

Financial Resource Provision and Utilization in Basic Education in Nigeria: Problems and Prospects

¹Ekpoh, Uduak Imo

²Asuquo, Michael Ekpenyong

^{1,2}Department of Educational Management,
University of Calabar, Nigeria

¹druduakekpoh@yahoo.com,

²mi keasuquo2015@gmail.com

Abstract

Adequate provision of financial resource and its subsequent utilization has always been at the forefront of laudable educational programme implementation. Education is an instrument par excellence for the development of the individual and the country as a whole. For the foundation of education to be properly laid, attention of educational stakeholders must be drawn to Basic Education, because it is at this point that intellectual development of every learner begins, when compared with other higher (secondary and tertiary) levels of education. There is therefore no doubt that a learner would not be successful at any succeeding level of education when such a learner did not have the proper foundation at the Basic Education level. Basic Education is the cradle for the development of a total person, to be useful to himself or herself and the society at large. Notwithstanding the commendable goals and objectives of Basic Education programme, the achievement of its goals and objectives appears to be hampered by many problems due to inadequate provision of funds and poor utilization of educational financial resources. The article therefore discussed the concept of financial provision and utilization, concept of Basic Education, sources of financing Basic Education, utilization of financial resources at Basic Education level, problems/challenges in financing Basic Education in Nigeria, prospects of financing basic education and the way forward with respect to ameliorating problems of Basic Education financing.

Keywords: Basic Education, Financial Resource, Problems, Prospects, Provision and Utilization

Introduction

In every organization, profit or non-profit oriented, private or public, non-governmental and non-educational, finance remains the lifeblood and a crucial resource with respect to implementation and success of such establishments. There will be no significant improvement in educational sector without adequate financial resource provision as well as effective and efficient utilization of the available financial resource. Thus, it becomes very difficult for educational organization to escape the role of finance in all its activities, operations and programmes. It can be appreciated that implementation of every educational programme at any level, whether in a private or public educational institution, depends on available financial

resources. Thus, the success of educational organization depends to a large extent on the amount of money available for the execution of its programmes, as well as sound policy implementation. Financial resource is the determinant of both human and material resources availability. Wassie (2019) opined that the procurement, utilization as well as maintenance of human and material resources depend on the available financial resource in the school system. This indicates that all decisions made in respect of educational programme initiation have financial implications.

Following the significant role that education plays in nation building, United Nations Educational, Scientific and Cultural Organization (UNESCO) specified that each member country has to allocate at least twenty-six percent (26%) of her annual budget to the educational sector (Giami & Nwokamma, 2016). However, the issue of budgetary allocation to educational sector in Nigeria has since remained drastically discouraging. For various reasons, educational programmes with their exciting aims and objectives at all levels have been observed to be poorly implemented. Prominent among such reasons is inadequate financing which is the root cause of other problems militating against educational programmes implementation in Nigeria (Bassey, Ekpoh & Edet, 2008). For instance, Ekpoh and Asuquo (2020) affirmed that from 2009 to 2018, the Federal Government of Nigeria's budgetary allocation to education were as follows: 7.25% in 2009; 4.83% in 2010; 6.16% in 2011; 8.20% in 2012; 8.55 in 2013; 9.94 in 2014; 7.74 in 2015; 6.10% in 2016; 7.38% in 2017 and 7.03% in 2018, and that these percentages fell short of UNESCO's recommendation of 26% yearly budget. Again, Iyoha (2019) noted that, Nigeria's budgetary allocation to educational sector in 2019 was 7.02%. In 2020, education sector received 6.7% as it budgetary allocation (Amoo, 2019) and in 2021, the same sector received a meager of 5.6% (Olufemi, 2020). The respective allocations for these years as listed here are below the recommended minimum benchmark of 26%.

Usually, every laudable educational programme is initiated to achieve predetermined goals in terms of developing the beneficiaries to be effective citizens, think independently for themselves and be able to solve societal problems. Provision of equal opportunities for all learners at basic, secondary and tertiary levels equally constitute the philosophy of educational programmes at all levels (Federal Republic of Nigeria, 2008). These goals cannot be feasible where financial resource is inadequate for programmes implementation. The laudable goals and objectives of educational programmes at all levels inform the reason for adequate provision and utilization of financial resource in educational system, if such goals and objectives are to be achieved and sustained.

