

Challenges of Financing Public Education in Kwara State: Options and Implications for Development.

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Abstract. The adoption of socialist approach to the supply of education in Kwara State since the beginning of the new civilian administration in 1999 has led to the increase in school environment at all levels of education. The government desire to meet her social responsibility in this direction has necessitated an increased in her financial commitment to the sector. This was carefully x-rayed by this paper with particular attention to the secondary school sub sector. The study found a need for alternative financing options and sustainable strategies to keep current funding patters alive. The paper recommended cost sharing model as an alternative financing strategy as well as efficiency based funding options. It concluded that if alternative strategies are adopted, more financial resources will be generated and available to fund schools at the current level. Also funds previously locked up in secondary education sector will be free for use in other sectors of education currently being under-funded.

Key words: Budget, Capital Expenditure, Recurrent Expenditure, Actual Budget Released, Budget Estimate.

1. Introduction

Financing education means funding education: it involves sourcing and providing funds to run school programmes and ensuring the optimal distribution and utilization of the funds to achieve educational goals. The demand for education by the society seems limitless and expensive because of the benefits the society attached to education. The resources within the limits of the society in terms of funds to meet these ever- increasing demand are grossly inadequate and often times not available. If the Nigerian government goals of providing education for all by year 2015 and her aspiration of seeing the country as one of the twenty most developed nation in year 2020 is to be realized, government must continue to finance schools adequately because in her own words “the success of any system of education is hinged on proper planning, efficient administration and adequate financing (NPE, 2004).

There has been a continued increase in the demand for education in Nigeria since government have decided to adopt education as a consumption item and has adopted social demand approach model in planning education. This means government will have to increase her spending on education to meet the increase in demand for it.

2. A Cursory View of Educational Finance in Kwara State

Today, Kwara State has over 235 secondary schools fully funded by the state and many government assisted schools. It also helps the 16 local government areas to maintain over 1.671 primary schools, six Government Technical Colleges, one Polytechnic, three Colleges of Education, one College of Arabic and Islamic Legal Studies and a State University. The function of providing education for the people of the state is saddled with the Ministry of Education and Human Capital Development. The ministry spends the budgetary allocations to the sector on both capital and recurrent expenditures. In the wake of the new political dispensation, government has risen to her duties of providing education for all her citizens, this has pushed up both capital and recurrent spending on education the last decade. The adoption of Universal Basic Education as state instrument for providing Education for All in year 2020 has led to increased enrolment in basic education as well as in the post basic education levels.

The government’s obligation to meeting her social responsibilities has necessitated an upward increase in her financial commitment to the sector. Since the beginning of the new civilian administration in 1999, successive governments in the State have expressed deep commitment to providing quality education to the citizens of the state. The fallout of this

socialist approach to educational opportunities in the state has been the rise in school enrolments. The enrolment in the state public secondary schools witnessed a sharp increased as shown below.

Table 1:
Enrolment in Kwara State public secondary schools

Year	Enrolment (junior & senior secondary schools)
2014	192,044
2013	187,500
2012	177,126
2011	165,134
2010	151,934
2009	150,578

Sources: Kwara State Ministry of Education and Human Capital Development

The increase in schools’ enrolment had put pressure on the school facilities. Classes were inadequate, and teacher- student ratio was uncomfortably very high, especially in most urban schools: the existing facilities were in very bad shape and almost inhabitable for students. The state of school facilities compelled the government to embark on massive rehabilitation of school infrastructures and the employment of more teaching personnel. The strain on the state’s finances is evidently clear and visible.

Table 2:
Kwara State Education Budget (2009-2014)

year	State Budget(₦)	Education Budget(₦)
2014	122,440,346,343	22,873,951,050
2013	100,692,559,807	30,867,459,333
2012	85,153,931,881	31,039,902,793
2011	66,894,508,138	20,552,517,497
2010	69,470,710,851	10,293,404,103
2009	72,214,300,907	9,079,440,044

Sources: Kwara State Accountant General’s office

It is important to note that, the education reform agenda put in place by the government was to

address the inadequacies in the sector and hasten the attainment of the Millennium Development

Goals. This was exemplified by the commissioner for education in the state when he said “ The Kwara State Education reform agenda has been structured to learn some of the best practices in some of the best performing countries... most of the 25 point reform agenda targeted at improving the quality of teaching and teachers“(Bolaji, 2008). Though the initial target of the reform agenda was the primary education

sector, the success recorded in the sector encouraged government to look towards the direction of the secondary education subsector and within the possible time, the secondary education subsector took the prime position in the government education reform programme. This is corroborated by the rate at which government have directed and continue to direct her financial resources to the sub sector.

