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Секция с регулярни статии

**Perceived Contribution of Internally Generated Revenue
to Public Secondary School Funding
in Ondo State, Nigeria (2010–2015)**

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Abstract: *The underfunding of schools in Nigeria has led to poor quality of education at a period when globalisation demands much from the education system in terms of training a skilled workforce. In Ondo State, the government has encouraged public secondary schools to generate funds internally in order to complement the insufficient grants it provides. The aim is to facilitate the proper functioning of schools. Nevertheless, education stakeholders have not ceased to complain about a shortage of funds. There is therefore the need to assess the various sources and trends of internally generated revenue (IGR) and the contribution thereof to the funding of education and school development in Ondo State. The study adopted the descriptive survey research design. The study population consisted of 304 principals of public secondary schools in Ondo State. The sample of this study included 60 principals who were selected from the total number by means of a simple random sampling technique. They were divided into groups of twenty (20) for each of the three (3) senatorial districts in Ondo State. The research instrument was a self-designed questionnaire. The data obtained were analysed using frequency counts, simple percentages and other appropriate statistical techniques. The result showed that there were many sources of IGR for public secondary schools in Ondo State as most of the schools have more than one major channel of IGR apart from tuition fees and PTA, examination and sports levies which are common to all sampled schools. Also, the trends in the contribution of IGR to secondary schools in Ondo State are annual. It was recommended that school administrators should include other means of generating money so as not to overburden parents, especially during the economic downturn.*

Keywords: *Funding of Education; Internally Generated Revenue; Government Grants.*

BACKGROUND OF THE STUDY

All over the world, education has become a huge enterprise and it has been recognised as the greatest investment that any country can make for the rapid development of its economic, political, sociological and human resources. It is a social service whose financial burden has for a long time rested on the shoulders of federal, state and local governments [15]. There is a well-established relationship between education and development: the former is a key index the latter. It has been recorded that schooling improves productivity and health, thereby reducing negative features of life, such as child labour, and promoting development [3]. By and large, the seemingly rapid increase in government expenditure on education has slowed down in both developed and developing countries in the world, whereas the pressure for expansion and qualitative improvements continues unabated.

Secondary school education is one of the various levels of education in Nigeria [17]. The enrolment in such schools has continued to increase since the average Nigerian came to see education as a way out of poverty. Along with the various awareness programmes on the need for education, this means that

students are no longer satisfied only with the ability to read and write, and that they also want to become more successful people in society.

The importance of secondary education cannot be overemphasized. Apart from serving as the link between primary and tertiary education, it provides children the opportunity to acquire additional knowledge, skills and qualities beyond the primary level. A major factor that necessitates the acquisition of secondary education in Nigeria is that primary education is proving to be insufficient for a child to acquire permanent literacy and the communicative and numeracy skills expected from him/her at the end of the training [5, 11, 18, 20]. Some decades after the development of primary education, the government started to shift its focus to secondary education on a state level, especially when the need for primary school graduates to further their education in secondary schools became paramount.

Nigeria's educational system has surely been in crisis for many years. This is basically because of the observed issues of funding which have resulted in a shortage of materials and human resources experienced in the system. These difficulties are more pronounced in primary and secondary schools. According to [4], poor financial investments have been the bane of the Nigerian education system, insomuch that funding is very low as compared to other systems. An inquiry into the fiscal operations and developments in Nigeria revealed that the Federal Government expenditure on education is categorised under the social and community services sector. This implies that education is an impure public good [9]. Finance as a resource seems to have remained a controversial issue at all levels of education in Nigeria, especially in view of the politicisation of various education policies of the country. [14] noted that all costs for the production of educational services, which is both labour- and capital-intensive, are examined very closely. The Nigerian education sector has suffered significant setbacks in terms of funding as the Federal Government complains of insufficient funds for other projects besides payment of staff.

The major contributing factors to the issues of education funding problems in Nigeria include: lack of adequate planning, proliferation of secondary schools, increased enrolment rates, underfunding, a disproportionate academic versus non-academic employment ratio, etc. The depreciation of the naira has also resulted in reduced budgetary allocations for the provision of scientific and teaching materials [17]. The quality of teaching has fallen considerably, the few available libraries are full of outdated books and journals, and staff morale is at its lowest. Financial allocations to secondary schools were grossly inadequate while student enrolment continued to increase as a result of the many awareness programmes on the need for education.

