An Assessment of Funding Management Strategies in “No Fee” Schools in Cape Town: With Specific Reference to Selected Primary Schools.

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Abstract

Purpose: South Africa has a growing literature on no-fees public schools’ policy. The vision of this policy is to ensure that all citizens have equal access to quality basic education. This study assessed the funding-management strategies in three no-fees public primary schools within the Western Cape Education Department. The specific objective of this study was to identify and discuss the funding-management strategies of schools in resources scarce communities and its impact in providing quality education.

Methodology: The study used a qualitative research model. Data were collected through semi-structured guided questions. A total of nine participants were chosen using purposeful sampling, which is selecting participants based on their experiences and knowledge. Participants comprised three school principals’, three chairpersons of the school governing body, and three school finance heads. Data were recorded using telephonic conversation due to the covid-19 pandemic. The conversations were recorded and later transcribed word by word, as a result, the data were analyzed by the researcher using a thematic data analysis approach. To instill trust in the research findings, the researcher combined individual interviews with information from the participants and an analysis of written documents. As such, the data from interviews and the case study were verified to see if they pointed in the same direction. Also, the researcher gave all the participants a chance to verify whether or not the facts were what they gave to the researcher as data.

Results: The study showed that schools involved in financial management realize that it is wise to manage their budgets more carefully than in the past, especially since budgets have always been tighter over the years. Thus, the topics of financial management, financial planning, reporting, recordkeeping, and control all present themselves in the same way. Funding strategies have improved transparency, accountability and collective accountability. However, there are still shortcomings in school fund management such as lack of clear strategic planning, irregular reporting and control measures. The study concluded that tuition waivers and funding management strategies in under-resourced communities affect the performance of elementary schools.

Recommendations: Aligning funding strategies with policy goals is essential to ensuring that financial resources are used effectively to guide school reform and development. School-level learning objectives need to be clearly defined and prioritized, especially in school with resource planning responsibilities.

Keywords: Education, no-fee schools, strategy, South Africa, public school.
1.0 Introduction

1.1 Background to the research problem

Many countries on the African continent have chosen free primary education as a tool to expand access to education (Chicoine, 2019). Given South Africa’s limited public finances and the imperative to align with continental trends to expand access to public education, the design of effective mechanisms to allocate funds is limited. This among competing priorities has become an important government priority (Mestry, 2020). Through the National Policy on Revised Standards and Standards for Schools, all public schools are classified into one of five Quintile based on two equally weighted criteria – the only criterion being school facilities, quality of facilities and school overcrowding, schools in terms of student enrolment, and another criterion is the relative poverty level of the community surrounding the school (DoE, 1998). Schools in Quintile 1 are considered “poorest” and schools in Quintile 5 are considered “least poor” (DoE, 1998). Schools in Quintile 1, 2 and 3 (lower Quintile) are classified as no-fee schools and account for 60% of the total number of public schools (DoE, Republic of South Africa, 2006). This group of schools are not legally allowed to charge tuition fees and are expected to survive mainly on government funding (Mestry, 2018; Sayed & Motala, 2012).

Apartheid education had a major impact on the shape of South Africa’s current public-school system, as there were separate schools for whites and blacks. This racial rift that spread across the country was characterized by a determined effort to provide rudimentary education to black learners. (Calderhead, 2011). As a result, educational opportunities for blacks and whites were made available under different divisions; the second group (blacks) receives a lower share of the budget and the first party (white) receives a higher budget, leading to inequalities in systems that increase disparities (Naicker, 2007).

The South African Schools Act 1996 laid the foundation for a non-racist approach to education. The various systems and educational institutions of the apartheid and Bantustan regimes were unified into a single national set of overall policy decisions, with provincial units responsible for implementation and distribution. Many initiatives, policies, guidelines, and legislation have resulted in efforts to balance race spending and address issues such as class size, teacher access, and learning materials and support (CREATE, 2009; SASA, 1996), including funding and curriculum policies (Chisholm & Leyendecker 2008). Lemmer et al., (2008) added that the goal of transforming the apartheid education system was to create an education system that "opens doors to learning and culture for all" and that will benefit the country as a whole and the people (White Paper on Education and Training, 1995).

