

CHAPTER 5 PRESENTATION OF FINDINGS

5.1 INTRODUCTION

In chapter four the data collected was analysed. This chapter is concerned with the presentation of the findings of the study. The findings will be presented in categories or patterns as they were identified in the previous chapter. It must be borne in mind that this study is concerned with the role of government policy in the administration of school funds in selected Section 21 public schools in Actonville, Benoni. The investigation was an attempt to achieve the following aims:

- To determine the effect of government policy on the administration of school funds in public schools.
- To identify the perceptions of five respondents on the role that government policy plays in the administration of school funds in public schools.

Below is the presentation of the findings. Data has been consolidated by analysis of verbal data obtained through interviews with respondents, documentation (literature review) and observations. Figure 5.1 illustrates the consolidated analysis of data (**Litshani, 1998:71**).

FIGURE 5.1: CONSOLIDATED DATA ANALYSIS

PATTERN	DESCRIPTION	
One	Awareness of Section 21 Status	→
Two	Understanding financial legislation in education	→
Three	Key to successful implementation of government policy	→
Four	Shared Cultural Values	→
Five	Promotional Requirements	→

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5.1.1 AWARENESS OF SECTION 21 STATUS

LITERATURE FINDING	EMPIRICAL FINDING
<p>Coleman (1994:1) stated that during the 1990's many countries have modified their educational status to give greater autonomy to schools/colleges. There is a shift towards educational institutions becoming self managing.</p>	<p>Principal A: "...the Head of Provincial Education Department will allocate functions to schools that were normally conducted by the Education Department.</p> <p>Principal E: "... These allocated functions are:</p> <ul style="list-style-type: none"> • To maintain building and grounds. • To improve school property. • To purchase educational material and equipment.

DISCUSSION

There is ample evidence in the consolidated and categorised data that the fundamental aim of Section 21 of the South African Act No. 84 of 1996 (SASA) is to move South African public schools away from centralised power of the Department of Education and devolve it to local school level.

The South African Schools Act has already changed schools in many important ways. School Governing Bodies already have extensive powers in schools. School managers, educators, parents and learners are empowered to take control over their own lives; they are responsible for educational and organisational matters in their own schools. **Caldwell and Spinks (1992:4)** define self management as follows:

A self-managing school is a school in a system of education where there has been significant and consistent decentralisation to a school level of authority to make decisions related to resources. Information from consolidated and categorised data shows that schools have created a culture that needs to be shared by all stakeholders in the community.

The five respondents agree that Section 21 status of public schools in South Africa have shifted schools from being centrally controlled by the Department of Education to a decentralised organisational structure. The respondents have all embraced this change and have all applied for and received Section 21 status for their schools.

5.1.2 UNDERSTANDING FINANCIAL LEGISLATION IN EDUCATION

LITERATURE FINDING	EMPIRICAL FINDING
<p>Section 29 of the South African Constitution states: Everyone has the right to a basic education.</p> <p>Section 34 of SASA states: The state must fund public schools from public revenue on an equitable basis in order to ensure the proper exercise of the rights of learners to education and the redress of past inequalities in education provision.</p> <p>Section 36 of SASA stipulates: A governing body of a public school must take all reasonable measures within its means to supplement the resources supplied by the State in order to improve the quality of education provided by the school to all learners</p>	<p>Principal B: “The purpose of government legislation...has a dual economic role:</p> <p>(i) the State ensures sound economic procedures and financial management practices at individual schools.”</p> <p>(ii) “SGB’s are assisting the state in funding education.”</p> <p>Principal E: “...legislation empowers Governing Bodies to raise funds for the school and to exercise control over those funds...”</p> <p>Principal C: “School Governing Bodies are now helping the state to fund public education...”</p>

DISCUSSION

This is ample evidence from the categorised and consolidated data that school principals understand the importance of financial legislation in education. They have all accepted and embraced the economic partnership that financial legislation in education forges and are committed to fulfilling their side of the partnership.

