

## **CHAPTER 4**

### **DATA COLLECTION, ANALYSIS AND INTERPRETATION**

#### **4.1 INTRODUCTION**

The purpose of this chapter is to discuss the qualitative research paradigm, which includes the semi-structured interview, and to analyse the data collected in this study. Validity and trustworthiness of information will also be discussed here. The aims of this chapter has already been discussed in chapter one (see 1.5).

#### **4.2 DATA COLLECTION**

For the purposes of this study, the researcher intended to gather information from five school principals through interviews. The researcher's plan was to collect data on the perceptions of the respondents on the effect of government policy on the control of school funds. The researcher began by studying the research questions and then developed questions that could serve as an interview guide (Appendix B) that would provide answers to the research questions.

A tape recorder was used in collecting information during the interview. Permission to use the recorder was sought before the interview commenced. After each interview the information was transcribed verbatim in writing. A follow up process in involved data being coded, organised and categorised accordingly.

#### **4.3 NEGOTIATING ENTRY WITH RESPONDENTS**

The five school principals were contacted where in the researcher made an appointment to meet the respective principals individually. The purpose of the meeting was spelt out clearly in a letter sent to principals well in advance (Appendix A). The topic and aim of the study was spelt out at every meeting so

as to avoid confusion and misunderstanding that may arise in respondents. Where misunderstandings did arise, the researcher offered prompt clarification. Participant comfort was emphasized throughout the interview and enough time for responses was ensured.

#### 4.4 QUALITATIVE ANALYSIS DOCUMENT FORM

1. Research issue being explored: The effect of government policy in the control of finances in public schools.

Analyst: Singh L.R.

Date: 2004-10-18

Form Number: 01

- 2.1 Aim of Analysis:
  - (1) Ascertain the nature of financial administration in public schools;
  - (2) Ascertain the perceptions of five respondents;
  - (3) Find out the impact of government policy on financial administration in public schools; and
  - (4) Research the five identified schools.
- 2.2 Context: The South African Schools Act No 84 of 1996 (SASA) made provision for self-management of schools and its financial and other resources under Section 21. This Section 21 context shifted the responsibility for financial control systems of institutions from the Provincial Education Departments to the individual School Governing Bodies (SGB).
- 2.3 Rationale: This transfer of responsibility to SGB's was a cause for concern since the newly elected SGB's had little or no expertise, time or motivation to deal with this responsibility.

2.4 Focus: Explanatory

2.5 Description of Procedures:

- (1) Open-ended interviews with five respondents were conducted by the researcher. These interviewees consisted of the principals of the five sample schools.
- (2) A tape recorder was used to capture data from the respondents
- (3) Verbatim transcription of information followed every interview.
- (4) Clarity seeking questions during the interview assisted the researcher in validating data from the interview.

The above Qualitative Analysis Document from was drawn from **Miles and Huberman (1994:284)** and used as a guide on the analysis process by the researcher.



#### 4.5 ANALYSIS PROCEDURE

**De Vos (1998:334)** indicates that data analysis starts with data collection. **Saunders et al (2000:381)** observe, the nature of qualitative data has implication for both its collection and analysis. It is therefore important that the researcher enters the research study with an open mind and without any preconceived ideas regarding emerging themes, patterns or categories.

**Husey and Husey (2000:248)** suggest that there are three related elements in the analysis of qualitative data:

- Reducing the data by condensing the material in some systematic way to make it more manageable;
- Structuring the data in terms of themes, patterns and interrelationships;
- Detextualising the data by converting extended text into more manageable forms such as summaries, charts, diagrams and illustrations.

The analysis of data actually commenced when the interviews were transcribed and analysed with the primary focus being the identification of themes, patterns and categories. In the interviews it was discovered that certain themes or categories did indicate identifiable similarities that also overlapped. This was observed to facilitate the process of analysis.

In the subsequent analysis of data, the questions asked to the five respondents in the interview, function as sub-headings.

#### **4.6 ANALYSIS AND INTERPRETATION OF CONSOLIDATED DATA (PATTERNS WERE IDENTIFIED FROM INTERVIEWEES RESPONSES)**

The main themes, categories or patterns were identified after the analysis of data gathered and presented as shown below. Research questions are first presented and then answers from school principals will be presented under each category.

Their perceptions were recorded after being transcribed verbatim during interviews.

#### **4.7 PATTERN 1: AWARENESS OF SECTION 21 STATUS**

Research Question

How would you define a Section 21 public school, as you understand it?

Responses from school principals were recorded and transcribed as shown below.