Interestingly, the lack of funding for education undermines the provision of quality education in South Africa (Pandor, 2005). Schools are being forced to make changes to ensure that dwindling resources don't lower educational standards (Mestry, 2018). This place the responsibility of principals and school administrators to use these resources effectively to ensure that education remains affordable (Naicker et al, 2020). However, the state is committed to the realization of socio-economic rights as enshrined in the Constitution, its stated goals are equality of educational outcomes among learners and the exercise of the right to free, quality basic education (Spaull, 2015). Demonstrating their willingness to pursue their goal of providing education for the entire nation, education budget has steadily increased with the construction of new schools and the recruitment of teachers over the years.

Despite these efforts, public schools in the country still face funding problems (Mestry & Berry, 2016). This persistent poor performance is particularly noticeable in the area of strategic management (Naicker & Ncokwana, 2016). According to Neely & Diebold (2016), a common
suggestion to address school performance is adequate funding; however, policymakers and educators do not seem to believe that adequate resources will improve school performance. Neely & Diebold (2016) have shown that the concept of resourcing is central to many funding models. One might assume that the concept of resourcing is central to the education strategies of the South African government. Table 1 present government spending trend in basic education from 2014 to 2018/2019.

**Table 1: Basic education expenditure trends as consolidation of expenditure in percentage of consolidated GDP from 2014 -2019.**

<table>
<thead>
<tr>
<th>Outcome</th>
<th>Percentage of Consolidated government expenditure</th>
<th>Estimated government expenditure amount in ZAR (billion)</th>
<th>Estimated total budget in ZAR (trillion)</th>
<th>Estimated percentage of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014/2015</td>
<td>16.5</td>
<td>191.1</td>
<td>1.35</td>
<td>4.5</td>
</tr>
<tr>
<td>2015/2016</td>
<td>16.2</td>
<td>205.8</td>
<td>1.46</td>
<td>4.9</td>
</tr>
<tr>
<td>2016/2017</td>
<td>16.4</td>
<td>216.7</td>
<td>1.56</td>
<td>4.9</td>
</tr>
<tr>
<td>2017/2018</td>
<td>16.3</td>
<td>232.6</td>
<td>1.64</td>
<td>5.0</td>
</tr>
<tr>
<td>2018/2019</td>
<td>16.5</td>
<td>264.4</td>
<td>1.83</td>
<td>4.8</td>
</tr>
</tbody>
</table>

*Source: Beyonyi (2021) based on estimates of national, provincial income and expenditure, budget review 2018.*

From table 1, it can be seen that public spending on basic education, especially primary education, increased steadily from 2014/2015 to 2018/2019. Statistically, spending on basic education changed; in 2014/2015, R191.1 billion was allocated for basic education, accounting for 16.5% of the national government estimate of R1.35 trillion. Government GDP for the same year was 4.8%. In 2015/2016, spending on basic education was R2,058 billion compared to national public spending of R1,460 trillion, or 16.2% compared to 4.9% of GDP. In 2016/2017, R216.7 billion was allocated to basic education based on national government spending of R156 trillion, representing 16.4% compared to 4.9% of GDP (National treasury, 2018).

Research on funding management strategies in no-fee schools in South Africa is growing. Fiske and Ladd (2004) assessed the challenges of mixed funding approaches to education access, student enrolment, and the gap between publicly funded schools and between institutions. Their research shows that funding policies for public schools can help disadvantaged families get into public schools, but at the same time cannot improve the quality of education for families. They concluded by suggesting that the government should rethink funding strategies for public schools. Sayed & Moala (2012); PatonAsh & Di-Wilmot (2015); Mestry, (2018); Naicker et al, (2020) conducted similar studies and concluded that resource availability and cross-school funding management strategies are needed to achieve better learning. After observing the recommendations of these authors, much work remains to be done to improve and study the strategic functions of liberal schools. Therefore, this study aimed to seek to better understand these school funding strategies in under-resourced communities and their impact on the delivery of quality education through the lens of three no-fees schools within the Western Cape Department of Education in Cape Town. The researcher therefore sees this study as vital since the financial resources of the education system are always limited, making it difficult for schools to pursue their goals, and designing school funding management strategies is important in ensuring that resources are directed where they could do much more differently.
The paper begins with a brief overview of the funding management literature and institutional strategies. Then the theoretical framework, namely Systems theories of finance and achievement, is explained. The research methodology is then explained, followed by a Presentation and discussion of results.

