Practices and Challenges of Financial Resource Utilization in Government Secondary Schools of Dawro Zone

Israel Eysu1  Endale Berhanu2
1.Corresponding author: Wolaita Sodo
2.Co-author; Wolaita Sodo University

Abstract
This study was conducted in secondary schools of Dawro Zone, Southern Nations Nationality and People Regional Government. The purpose of the study was to investigate the Practices and Challenges of financial Resource Utilization. Descriptive survey design was employed to conduct the study. It was conducted in two woredas and one city administration. Two woredas were selected at random and city administration was taken based on availability. Ten schools were chosen at random. Then, availability technique of the non-random method was used to take sample respondents of Kebele Education and Training Board and Parent Student Teacher Association chairpersons where as teachers were selected at random. Principals, vice principals, supervisors and school financial workers were included by availability. The total sample size of the study was 176. Questionnaire, interview guide, and document analysis were used to collect data. Both quantitative and qualitative methods of data analysis were employed. In line with the nature of the basic questions and the data collected frequency of response, percentage, mean and standard deviation were employed to present and analyze data quantitatively. Besides, data obtained from the open ended items, and interview were analyzed qualitatively. As a result, the study revealed that government secondary schools of the Zone are largely dependent on governmental and non-governmental organization or donors for its sources of finance; there was lack of effectiveness of school budget utilizing; the stake holders’ participation was not well known and highest as much as the expected degree of participation; the absence of internal audit and limited amount of the coordination, follow up, monitor, control, and feedback of external audit offered to schools can reduce proper implementation of school finance and can put schools below its standards; also schools encounter a lot of challenges in utilization of financial resources. Some of them were mentioned here, for instance, the allocated budget was not as equivalent as the needs of schools, principal is over loaded or busy in accomplishment of many activities rather than budget process, untimely disbursement of school budget from government to schools were identified as challenges among others that created ineffective utilization of school finance. Finally, based on findings and conclusion of the study recommendations were made on schools have to diversify the sources of finance through expands internal income by agricultural product, co-curricular clubs and any other activities; For effective school budget utilization schools should have utilize approved budget according to plan, need to utilize allocated budget for expected educational purpose; schools and concerning body need to mobilize, develop awareness through discussion, and design strategy that can lead to highest participation of school committee and other stake holders; to promote the practice of schools performing or implementing financial issue the recruitment of internal audit is advisable by woreda and city administration education office and the coordination, follow up, monitor, control, and feedback of internal audit is obligatory; besides, for effective and efficient budget utilization the needs of schools more or less will be satisfied if schools create or generate their own maximum internal income as much as possible; Principals need to manage their time and delegate activities in order to fully utilize time and follow budget process; the local government should disburse school budget at the right time.

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1. Background of the Study
Education is a backbone for the overall development of any society, it contributes for economic growth, development of science and technology; it can help change society by improving and strengthening skills, values and communication skill (UNESCO,2011). Among the priority in the education system in Ethiopia is quality and internal efficiency(MoE,2002). Studies revealed that education is strongly influenced by the resources made available to support the process and by how these resources are managed effectively. Furthermore, disbursing all the committed resources and delivering educational services to students under good governance are key for meeting education challenges successfully despite limited resources(UNESCO,2011).

The education goals and objectives can be achieved by means of using different resources as inputs. Among the resources as inputs, finance is a key issue to get and utilize all important inputs and to run the task of education at all levels in appropriate ways. This is due to the fact that among the resources (inputs), finance is more commonly used by schools through a process and mechanism of budgeting (Melaku,2000).

Financial resources are significant resources often assumed to be a part of physical capital. It is actually the
basis for the procurement, utilization and maintenance of all other types of resources. Without strong financial base it will be difficult to produce the right of goods and services in desirable quality and quantity (Chinyere, 2010).

In developing countries like Ethiopia, the government is the main sources of finance for the expansion of education. However, the financial, labor and material contribution of the community as well as school’s internal income and the support from non-government organizations could have their own contributions. In line with this there are criteria and mechanisms for grants’ distribution. The criteria for grants distribution mainly based on the size of the student population, the number of teachers, and class size (MoE, 2002). The size of the student population is the most crucial factor when allocating the block grant (MoE, 2002). The school director and the finance unit workers are relatively familiar with the details of the block grant, much more so than other school-level actors, such as parents, teachers, and students. In contrast with the block grant, the size of the school grant to be allocated to each school is only based on enrollment. The number of teachers and the class size are not taken in to account. Similarly, in recent time, Department For International Development (DFID) budget has been allocating to government secondary schools based on the number of students who have scored two and above two points in Ethiopia general secondary school examination. The amount of budget to be allocated for female students is greater than those of male students (SREB, 2015).

The transfer mechanism of all grants to each school are more or less similar in our country Ethiopia. It was learned that a key player in the process is Ministry of Finance and Economic Development (MoFED). All information on the schools must be passed on, through several echelons, up to this ministry which is responsible for releasing the funds back down to schools. Schools prepare and submit the total number of their students population to their sub-city or woreda education office, which consolidates the data from all the schools and submits them to regional education bureau. In turn, this education bureau combines the same school data and submits them to MoFED. Following this process, the grants which are to be allocated to each schools pass to reach the school account. According to Blue Book at the school level, the block grant budget is expected to cover recurrent expenditures, that is to say salaries and running costs (MoE, 2002).

According to (MoE, 2002) Schools have governmental source of finance(block grant budget) and non-governmental source of finance(school grant budget) in addition to generating its own internal sources of finance. Based on school grant budget guidelines, the school grant should be used to improve the provision of quality education, with a focus on General Education Quality Improvement Program (GEQIP) and School Improvement Program (SIP) related items: the teaching-learning process, the school environment, community empowerment, student achievement and schools’ capacity to manage change. According to this guide line, six items are excluded from the list of expenditures with the school grant: construction of new buildings (construction of toilets is however permitted), purchase of televisions and DVD players, payment of salaries and per diems, payment to individuals, and purchase of fuel or weapons (SREB, 2015).

There is also another source of finance for secondary schools from development partners and the name of budget is Department For International Development (DFID) budget. Based on the guide line of Department For International Development (DFID) budget, DFID budget focuses on students’ results and learning achievement rather than other activities. This budget should not be used to purchase laptop computer, generator, television, and tape recorder (SRBoFEDO, 2016).

The necessary conditions will be created for educational and training institutions (schools) to generate their own income and to use it to strengthen the educational process (MoE, 2002). Decentralization was introduced in Ethiopia in the 1995 constitution. All the nine regional states and two city administrations have their respective regional education bureau (REBs), under which woreda education offices (WEOS) are organized. Below the woredas, the Kebele Education and Training Board (KETB), and Parent Student Teacher Association (PSTA) are the educational planning and management government organs at the local community level. Also they have the responsibility to strengthen community school relationship, create conducive learning environment, decrease drop rate, increase community support to schools in terms of material, labor and finance (MoE, 2002).

The planning of school finances usually begins with the drafting of a budget. Budgeting is an ongoing and dynamic process that is typically marked by regular phases, such as, planning, needs assessment and priority setting. Budgeting is a forward looking process which should be guided by the schools vision for the future and a realistic assessment of the risks (Clarke, 2007). Therefore, building the implementation capacity of woredas’ and other stakeholders based on training needs identification through short term domestic and/or abroad training programs on educational management, supervision, finance, purchasing and major strategy are undertaking (MoE, 2002).

