is part of my studies. This information is purely for academic purposes. You are requested to respond to the questions as truthfully as possible. The information given will be treated with strict confidence. Please note that you do not need to put your name on it.

Instructions

- Please put a tick [] in the brackets provided against your answer ; and
- Put your answer in the spaces provided.

1) Who manages funds in your school?

- (a) The Head Teacher. []
- (b) The District Education Board Secretary. []
- (c) The entire school. []
- (d) The entire school, education district board
and parents. []

2) Does the Head Teacher encourage team work in financial
management?

- (a) Yes [] (b) Sometimes [] (c) No []

3) Does the Head Teacher brief you about how finances are utilized in
the school?

- (a) Yes [] (b) Sometimes [] (c) No []

4) If the answer is YES to question 3, does the Head Teacher give you
reasons why He/she had to utilize the funds?

- (a) Yes [] (b) Sometimes [] (c) No []

5) The Head Teacher often uses the following management style in
financial management.

- (a) Autocratic [] (b) Laissez faire [] (c) Democratic []

6) How would you rate the financial management ability of your Head
Teacher?

(a) Very good [] (b) Good [] (c) Poor [] (d) Very Poor []

7) How would you assess your Head Teacher on the following?

(1) The management of funds.

(a) Very good [] (b) Good [] (c) Average []

(d) Poor [] (e) Very Poor []

(ii) In encouraging the community, pupils and the Teachers to participate in financial management?

(a) Very good [] (b) Good [] (c) Average []

8) The Head Teacher of our school delegates financial management to other members of staff.

(a) Yes [] (b) Sometimes [] (c) No []

9) In your opinion, should the Head Teacher involve you in financial management?

(a) Strongly agree [] (b) Agree []

(c) Disagree [] (d) Strongly disagree []

10) Should the parents participate in financial management?

(a) Yes [] (b) No []

11) If the answer to Q10 is NO, please give reasons.

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.....

12) Should the pupils participate in financial management?

(a) Yes [] (b) No []

13) If the answer to Q12 is NO, please give reasons.

.....
.....

14) How would you rate the involvement of Teachers in financial management?

(a) Very good [] (b) Good (c) Average
(d) Poor (e) Very Poor

15) Should you undergo training in financial management?

(a) Yes [] (b) No [] (c) Don't Know []

16) Should Head Teachers undergo training in financial management?

(a) Yes [] (b) No [] (c) Don't know []

17) Are pupils given a platform to participate in financial management?

(a) Yes [] (b) No [] (c) Don't know []

18) If the answer to question 17 is YES, what is their contribution?

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.....

19) Are parents given a platform to participate in financial management?

(a) Yes [] (b) No [] (c) Don't know []

20) If the answer to question 19 is YES, what is their contribution?

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.....

21) The Head Teacher should undergo training in the following areas.

(a) Communication skills [] (b) Human relations []

(c) Accounts [] (d) Monitoring []

(e) Delegation [] (f) Record Keeping []

(g) Others specify

.....
.....

23) Do you think financial management should be handled by the head teacher?

(a) Yes [] (b) No [] (c) Don't know []

24) Give reasons for your answer.

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25) What skills do you possess that can help your school execute effective financial management?

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.....

APPENDIX B: INTERVIEW SCHEDULE FOR THE HEAD

TEACHERS

- 1) What is the composition of the financial management committee?
- 2) What leadership and financial management training do you have?
- 3) Did you undergo training to achieve the skills?
- 4) Do the parents and Teachers have financial management skills?
- 5) There are people who feel that pupil participation in financial management is a waste of time. Do you agree?
- 6) How often do you give financial reports to the District Education Board Secretary?
- 7) Whom would you prefer to be answerable to, Teachers and Parents or the District Education Board Secretary?
- 8) How do you ensure that the financial records are kept safe?
- 9) Have you done any training in recording keeping?

APPENDIX C: INTERVIEW SCHEDULE FOR THE DISTRICT EDUCATION BOARD SECRETARY (DEBS)

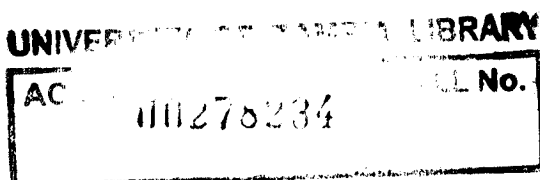
- 1) What is the composition of your financial committee?
- 2) Is capacity building necessary for Board members?
- 3) What leadership and financial management skills do you have?
- 4) Who do you formulate the district budget with?
- 5) Do you think the budgeting process is still centralized having in mind that the Ministry of Education Headquarters has to make adjustments to suit its priorities?
- 6) Are the financial resources adequate?
- 7) How would you ensure that government and Donor funds are utilized in accordance with the budget?
- 8) Is it necessary to have an Internal Auditor at the District Education Board? Explain your answer.
- 9) How would you safely keep the financial documents, record and accounts?
- 10) Whom would you prefer to be answerable to, the Minister of Education or the community?
- 11) How do you ensure that the finances generated by the schools and parents are well utilized?
- 12) Is there smooth and quick flow of information between the District Office and schools?

APPENDIX D: INTERVIEW SCHEDULE FOR THE INTERNAL AUDITOR

- 1) Kindly explain how you are coping with expenditure tracking in order to ensure that funds to districts are prudently utilized?
- 2) How transparent and accountable is the decentralized financial system?
- 3) How do you ensure that expenditure is in line with the budget?
- 4) Is the Board using the funds for the purposes for which the funds were provided? Explain.
- 5) How has the decentralized financial management affected your work scope as internal audit department?
- 6) How frequently do you carry out the financial audits?

APPENDIX E: INTERVIEW SCHEDULE FOR THE ACCOUNTING OFFICER

- 1) Are you a full-time Accounting Officer?
- 2) Would you wish to be a full-time or part-time officer? Explain your answer.
- 3) What financial management skills do you have?
- 4) Did you get trained?
- 5) How do you ensure transparency and accountability?
- 6) Does your office have a computer for record keeping?
- 7) Should parents be involved in the management of funds?
- 8) Are you included in the formulation of the budget?



APPENDIX F: FOCUS GROUP DISCUSSION WITH PARENTS

- 1) Who is responsible for financial functions of the school?
- 2) Do you think the utilization of funds at school level is well monitored?
- 3) Has the board/school established a financial sub-committee to monitor the accounting functions?
- 4) What is the composition of the financial management committee?
- 5) Do you know how funds are utilized by the board and the school?
- 6) Are you given enough authority to monitor how funds are being utilized by the board and the school?
- 7) Are you involved in the budgeting process of the school?
- 8) If the answer is NO, would you like to be involved in the budgeting process of the school? Explain your answer.
- 9) Are there any areas of financial management in which you would like to see more involvement of parents in the P.T.A? Give reasons for your answer.
- 10) Do parents have any skills of financial management?

APPENDIX G: FOCUS GROUP DISCUSSION FOR PUPILS

- 1) What is the composition of the financial committee?
- 2) Do you understand financial management?
- 3) Are you given a platform to participate in financial management decisions?
- 4) What has been your contribution?
- 5) Who is responsible for financial functions in your school?
- 6) Do you participate in the formulation of the budget?
- 7) As a financial committee member, are you aware of the expenditure pattern of the school?
- 8) Who usually makes decisions on how finances should be utilized?
- 9) Why do you think you are represented in the committee?