2.0 Literature Review

2.1 Fund Management and Institutional Strategies

Frolich et al., (2010) conducted a study in Denmark, Portugal and Norway, on the influence of educational institutional strategies and the funding system in public schools. According to the authors, internationalization, socio-economic restructuring and knowledge-based management have affected the finance, management, administration as well as the development process in educational institutions. The authors recommended that regardless of institutions operating with some autonomy and sovereignty from the state, these institutions and the state should not isolated from the rest of the world. The authors concluded that these organizations are tactical in their resource sourcing strategies. However, they say this could threaten key institutional functions. The authors considered state financial support as a strategy to improve efficiency and quality control in public institutions.

The authors noted that public schools in these countries have focused on formulating strategy and also ensured that their funding mechanisms are supported and protected. This implies that a protectionist theory approach is applied and that the main goal of using this theory is to ensure that the essential functions of strategy are not destroyed by changing mechanisms (Frolich et al., 2010). Jongbloed and Koelman (2000) suggest that changes in the funding and management systems may adversely affect the behavior of institutional actors and their internal controls over capital allocation.

Lepori et al., (2005) when conducting a study on the impact of switching primary sources of funding in public institutions, argued that institutional funding could be affected by two ways depending on the nature and organization of the organization, that is to say institutional capacity and composition of disciplinary processes. With this in mind, the institutional capacity to attract capital, seek new financing avenues, and improve capital utilization is imperative. The authors recommended that, if the strategy of organizations is to manage their limited capital well so that the community feels its impact, then the organization should attract capital for itself without pressure from politicians. Research shows that organizations that are dependent on the state budget and are no longer able to maintain their resources due to delayed handovers, will look to other sources of revenue to finance their activities. This can affect the administrative and academic planning process.

Mestry (2018) took a different perspective when he conducted a study on the role of governing bodies in the management of funding in South Africa in no-fee public schools. A qualitative research approach was used in data collection. The main objective of the study was to determine the perceptions of school authorities and school management teams regarding the management of funds received from the state and the strategies they use to collect additional funds for their school. The study concluded that members of school management teams and school governing bodies lacked the expertise to effectively manage school funds and generate additional funds. In addition, SGBs lack support with training resources that could otherwise help with financial problems and challenges. In addition to the findings, there is a lack of coordination among SGBs and other authorities in financial management.

Heystek (2013) agrees that school governing body (SGB) members lack the skills and knowledge to deal with complex financial problems. They lack the skills and experience that
the author mentioned. The author points out that these are factors that may prevent members of SGBs from effectively and efficiently performing their functions in relation to funding schools.

According to United Nations Educational, Scientific and Cultural Organization- Institute for Statistics (UNESCO-UIS), 2011), Sub-Saharan Africa states must look for ways to advance their education and financial strategies. The organization recommends that financial performance and statistics be updated regularly to achieve a good, quality and effective access to capital plan. The agency recommends that educational institutions should partner with the private sector so that more funds can be generated in funding schools at all levels, which can reduce stress on finance. The organization also suggests that the distribution of funds intended for education should be fair and therefore make funding policies fair. Finally, the organization recommends "evidence-based planning" supported by regular use of financial and educational data.

2.2 The Key Theory Underpinning the Study

2.2.1 Systems Theories of Finance and Achievement

Research on education funding and performance improvement is largely supported by systems theories. This is evident in the behavior of the organization. Thus, explaining organizational structure and behavior helps us to track more specific associations between organizational achievements and input variables such as funds. Since 1965, theories of finance and success have suggested that good performance is directly influenced by financial management strategies (Neely & Diebold, 2016). Mort (1960) argues that it is clear that institutions with superior educational expenditure management strategies will benefit more from the educational outcomes desired by many in society. The author adds that the level of expenditure is equivalent to the level of flow of the fund and therefore requires a good management strategy.

In the early 20th century, the assumption that money directly affects performance was supported by the view of closed systems of organization and leadership (Neely et al., 2016). Thus, closed systems theories have suggested that an organization's activities include factors such as structure, leadership, and task behavior, and that these factors are controlled almost entirely by dynamic internal processes. The financial and distribution systems are therefore relevant to this study because the theory focuses on the elemental nature and evolution of a connected and interdependent system.