In spite of the prominent role that education plays in imparting knowledge and skills to learners, technological, socio-economic, cultural and political transformation, the sector is under marginalized in terms of financing. There is no doubt that adequate financial resource provision improves students' academic performance while inadequate financing impacts negatively on the learners due to inadequate qualified teachers, facilities as well as abandoned school projects and poor learning environment (Onuma, 2016). All levels of educational sector are still suffering from poor financing resulting in poor performance (Nwachukwu, 2014). More specifically, basic education, which is the foundation upon which other levels

of education are built, seems to be suffering from poor financing due to lean annual budgetary allocation to the sector. This has affected effective operation of the programme due to inadequate provision of infrastructural facilities, untrained and inadequate manpower, inadequate instructional material and other educational inputs. This therefore calls for judicious utilization of the funds available to the sector for the purpose of actualizing the goals of basic education programme, which is the provision of free compulsory universal nine years of basic education for every Nigerian child of school age.

Concept of Financial Provision and utilization

Contextually, finance is money meant to be utilized in the course of implementing educational policies and programmes as well as carrying out educational activities and rendering of educational services. Manga (2015) sees educational finance as the money made available to an individual, a department, a school, or ministry specifically for the purpose of funding recurrent and capital expenditure in education as well as the way in which the money is managed. It is the process of generating funds, settling debts, providing, raising and allocating money/funds necessary to improve, sustain, re-organize, expand, and re-positioning/restructuring the whole educational programme or part(s) of it. Finance can also be regarded in this context as the process of utilizing available funds at the disposal of Ministry of Education for the purpose of achieving pre-determined goals of educational programmes in effective and efficient manner. It is educational management activity that has to do with planning, providing and controlling of the financial resources at the disposal of educational organization. It is common knowledge that educational financial provision and utilization is the responsibility of both the government, private individuals, religious organizations and Non-Governmental Organizations (NGOs), inclusive.

The National Policy of Education (FRN, 2008, p.83) stated that "Financing of education is a joint responsibility of Federal, State and Local governments and the private sector." The same source stressed that the participation of local communities, individuals and organizations in financing education is allowed and encouraged by the Nigerian Government. Irrespective of how lofty educational programmes may be, if finance/fund is not readily available and well utilized for educational programmes implementation, maximum achievement of such goals become unrealistic. Abdullahi and Abdulkareem (2017, p.2) opined that 'educational finance involves all the activities directed towards the process of sourcing allocating and managing public school funds in providing educational service for the attainment of educational objectives.' Tyger (2018, p.28) noted that "Education finance refers to governmental and organizational processes by which revenues are generated (through taxation, tuition fees and philanthropy), distributed and expended for the operation and capital support of formal schooling."

Educational financial resource utilization is a crucial part of financial management functions in educational system. Other functions of financial management include; financial procurement, financial reporting, financial control, and so on. The emphasis here is on financial utilization, which contextually simply

means putting into proper use and monitoring the process of using available educational financial resources at the disposal of whom it may concern to avoid mismanagement, misuse, misappropriation, wastage and embezzlement of such resources in a bid to achieving educational set goals.

Effectiveness and efficiency in the utilization of available financial resources is a sure way to sustainability, growth, development and viability of educational programmes at any level in a long- run. Effectiveness in the financial resource utilization is the manifestation of high degree of accountability at each level of utilization. However, when available educational financial resources are under-utilized, over-utilized and mismanaged in terms of misappropriation, educational programmes and activities in general and Basic Education in particular, suffer from poor implementation.

Concept of Basic Education

Different authors, scholars and researchers often conceptualize Basic Education to suit their perceptions. For instance, Nwana (as cited in Egwu, 2008) conceptualized Basic Education as the fundamental, foundation or bottom line education upon which every other education, whether formal or non-formal are built and without which no other educational structure succeeds. It is considered to be the minimum requirement for proper adaptation to one's society (Ocho, 2005). Basic Education is the fundamental level of education that is most necessary and from which other levels of education are developed. It is the foundation that determines the strength of individual's knowledge, attitudes, values and literacy, numeracy, reading and employability skills (Asuquo & Edet, 2019). It is the type of education that is designed for children aged 0-15 years. It encompasses the early childhood education (0-5) and 9 years of formal schooling. The formal schooling is obtainable in six years in primary school and three years in junior secondary school, that is, the first three years in secondary school (The Federal Republic of Nigeria, FRN, 2008). In this paper, Basic Education is the intellectual developmental stage and a take-off point that lays the foundation upon which the interests, capacity and ability of every child of school-going age are built. At this level of education, acceptable societal values and norms are instilled into the learners to become sound and effective citizens.