The consolidated data and literature review as shown in chapter two revealed that the state clearly has a stake in the human capital that resides within its borders. It has a vested interest in the educational level of its citizens and is therefore obliged to fund education. However, the state is bound to the economic law of scarcity like everybody else.

The income of the state is generated through taxes imposed on the citizens. Whether rich or poor the state must make choices. If the state spends more money on education in general, it has less available for health and other social services. It is thus for the state (as is the case for every school) to ensure that for every rand spent on education, the return will be what the state or school envisaged. This can only be done through effective financial management **(Bisschoff, 1997:23)**.

It is clear from the foregoing information that the present financial climate in South Africa has resulted in the responsibility for the financing of education being devolved to the private sectors, particularly the business and parent communities of the institution. Schools therefore, have to generate more funds to supplement the resources supplied by the state to be administered and managed as school funds. This scenario has naturally influenced the manner in which schools are funded, managed and governed. How the implementation of government policy affects the administration of the school fund in public schools is the topic of the next discussion.

5.1.3 KEY TO SUCCESSFUL IMPLEMENTATION OF GOVERNMENT POLICY

LITERATURE FINDINGS	EMPIRICAL FINDINGS
<p>Gilbert (1990:16) emphasizes the financial and managerial aspects of Local Management of schools (LMS). He asserts that LMS delegates the schools financial budgets to governors. This is a major financial responsibility Section 16 of SASA asserts that:</p> <p>(1) Subject to this Act, the governance of every public school is vested in the hands of the Governing Body.</p> <p>Section 36 of SASA further states:</p> <p>(2) The state must on an annual basis provide sufficient information to public schools regarding the funding referred to in subsection (1) to enable public schools to prepare for their budgets for the next financial year.</p>	<p>Principal C: “Funds now need to be raised and controlled by SGB’s... To do justice to all the allocated functions... sub-committees need to be formed...”</p> <p>Principal D: “The responsibility for the administration of the school fund is now that of the SGB. They are expected to learn how and to take control of all income and expenditure... This is achievable when... activities are monitored by a strict budget.”</p> <p>Principal E: “...it is the SGB that must develop a strategic financial plan as well as its concomitant control systems.”</p>

DISCUSSION

Information from consolidated and categorised data reveal that the key to successful implementation of government policy regarding the administration of school funds, lies in the development of a strict financial strategic plan. A

strategic plan in financial terms is referred to as a budget. The importance of a budget is emphasized in that it is directly referred to in Section 36(2) of the South African Schools Act.

According to **Van der Westhuizen (1995:375)** a budget can be described as a planning instrument which contributes towards preventing the disruption of the educational programme as a result of insufficient or exhausted resources. The budget is a tool for planning the activities which lead to the achievement of educational objectives. The important point about budgeting is that it is not solely or even mainly about money. Rather, it provides an opportunity to express the aims and curriculum of the school or college in financial terms (**Coleman, 1994:6**). **Bush and West-Burnham (1994:327)** explains that budgets are not just about spending money but they are about a large number of management processes and functions that help relate educational needs to resources.

Bush and West-Burnham (1994:329) warn that how the budget is managed in terms of the decision-making process and the participation of the individuals, will have an effect on the people and on their concomitant outcomes. Directly related to this issue is Section 39 of SASA which states: School fees may be determined and charged at a public school only if a resolution to do so has been adopted by a majority of parents attending the general meeting...This section of legislation forges the involvement of all stakeholders in the finalisation of the schools' annual budget.

All the evidence in the categorised and consolidated data reflect the importance of strategic planning and the involvement of all stakeholders in decision-making, if the implementation of government policy at school level is to be successful. These days all schools will have to embark on strategic planning in their manage-

ment systems if they are to survive. The next section will look at the strengths inherent in the financial control systems at the sample institutions.