However, some critics argue that the closed systems model focuses mainly on internal dynamics without considering that external forces can influence institutional performance and thus financial strategies. Support does not necessarily translate into positive outcomes for schools (Neely et al., 2016). Coleman (1966) further points out that, an important predictor of verbal achievement in schools is their context, that is, social and economic status and self-concept and it is not assumed that financial resources determine learner outcomes.

Despite these criticisms, systems theory has the merits of this study in that it revolves around self-regulating systems. It deals with self-regulating systems, which self-repair through feedback, so that self-regulating systems can be seen in the human learning process. According to Duffy and Reigeluth (2008), to improve the financial strategy of an organization, the cycle must revolve around the school system and everything outside of it is called the external environment. Therefore, the fund management team in this case including school authorities, financial managers and principals share a common goal and vision, influenced by the external environment (State, donor, community) to finance their establishment.
3.0 Methodology

3.1 Research setting

3.1.1 Background to Khayelitsha
The study was carried out in Khayelitsha and Du Noon. Khayelitsha is an informal town in Cape Town, located on the flats of Cape Town. The name in IsiXhosa means a new house. Khayelitsha has a population of about 391,749. Khayelitsha is approximately 90.4% Black African, 8.4% Mixed, and 0.4% Caucasian (Statistics South Africa, 2018).

3.1.2 Background to Du Noon
Du Noon is an informal town, located to the east of Table View. Meaning, it is a suburb on the west coast of Cape Town. According to Statistics South Africa, the employment rate in the Du Noon area is around 47% and a large part of the population lives in "squatter" homes. Most people are poor. The unemployment rate is high and reached around 56% in 2018 (Statistics South Africa, 2018). It should be noted that many of the people employed are mostly domestic workers in the surrounding area.

3.1.3 Schools profile
The three schools were deliberately selected from different regions and educational circuits in Cape Town, South Africa. Sample includes no-fees elementary schools. Schools are selected based on the fact that they face funding management challenges and also on the fact that all no-fees schools are ranked in quintile 2 and 3. In addition, selected schools are located in the townships and have the same socio-economic status. The researcher received approval from the school governing bodies selected to conduct this study. The purpose of the study was fully explained and the confidentiality of the interviews was ensured.

3.2 Qualitative approach
This study used a qualitative research approach to generate insights into funding management strategies in a select number of no-fees public primary schools. The researcher used open emerging data with the main goal of developing topics from the data. The researcher considered that this approach was suitable for the research because it is the assessment and contributions of the participants that would help the researcher develop a model.

3.3 Study design
Following the above analysis, the researcher used a case study design to gain insight into the theory and practice of funding sources, the uses and how strategies at the level of School community degrees in a select number of no-fees schools.

3.4 Data collection tools
As a method of data collection, the researcher used semi-structured interview. In order for the researcher to be aware of points such as individual's opinions, feelings, emotions, and breakdowns, interviews certainly provided a suitable and methodologically satisfying way to achieve details about the meaning of the subject (Denscombe, 2009). Therefore, this study explores individual opinions, tendencies, feelings and facts considering funding management strategies in no-fees schools.

The researcher considers this approach to telephone interview important because the selection of participants is reasonable and the sample size of the study is small. This allowed the researcher to have a lengthy telephone conversation with all the participants. It is suggested that telephone interviews are not suitable for all groups of participants. Instead, researchers
were asked to carefully select target study participants when choosing their interview method (Farooq, 2017). Therefore, the researcher carefully selected his targets and participants by conducting a telephone interview.

Each school’s financial policy was reviewed to determine how the school's financial procedures, purchasing, banking, complaints procedures, and training for financial committee members as well as other staff members were acquired. Fiscal policy is considered by researchers to be an important document for establishing the various strategies used by schools for the effective use and management of resources. In addition, this policy indicates whether members of the school's management team have the necessary experience to manage financial affairs.