Table 3:

Analysis of budget spent on secondary education in Kwara State (2009-2014)

Year	Budget Estimate(₦)	Education Budget(₦) *1	Secondary Education Budget (₦)*2
2014	122,440,346,343	22,873,951,050	18,367,725,232
2013	100,692,559,807	30,867,459,333	26,249,914,782
2012	85,153,931,881	31,039,902,793	23,436,036,297
2011	66,894,508,138	20,552,517,497	17,398,492,031
2010	69,470,710,851	10,293,404,103	8,472,265,903
2009	72,214,300,907	9,079,440,044	8,790,020,140

Sources: Kwara State Accountant General’s office

*1 means that budget includes MDA’s and all levels of Education

*2 means excluding MDA’s but includes junior& senior secondary schools

The government has continued to spend money on education in all fronts, the portfolio of government expenditure on education shows that both the recurrent (operation costs) and the capital expenditures has attracted high budgetary attention in the last six years.

Table 4:

Actual monetary expenditures on education in Kwara State (2009-2014)

Year	Actual Capital released(₦)	Actual Recurrent released(₦)	Actual released(₦)
2014	2,679,449,259	11,383,771,416	14,063,220,675
2013	2,168,795,863	18,189,834,512	20,358,600,375
2012	3,033,369,793	20,398,531,677	23,431,751,472
2011	1,638,762,859	21,993,895,841	23,431,660,700
2010	2,896,305,602	9,599,471,236	12,496,176,838
2009	4,214,667,286	5,216,226,184	9,430,893,464

Sources : Kwara State Accountant General’s office

Meeting the financial obligations as spelt in the budget is becoming increasingly very difficult due to dwindling revenue from Federation Account; this has created a wide gap between budget estimates and actual spending on education.

Table: 5

Comparing education budget with actual spending from (2009-2014)

Year	Education Budget (₦)	Actual released(₦)
2014	22,873,951,050	14,063,220,675

2013	30,867,459,333	20,358,600,375
2012	31,039,902,793	23,431,751,422
2011	20,552,517,497	23,632,660,700
2010	10,293,404,103	12,494,176,838
2009	9,079,440,044	9,430,893,464

Sources : Kwara State Accountant General's office

Except for 2010 and 2011 when actual spending was above budgeted estimate, the trend in 2012 to 2014 was clearly that of inadequate supply of funds to the sector. The trend may be explained by the dwindling revenue sources of the state government. Education in the state is virtually free except for the state university which however was substantially subsidized for citizens of the state. The proportion of revenue accruing to the government to finance secondary education is dwindling daily because the government does not charge tuition in all her institutions except token levies for running the schools to meet daily financial needs of the respective institutions. These are however meager as shown in Table 6, financial requirements to run the schools very well still depends on government budgetary allocations.

Table 6:

Sources of funds to finance secondary education in Kwara State

Year	Secondary Education Budget (₦) a	Levies and Charges (₦) b	% of a/b
2014	18,367,725,232	873,800,200	4.76
2013	26,249,914,782	853,125,000	3.25
2012	23,436,036,297	805,923,300	2.94
2011	17,398,492,031	751,359,700	4.32
2010	8,472,265,903	685,129,900	8.09
2009	8,790,020,140	691,299,700	7.86

Sources: Kwara State Accountant General's office

The main source of fund to finance secondary education since the inception of the new democratic government has been from budgetary allocations. Since the state government has adopted socialist model approach to the supply of education, the government has relied heavily on funds from the Federal Account to meet most of her financial obligations especially as it relates to education financing. In recent time, there has been a dramatic growth in the state budget estimates; this has been extended to the secondary education sector.

Table 7:

Analysis of Budget spent on secondary education in Kwara State (2009-2014)

Year	Budget Estimate(₦) a	Education Budget (₦) b	Secondary Education Budget (₦) c	% of c/b
2014	122,440,346,343	22,873,951,050	18,367,725,232	80.3
2013	100,692,559,807	30,867,459,333	26,249,914,782	85.0
2012	85,153,931,881	31,039,902,793	23,436,036,297	88.4
2011	66,894,710,851	20,552,517,497	17,398,492,031	84.6
2010	69,470,710,851	10,293,404,103	8,472,265,903	82.3
2009	72,214,300,907	9,079,020,140	8,790,020,140	96.8

Sources: Kwara State Accountant General's office

The proportion of the secondary education subsector financial obligation on the main education sector budget is enormous. Over the period under study, it was over eighty percent of all education budget estimates going to the secondary education financing. The implication is that other areas of education will be made to suffer inadequate funding. It is important to note that, the inappropriate distribution of education sector resources towards secondary education may not stand the test of time. It has become hugely difficult for government to continue in that direction. What is more worrisome is the increasing proportion of recurrent expenditure in the subsector.