### **Responses from school principals**

Principal A: “At school level, this status is informed by circular 55 of 1999. Simply speaking, the head of the Provincial Education Department will allocate functions that were normally conducted by the Education Department to schools and their SGB’s. These functions include maintaining grounds and buildings; purchasing learner and teacher support materials and paying for the lights and water usage of the school.”

Principal B: “Functional SGB’s may apply in writing for and receive special allocations of an administrative and economic nature – such as maintaining buildings and grounds, buying educational material and paying for services received by the school. In these areas the SGB is now responsible for servicing the school.”

Principal C: “According to section 21(1), the Head of the Education Department will grant to functioning SGB’s the following responsibilities:

- To maintain and improve school property, grounds and buildings;
- To purchase educational material and equipment;
- To pay for services to the school; and
- To determine the extra curriculum of the school.

Principal D: “Here the SGB is expected to maintain the school’s buildings and grounds; purchase books textbooks and other learning support material; pay for services to schools such as lights and water; determine subject choices and extra mural activities.”

Principal E: “School Governing Bodies are expected to take over certain responsibilities of the Provincial Education Department. These responsibilities

are allocated to SGB's who apply for these allocations. These allocated functions are:

- To maintain buildings and grounds
- To improve school property
- To purchase educational material and equipment
- To pay for lights, water and telephone accounts of the school.

### **Similarities**

The five school principals have revealed that they are all aware of what it means to be a Section 21 school. It is clear from the responses that local management of schools is a new concept for South African public schools.

Since the promulgation of SASA no. 84 of 1996, all public schools are expected to become autonomous. School autonomy refers to the decentralisation of organisational structure in which certain powers and decisions conventionally reserved to central office personnel are devolved to actors at site level. School Governing Bodies are now allocated some of these functions (**SASA, 1996:2A-22**).

### **Differences**

It is apparent from the respondent's answers that there are no real differences in their understanding of Section 21 status of public schools

## **4.8 PATTERN 2: UNDERSTANDING FINANCIAL LEGISLATION IN EDUCATION**

Research Question

What in your opinion, is the purpose of government legislation in the control of finances of Section 21 public schools?

Response from school principals

Principal A: “Section 34 of SASA asserts that the state must fund public schools from public revenue on an equitable basis in order to ensure the proper exercise of the rights of the learner to education and the redress of past inequalities in education provision. Section 36 of SASA enlists SGB’s as partners in this regard. Section 36 of SASA states that 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 at the school.”

Principal B: “The purpose of government legislation regarding the control of public school funds has a dual economic role. Firstly, the state ensures sound economic procedures and sound financial management practices at individual institutions. Secondly, School Governing Bodies are assisting the state in funding education in South Africa.”

Principal C: “Government legislation ensures that School Governing Bodies assist the state in funding public education. Section 39 of SASA empowers SGB’s to take all reasonable steps in order to supplement the resources supplied by the state in order to supplement the resources supplied by the state in order to improve education provided by the school. Section 39 of SASA gives authority to charge school fees in consultation with parents.”

Principal D: “The purpose of government legislation in the control of public school funds is to ensure that school funds are not stolen or misappropriated.”

Therefore strict accounting principles are adhered to during the year; and audited financial statements are submitted to the relevant Provincial Education Department at the end of the year.

Principal E: “ Purpose of Educational legislation empowers Governing Bodies to raise funds for the school and to exercise control over those funds according to the dictates of general accepted accounting practices. Accountability to the state is ensured through the submission to Education Department of Audit Annual Financial Statements.”

### **Similarities**

All respondents are similar in their understanding of the purpose of government legislation in the control of finances in Section 21 public schools. Their opinions include the following:

- The state does not have sufficient funds and its legislation allows it to co-opt School Governing Bodies as partners in funding public education.
- Strict financial control systems are exercised over public funds by Government legislation as it requires Audited Financial Statements to be submitted annually by schools.

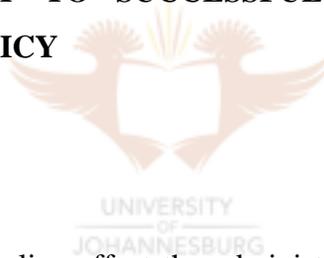
Section 34(2) of SASA stipulates that the state must provide annually, sufficient information to public schools regarding the funding referred to in subsection (1) to enable public schools to prepare for their budgets for the next financial year. On the basis of the State’s “grant/subsidy” and the SGB’s budgetary projections for the following academic year, the SGB can determine exactly what the school fee amount [for the following academic year] should be.

Section 40 of SASA asserts that a Governing Body may by process of law enforce the payment of school fees from parents who are liable to pay. This lawful empowerment of and accountability towards SGB's go a long way in entrenching the economic partnership established between the State and School Governing Body.