School budgets help the researcher to determine whether the funds allocated or created meet the needs of the school and identified needs and how the funds will be used. The school's budget indicates whether the school operates with an annual surplus or deficit. This would help with research to establish school leadership-led interventions in terms of strategy, use of funds, and fundraising. The school's audited financial statements were reviewed to determine if the school had a dispute over revenue and expenditure. This helps the researcher determine whether schools were adopting strategies such as fundraising projects to supplement funding.

3.5 Sampling of participants
Participants from selected schools were principals, school board presidents, and finance chairpersons. The director is involved in the day-to-day management of the school and therefore has the necessary knowledge of management strategies. On the other hand, the school board president has the potential to provide input on issues related to strategy and funding. The head of the finance committee can deal with all matters related to financial management, including the use of resources. All of these reasons justify the researcher's selection of participants who, as can be seen, all possess specific characteristics that may be useful to the researcher in gathering information. Thus, a total of nine participants were chosen using purposeful sampling, which is selecting participants based on their experiences and knowledge. Participants comprised three school principals’, three chairpersons of the school governing body, and three school finance heads.

3.6 Data analysis
Thematic data analysis is suitable for this research because it is exceptionally flexible. Due to the complexity of the study, it makes sense for the researcher to apply this method. The study sample is small and homogeneous; therefore, the thematic analysis is suitable for research.

4.0 Presentation and discussion of results
The primary purpose of the semi-structured interviews was to identify relevant themes during the analysis that would contribute to the development of an appropriate tool for the qualitative phase of the study. The following related topics have appeared and are presented below.

- Financial management
- Fundraising Management

The interconnected components of literary meaning and transcription were arranged by themes. Following a brief introduction to each topic and subtopic, followed by a discourse consisting of cut-and-paste (quoted) responses that provide content that is relevant and relevant to the point of view.
Table 2: Themes

<table>
<thead>
<tr>
<th>Research objectives</th>
<th>Main themes</th>
<th>Sub-themes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. To identify and discuss the funding management strategies adopted by the selected schools to mobilize and manage funds</td>
<td>1. Financial management</td>
<td>1. Financial planning</td>
</tr>
<tr>
<td></td>
<td>2. Fund-raising management</td>
<td>2. School budgeting</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. Recordkeeping and control</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4. Formation of fundraising committee, event planning</td>
</tr>
</tbody>
</table>

Source: Beyonyi (2021)

Table 3: The frequency of themes/sub-themes for each participant

<table>
<thead>
<tr>
<th>Main theme</th>
<th>Sub-theme</th>
<th>PSA</th>
<th>FSA</th>
<th>SGBA</th>
<th>PSB</th>
<th>SGBB</th>
<th>FSB</th>
<th>PSC</th>
<th>FSC</th>
<th>SGBC</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Financial management</td>
<td>Financial Planning</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>2. Fund-raising management</td>
<td>Budgeting</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>Reporting, recordkeeping and control</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>x</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>Formation of fundraising committee</td>
<td>✓</td>
<td>✓</td>
<td>x</td>
<td>✓</td>
<td>x</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

Source: Beyonyi (2021)

4.1 Financial Management

During data interpretation, all three schools were found to use multiple elements of financial management and fundraising as a strategic tool when managing school funds and raising additional funds for schools. As a result, two main themes emerged from respondents, when asked what funding management strategies they use to raise and manage school funds, respondents note that financial management is the main tool we use to manage the use of school funds (Principal, School A). Financial management is all about school expenses, control and even money (Financial Officer, School B). Financial management techniques are practiced to manage all school finances (SGB, School C).

This line of thinking is consistent with Botha (2013), who explains that financial management is a process by which school and SGB management organize, plan, direct, control and delegate the funds of organization to achieve its goals and objectives. This theme is consistent with Rai (2007), who explains that strategy is a plan, a set of decision rules, a course of actions derived from its goals, eliminating activities that move an organization from its present position to its future state. Financial management has the following related sub-topics: financial planning and budgeting.
4.1.2 Financial Planning

Financial planning was a topic that emerged purportedly from the interviews, as respondents indicated that they were involved in managing the use of school funds at all three schools. The school has a financial policy that guides us in financial planning, such as having three different quotes prior to service (Principal, School A). In this school, there is comparison of at least different quotes especially if the cost exceeds R5000.00 and this is done in advance (Financial Officer, School B). This seems to suggest that there is an element of financial planning in schools. For example, the table below shows financial planning elements in three fields and summarizes the responses.