The awareness programmes in question are witnessed through the numerous columns of write-ups, published in different dailies to sensitise Nigerians on the importance of education. Religious bodies such as our churches and mosques, and media outlets like television and radio stations, have also made frantic efforts to achieve this goal. In this context, some of the capital projects, required to cope with the increasing enrolment rates, could not take off, while others had to be abandoned due to a lack of funds.

Prior to the 2011 general elections, most state governors in Nigeria had banned all levies payable by students, which rendered schools unable to generate funds. This gave rise to issues of underfunding and the government began to provide grants for schools at the rate of a hundred naira per student. However, the downturn of the Nigerian economy towards the end of 2013, the acts of embezzlement on the part of the political class and the payment of lip service caused significant issues of underfunding of Nigeria's education sector [18].

Inadequate instructional materials and dilapidated buildings are among the notable difficulties faced by various schools as a result of poor government funding. Because of the dwindling economy, the government could no longer embark on school infrastructure projects and provide grants. It could only pay workers due to a decrease in Federal Government allocations, brought about by falling crude oil prices. However, some state governments, such as that of Ondo State, had to review some policies to allow schools to generate funds internally by lifting the embargoes on the collection of certain funds, such as the Parent-Teacher Association (PTA) levy, the examination levy and the sports levy. Such funds are termed internally generated revenue (IGR).

Internally generated revenue (IGR) is the money collected by schools through the imposition of levies and taxes on facilities, incomes, sales of goods and services, transfer of property and other

domestic transactions. These include the above-mentioned levies, proceeds from school farms and sports activities, lease of school fields, halls and buses, contributions from alumni associations and other school property, etc. In order for a given school to generate funds properly, however, its respective head should seek the consent of the PTA and encourage their participation while being accountable to them. These funds are used to run the school effectively, especially when government grants are not forthcoming or inadequate.

LITERATURE REVIEW

The Federal Government of Nigeria funds only the available sixty-six federal government secondary schools in the country while the rest are funded by the respective state government. The administration, management and funding of schools are shared between the state ministries of education, the National Secondary Education Commission and other agencies as prescribed in the legislation. Education at this level is tuition. However, students are expected to pay some levies as a contribution to the cost of running the schools. The public sector is the major provider and financier of education in Nigeria as it took over most of the schools in the country from primary to tertiary level in the mid-1970s [16]. This was based on the assumption that only the government can provide education effectively and appropriately, given the externalities associated with it. Dwindling government resources, however, have put much strain on the funding of education as the majority of schools now engage in raising funds themselves.

The rapid expansion of the Nigerian education system over the last three decades was hindered by the recent global economic crisis and fiscal stringency as the country's overdependence on oil has rendered its education sector underfunded [12]. The increase in student enrolment since the attainment of independence, followed by the enrolment boom in recent years has made education a heavy responsibility for the government. Going by the UNESCO recommendation on the funding of education, the norm is that developing countries should allocate 26% of their total expenditure to the education sector. However, the Nigerian government is far from this ideal as allocations to education over the past two decades have never exceeded 10% of the total budget [9]. This trend is likely to worsen as the country and the world at large are being ravaged by the COVID-19 pandemic.

According to [2] who has worked on revitalising the quality of higher education in Nigeria, achieving quality education necessitates the funding of schools to be prioritised, not the usual lip service paid by the government and officials. In the same vein, [6] who has worked on secondary science and technology education for development, stressed the need to increase public spending in the sector and to encourage school funding mechanisms in order to complement the efforts of the government. Adequate funding of secondary schools is very important as no school programme can be carried out successfully without sufficient funds. They are required for the procurement of all the materials necessary for effective teaching and learning, and for organising various school programmes, events and other activities that concern the academic, social and environmental needs of the school [8].

[1] explained that when a school suffers from a shortage of teaching or administrative personnel, finance must be seriously reckoned with in running a school, because all school equipment and facilities must be supplied and maintained in order to facilitate the smooth running of the respective school. Here is why most schools tend to put aside funds from their IGR for purchasing equipment and books for their library, as well as for constructing buildings and lavatories.

This research work is an extension of [13] who conducted a related study on the funding of public secondary schools, entitled: “Contribution of Internally Generated Revenue in Ondo State for the Period 2010–2015”. The content scope of that study was limited to the mathematical relation between IGR and government grants for public secondary schools and the prospects of IGR in terms of the same schools in Ondo State. This study, by contrast, tends to expand the content scope and establish the various sources of internally generated revenue, the trends in the contribution thereof to education funding, and the projects implemented with these funds, by using the same methodology in selecting public secondary schools in Ondo State.