Sources of financing Basic Education

Statutorily, Universal Basic Education Commission (UBEC) Annual Report (2004) stated that the sources of financing Basic Education are in terms of Federal Government block grant of not less than 20% of its consolidated revenue fund, funds or contributions in form of Federal guaranteed credits as well as local and international donor grants. The same source also stressed that "for any State to benefit from the Federal Government block grant, such a State shall contribute not less than 50% of the total cost of project, as its commitment, in the execution of the project. The administration and disbursement of funds to States shall be through the State Universal Education Board, p.2." In addition to government's subvention and counterpart funding in the form of allocation which over the years has been observed

not to be enough for educational financing in Nigeria, other sources of funding Basic Education include the following:

1. **Community based efforts:** Raji, Manga, and Abdulrahman (2016) noted that the school administrator cannot successfully run the school in isolation without the involvement of the community. Involvement of community members in funding education has not gone unnoticed. In most cases, especially in rural communities, community members supply cheap and free labour where there are construction projects going on in the school. By so doing, a good part of school financial resource is preserved for other projects.
2. **Parents Teachers Association (PTA):** Schools at all levels, particularly at basic education level, have parents who in collaboration with teachers form what is popularly known as PTA. Basically, the executive members is made up of parent and teachers of the concerned schools. The essence of forming the Association is to always deliberate on matters affecting the learners, teachers and the school at large. Such matters are always addressed through the utilization of the PTA's levies paid by the students. The levies for instance can be used to provide basic school needs such as teaching and learning facilities, making repairs of damaged facilities, replacing worn out facilities and equipment, employment and payment of contract staff who are not on the government payroll. PTA levies can also be used in motivating staff members who perform excellently well in their assigned responsibilities. This practice encourages organizational commitment and hard work in the school system.
3. **Donation:** This depends on the school administrators' ability and competence in organizing fund raising events. However, such event must have executive approval from appropriate authorities. Before and during such fund raising events, well-meaning members of the community where the school is located are invited to support the effort by way of cash and material donations to enhance the execution of capital projects in the school.
4. **School charges:** These are the oldest and the most popular sources of financing educational programmes in Nigeria. Though some state governments declared free education in their states, however, incidents abound where such charges as tuition, library, laboratory, sport, boarding fees, among others still exist especially in privately owned schools within those states. The essence of these charges is for the purpose of providing the right quality and quantity of educational programmes for the learners.
5. **School activities/programmes:** Some of the school activities such as inter-house sports, drama, school farming activities and sale of farm produce and handcrafts also constitute alternative sources of financing educational programmes.
6. **Old boys' and girls' Association:** This is otherwise known as Alumni

Association. In most cases, old students do come together to raise funds for projects in their Alma matter. The Association always provides both cash and materials resources for the growth and development of their Alma Matter. Such donations could be used to improve the existing Basic Education programmes in the school system.

7. Religious organizations: Religious organizations have always played important role in financing education in Nigeria. The efforts of these organizations in financing education manifest in the areas of donating teaching equipment and materials to schools, giving of scholarship to students as well as involvement in establishing, owning and managing various levels of education (Basic Education to tertiary Education) in Nigeria.

Furthermore, other alternative sources of financing Basic Education include; endowment funds, Non-Governmental organizations (NGO's) and taxation on corporate organizations. There is no doubt that education is a financial intensive social service which, in addition to government's lean allocation, requires alternative and adequate financial provision for successful implementation of educational programmes.

Utilization of financial resources at Basic Education level

Financial resource utilization involves the display of responsibility in the management of funds provided by the government or any other source for the achievement of the goals of basic education. Given the scarce resources available to education amidst other competing needs, there is serious need to ensure that public funds are utilized to achieve the desired outcomes as efficiently as possible. As it is commonly acknowledged, money available for use are scare in the midst of plenty demands. Hence money available should be properly spent to overcome some perceived deficiencies in the system and not Wasted. Available resources should be utilized to cover procurement of school equipment, consumables, teaching and learning materials, hiring of teaching/non-teaching staff, necessary supplies, white boards, markers, erasers, files, text books, lesson note books, diaries, physical building maintenance to function properly, cost of operation of and maintenance of school plant since no school can function if its physical plant is in poor state.