Table 4: Comparison of financial planning elements across the three schools.

<table>
<thead>
<tr>
<th>Elements</th>
<th>School A</th>
<th>School B</th>
<th>School C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identified needs</td>
<td>Discussion of yearly budget and needs in collaboration with SGB</td>
<td>Discussion of yearly budget and needs in collaboration with SGB and parents</td>
<td>Discussion of financial matters in collaboration with both SGB and classroom educators</td>
</tr>
<tr>
<td>Budgetary indicators</td>
<td>Formal procedures for planning budget are not fully implemented</td>
<td>Formal procedures for planning budget are not fully implemented</td>
<td>Formal procedures for planning budget are not fully implemented.</td>
</tr>
<tr>
<td>Funding priorities</td>
<td>Unclear link between school priorities and funding</td>
<td>Unclear link between school priorities and funding</td>
<td>Unclear link between school priorities and funding</td>
</tr>
<tr>
<td>Data flows on learners</td>
<td>Registration registered to track learners’ numbers, but not linked to objectives</td>
<td>Registration registered to track learners’ numbers, but linked to objectives</td>
<td>Registration registered to track learners’ numbers, but not linked to objectives</td>
</tr>
<tr>
<td>Finance policy</td>
<td>Reviewed annually and regularly</td>
<td>Reviewed after two years, but not regular</td>
<td>Reviewed annually, but not regular</td>
</tr>
<tr>
<td>M&amp;E on finance matters</td>
<td>Financial policies guide daily operations and district monitors financial activities; Non-existent M&amp;E unit Finance plan does not carry dates and targets to monitor progress</td>
<td>Financial policies guide daily operations and district monitors financial activities Non-existent M&amp;E unit Finance plan does not carry dates and targets to monitor progress</td>
<td>No adequate measures to deal with claims (educator cash slips and claims) Non-existent M&amp;E unit Finance plan does not carry dates and targets to monitor progress</td>
</tr>
</tbody>
</table>
The sourcing of different quotes before payment

The sourcing of different quotes before payment

The sourcing of different quotes before payment

Source: Beyonyi (2021)

The table above is consistent with Bisschoff and Mestry (2009) and Heystek (2013) argue that financial planning is a tool to detect managerial performance, especially in school finance related actions with the aim of the common goal is the efficient use of funds and is carried out by one person in charge. However, not all elements of financial planning are respected in these three schools. The responses related to financial planning mimic the opinions and tastes of respondents. This school use check book and ETF to provide financial services, everything is planned in advance (financial officer, school B). This ETF method is convenient and safe because it is planned in advance, we don't need to carry cash (SGB, school C).

The above responses demonstrate the school's commitment to ensuring the proper use of school funds. Having three quotes prior to any purchase or service represents management's ability to establish better performance for efficient and effective use of school funds. In addition, the financial planning process includes consideration of the needs of the school, which requires the involvement of all school stakeholders. This view is shared by schools A and B below.

“The department of education (DoE) will provide a designated capital allocation later this year. As soon as I received this plan statement, I called a meeting with the finance committee. The meeting is for us to plan and report to SGB. All actors then define their needs for the coming year, and these needs are guided by a clear allocation “ (principal, school B)

“As the end of the school year approaches, we are planning a joint meeting with parents so the draft budget can be discussed and approved “ (SGB, School A)

However, School C has taken the issue of its resource needs more seriously and this is being done by engaging other stakeholders.

“We not only involve SGB members in the financial planning process, but I also engage classroom educators who are not members of the SGB “ (principal, School C)

It is assumed that respondents view purchases as an integral part of the financial planning function. Based on the responses below, it is suggested that these schools plan around their needs. These needs include the purchase of textbooks and are considered essential and require the purchase to be planned.