The effectiveness and efficiency of school can center on the quality of its financial management sound. Financial management ensures that school resources are effectively used to achieve a school’s mission, and its school improvement plan (SIP) and school development plan (SDP). This shows that strong relationship exists between finance and educational programs, or the capability of finance is influencing educational programs of schools (Melaku, 2000). In addition to this, finance in the school is a critical issue to accomplish different tasks
which support in insuring quality of education and expand education (MoE, 2002).

To this end, the allocated budget for educational purpose needs to follow the rules and regulations of financial organizations when the budget is put in to action and utilization. For this reason, the researcher tried to examine the practice and challenges of financial resources utilization and to recommend more advantageous ways of utilizing important and scarce resources in government secondary schools of Dawro Zone.

2. Statement of the Problem
There is positive relationship between the efficient utilization of school finance and the success of education system. As suggested by MoE (1994), sufficient budget allocation and proper utilization of the education budget for the intended purpose is critical issue. There is a strong need to create transparency system in schools that clearly indicates the sources of finance and allocation as well as its utilization. It is possible to say that the financing of education must be efficient and appropriate to promote equity and quality of education. The misuse of finance can affect the quality of education in general and the involvement of school community, parent and donors in financial support to school in particular. It also affects the cooperativeness among teachers, students, school principals and PSTA. To tell the truth, school principals are expected to be appointed on the basis of experience, services and qualification related to the position, but many principals do not have the required qualification in the area of financial resource management, allocation, and utilization (MoE,1994).

Lack of planning capacity in the Ethiopian education system is on top of the agenda of both the government and donor’s since 1997(Tesfaye, 2008). As indicated in ESDP-4 (2010), many offices that is education however, do not have the required capacity to exercise their responsibilities effectively. The challenges stated by Melaku (2000), was local community members who contribute to school which are not in the appropriate position to appraise the efficiency of the school principals and others in managing finance.

The challenges which can affect efficient financial utilization practice include; shortage of adequate skills, knowledge, and efficiency and effectiveness of school principals and other stake holders who directly or indirectly involve in utilization of school finance. There is problem of adequate support in the area of school finance resource utilization from zonal or woreda education office. Other problems are also likely to result from: Lack of participation of concerned bodies in budget process, transparency, and lack of clear and consistent procedures to be followed to prepare budget at school level. Besides, absence or infrequent auditing is also there to strengthen the problem. These problems can affect students, teachers, community and government at large because they have no chance to get appropriate services. Many principals face disciplinary measures due to miss utilization of financial resources, carelessness in managing financial resources (Dash & Nena, 2008). Because of these reasons, the current condition at school level in the study area shows that financial utilization practice faces different challenges. Furthermore, detailed analysis has not undertaken in the study area so far. Therefore, the study focused on investigating currently existing practice and challenges of financial resources utilization in government secondary schools of Dawro Zone. Hence, to achieve the objective of the research, the study guided by the following basic questions.

1. What are the sources of finance for government secondary schools in Dawro Zone?
2. How is the effectiveness of school budget utilized in government secondary schools of Dawro Zone?
3. To what extent stakeholders are participating in utilizing finance in government secondary schools of Dawro Zone?
4. To what extent do the financial resources utilization are audited and monitored in government secondary schools of Dawro zone?

3. Objectives of the Study
The objectives of this study were presented as general and specific objectives.

3.1 General Objective
The general objective of the study is to investigate the practices and challenges affecting the utilization of financial resources at government secondary schools of Dawro zone.

3.2 Specific Objectives
The study has the following specific objectives:
1. To identify the sources of finance for government secondary schools of Dawro Zone.
2. To describe the effectiveness of school budget utilized in government secondary schools of Dawro Zone.
3. To examine whether stakeholders are participating in utilizing finance in government secondary schools of Dawro Zone.
4. To assess whether appropriate auditing and monitoring system exist regarding to the government secondary schools’ financial resource utilization in Dawro Zone.
4. Research Design and Methods

This chapter deals with the effective flow of information that could manage the study and the nature of participants and how they were selected. It gives the chance for the researcher to discuss how the instruments of data collection were developed and employed. Finally, it states research design, data sources, population, sample size, sampling procedures, the method of analyzing data and ethical consideration.

4.1 Research Design

This study employed descriptive survey design to conduct the study, since descriptive survey is a design used to get information relating to the existing condition of an issue or to discuss what exists within the condition of the situation. So, descriptive survey research is used to investigate the practices and challenges of financial resource utilization in government secondary schools of Dawro Zone. In addition, this design helped to gather different kinds of data by using data gathering tools for instance questionnaire, interview, and document analysis.

4.2 Sources of Data

The sources of data for this study were considered to be both primary and secondary sources. Primary and secondary data were collected from teachers, vice principals, principals, and supervisors, and documents respectively.

4.2.1 Primary Sources

Quantitative data were collected using a structured questionnaires having close ended from teachers, vice principals, principals, and supervisors. Qualitative data were collected by using key informants include PSTA, KETB chairpersons, and school finance personnel and through open ended questionnaire by using the respondents of close ended items.

All the above mentioned people have adequate information because they are directly or indirectly involved in each and every aspects of financial activities and the researcher assumed that they could provide valuable information for the study. The primary data were gathered through questionnaires and interviews.

4.2.2 Secondary Source

Secondary data sources were obtained from document analysis. Document analysis included minutes, model 19(used when materials submitted to a store) and model 22(helps to withdraw materials from a store), financial reports like auditing, expenditure and revenue report, income and expenditure records.

4.3 Sample Size and Sampling Techniques

4.3.1 Sample Size

From the Zone, two woredas and one city administration were selected. From two woredas and one city administration 10 schools were selected. For quantitative data a total of one hundred forty four respondents were selected. Among them one hundred twelve(30%) were teachers because Arya (1972) says a 10% to 30% of sample of the total population is suitable when the population is large, seventeen were vice-principals, ten were principals, and five were supervisors. For qualitative data thirty two respondents who included twelve schools’ financial workers, ten Kebele Education and Training Board (KETB) chairpersons, and ten Parent Student Teacher Associations (PSTAs) chairpersons were selected for in-depth interview questions.

