

ABSTRACT

PROBLEMS EXPERIENCED IN FINANCIAL MANAGEMENT BY SECONDARY SCHOOL ADMINISTRATORS:

Implications for School Effectiveness

Joycelin E. Clarke

This research was prompted by the consistent public articulation for more financial investment in education and by media reports regarding inconsistencies in the management of financial resources of schools. It was, therefore, designed to identify and document problems experienced in financial management by administrators - principals and bursars in secondary schools.

The study focussed on the following concerns:

- sources of financing
- adequacy of funds
- use of funds
- methods of control of funds
- accountability for funds.

Descriptive and inferential statistics were used to determine whether there were differences in the problems experienced between:

- (a) Location - urban and rural administrators;

- (b) School operation - administrators in shift and non-shift schools;
- (c) Financial training - administrators with financial management training and those without training;
- (d) Administrators with varying years of administrative experience, and
- (e) Administrations in the different school types - Reclassified High, New Secondary, Comprehensive High Newly Upgraded High and Technical High Schools.

The sample comprised 120 subjects - 58 principals and 62 bursars from secondary schools. The instruments used in the collection of data were a questionnaire for principals and an interview schedule for bursars.

The Major Findings were as follows:

1. (a) It was found that in 92 percent of the secondary schools investigated, government subvention is the major source of financing; in 8 percent, "Trust Funds" along with government subvention forms the major source of funding;
- (b) It was found that in addition to government subvention, 94 percent of secondary schools investigated obtain funding from various sources. These

include: fundraising, school fees, Past Students' Association, book rental, tuck-shop/cafeteria/canteen, parents' Teachers' Association, Private Sector organizations and other sources, such as farm earnings and contributions from private individuals;

- (c) Money acquired from fund raising ventures and fees charged to students, are a major source of additional financing for 85 percent of secondary schools investigated;
- (d) Thirty-eight percent more Traditional High Schools than New Secondary, 42% more than Reclassified High, 50% more than Technical High and 60% more Comprehensive High schools receive financial support from the P.T.A.

2. Inadequate financing has been identified as the greatest problem in financial management experienced by secondary school principals in Jamaica.
3. Use of school funds in most secondary schools has been found to be accordant with budgetary requirements and therefore, has not been identified as a problem experienced in financial management by most Secondary school administrators.

4. Secondary school administrators experience problems in controlling funds, with the indicators - disbursement, budgeting, government policy, board policy and monitoring cash-flow - surfacing as problem areas.
5. Secondary school administrators experience problems in accounting for school funds, with all the features - reporting and record-keeping, teacher behaviour/attitude and efficiency of the accounting staff - showing up as areas of concern. Reporting and record-keeping and efficiency of the accounting staff are identified as the greatest areas of concern for this variable.
6. (a) There is no significant difference between administrators in shift and non-shift secondary schools on the variable, use of funds.
(b) Significant difference exists between principals in shift and non-shift secondary schools on the government policy aspect of financial control and on the reporting and record-keeping aspect of accountability for funds.
(c) There is also a significant difference

between bursars of shift and non-shift schools on the allocation feature of financial control and on the variable, financial accountability.

7. (a) There is no significant difference between financially trained and non-trained secondary school administrators on the variables, use and control of funds.
- (b) Significant difference exists between financially trained and non-trained principals on the staff efficiency aspect of financial accountability. Significant difference is also noted between financially trained and non-trained bursars on financial accountability.
8. (a) No significant difference exists between secondary school administrators who participate in financial workshops and those who do not participate, on use and control of school funds.
- (b) There is a significant difference between bursars who participate in financial workshops and those who do not participate on financial accountability. There is a highly significant difference between the two groups, on the reporting and record-keeping component.
9. (a) No significant difference exists among school types on adequacy and use of funds.
- (b) There is a significant difference among

- (3) bursars of varying school types, on the allocation feature of financial control and on the reporting and record-keeping component of financial accountability.
- (c) Traditional High School bursars differ significantly from those in New Secondary and Comprehensive High Schools, on allocation of funds.
- (d) Reclassified High schools received the lowest mean score and Comprehensive High schools received the highest mean score on reporting and record-keeping.
10. No significant difference exists among secondary school administrators with varying years of administrative experience on: use, control and accountability for funds.

Based on the findings, the following conclusions have been drawn.

- (1) Secondary school administrators in Jamaica indeed experience problems in managing school finances with the problems being more pronounced in controlling and accounting for funds.
- (2) Secondary school principals in Jamaica do not actively involve middle managers (heads of department and senior teachers) in

financial decision making.

- (3) There are incidents of accounting malpractice in some secondary schools.
- (4) In most secondary schools in Jamaica, principals and bursars are not very open to queries regarding school finances.
- (5) Training in administration does not determine the efficient and effective financial management; however, training in financial management (formal, in-service and otherwise), contribute to efficient and effective financial management and therefore is of paramount importance for school administrators in effectively managing school funds.