5.1.4 ESSENCE OF POSITIVE ADMINISTRATION

LITERATURE FINDING	EMPIRICAL FINDING
<p>Section 15 of SASA states: Every public school is a juristic person, with legal capacity to perform its functions in terms of this Act.</p> <p>Section 37 of SASA states:</p> <p>(1) The governing body of a school must establish a school fund and administer it...</p> <p>(2) ...all money received by a public school including school fees and voluntary contributions must be paid into a school fund.</p> <p>(3) The governing body...must open and maintain a banking account. Money or goods donated...must be applied in accordance with conditions of such donation... All assets acquired by the public school...are the property of the school. The school fund, all proceeds thereof and any other assets of</p>	<p>Principals A and B list the strengths of their schools financial control systems as:</p> <ul style="list-style-type: none"> • An active SGB. • A knowledgeable finance officer/clerk. • Banking monies as soon as possible. • Cheque payments are controlled by use of requisition forms. • Petty Cash controlled by Imprest System or is non-existent. • Annual financial statements are completed by independent auditors and handed timeously to the Provincial Education Department. • All accounting records and statements are kept in a safe place. • Manual accounting system

<p>the public school must only be used for educational purposes...</p> <p>Section 42 of SASA states:</p> <p>The governing body of a public school must</p> <p>(a) keep records of funds received and spent by the public school and of its assets, liabilities and financial transactions.</p> <p>(b) as soon as practicable, but not later than three months after the end of each financial year, draw up annual financial statements in accordance with the guidelines determined by the member of the Executive Council.</p>	<p>using Educators and Financial clerks is used in control systems.</p> <p>Principals C, D and E cite the following as strengths of their financial control systems:</p> <ul style="list-style-type: none"> • An active SGB and knowledgeable finance officer. • A computerised finance control system. • Receipts are issued by computer and manually. • All monies are paid directly to the Finance Officer. • Funds are banked as soon as possible. • Cheque payments are controlled by requisition forms. • Petty Cash controlled by Imprest System. • Annual Financial Statements are completed by independent auditors and sent to GDE on time. • All accounting records and financial statements are stored in a safe place.
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DISCUSSION

Respondents responses are characterised by positive aspects of sound financial control systems. Empirical evidence reveals that activities relating to control systems at their individual institutions, are aligned in large part with the requirements of government policy as outlined in the literature study.

Stipulations from the literature review reveal that the GDE recognises its responsibility to build capacity in all schools to help them become self-managing as soon as possible. As part of the process of developing self-managing schools, the Provincial Education Department will allocate a sum of money to the school each year. The school is then expected to function effectively and efficiently using these fund and supplementing them through its own fund-raising.

It is clear from the above information emanating from the literature review and consolidated data that sample schools are responding positively to the requirements of sound financial administration as espoused in government legislation and policy. This also reveals that the capacity-building programmes of the GDE are realising their objectives at institution level. It is the researcher's observation that these capacity-building programmes will also serve to standardize financial management practices at all South African public schools, according to the requirements of government policy.

5.1.5 ROOM FOR IMPROVEMENT

LITERATURE FINDING	EMPIRICAL FINDING
Section 39 of SASA stipulates: ...school fees may be determined and charged at a public school...	All principals accentuate the problem of retrieving school fees from parents who are liable to pay.

<p>Section 40 of SASA states: A parent is liable to pay the school fees determined in terms of section 39...</p> <p>Section 41 of SASA states: The Governing Body of a public school may by process of law enforce the payment of school fees by parents who are liable to pay in terms of Section 40.</p>	<p>Principal E: “Using law enforcement recourse to retrieve school fees from liable parents establishes a negative relationship with the said parent.</p>
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DISCUSSION

The information above clearly outlines a major problem challenging public schools today. It should also be remembered here, that the current economic situation in South Africa is strained and is characterised by widespread unemployment. This strained economic situation would undoubtedly intensify the problem of public schools in retrieving school fees from parents.

5.2 CONCLUSION

In this chapter, the findings of the study were presented as categories. Information from the literature review was compared with the consolidated data from the interviews, observation of natural settings and field notes. Chapter six will deal with the presentation of the summary, recommendations and conclusion of the research study.