4.3.2 Sampling Technique

Out of five woredas, which have 38 secondary schools, two woredas were selected using simple random sampling techniques because according to Kothari (2008) it gives each element in the population an equal probability of getting in to the sample. One city administration (contains 2 secondary schools) is taken based on availability because Kothari (2008) proposes use of availability when population is manageable size so, it is small in number and no need of selection. Out of the two woredas (Mareka and Loma) eight government secondary schools (out of seventeen) are selected by using random sampling techniques which includes Gozo Bamushi, Loma Bale, Disa, Yalo Lala, Gessa Dalba, Mari, Gendo, and Waka secondary schools. On the other hand, two schools (Tercha secondary and Maremea secondary schools) were included from Tercha City Administration by means of availability, which is 100% of sampling size, because there are limited number of schools and are already available so, no need of sampling. Out of three 369 teachers 112 were selected using random sampling. Ten principals, seventeen vice principals, five supervisors, and twelve schools’ financial workers/personnel, ten PSTA and ten KETB chairpersons were included based on availability.
Table-1: population, sample size and sampling techniques

| No | Respondents          | Population | Sample size | % | Sampling techniques | Data collection approach |
|----|----------------------|------------|-------------|---|---------------------|-------------------------|
|    |                      | M | F | T | M | F | T |               |                         |
| 1  | Teachers             | 305| 64| 369| 92| 20| 112| 30            | Random Questionnaire    |
| 2  | Vice principals      | 17|--|17 |17|--|17 |100            | Availability Questionnaire |
| 3  | Principals           | 10|--|10 |10|--|10 |100            | Availability Questionnaire |
| 4  | Supervisors          | 5|--|5  |5|--|5  |100            | Availability Questionnaire |
| 5  | School financial     | 8 | 4 |12 |8 | 4 |12 |100            | Availability Interview  |
| 6  | PSTA chairpersons    | 10|--|10 |10|--|10 |100            | Availability Interview  |
| 7  | KETB chairpersons    | 10|--|10 |10|--|10 |100            | Availability Interview  |
|    | Total                | 365|68 |433|152|24 |176|40            |                          |

4.4 Data Collection Instruments

In this study the major instruments were questionnaires, interview, and relevant documents including minutes, model 19 and model 22, financial reports like auditing and expenditure report, income and expenditure records.

4.4.1 Questionnaire

The process of data collection was mainly through questionnaire because of its suitability for survey study that has large size of respondents (Tadewos, 2014). In the structured questionnaire, both close-ended and open-ended questions were prepared to be filled by the teachers, vice principals, principals, and supervisors, who could be considered as respondents.

4.4.2 Interview Guide

Besides the questionnaire, face to face interview checklist was employed as an instrument for data collection and get appropriate data that may not be handled by questionnaire and also to counter check the information obtained from the open-ended form of the questionnaire which was prepared to exploit greater depth of response because the participants were encouraged to answer in their own words. So, an interview checklist was prepared and employed with key persons include PSTA and KETB chairpersons, and school financial workers/personnel.

4.4.3 Documents

Document reviews was made concerning revenue, expenditure, auditing reports, accounting books, handling and utilization system of school properties because document analysis helps to evaluate and compare the standard set with actual performance and to triangulate the data collected by using the other tools.

4.5 Pilot Study

Before the questionnaires were administered, the questions were tested through pilot survey. According to Mugenda and Mugenda (1999), reliability is the degree to which a research instrument yields consistent results. This pilot test sample is based on what Mugenda and Mugenda (2003) indicate that, normally the pilot test sample is between 1% and 10% depending on the sample size. So that the test was conducted in Gozo Shasho secondary schools of the study area which was not among the sampled schools. From this school sixteen teachers, one principal, and one vice principal, and totally eighteen participants were included in the pilot test. The internal consistency reliability estimate was calculated using Cronbach’s alpha coefficient for the Likert scale items. Then the researcher determined the reliability coefficient of the instruments by using SPSS program version 20. The alpha coefficient ranges from 0.71 - 0.79. So, this indicates acceptable degree of the questionnaires. Supporting this, George and Mallery (2003) also stated that the Cronbach’s alpha result > 0.9 excellent, alpha > 0.8 good, alpha > 0.7 acceptable, alpha < 0.6 is questionable, and alpha < 0.5 is poor.

The purpose of the pilot test was to identify and check the questionnaires and were valid and reliable. With the pilot testing, useful feedbacks were obtained on whether the respondents understand the questions easily, feel comfortable in answering the questions.

As a result, problems related to the content, wording, length, and instructions were addressed by doing the necessary amendment and adaptation accordingly.
4.6 Data Collection Procedures
The questionnaire and interview guides were pilot tested for reliability before administering questionnaire and conducting interview. Research participants were oriented about the objective of the study and told that they participate only if they freely agree to do so. During the interview, the researcher first introduced himself to interviewee by telling who he was, what he was going to do and how an interviewee was chosen before directly to the question. As regard to questionnaires, the questionnaire was developed in English and distributed to all participants to collect the necessary data.

4.7 Method of Data Analysis
The data gathered through primary and secondary methods were analyzed by using both mixed data analysis methods, i.e. quantitative and qualitative ways because a mixed approach can provide a fuller description and more complete explanation of the phenomenon being studied by providing more than one perspective on it and the results from one method can help develop or inform the other method. Quantitative ways of presenting the data collected in the course of questionnaire using Statistical Package for Social Science (SPSS) application version 20 and descriptive statistics such as: percentages mean and standard deviation were used. Qualitative method of data analysis was employed for feedbacks obtained through interview, open ended questionnaires; and secondary data sources, and the data collected were analyzed and interpreted in the form of narration.

4.8 Ethical Consideration
Research ethics refers to the moral values and principles guiding the research from its beginning to its completion and publication of results. The principle of voluntary participation requires that people not be coerced in to participating in research. Closely related to the notion of voluntary participation is the requirement of informed consent (William, 2005).The participants have the chance of assuring that any information or data collected from them is strictly confidential and that they have complete anonymity.

5. Discussions and Findings
5.1. Background Information of Participants
As indicated in Table-2, out of 144 respondents of the questionnaire 124(86.1%) were males and the rest 20(13.9%) were female. From qualitative aspects, out of 32 key informants 28(87.5%) were male and only 4(12.5%) were female; based on the above data it was concluded that participation of females as employees, as leaders and as other stakeholders by far less than males' participation in education system of secondary schools of Dawro Zone.

| No | Background Information | Respondents of Questionnaire | Key Informants |
|----|-------------------------|-----------------------------|---------------|
|    |                         | Freq. | %    | Freq. | %    |
| 1  | Sex                     |       |      |       |      |
|    | Male                    | 124   | 86.1 | 28    | 87.5 |
|    | Female                  | 20    | 139  | 4     | 12.5 |
|    | Total                   | 144   | 100.0| 32    | 100.0|
| 2  | Age                     |       |      |       |      |
|    | <26                     | 21    | 14.6 | 2     | 6.3  |
|    | 26-50                   | 118   | 81.9 | 27    | 84.4 |
|    | >50                     | 5     | 3.5  | 3     | 9.3  |
|    | Total                   | 144   | 100.0| 32    | 100.0|
| 3  | Level of Education      |       |      |       |      |
|    | <Diploma                | 0     | 0.0  | 0     | 0.0  |
|    | Diploma                 | 0     | 0.0  | 20    | 62.5 |
|    | BA/ Bsc                 | 131   | 91.0 | 12    | 37.5 |
|    | >BA/ Bsc                | 13    | 9.0  | 0     | 0.0  |
|    | Total                   | 144   | 100.0| 32    | 100.0|

As presented in Table -2, from the points of view of quantitative data among 144, 21(14.6%) were found at the age of below 26 years, 118 (81.9%) were found at the age range of 26-50 years and 5(3.5%) were at the age of greater than 50 years. From the points of view of qualitative data out of 32 respondents of the interview, 2 (6.3%) were found at the of below 26 years, 27(84.4%) were at the age range of 26-50 and, 3(9.3%) were at the age of above 50 years old. This data shows that in both types of respondents the majority of the respondents were at the age range of 26-50 years.