“Every year, the school always sets a fundraising goal of R 6 million. This target amount is related to planned spending ” (Principal, School C)

“We have made a provision for textbook purchases and have made a provision so that these books are kept in good condition. in good condition for at least five years prior to acquisition of “ (SGB, school A)

The majority (90%) of respondents consider financial planning to be the most important financial management strategy for improving the financial performance of school funds. In general, respondents linked fund planning with policy preparation. Fiscal policy as stated by many respondents indicated that schools had a conventional plan. However, implementation is a challenge in all schools. In addition, in all schools, planning is carried out with a specific goal in mind to ensure efficient use of school funds. However, these goals lack dates and targets to monitor and evaluate progress. In addition, the responses indicate that spending control is a major concern because it is not taken seriously. Additionally, consistent with the SGB literature
review, parent educators, school management teams were asked to participate in the daily planning phase in schools. Feedback from all three schools shows that these stakeholders are part of the planning process even if not all are fully involved. Heystek (2013) asserts that all stakeholders should contribute to the development of a school financial management strategy. The next sub-topic is budgeting.

4.2 Budgeting

Budgeting is another subtopic of financial management that has emerged unanimously (100%) across all three schools. School budgeting is the management task of planning, forecasting and simulating expenses and income for various school activities. When to survey how these schools’ budget, respondents note that:

"We budget with the finance committee and the SGB and we take it seriously" (principal, School A)

"The school has a draft budget that specifies the amount it will use for things like city, water, electricity and maintenance fees (Financial Officer, School B)

"There are processes in place to control costs and this happens through budgeting " (SGB, school C)

From the above responses, it is clear that the respondents understood the importance of school budgeting. The responses indicated that the budget provides the blueprint for managing financial activities in the school. In addition, the budget provides information regarding projected income and expenditure, and this guides schools projecting for the coming year. However, some schools take a different approach to school budget management. School C looks at budgeting from a more complex perspective, with the provincial department being seen as the primary user.

“The department asks the school to develop a budget on how it will use the allocated funds. The budget then tracks how the money will be spent. District officials come to the school four times a year to check that the school is using the budget when it comes to spending” (principal, School C). This view is shared by school B. "We've had a lot of testing from the department or the school district" (SGB, school B).

The above responses suggest that administrators are aware of what a school budget is, how important it is, and how the budget is established. This joins the argument of Du Plessis (2013) that budgeting is a management task that includes planning, forecasting, and mimicking the costs and revenues of various school activities. The above responses are consistent with the literature review, regular monitoring and evaluation of budgetary support to redirect funds in a typical year; and thus, prevent overspending (Johansen et al., 1997). In addition, budgetary monitoring and evaluation has the potential to detect areas of inefficiencies and mismanagement at different levels of the school system. This is useful because the information identified can provide future budget planning and budgeting processes with solid evidence, ensuring transparency, and facilitating facilitation, conducive to accountability and decision-making (Vegas and Coffin, (2013).

Another element of budgeting that emerged from respondents was the method used to set the budget.

“For example, a budget is drawn up one year in advance, and each department of the institution budgets according to its needs and is informed of the number of learners the institution accepts and prior years, including changes in the prices of goods and services" (head of finance, school A)
The above response indicates that the school uses a phased approach to preparing its budget. This approach is consistent with Ntseto (2009), who stated that the budgeting process begins with the previous year's budget, i.e. the addition and subtraction of amounts budgeted for the next year, known as an incremental budget budgeting.

However, two schools indicate that budget execution does not always go according to plan.

“'To effectively manage our school funds, we maintain cost control through the use of the budget. I mean our budget on categories goes up to spend and we make sure we don't go over it, but sometimes we go over it because implementation is an issue (principal, school A)

“We adjust the budget as needed. It's about control (SGB, school B) ‘We set the budget according to the requirements of the provincial ministry, but we did not receive the necessary training on how to effectively implement the budget” (financial officer, school C).

The answers above are consistent with the literature review that in practice, budgets are rarely worked out as intended. This has a number of reasons, such as the effect or adaptation of policies due to new challenges. At School C, however, a lack of training emerged as a major cause of poor budget execution. This aspect of School C is consistent with the literature review, where a lack of capacity can also impede effective budget execution and implementation. For example, mismanagement, illegal spending, corruption, fraud, inefficiencies and non-compliance with planned budgets, etc. (Vegas and Coffin, 2013). From the previous answers and in accordance with the literature, it can be inferred that the current school administrators in the three schools are able to manage contrasting budgets, prepare budgets, have basic knowledge and understanding of financial matters such as income and expenses. However, there are some shortcomings in its implementation.