### **Differences**

Responses from school principals reveal no apparent differences evident among them.

## **4.9 PATTERN 3: KEY TO SUCCESSFUL IMPLEMENTATIONS OF GOVERNMENT POLICY**



### Research Question

How does Section 21 policy affect the administration of school funds in public schools?

### Responses from principals

Principal A: “According to Circular 55/1999, the school must have a democratically elected SGB which is functional. Circular 13/2000 further informs us that the SGB must have the capacity to ensure the following:

- Proper management systems, namely, planning and monitoring mechanisms;
- Proper accounting and budgeting systems that will ensure the proper use of funds;
- A safe and secure storage facility and adequate systems to perform all the allocated functions; and capacity building programmes aimed at developing its members.”

Principal B: “The administration of school funds will become the direct responsibility of the SGB. SGB’s must set in place and maintain a budget that will ensure the responsible use of funds. Management systems to ensure proper safekeeping of all financial records must be maintained. Annual submission of the school’s audited financial statements to the Head of Education Department, ensures the SGB’s accountability to the institution as well as the education department.”

Principal C: “Funds now need to be raised and controlled by SGBs. Cost-saving plans are to be developed by SGBs. To do justice to all the allocated functions is a mammoth task, even for a fully functional SGB with the necessary capacity. In this regard, sub-committees need to be formed, these would include:

- A Financial Committee conversant with budgeting and accounting procedures;
- A Learning Support Committee to assist with the selection, distribution and retrieval of learning support material.
- A Maintenance Committee to develop improvements and additions to school buildings according to a cost saving plan.”

Principal D: “ The responsibility for the administration of school funds is now that of the SGB. They are expected to learn how to take control of all income and expenditure. The SGB must make sure that the school has enough money to maintain the school buildings and grounds, purchase books and equipment and to pay for services. This is achievable when the SGBs activities are monitored by a strict budget.

Principal E: “School Governing Bodies must administer the school funds in partnership with the school principal. The GDE suggests that the SGB delegates each of the allocated functions to specific sub-committees to administer. In this way each function can be dealt with thoroughly and monitored at all times. Sub-

committees also ensure that sound management procedures are developed and maintained. However, it is the SGB that must develop a strategic financial plan as well as its concomitant control system.

### **Similarities**

All respondents agree that the key to successful implementation of government policy relating to control of school fees at schools, lies in the hands of School Governing Bodies. In their responses, each principal highlights the important role played by the SGB in the administration of school funds at public schools. That this administration can only be effective when deployed within a financial strategic plan or a budget.

The South African Schools Act highlights the duties and functions of SGBs in relation to the administration of school funds from Section 37 up to Section 42. The important issue here is that schools that do not have functional SGBs, cannot establish a school fund nor open and maintain a banking account let alone other control systems.

### **Differences**

Although all principals highlight the important role played by the SGB, they emphasize different aspects of the role of SGB's. A and B highlights the importance of financial management structures and safekeeping of financial records. Principal C and E emphasize the importance of sub-committees in the control systems. Principals A and D highlight learning and building capacity around generally accepted accounting practices. Principals B,D and E refer directly to the importance of being guided by a budget and Principal A refers to this concept as "planning and monitoring mechanisms."

#### 4.10 PATTERN 4: ESSENCE OF POSITIVE ADMINISTRATION

##### Research Question

What do you think are the strengths of your school's financial control system?

##### Responses from principals

Principal A: "Our school has a fully functional SGB, who received capacity building training by Dinakos Management Consultants. The core strength of our system lies in the following:

- A finance clerk who is conversant with accounting procedures (this clerk is our school secretary).
- Banking is done daily or as often as possible.
- Accounting records and past financial statements are stored in a safe place.
- We do not have a petty cash fund and all payments are made by cheque.
- Cheques are issued only once the necessary requisition forms have been completed.

Principal B: "Our strengths include:

- A motivated SGB and educator staff.
- A knowledgeable accounting officer (the school secretary)
- Immediate (when possible) banking of funds.
- Strict control of cheques issued by use of requisition forms.
- Petty Cash is controlled by Imprest System.
- Dual control of incoming fees is ensured between the Finance Officer and the respective teachers.
- Annual Financial Statements are completed by independent Auditors and are sent timeously to the Department of Education."

Principal C: “Our Strengths:

- A fully functional SGB, Finance Committee and a knowledgeable Accounting/Finance Officer.
- Our school financial control system is a computerised package from Edupac.
- Monies are paid directly to the Finance Officer.
- Computer generated receipts are issued.
- Funds are banked as soon as possible.
- Cheques payable are banked by requisition forms.
- Finance Officer attends SGB meetings and expenditure is checked against the budgetary allocations.
- Petty Cash is controlled according to the Imprest System.
- Independent Auditors complete our Annual Financial Statements.”