As described in Table 2, the educational level of the respondents of questionnaire were found to be none below diploma and equivalent to diploma, 131(91.0%) BA/Bsc degree,13(9%) above BA/Bsc or the holders of second degree. Educational background of key informants for the interview were found to be none of them below diploma level, 20(62.5%) at diploma level, 12(37.5%) BA/Bsc degree and none of them above BA/Bsc.
degree. According to this data the holders of master degree are few and majority of them were the holders of BA/Bsc degree.

### Table-3 Respondents by field of specialization and service years

| No. | Background Information                  | Category                      | Respondents | Key informants |
|-----|----------------------------------------|-------------------------------|-------------|----------------|
|     |                                        |                               | F %         | F %            |
| 1   | Field of Specialization                | Subject Specialization        | 111         | 77.1           |
|     |                                        | School Leadership             | 11          | 7.6            |
|     |                                        | EdPm                          | 10          | 6.9            |
|     |                                        | Others                        | 12          | 8.3            |
|     |                                        | Total                         | 144         | 100.0          |
| 2   | Service Years in Current Position      | 1-5                           | 33          | 22.9           |
|     |                                        | 6-10                          | 42          | 29.2           |
|     |                                        | 11-15                         | 45          | 31.3           |
|     |                                        | >20                           | 11          | 7.6            |
|     |                                        | Total                         | 144         | 100.0          |
| 3   | Total Service years                    | 1-5                           | 10          | 6.9            |
|     |                                        | 6-10                          | 90          | 62.5           |
|     |                                        | 11-15                         | 28          | 19.4           |
|     |                                        | >20                           | 8           | 5.6            |
|     |                                        | Total                         | 144         | 100.0          |

As portrayed in Table-3, from the total number of 144 respondents of the questionnaire 111(77.1%) were subject specialized, 10(6.9%) were specialized in educational planning and management (EdPM), 11(7.6%) were specialized in school leadership, and the rest 12(8.3%) studied other fields. In the case of key informants of interview questions 32(100%) studied other fields rather than specific subject, school leadership and EdPM. This data shows more than three fourth of respondents of questionnaire were specialized subject matter and all of key informants for the interview were specialized in other fields.

Based on the data shown in Table-3, from total number of 144 participants of quantitative data 33(22.9%) had served from range of 1-5 years, 42(29.2%) had served from a range of 6-10years, 45(31.3%) had served from a range of 11-15years, 13(9%) had served from a range of 16-20years, and 11(7.6%) had served for more than 20 years in their current positions. On the other hand from the total number of 32 participants of interview 4(12.5%) had served from a range of 1-5 years, 5 (15.6%) had served from a range of 6-10years, 10(31.3%) had served from a range of both 11-15years and 16-20years, 3(9.3%) had served for more than 20 years. So, this indicates majority of the respondents of questionnaire and interview guide had better work experience. As depicted in Table-3 where majority of the respondents of questionnaire and key informants had total service years ranging from 6-10years and 11-15years, respectively.

### Table-4: Degree of effectiveness of budget utilizing (N=144)

| No. | Item                                           | Strongly agree | Agree | Uncertain | Disagree | St. Disag. | M    | SD    |
|-----|------------------------------------------------|----------------|-------|-----------|----------|------------|------|-------|
|     | Strongly agree                                 |                |       |           |          |            |      |       |
| 1   | Utilizing approved budget according to plan    | 12             | 8.3   | 13        | 9.0      | 16         | 11.1 | 49.7  | 34    | 23.6  | 2.30  | 1.17  |
| 2   | Utilizing allocated budget for its intended purpose | 4              | 2.8   | 5         | 3.5      | 16         | 11.1 | 39    | 27.1  | 80    | 55.6  | 1.70  | 0.98  |
| 3   | Spending school finance by financial rules and regulations | 3              | 2.1   | 5         | 3.5      | 8          | 5.6  | 93    | 64.6  | 35    | 24.3  | 1.94  | 0.79  |
| 4   | Timely submission of financial report          | 17             | 11.8  | 19        | 13.2     | 26         | 18.1 | 71    | 49.3  | 11    | 7.6   | 2.72  | 1.15  |

**Aggregated Mean** 2.16 1.02

Note: F = frequency, % = percentage, M = mean, SD = standard deviation

As portrayed in Table-4 item 2, it was requested respondents to state the degree of utilizing allocated budget
for expected educational purpose. The respondents were replied as disagree with mean and standard deviation value of 1.70 and 0.98 respectively. This data indicates that the deployment of school finance was not for expected educational objectives and this practice could be the reason for wastage of scarce resources.

Again as described in table-4 item 3, a question was raised to respondents if spending of school finance by following financial rules and regulations. Majority of the respondents were responded as disagree with mean, and standard deviation value of 1.94 and 0.79 respectively. During interview most of PSTA and KETB chairpersons revealed that

the schools did not fully follow financial rules and regulation when spending school finance because, school committee and principals lack the knowledge of government financial rules and regulations, they had not submitted financial report on appropriate time, did not purchase goods and materials in a legal way.

Accordingly, the response to item shows that there is lack of following financial rules and regulation when utilizing school finance and it could be the cause for misuse, extravagancy and corruption of financial resources. According to MoE (2002) the schools have responsibility to run the school finance by following proper finance rule and regulations.

Item 4 of table-4 portrays the data obtained on timely submission of financial utilization report to concerned body. Consequently, the respondents were replied as uncertain mean and standard deviation value of 2.72 and 1.15 respectively. So, this data shows the secondary schools of Dawro Zone do not submit financial utilization report on expected time base; and this practice can be the problem for local government as well as for other stakeholders. Aggregated mean value is 2.16 which means the effectiveness of school budget utilizing found at lower level. According to an interview guide with PSTA and KETB chairpersons, and majority of them described as

there was lack of effectiveness of school budget planning, allocating and utilizing because of lack of budget transparency, lack of skilled man power to conduct effective budget utilization, and instability (immediate change) of principals.

For open ended question “what criteria are to be considered to allocate school grant, block grant and DFID budget?” most of the respondents replied as the number of students who enrolled at all grade levels in case of block grant and school grant budget and the number of each students who has got 2 and above 2 points in grade 10th national examination in case of DFID budget were criteria to allocate school budget.

Table-5: Possible sources of school finance (N=144)

| No. | Response                                      | F  | %   | Rank |
|-----|-----------------------------------------------|----|-----|------|
| 1   | Budget allocated by the government            | 35 | 24.3| 2    |
| 2   | Student fee                                   | 12 | 8.3 | 5    |
| 3   | contribution made by the local community      | 28 | 19.4| 3    |
| 4   | Donation given by non-governmental organizations | 44 | 30.6| 1    |
| 5   | Internal income                               | 25 | 17.4| 4    |
|     | **Total**                                     | 144| 100 |      |

Note: F=frequency, %=percentage

As shown in table-5, concerning sources of school finance, the data indicated that 44(30.60%) of respondents replied that donation from non-governmental organization is the major sources of school finance. 35(24.3%) responded as budget allocated by government is another the second source of school finance. Whereas 28 (19.4%) indicated that contribution made by local community is also the source of school finance. School internal income took fourth place as sources of finance. During interview the key informants provided similar response with above. This data tells that schools are largely dependent on governmental and non-governmental organization for its sources of finance rather than generating their own internal income. Interview respondents were replied similar responses with the above.