In addition, the responses indicated that one of the essential school budget-related qualities is the ability to manage income. Therefore, it can be concluded that the above responses also tie in with the literature review arguments discussed in the study. The nature of the close relationship between budgeting and efficient use of resources was also confirmed by some respondents.

Table 5: Summary comparison of budgeting approaches across the three schools.

<table>
<thead>
<tr>
<th>Sub-theme</th>
<th>School A</th>
<th>School B</th>
<th>School C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budgeting</td>
<td>Budgeting taken seriously</td>
<td>Draft budget outlines</td>
<td>Budget control costs</td>
</tr>
<tr>
<td></td>
<td>Budget implementation challenges and</td>
<td>expenses</td>
<td>and expenses</td>
</tr>
<tr>
<td></td>
<td>overspending</td>
<td>Monitoring of budget</td>
<td>Monitoring of budget</td>
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<tr>
<td></td>
<td></td>
<td>from provincial departments</td>
<td>from provincial departments</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Budget is adjusted as</td>
<td>Lack capacity to</td>
</tr>
<tr>
<td></td>
<td></td>
<td>the need arise</td>
<td>implement budget</td>
</tr>
</tbody>
</table>

Source: Beyonyi (2021)

5.0 Conclusion and Recommendations

5.1 Conclusion

At all three schools, those involved in financial management realized that it would be wise to manage their budgets more carefully than before, especially since there is always a tighter budget for students in the coming years. Thus, the topics of financial management, financial planning, reporting, recordkeeping, and control all present themselves in the same way. Across schools, schools have a similar understanding of the concept of financial management.
Financial planning involves the SGB or a combination of the SGB, parents, and educators. Schools follow supply chain management practices and receive three quotes (for providing goods and services), which are required by the Public Financial Management Act. Regarding reporting and record keeping, in selected schools, the schools have appropriate recording mechanisms for incoming donations and all three schools employ auditors or accountants to ensure that the school is following financial regulations and policies. However, there are still shortcomings in school fund management such as lack of clear strategic planning, irregular reporting and control measures. In addition, the financial plan does not specify dates or goals for tracking and evaluating progress.

The failure to review the school's financial policy indicates non-compliance with SASA 84 of 1996. Accordingly, it can be inferred that the financial policy lacks clear short- and long-term objectives. The roles and responsibilities of the various committees are not clearly defined. The act of consultation is important in the budgeting process because its implementation requires the cooperation of all stakeholders and when one department is not aware of what is happening in the next, it will set out the possibility of implementing the approved budget in the future. Therefore, although there is some form of consultation in all schools, all stakeholders from different departments should be involved in any budgeting process.

It was found that in all three schools there was a fundraising committee. The duties of this committee are overseen by the SGBs. The main task of the committee is to establish a strategy for generating funds. Although there is a fundraising process in place, funds often do not come in as expected. This can be linked to the implementation methods used by the school. Ryan & Palmer (2005) believe that fundraising activities depend on how the school perceives the process and coordination and that a good strategic approach is necessary for successful implementation. Thus, the study concluded that the fee status and funding management strategies of no-fee public primary schools are affecting the efficacy of no-fee primary schools. However, this is particular to the three schools reviewed.

5.2 Recommendations

5.2.1 Recommendations for the school level

**Formulating and effectively implementing the school financial policy**

School financial policy should not only be direct but gives direction. Therefore, a good policy strategy must identify and align with foundational values and concepts that apply to specific school needs. Strategic policy formulation and implementation must include all stakeholders. Financial policy should establish clear rules and regulations for cash management. The policy should outline procedures for fundraisers such as donations, voluntary fees, item sales, check payments, banking processes, registration, and reporting. Voluntary collection of fees should be communicated to parents with a clear set of rules. For example, educators should not allow money from learners in the name of voluntary fees. A designated person in this case as the financial officer is responsible for collecting all monies from learners and parents and a receipt is issued and banking made immediately.

5.2.2 Recommendations for the government

The researcher agreed with the suggestions of the respondents in all schools. The government could go back and mandate these fees, especially now that even the poor are receiving government subsidies. Schools that were built prior to 1994 in townships do not have halls and sports facilities, but the current government does not reimburse them by building those, each school must find ways to build those facilities for themselves.
References


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