STATEMENT OF THE PROBLEM

Nigeria's education system is faced with several challenges: gross underfunding, shortage of qualified manpower, inadequate facilities and equipment, and an excessively large student population (classrooms now accommodate more than 35 pupils/students per classroom), particularly in urban areas and megacities. A visit to the public educational institutions in the country would reveal the sorry state of the education sector. The underfunding of secondary schools in Nigeria has led to poor quality of education at a period when globalisation demands much from the education system in terms of training a skilled workforce. The government claims that it is no longer buoyant as it used to be, thereby affecting the funding of education in Nigeria. While the governments of some states have encouraged schools to generate funds internally to cover the lapses in the area of grants, those of other states have decided to continue to pay lip service, although grants are not forthcoming. This has prevented secondary schools in the latter states from functioning properly.

Ondo State falls under the first category. Nevertheless, education stakeholders have not ceased to complain about insufficient funds. There is therefore the need to assess the contribution of IGR to the funding of education in Ondo State.

Research Questions

1. What are the various sources of internally generated revenue of public secondary schools in Ondo State?
2. What are the trends in the contribution of internally generated revenue to funding public secondary schools in Ondo State?
3. What are the projects implemented for selected public secondary schools in Ondo State implemented with the contribution of internally generated revenue?.

METHODOLOGY

The study adopted the descriptive survey research design. The study population consisted of 304 principals of public secondary schools in Ondo State. The sample of this study included 60 principals who were selected from the total number by means of a simple random sampling technique. They were divided into groups of twenty (20 for each of the three (3) senatorial districts in Ondo State. The research instrument used was a self-designed questionnaire, entitled "Contribution of Internally Generated Revenue to the Funding of Public Secondary Schools in Ondo State (2010–2015) Questionnaire". In addition, a record of government grants was collected from the planning division of the Ministry of Education in Ondo State.

To ensure face, content and expert validity of the research instrument, the draft questionnaire was presented to four senior colleagues for corrections at the Department of Education Management at the Faculty of Education of the Obafemi Awolowo University in Ile-Ife, and the Department of Educational Foundations at the Adeyemi College of Education in Ondo. Useful suggestions and necessary corrections were made to improve the quality of the questionnaire. The reliability of the research instrument was determined by a second administration thereof in order to compare the responses with those from the first one. Thus, a test-retest technique was used. This was carried out at an interval of three (3) weeks. The instrument was administered to the same group of respondents but at a different occasion and degree of consistency in order to ensure its reliability and consistency. The credibility of the data obtained was established using Cronbach's alpha test. The reliability coefficient was 0.81, which was sufficient for the instrument to be considered reliable and consistent. The data were collected directly from the Ministry of Education in Ondo State by the researchers themselves.

The questionnaire was administered to the principals of the sampled secondary schools in Ondo State. It elicited responses on the various means by which schools generate funds. and on the utilisation of these funds for educational development. The data collected from the Education Ministry were used to compare the impact of the revenue across public secondary schools in Ondo State. The same data were analysed using frequency counts, simple percentages, quantitative and qualitative methods and

other appropriate statistical techniques. The research questions were answered using the tools considered appropriate, relevant and suitable for easy understanding and interpretation of the contents.

RESULTS

Research Question 1: What are the various sources of internally generated revenue of public secondary schools in Ondo State?

Table 1: Sources of internally generated revenue of public secondary schools in Ondo State

SN	ITEMS	YES (%)	NO (%)	Total (%)
1.	Tuition fees	60 (100)	0 (0.0)	60 (100)
2.	PTA levies	60 (100)	0 (0.0)	60 (100)
3.	Examination levies	60 (100)	0 (0.0)	60 (100)
4.	Sports levies	60 (100)	0 (0.0)	60 (100)
5.	The school has a farm where students are involved in farming activities	35 (58.33)	25 (41.67)	60 (100)
6.	Proceeds from the farms are sources of the schools' IGR	23 (38.33)	37 (61.67)	60 (100)
7.	Inter-house sports competitions	47 (78.33)	13 (22.67)	60 (100)
8.	Proceeds from sports activities	38 (63.33)	22 (36.67)	60 (100)
9.	Leasing of school buses	19 (31.67)	41 (68.33)	60 (100)
10.	Lease of school fields	25 (41.67)	35 (58.33)	60 (100)
11.	Rental of school halls	27 (45)	33 (55)	60 (100)
12.	Contributions from alumni associations	51 (85)	9 (15)	60 (100)