Table-6: Responses to whether school generate internal income (N=144)

| No. | Response                | F  | %   |
|-----|-------------------------|----|-----|
| 1   | Yes                     | 56 | 38.9|
| 2   | No                      | 75 | 52.1|
| 3   | No, I don’t understand  | 13 | 9.0 |
|     | **Total**               | 144| 100 |

Note F = frequency, % = percentage

As indicated in Table-6, concerning generating internal income, the data shows that 75(52.1%) of the respondents were replied as no or schools are not generating its internal income; 56(38.9%) were responded as yes to denote schools are generating internal income; whereas the rest 13(9.0%) had no idea about whether schools generate or not internal income. Based on this data, the researcher concluded the number of secondary schools which do not generate its own internal income are greater in number and attention of stakeholders’ is
Table-7: Responses to sources of internal income

| Responses                 | Agricultural product | Selling of grass | From clubs | Selling of trees | Selling of fire wood | Others | Total |
|---------------------------|----------------------|------------------|------------|------------------|----------------------|--------|-------|
| F                         | 42                   | 39               | 9          | 19               | 12                   | 23     | 144   |
| %                         | 29.2                 | 27.1             | 6.3        | 13.2             | 8.3                  | 16.0   | 100   |

Note: F=frequency, %=percentage

As shown in Table-7, the respondents were requested to state sources of internal income; accordingly, 42(29.2%) of the respondents indicated that agricultural products were the main source of internal income for secondary schools of the zone whereas 39(27.1%) replied as selling of grass was another source of school internal income. 9(6.3%), 19(13.2%), 12(8.3%), 23(16%), responded as school clubs, selling of trees, selling of fire wood, and other sources were different sources for schools internal income. Based on the above data, agricultural product is the major and school clubs are the least sources of internal income for secondary schools.

Table-8: The practice of managing internal income (N=144)

| No. | Item                                                                 | Scale | Strongly agree | Agree | Uncertain | Disagree | St. Disag. | M    | SD  |
|-----|----------------------------------------------------------------------|-------|----------------|-------|-----------|----------|------------|------|-----|
| 1   | The school is generating its maximum amount of internal income       |       | 15             | 10.4  | 34        | 23.4     | 38         | 26.4 | 55  |
|     |                                                                     |       |                | 38    | 26.4      | 55       | 38.2       | 2    | 1.4 |
|     |                                                                     |       |                |       |           |          | 3.03       |     | 1.09|
| 2   | Use of internal income according to priority of the needs of school. |       | 33             | 22.9  | 23        | 16.0     | 25         | 17.4 | 54  |
|     |                                                                     |       |                | 54    | 37.5      | 9        | 6.3        | 3.11 | 1.30|
| 3   | Report/Announce/ the amount of internal income to concerned body.    |       | 20             | 13.9  | 26        | 18.1     | 38         | 26.4 | 50  |
|     |                                                                     |       |                | 50    | 37.4      | 10       | 6.9        | 2.77 | 1.17|
| 4   | Use of receipt/ legal document/ when collecting internal income      |       | 89             | 61.8  | 21        | 14.6     | 19         | 13.2 | 6   |
|     |                                                                     |       |                | 6     | 4.2       | 9        | 6.3        | 4.21 | 1.20|
| 5   | Use of internal income by following the legal ground.                |       | 36             | 25    | 30        | 20.8     | 56         | 38.9 | 10  |
|     |                                                                     |       |                | 10    | 6.9       | 12       | 8.3        | 3.47 | 1.18|

Note: M=Mean, SD= Standard Deviation, F=frequency, %= percentage

As depicted in Table-8 item 1 was raised to respondents if the school is generating its maximum amount of internal income; accordingly, respondents were replied as uncertain having mean and standard deviation value of 3.03 and 1.09 respectively. So, this indicates that the respondents were not sure whether schools are collecting its high amount of internal income or not and it can be concluded that schools had not used highest effort as well as strategies to generate maximum amount of internal income which can help to reduce burden of educational cost from government and to cover their budget shortage.

According to Table-8 item 2, with mean, and standard deviation value of 3.11, and 1.30 respectively, respondents were replied as uncertain to imply that they were not sure schools use internal income based on needs priority. Therefore; this practice can have the chance to damage quality of education.

As portrayed in the Table-8 item 3 with mean and standard deviation value of 2.77, and 1.17 respectively, most of the respondents were replied as uncertain to describe that whether schools legalize or announce or not the collected amount of internal income. In connection with this, the scarce resources have the chance to be exposed to corruption and rent seeking practice.

As shown in Table-8 item 4 with mean and standard deviation value of 4.21, and 1.20 respectively, majority of the respondents were replied as agree to denote that schools used legal document (receipt) when collecting internal income. To strengthen this data, the researcher was conducted document analysis in 10 sampled secondary schools to assure the presence of receipt. So, in all schools the receipts were available. In line with this, schools were doing their best and this habit helps to develop transparency of budget implementation as well as it is the indication of good management of internal income.

As indicated in Table-8 item 5 with mean and standard deviation value of 3.47, and 1.18 respectively, most of the respondents were replied as uncertain to explain that schools do not use internal income by following legal ground. So, in contrast to above item 4, this situation can expose school finance to extravagacy, misuse, and corruption as well as leads principals other stakeholders to be accountable. Based on the aggregated mean value
of 3.31 it is uncertain to say the practice of managing internal income in good situation.

Table-9: Response to the extent of school committee follow up school budget (N=144)

| No | Item                                                                 | Response | Always | Most of the time | Sometimes | Never | Total |
|----|----------------------------------------------------------------------|----------|--------|-----------------|-----------|-------|-------|
| 1  | How often does school committee(PSTA&KETB) make follow up to determine proper utilization of school budget | F        | 20     | 40              | 76        | 8     | 144   |
|    |                                                                      | %        | 13.9   | 27.8            | 52.8      | 5.6   | 100   |

Note: F=frequency, %=percent

Table-9 shows the data provided by the respondents on the extent to which school committee make follow up to determine proper utilization of school budget. Accordingly, 20(13.95), 40(27.8%), 76(52.8%), and 8(5.6%) were agreed on the assumption that always, most of the time, sometimes and never respectively follow up utilization of school budget at school level. This data indicates that more than half of the respondents replied as sometimes school committee follows up school finance and they did not follow up for expected amount of time.

Table-10: Responses regarding internal audit in schools (N=144)

| No | Response                                 | F   | %  |
|----|------------------------------------------|-----|----|
| 1  | Yes                                      | 9   | 6.3|
| 2  | No                                       | 127 | 88.2|
| 3  | No, I don’t understand                   | 8   | 5.6|
|    | Total                                    | 144 | 100|

Note: F=frequency, %=percentage

As depicted in table-10, concerning the availability of internal audit in schools, out of 144 respondents the data shows that 9(6.3%) of the respondents responded as yes, 127(88.2%) responded as no and the remaining 8(5.6%) responded as no, I do not understand. The above data implies that, the secondary schools of the study area had on employed internal audit as more than three fourth of the respondents replied there were no internal audit in our schools. Also the researcher interviewed school financial workers and school committee (PSTA and KETB chairpersons) of key informants in connection with the presence or absence of internal audit, their responses supported the above data by responding as schools have no internal audit. So, the absence of internal audit can reduce proper implementation of school finance and can put schools below its standards.