Table 8:

Analysis of Recurrent Expenditure on secondary education in Kwara State (2009-2014)

Year	Actual Education Sector Recurrent Released(₦) (a)	Secondary Education subsector Salaries and Emoluments (₦) (b)	% of b/a
2014	11,383,771,416	6,714,845,120	59.0
2013	18,189,834,512	6,321,571,383	34.8
2012	20,398,531,677	5,886,963,494	28.9
2011	21,993,895,841	5,787,917,218	26.3
2010	9,599,471,236	3,741,666,450	39.0
2009	5,216,226,184	2,125,130,761	40.7

Sources: Kwara State Accountant General's office

3. Challenges faced by the government in financing education in Kwara State.

The state government has adopted a populist to the provision of education in Kwara State. The approach is popular and it seems to have gained wider acceptability, the gains of increased funding to the education sector is reflected in the improved school infrastructures, regular payment of teachers salaries and emoluments, regular and adequate teacher advancement programmes aimed at increasing teachers productivity . Even passive financial stakeholders in terms of parents who have been enjoying supply of education virtually free are excited as public schools are gaining back confidences lost years ago. But, the question is can the government continue to shoulder the finance of secondary education all alone? Considering the fact that funds are increasingly becoming more difficult to get, other sectors such as health, roads, social infrastructures and even higher/tertiary education sub-sector are beginning to show signs of neglect.

It is about time for government to look for alternative financing options for secondary education and indeed education generally without jeopardizing the social- welfares model

of education adopted by the government since the beginning of the forth republic.

4. Alternative options/strategies to finance secondary education in Kwara State

The greatest challenge facing the government now is how to sustain the secondary education funding level. The various quality control and quality assurance measures put in place must be sustained, the infrastructural improvement programmes also calls for increase in recurrent cost of maintenance. In the face of dwindling revenue as currently faced by many state governments in Nigeria including Kwara State, there is a call for alternative strategies for sourcing funds.

The government must enlist the support of community's parents, alumni, and corporate organizations participation in the financing and management of secondary education. This may be by encouraging these agencies to provide physical facilities, books and instructional materials that are grossly lacking in schools. Individual families and group/ associations can be encouraged to adopt/endow schools in their names (Abdulkareem, 2003)

Adoption of pupils-based system of funding schools would go a long way in helping to streamlining funds to schools in an effective and judicious manner. The State of Mississippi Adequate Education Programme (MAEP) funding model can be adopted. Here, each school district has peculiar demand for funds and minimum financial threshold to perform adequately. Apart from meeting these basic financial requirements schools are also granted funds based on pre-determined performance criteria both in internal and external examinations. This call for prudent use of funds allocated because, getting new funds depends entirely on outcomes of the previous funds allocated.

The state government may dedicate special funds to secondary education. The state's share of Value Added Tax (VAT) from the Federal Account can be dedicated entirely to maintenance and improvement of secondary school infrastructures. Most governments are already strained financially and such windfalls when it comes is usually a soothing relief, where they cannot dedicate all of such largesse to secondary education a minimum threshold of 65% should be sunk into the secondary education sub sector.

Cost sharing measures could also be adopted by the government. Cost sharing policy is a situation where the government on one hand and the households/communities on the other share the responsibilities of financing education. Kiveu and Mayo (2006) were of the opinions that education has higher private returns to the holder than the society, therefore, beneficiaries of education in that; it will make parents to actively participate in the running and management of schools. Parents will be more interested in ensuring that their financial contributions are put into best use for education of their children.

5. Implications for development

The question is, should government continue with the present method of financing of secondary education? If yes, what are the chances of sustaining the current funding in

view of the revenue situation of the country and the federating states? If suggested alternatives were given considerations and were adopted in part or wholly as suggested, what will be the implications for development?

The present financing model has put a huge hole in the pocket of the state government and there is no doubt it exerts an unbearable but avoidable pressure on government resources. Monies that could have gone to other begging needs are currently used in sustaining secondary education far and above its own desired share of the education sector resources. This implication was evident as early as 2003 when Abdulkareem (2003) said in spite of the staggering figures, the 5 tertiary institutions still complain of inadequate funding. In fact, the institutions need to augment their subventions which the government feels is already on the high side. This led to what some observers have described as commercialization of education because the institutions have resorted to devices, ways and means of generation revenues to augment their subventions.

The 2003 trend in continuing today, the higher/tertiary institution sector is witnessing high under funding and this has led to high levies and charges in the schools thereby eroding the social/welfare approach of the government to education in the higher education levels.

Apart from the higher education sector, sticking to current financing practice at the secondary education level will mean a serious neglect of other vital sectors, which are also populist in scope: provision, rural and urban water supply etc all these areas will suffer undue neglect, though outside the scope of this paper, visible signs on ground shows imminent collapse of these strategic infrastructures.

Should the government decides to adopt a more realistic and practicable financing alternatives, the pressure on government financial resources will be relieved and more funds hitherto committed to secondary education sector will be released to care for demands from other equally important sectors of the state. More roads, hospitals, rural electrifications, urban road repairs etc will be accommodated and provided

for. Even the secondary education sector will have more financial resources to throw around, more schools in different locations across the state will be added to schools to be renovated and rehabilitated and more educational resources (human and material) will be employed for the benefit of students in those schools.

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