Principal D: “The school’s strengths:

- A fully functional SGB and knowledgeable Finance Officer.
- A computerised financial control system.
- Monies are paid directly to the Financial Officer.
- Computer generated receipts are not issued, instead receipts from specially printed receipt books are issued.
- Monies are banked as soon as possible.
- Cheque payments are controlled by requisition forms.
- Petty Cash is controlled by Imprest System.
- Independent Auditors complete our Annual Financial Statements.”

Principal E: “A functional SGB and knowledgeable Finance Officer.

- A computerised financial control system.
- Monies are paid directly to the Financial Officer.

- Computer generated receipts are not issued, instead receipts from specially printed receipt books are issued.
- Monies are banked as soon as possible.
- Cheque payments are controlled by requisition forms.
- Petty Cash is controlled by the Imprest System.
- Independent Auditors complete Annual Financial Statements.”

### **Similarities**

All respondents cite the following as their strengths:

- An active SGB
- A knowledgeable Finance Officer/Clerk
- Banking of cash as soon as possible
- Issuing of receipts for cash received
- All payments made by cheque
- Cheque payments are controlled by use of Requisition Forms
- Where Petty Cash is used, its control is according to the Imprest System
- Accounting records and documents are stored in a safe place.
- Independent Auditors complete Annual Financial Statements

### **Differences**

Principal A's school is the only institution that does not use a Petty Cash Fund. Principals A and B use a manual control system. Here monies are paid to the individual educators who issues receipts. These educators then pay the monies to the Finance Clerk who in turn issues a receipt to the individual educator.

Principal C uses a fully computerised financial control package/system. Here, monies are paid directly to the Finance Clerk who in turn issues computer generated receipts. Principal D and E also uses a computerised financial control

system, but handwritten receipts are issued. Monies are paid directly to the Financial Clerk who issues handwritten receipts. In these cases, the amounts of the computer entries must correspond with the amounts in the handwritten receipt books. This system ensures that the entries of the Financial Clerk are double checked as well.

The institution of Principal C ensures that expenditure is checked against the budget and expects the Finance Clerk to attend all SGB meetings.

#### **4.11 PATTERN 5 SCOPE FOR IMPROVEMENT**

Research Question

What do you think are weaknesses in your school's financial control system?

Responses from principals.



Principal A: “New SGB’s take a long time to build capacity and settle in. The absence of sub-committees during this period can lead to loopholes being created in the control system. We for example, do not have any one checking whether educators are paying the correct amounts in timeously to the Financial Officer, during this period. A sub-committee comprising of educators easily solves this problem. Retrieving schools funds from parents is a most difficult challenge for our school.”

Principal B: “There are no apparent weaknesses in our financial control system as such. However, getting parents to pay school fees is a difficult task.”

Principal C: “Getting parents to pay school fees is a mammoth task. Since monies are paid directly to the Financial Officer, her office was subject to a robbery a few years ago.”

Principal D: “There are no weaknesses in our current financial control system except retrieving school funds from parents who are eligible to pay.”

Principal E: “Stimulating and coercing parents to pay school fees. Using the threat of law to force parents to pay school fees, a few years ago, established ‘bad blood’ between parents and management. Learners also felt victimized and feelings of resentment against the establishment. We have since refrained from this practice.”



### **Similarities**

All school principals indicate that they experience problems with retrieving school fees from parents who are eligible to pay.

### **Differences**

Principal A indicates problems arising due to non-existent sub-committees. Principal C highlights problems of safety and security at schools which have now become soft targets for criminals. Principal E indicates the negative aspects of using the law to coerce parents to pay school fees.

## **4.12 VERIFICATION OF FINDINGS**

The findings of this study were verified according to what **Miles** and **Huberman’s (1984:284)** said, and were based on both empirical and theoretical evidence.

The findings were clustered to ascertain whether the patterns could fit into a conceptual whole.

#### **4.13 CONCLUSION**

This section provided descriptive data collected from the sample and key informants. The purpose of this section was not to compare the five scheduled schools, but to gather information on the perceptions of principals which could address the research questions as stated in chapters one and three of this study.

The following themes, patterns or categories were identified in this chapter namely:

- a) Awareness of Section 21 status
- b) Understanding financial legislation in education
- c) Key to successful implementation of government policy
- d) Essence of positive administration
- e) Scope for improvement

Chapter five will focus on the presentation of the findings.