Table-11: The extent of internal auditing activity accomplished in schools(N=144)

| Item                                                                 | Response | Very frequently | Frequently | Rarely | Not at all | Total |
|----------------------------------------------------------------------|----------|----------------|------------|--------|------------|-------|
| To what extent does internal auditing activity accomplished in your school | F        | 3              | 6          | 46     | 89         | 144   |
|                                                                       | %        | 2.1            | 4.2        | 31.9   | 61.8       | 100   |

Note: F=frequency, %=percentage

As presented in Table-11, the respondents were asked about the internal audit activities accomplishments carried out in schools. To this end, only 3(2.1%) and 6(4.2%) of the respondents reported that very frequently and frequently respectively internal auditing activities carried out in schools where as 46(31.9%) and 89(61.8%) were replied as rarely and not at all respectively it was carried out in schools. In line with this, the researcher conducted interview with 20 parent student teacher association (PSTA) and kebele education and training board (KETB) chairpersons and 8 schools’ chairpersons replied as

internal auditing activities did not accomplished in our secondary schools and even if there was no employed internal audit worker.

From this point of view, except few respondents majority of respondents were reported it is clear that there were no internal audit activities conducted in secondary schools of study area and this situation can be the obstacle for the effective and efficient utilization of school finance. According to Bischoff and Mestry (2003) the school should established sound internal financial control to ensure the reliability accuracy of its financial transactions.
Table-12: The practice of auditing, monitoring and capacity building in school (N=144)

| No. | Item                                                                 | Scale | Strongly agree | Agree | Uncertain | Disagree | St. Disag. | M   | SD  |
|-----|-----------------------------------------------------------------------|-------|----------------|-------|-----------|----------|------------|-----|-----|
| 1   | The principal follow-up and controls school fees.                     |       | 80             | 55.6  | 26        | 18.1     | 22         | 15.3| 4.11| 1.20|
| 2   | External auditing offer timely professional support to schools.       |       | 16             | 11.1  | 18        | 12.5     | 16         | 11.1| 49.3| 2.53| 1.22|
| 3   | Timely follow-up, monitor, control & feedback by external audit.     |       | 0              | 0.0   | 15        | 10.4     | 29         | 20.1| 62  | 2.14| 0.93|
| 4   | Adequate provision of training by woreda finance & economic development office to school accountant internal audit & principal. |       | 10             | 6.9   | 19        | 13.2     | 20         | 13.9| 39  | 2.22| 1.28|
| 5   | The stakeholders (PSTA and KETB) get relevant training on financial control and utilization in the school. |       | 9              | 6.3   | 13        | 9.0      | 24         | 16.7| 40  | 2.13| 1.21|

Note: M=Mean, SD= Standard Deviation, F=frequency %≈ percentage

As shown in Table-12, with measuring of index of five point likert scale to assess the attitude of respondents towards the practice of auditing and capacity building task item 1 with mean and standard deviation value of 4.11, and 1.20 respectively the respondents indicated their agreement to the statement the principal follow up and controls school fees; whereas with frequency and percentage value of only 7and4.9 respectively least amount of respondents indicated their disagreement. To this end, in schools, mainly the responsibility of follow up and control of school fees was conducted by school principals.

Item 2 of Table-12 with mean and standard deviation value of 2.53 and 1.22 respectively respondents replied as uncertain to the statement external audit offer timely professional support to schools. Therefore, this data clarifies that external audit may not have provided professional support to schools; so that the capacity of school workers and stakeholders may not have improved for better performance.

Item 3 of Table-12 with mean and standard deviation value of 2.14 and 0.93 respectively the respondents were indicated their disagreement to the statement on timely follow-up, monitor, control and feedback by external audit. In addition to this, next to the frequency and percentage of the respondents of disagreement, the amount of frequency and percentage of respondents of strongly disagreement took the second rank. None of the respondents were replied as strongly agree. In connection with this, the researcher conducted interview with 32 key informants of school financial workers, parent student teacher association (PSTA) and kebele education and training board (KETB) chairpersons they were responded as there was limitation of timely follow up, monitor, control and feedback by external audit.

Also they were asked the reason and replied as it was due to limited number of external audit and budget as well as lack of commitment of external audit.

Accordingly, the coordination, follow up, monitor, control, and feedback of external audit offered to schools were very limited; so that the practice of schools performing or implementing financial issue by following government financial rules and regulations was getting worse. Town/Woreda finance and economic development office should audit the school finance twice a year at half and end of budget year and present its results for concerned bodies (MoE, 2002).

Item 4 of Table-12 with mean and standard deviation value of 2.22 and 1.28 respectively the respondents disagreed to the statement that adequate provision of training by woreda finance and economic development office to school accountant, internal audit and principal where as the least amount of the respondents with frequency and percentage value of 10 and 6.9 respectively responded as strongly agreed to the same item above. Based on this data, adequate provision of training or capacity building practice by local government was not
implemented and this gap can create weakness of implementation capacity of school financial workers and principals.

The similar direct question proposed to respondents to assess the provision of adequate training given by local government or any concerned body to school committee, the respondents responded as disagree with the mean and standard deviation value of 2.13 and 1.21 respectively where as with the frequency and percentage value of only 9 and 6.3 the respondents replied as strongly agree to show the limitation of adequate training by concerned bodies to stake holders or school committee (PSTA and KETB).

Table-13: The extent of stakeholders’ participation in utilizing school finance (N=144)

| No. | Item                                                                 | Scale                                                                 | Strongly agree | Agree | Uncertainty | Disagree | St. Disag. | M     | SD    |
|-----|---------------------------------------------------------------------|-----------------------------------------------------------------------|----------------|-------|-------------|----------|------------|-------|-------|
| 1   | The local community participate in contributing money, materials, & labor. | 15 10.4 25 17.4 73 50.7 13 9.0 18 12.5 3.04 1.08                  |                |       |             |          |            |       |       |
| 2   | The school participate stakeholders in school annual budget plan (revenue & expenditure plan). | 16 11.1 18 12.5 86 59.7 15 10.4 9 6.3 3.11 0.95                     |                |       |             |          |            |       |       |
| 3   | There is high participation of stakeholders (PSTA & KETB) in budget process | 15 10.4 23 16.0 20 13.9 59 41 27 18.8 2.58 1.25                   |                |       |             |          |            |       |       |
| 4   | The school regularly inform stakeholders on release (allocation) of school annual budget. | 18 12.5 25 17.4 61 42.4 25 17.4 15 10.4 3.04 1.12                   |                |       |             |          |            |       |       |

Aggregated Mean 2.94 1.1

Note: M=Mean, SD= Standard Deviation, F=frequency %= percentage

As shown in Table -13, with measuring of index of five point likert scale to assess the attitude of respondents towards the extent of stakeholders’ participation in utilizing school finance item 1 with mean and standard deviation value of 3.04, and 1.08 respectively the respondents indicated their uncertainty to the statement on whether the local community participate in contributing money, materials, and labor where as with frequency and percentage value of only 13 and 9.0 respectively the least amount of indicated their disagreement. Concerning this, the researcher conducted interview with school accountant, parent student teacher association and kebele education and training board chairpersons and 30 of them responded as to improve community participation schools need to plan as part of their responsibility, mobilize, transparent the implementation of finance, invite stakeholders and need to motivate some model parents.