Table 1 shows that secondary school students in Ondo State pay tuition fees, as well as PTA, examination and sports levies. Respondents were unanimous in this regard. Approximately 58.33% of the sampled schools have a farm, from which 38.33% use the proceeds from their respective farm as a source of IGR. 78.33% generate funds through sports activities, 63.33% of which remit the proceeds from them to their account as IGR. In addition, 31.67% of the educational institutions generate IGR by leasing buses, 41.67% by leasing fields to the public for various purposes for a certain price, and 45% by leasing standard halls. Moreover, 85% of the sampled schools have an alumni association that contributes to the respective school's development and IGR, especially during school functions.

Findings between 2016 and 2020 indicate that tuition fees and the already mentioned levies continue to be the major sources of IGR of public secondary schools in Ondo State.

Research Question 2: What are the trends in the contribution of internally generated revenue to the funding of public secondary schools in Ondo State?

Table 2: Trends in the generation of IGR by public secondary schools in Ondo State (2010–2015)

SN	ITEMS	2010 (₦)	2011 (₦)	2012 (₦)	2013 (₦)	2014 (₦)	2015 (₦)
1.	Tuition fees	1,982,000	1,824,000	1,912,000	1,854,000	1,793,000	1,851,000
2.	PTA levies	517,000	498,000	512,000	502,000	487,000	501,000
3.	Examination levies	450,000	435,000	448,000	424,000	437,000	448,000
4.	Sports levies	192,000	190,000	201,000	204,000	220,000	223,000
5.	Proceeds from school farms	97,000	81,000	86,000	79,000	83,000	85,000
6.	Proceeds from sports	110,000	105,000	120,000	118,000	120,000	125,000
7.	Proceeds from bus lease	210,000	205,000	185,000	193,000	201,000	189,000
8.	Proceeds from school fields	95,000	99,000	105,000	135,000	140,000	170,000
9.	Proceeds from school halls	201,000	225,000	232,000	275,000	190,000	256,000

Table 2 illustrates the rough amounts of money generated by the sampled schools in Ondo State. We see that tuition fees account for the largest share of IGR, while proceeds from school farms contribute the least to raising such funds. The highest revenue has been generated from tuition fees, especially in 2010, while the lowest one from school farm proceeds, particularly in 2013.

Current findings show that IGR continues to be the major contributing factor to the development of education in Ondo State.

Research Question 3: What are the projects implemented for selected public secondary schools in Ondo State with the contribution of internally generated revenue?

Table 3. Projects implemented for selected public secondary schools in Ondo State from the contribution of IGR between 2010 and 2015

		2010	2011	2012	2013	2014	2015	Total
1	Buses	2	-	2	4	-	5	13
2	Laboratories	12	14	11	15	17	22	91
3	Computers	11	13	21	5	12	7	69
4	Libraries	16	27	15	21	31	25	135
5	Gadgets	4	7	11	5	14	12	53
6	Renovations	12	16	17	35	24	34	138
7	Buildings	12	23	22	34	25	35	151
	Total	69	100	99	119	123	140	

Table 3 indicates that school building projects make up the largest number of projects, implemented with the contribution of IGR from the sampled secondary schools across Ondo State. These are followed by the renovation and library equipment projects. The least implemented projects are those for purchasing school buses, followed by the ones for purchasing various gadgets and computers (Figure 1). The most projects were carried out in 2015, while the fewest projects in 2010. None of the schools subjected to analysis have purchased buses in 2011 and 2014 (Figure 1).

More recent findings reveal that IGR of public secondary schools in Ondo State is still plays a key role in project implementation.