In financial resource utilization, it is important for the head teacher to take leadership role in the management of school finances. This is imperative considering the enormous needs and requirements for the successful implementation of basic education programme. In this regard therefore, the head teacher has the responsibility to ensure that:

1. All allocation in the school Budgets are expended according to the directives of his employers and in accordance with financial regulations and procedures.
2. The keeping of proper financial and accounting records in conformity with laid down rules as well as eliminating wastage of public funds

3. Modalities for internal auditing are put in place.
4. There is strict adherence to proper standards of fund utilization and practices.
5. Budgeting is implemented for effective and efficient utilization of funds. Budgeting is one of the best ways of allocating scarce resources to the unlimited competing needs of organizations. Budgeting as a financial technique is used in planning and control of money because it sets standards of performance to be achieved within a specified period (Agbe, Kwaghbo & Yawe, 2013).
6. All imprest account should be accurately retired. In this regards, all items bought together with other expenditures should be listed appropriately.
7. All accounting procedures are followed with adequate checks and balances.
8. Account books are kept and maintained. This also should be readily made available for verification by relevant authorities.

Problems/challenges in financing Basic Education in Nigeria

Problems/challenges in the financing of Basic Education in Nigeria include poor funding in terms of poor allocation of funds from the Federal Government. There is no doubt that educational system in Nigeria has not been adequately funded. Evidence of this is reflected in the lean annual budgetary allocation by the Federal Government to educational sector in Nigeria. This negatively affects implementation of the laudable objectives of every educational programme, particularly Basic Education programme. Again, officers' involvement in mismanagement, lack of accountability and embezzlement of available financial resources constitute a serious problem in financing Basic Education in Nigeria. Another problem is in form of lack of monitoring of how the lean financial resources are being utilized. This results in the misuse and misallocation of available financial resource to Basic Education. Wastage in the form of high rate of failure resulting in repetition of classes, drop out as well as loss of academic months and year(s) due to strikes and global pandemic also constitute problem of financing Basic Education. Lack of reliable statistics in relation to students' population is another challenge in financing of Basic Education in Nigeria. Another financial challenge is in the area of misappropriation. Appropriating and utilizing the largest proportion of available financial resource in furnishing administrative offices, at the expense of operational level (classrooms) needs also abound as another problem facing Basic Education.

The prospects of financing Basic Education

Adequate financing of Basic Education is crucial as funds are needed for its expansion, sustenance, procurement of school land, development of school ground, maintenance of existing plant, building of new classrooms blocks, libraries, workshops, laboratories, staff rooms, administrative blocks, assembly hall/chapel,

adequate supply of school equipment, remuneration of personnel, staff training and development programmes. Financing Basic Education is of vital importance for sustainable economic growth and development, as this level of education is used in laying the foundation for other levels of education to build on. Acquisition of moral values, manipulative skills, and basic skills for entrepreneurship, wealth generation and educational advancement are among other functions of Basic Education.

Way forward with respect to ameliorating problems of Basic Education financing

There is no doubt that for Basic Education to achieve its objectives, there must be adequate financial resource provision and its effective utilization. Adequate financial provision and utilization is necessary for site procurement, building of classroom blocks, facilities and equipment procurement, regular payment of teachers' salaries as well as repairs, replacement and maintenance of school plant. Appropriate statistics with regards to enrolment should be well presented to facilitate effective budgeting/financing. There should be improvement with respect to the financial resources appropriated to operational levels (classrooms) of Basic Education programme for the purpose of effective teaching and learning. School heads should adopt innovative ways such as establishing contact with Non-Governmental Organizations (NGOs) and pursuing other revenue yielding projects in a bid to financing Basic Education. The head teachers at the Basic Education level should as well, encourage, promote and sustain such activities and programmes as inter-house sports, drama, school farming activities and sale of farm produce as ways of financial provision. Basic Education Administrators should ensure that available financial resource are well utilized and accounted for when the need arises. For the purpose of accountability, mechanisms should be put in place by the necessary authorities to monitor educational financial resource provision and utilization. This is to reduce and forestall incidence of mismanagement, misappropriation, embezzlement, misallocation, wastage and poor accountability of available educational financial resource.

Conclusion

Financial resource is sine qua non for the implementation and achievement of basic education programme aims and objectives. It is the amount of money available for effective implementation of basic education programme. Achievement of the laudable objectives of Basic Education will only be realized with adequate provision and effective utilization of financial resources. The reverse will be the case where inadequate provision of financial resources and poor utilization of available financial resource continue to abound.

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