In line with this, the quantitative data shows that the respondents were not decided whether stake holders were participating or not; on the other hand, qualitative data shows that their participation was low and it indicates that the stake holders’ participation was not known and highest as much as the expected degree of participation.

Item 2 with mean and standard deviation value of 3.11, and 0.95 respectively most of the respondents indicated their uncertainty to the statement the school participate stakeholders in school annual budget plan (revenue and expenditure plan). This data indicates that respondents were not sure whether or not school invites stake holders to participate in budget revenue and expenditure plan as well as it is difficult to say or to decide school invites stake holders to discuss on budget plan.

Item 3 of Table-13 with mean and standard deviation value of 2.58, and 1.25 respectively the respondents were replied as disagree to the statement there is high participation of stakeholders (PSTA & KETB) in budget process. In connection with this item the researcher made interview with school committee members about the extent of their participation and 18 of them responded as
sometimes we participate in school budget process and the participation was not maximum or highest because we were busy over personal plan and responsibility rather than schools’ responsibility.

So, the data indicates that there was low participation of school committee on budgetary issue and this situation is the manifestation of the absence of integration, cooperation, and common decision among schools and school committee.

In addition, open ended questions forwarded to respondents. They responded to the statements what are the problems of KETB and PSTA in relation with fully carrying out its duties and responsibilities in budget process? and what do suggest on the cooperation and integration among PSTA, KETB and principals? as follows. KETB chairpersons have another government responsibilities to lead kebele as the cabinet, and they also have their own personal duties and task so that they were busy as well as lack commitment and awareness on budget issue. The same event is true for PSTA chairpersons except the case of cabinet. Finally, they suggested as to improve cooperation and integration among different stakeholders in budget process, awareness creation through continuous discussion and training to develop sense of ownership of schools and to improve knowledge and skills is mandatory.

Table-14 with mean and standard deviation value of 3.04, and 1.12 respectively most of the respondents were indicated their uncertainty to the statement the school regularly inform stakeholders on release (allocate) of school annual budget. Therefore; the data shows that respondents were not sure whether schools do or do not do the above responsibility and puts the situation in dilemma. Based on aggregated mean value of 2.94 the participation of stakeholders in utilizing school finance was uncertain or it was not well known.

| No. | Item                                                                 | Scale                                                                 | Strongly agree | Agree | Uncertain | Disagree | St. Disagree | M    | SD   | Rank |
|-----|----------------------------------------------------------------------|------------------------------------------------------------------------|---------------|-------|-----------|----------|--------------|------|------|------|
| 1   | Principal is over loaded in accomplishment of many activities.       | F % | F % | F % | F % | F % |           |      |      |      |
|     | Principal lacks the skill to manage the budget.                     | 26  | 16.7 | 52  | 70  | 21  | 14.6 | 7   | 4.9  | 3.59 | 1.08 | 2       |
| 2   | Lack of commitment of financial workers.                             | 65  | 45.1 | 59  | 50  | 25  | 17.4 | 9   | 6.3  | 2    | 1.4  | 0.99    | 7       |
| 3   | Lack of commitment of school committee                              | 52  | 36.1 | 68  | 47.2 | 14  | 9.7  | 10  | 6.9  | 0    | 0    | 0.85    | 5       |
| 4   | Untimely disbursement of budget to school                           | 64  | 44.4 | 40  | 27.8 | 15  | 10.4 | 19  | 13.2 | 6    | 4.2  | 3.95    | 1.20    | 8       |
| 5   | Absence of transparency in school.                                   | 24  | 16.7 | 71  | 49.3 | 21  | 14.6 | 18  | 12.5 | 10   | 6.9  | 3.56    | 1.12    | 3       |
| 6   | Illegal purchase of goods & materials.                              | 68  | 47.2 | 45  | 31.3 | 20  | 13.9 | 6   | 4.2  | 5    | 3.5  | 4.14    | 1.03    | 6       |
| 7   | The school lacks needs’ prioritization.                             | 39  | 27.1 | 70  | 48.6 | 20  | 13.9 | 8   | 5.6  | 7    | 4.9  | 3.87    | 1.03    | 4       |
| 8   | Mismatch b/n the amount of allocated budget & the need of the school | 32  | 22.2 | 60  | 41.7 | 27  | 18.8 | 25  | 17.4 | 0    | 0    | 3.68    | 1.00    | 9       |
| 9   | Note: M=Mean, SD= Standard Deviation, F=frequency %= percentage      | Table-14 shows the data provided by the respondents on challenges that can hinder school budget utilization. Item 1 with mean and standard deviation value of 3.59 and 1.08 respectively the respondents replied as agree to the statement principal is over loaded in accomplishment of many activities rather than budget process where as the least number of respondents were responded as strongly disagree to this item. So, this data indicates
that one of the challenges for ineffective budget utilization is principals having a lot of activities to be accomplished rather than following budgetary process. In many educational institutions, one of the most important areas of administration that take much of the time and attention of managers and planners is the management of finance. Once decision made by higher authorities, it is the responsibility of the institutional managers and planners to see that the fund allocated is utilized according to the plan. To this effect, good system of financial planning or budgeting, accounting, and auditing should prevail in school management (Melaku, 2010: 44).

Item 2 of Table-14 with mean and standard deviation value of 4.11and 0.99 respectively the respondents replied as agree to the statement principal lacks the skill to manage the budget process. The data shows that principals lack the skill to manage budget issue is the second challenge for ineffective utilization of school finance.

Item 3 of Table-14 with mean and standard deviation value of 4.12, and 0.85 respectively the respondents replied as agree to the statement lack of commitment of financial workers to carry out their responsibility. To this end, lack of commitment of financial workers to perform their duties and responsibilities is another challenge that can be obstacle for effective and efficient implementation of school budget.

Item 4 of Table-14 with mean and standard deviation value of 3.95, and 1.20 respectively the respondents responded as agree to the statement lack of commitment of school committee to mobilize financial resources. This data indicates that lack of commitment of school committee to mobilize financial resources is critical challenge for ineffective utilization of secondary schools under the study.

The other direct question proposed to respondents to assess disbursement of budget to schools was that demands respondents to indicate whether timely or untimely disbursement of budget to schools. To this end, with mean and standard deviation value of 3.56 and 1.12 respectively the respondents indicated their agreement to the statement. So as, untimely disbursement of school budget from government to schools is another challenge that creates ineffective budget utilization. Melaku (2010) in this regard states that budget ensures that required resources will be available at the right time in the right amount to be able to complete proposed actions and accomplish planned objectives.