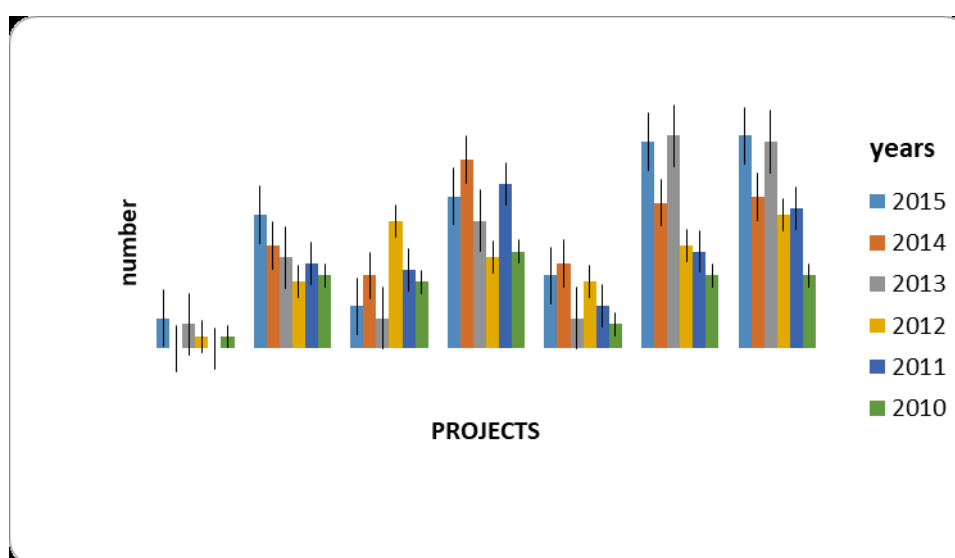


Figure 1: Graphical representation of projects implemented by schools from proceeds from IGRs

Discussion of the Findings

The findings with regard to Research Question 1 revealed the sources of internally generated revenue of secondary schools in Ondo State. The result indicated that all sampled schools collect tuition fees and PTA, examination and sports levies from their students. This showed that the schools are buoyant in terms of revenue generation, which is expected to continue to contribute to their development. This fact became evident after the overall performance of Ondo State candidates on the West African Examination Council (WAEC) exam had been ranked 13th in the whole country [19]. This corresponded with the opinion of [2] that improving the quality of education requires prioritisation of school funding. [6] also stressed the need to increase public spending in the sector and to encourage school funding mechanisms in order to complement the government's efforts.

The findings concerning Research Questions 2 and 3 revealed the trends in the contribution of IGR to the funding of education and projects, implemented in public secondary schools in Ondo State. The result was that the schools generate a huge revenue from tuition fees, but research findings showed that these funds are remitted to the government which in turn allocates 20% of the tuition fees to the schools as a contribution to their IGR. The funds raised from the examination levy do not contribute to the school's IGR as they are basically used for conducting examinations. However, schools generate money mainly from the PTA levy and other sources ranging from schools farms to inter-house sports and lease of school buses, fields and halls to the public. This implies that the IGR of secondary schools in Ondo State is made up from 20% of the tuition fees, the PTA levy and proceeds from sports activities and school farms, fields, halls and buses. The contribution from alumni associations is in the form of projects, not cash.

The monies that form the sampled schools' IGR are used for implementing school infrastructure projects. Examples of such projects are school building renovation and construction projects (staff rooms, classrooms, lavatories, fencing, gateposts, etc.). These funds are also used to equip school libraries and laboratories and to purchase essential gadgets for schools, such as computers, public address systems, generators, fans for staff rooms, as well as school office furniture. Some schools have collected money to purchase buses. All projects implemented for improving education in the sampled schools, help create a conducive teaching and learning environment. They are in line with [7]'s report that providing the right conditions for teaching and learning helps students achieve better results. [7] argued that if the environment is not conducive and friendly, then learning will not be holistic.

Conclusion

A major finding of this study is the availability of many sources of internally generated revenue of public secondary schools in Ondo State. Most of the schools have more than one major channel of IGR apart from tuition fees, PTA, examination and sports levies, which are common for all secondary schools subjected to analysis. Another finding is that the trends in the contribution of IGR to public secondary schools in Ondo State are annual and consistent, and that the generation of such funds has much to do with student enrolment. As more students are admitted, more money is raised and invested in building projects, renovations and equipment.

Recommendations

Considering the findings of the study, the following recommendations are suggested;

1. School administrators should include other means of generating money such as rental of school halls and lease of school fields and buses so as not to overburden parents, especially during the economic downturn.
2. The Ondo State government should increase its grants to schools to facilitate the implementation of additional projects.
3. The state government should set up an effective monitoring committee that would supervise the collection, management and accountability of the revenues generated by public secondary schools in Ondo State.

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