Again direct question proposed to respondents to assess the degree of the level of transparency when utilizing school finance was that demands respondents to indicate whether absence or presence of transparency of budget. Accordingly, with mean and standard deviation value of 4.14 and 1.03 respectively respondents indicated their agreement to the statement. Therefore; it is possible to say that lack of transparency during implementation of school finance is challenge for improper utilization of school budget. According to UNESCO (2006) ensuring transparency and accountability in the conduct of both public and private affairs is a necessary in any society.

In addition to above the direct question proposed to respondents to assess the situation of purchase of goods and materials was that demands respondents to express whether there is legal or illegal purchase of goods and materials. So as, with mean and standard deviation value of 3.87 and 1.03 respectively the respondents indicated their agreement to the statement. Therefore; the data clarifies that purchasing goods and materials without following financial rules and regulation is identified as another challenge or problem for ineffective budget utilization.

As presented in Table-14 item 8, the researcher requested the respondents the extent of prioritizing needs of school when preparing budget plant. The respondents were agreed with mean and standard deviation value of 3.67, and 1.00 respectively replied as whereas none of the respondents replied as strongly disagree. This shows that lack of needs prioritization during budget plan at school level is also identified as challenges for ineffective implementation of secondary schools’ finance.

As depicted in Table-14 item 9, the researcher requested the respondents the extent of matching between the amount of allocated budget and the needs of the school. Accordingly, the respondents strongly agreed with mean and standard deviation value of 4.06, and 1.25 respectively. Therefore; this data shows that the allocated budget was not as equivalent as the needs of schools; to mean that schools’ need is higher than allocated budget because resource is scarce and this circumstance was identified as another critical challenge that can be obstacle for effective financial resource utilization in secondary schools of the zone. During the in-depth interview, the key informants mentioned the above similar challenges and were reported that lack of professional support, follow up, monitor and control of external audit; delay of financial report at school; immediate transfer (change) of principals in case of one secondary school because socialization may take time and this leads to delay of budget plan; absence of punctuality of school committee at time of budgetary decision; lack of stakeholders’ participation in budget process; absence of internal audit in schools; schools are largely dependent on governmental and non-governmental sources of finance rather than generating maximum amount of their internal income to cover educational expenditure and low level of budget transparency were another challenge for unwise utilization of finance in secondary schools of the study area. Moreover, from document analysis shortage of budget guidelines in some schools and absence of external audit feedback were identified as additional
challenges for ineffective budget utilization in studied secondary schools of Dawro zone.

6. **Accordingly, the major findings of the analysis made were organized here under.**

- Schools are largely dependent on governmental and non-governmental organization or donors for its sources of finance rather than generating their own internal income.
- Schools did not utilize and spend its budget based on plan; so this situation could be the reason for inappropriate budget utilization.
- The deployment of school finance was not for expected educational objectives and this practice could be the reason for wastage of scarce resources.
- There was lack of following financial rules and regulation when utilizing school finance because, school committee and principals lack the knowledge of government financial rules and regulations, they have not submitted financial report on appropriate time, did not purchase goods and materials in a legal way. so, these practices could be the cause for misuse, wastage and corruption of financial resources.
- There was lack of effectiveness of school budget utilizing because of lack of budget transparency, lack of skilled man power to conduct effective budget utilization, and instability (immediate change) of principals.
- The stake holders’ participation was not well known and highest as much as the expected degree of participation.
- There was low participation of school committee on budgetary issue and this situation is the manifestation of the absence of integration, cooperation, and common decision among schools and school committee.
- The absence of internal audit can reduce proper implementation of school finance and can put schools below its standards.
- The coordination, follow up, monitor, control, and feedback of external audit offered to schools were very limited; so that the practice of schools performing or implementing financial issue by following government financial rules and regulations was getting worse.
- One of the challenges for ineffective budget utilization is principals having a lot of activities to be accomplished rather than following budgetary process.
- Principals lack the skill to manage budget issue is also the challenge for ineffective utilization of school finance.
- Lack of commitment of financial workers to perform their duties and responsibilities is another challenge that can be obstacle for effective and efficient implementation of school budget.
- Lack of commitment of school committee to mobilize financial resources is critical challenge for ineffective utilization of secondary schools under the study.
- Untimely disbursement of school budget from government to schools is another challenge that creates ineffective budget utilization.
- Purchasing goods and materials without following financial rules and regulation is identified as another challenge or problem for ineffective budget utilization at school level.
- Lack of transparency during implementation of school finance is also a challenge for improper utilization of school budget.
- Lack of needs prioritization during budget plan at school level is also identified as challenge for ineffective implementation of secondary schools’ finance.
- The allocated budget was not as equivalent as the needs of schools; to mean that schools’ need is higher than allocated budget because resource is scarce and this circumstance was identified as another critical challenge that can be obstacle for effective financial resource utilization in secondary schools of Dawro Zone.

7. **Recommendations**

Based on the conclusions of the study the following recommendations have been suggested.

- It would be essential for schools have to diversify the sources of finance through expands internal income by agricultural product, co-curricular clubs and by any other activities rather than waiting for government and non-governmental sources (block grant, school grant and DFID budget). So that shortage of finance will be minimized.
- For effective school budget utilization schools should have utilize approved budget according to plan, need to utilize allocated budget for expected educational purpose, stability of principals in case of some schools, transparency of school budget, and submission of timely financial report to concerned body are very crucial points.
- Schools should follow and respect financial rules and regulations when utilizing school finance if not these practices could be the cause for misuse, wastage and corruption of financial resources.
- To enhance the participation of school committee and other stakeholders, schools and concerning body...
need to mobilize, develop awareness through discussion, and design strategy that can lead to highest participation.

- The recruitment of internal audit is advisable by woreda and city administration education office for effective and efficient budget implementation.
- To promote the practice of schools performing or implementing financial issue, the coordination, follow up, monitor, control, and feedback of external audit is obligatory.
- Principals need to manage (budget) their time and delegate activities in order to fully utilize time and follow budget process.
- The skill and awareness of principals to utilize and manage budget can be improved through continuous training provided by the collaboration of woreda (city administration) education office and finance office; also the principals need to do experience sharing with knowledgeable bodies.
- Schools financial workers and school committee will be committed if principals and other staff members discuss together with them about the issue and then treat the problem accordingly; also principals should manage employees by following government rules and regulation.
- The local government (woreda and city administration education office and zonal education department) should disburse school budget at the right time, so the necessary educational materials, equipment, and facilities will be available at early time base and normal teaching learning process can takes place.
- Principals and other stake holders need to follow government financial rules and regulations when purchasing educational goods and materials unless and otherwise corruption and mischief can be created and can be the cause for legal punishment by the law.
- To develop participation of community, stakeholders and to reach up on intended educational purpose the transparency of budget implementation is mandatory. So as, school principals and other stake holders should pay due attention to do this responsibility.
- During the preparation of school budget plan, schools need to improve their capacity to make necessary prioritization if this is not done the most crucial educational activities will have been delayed and the non-crucial activities can be implemented first.
- The needs of schools more or less will be satisfied if schools create or generate their maximum internal income as much as possible rather than waiting for governmental and donors sources of finance. To this end, conducive teaching learning activities will be done and this can be the road map to attain expected educational purposes as well as outcomes.

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