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IMPEDIMENTS TO EFFECTIVE UTILIZATION OF FUNDS IN TERTIARY INSTITUTIONS

DURU, CHRISTIAN CHINEDU
Department of Educational Management And Policy
Faculty of Education
Nnamdi Azikiwe University, Awka

ABSTRACT
This study concentrated on the impediments to effective utilization of funds in tertiary institutions in Enugu state. Consequently, there is a growing concern about the funding and utilization of funds in the Nigerian educational system, especially in tertiary institutions, which is not only an investment in human capital, but also a pre-requisite as well as correlated to economic development. Education utilizes large amount of a country's available resources and one of the resources which education utilizes a great deal is fund and this is a very important input on which the success of any school system depends. This view is especially true because fund provides the essential purchasing power with which education acquires its human and physical inputs. The study therefore explores some of the impediments to effective utilization of funds in tertiary institutions, such as inadequate allocation of funds to the education sector; inaccurate statistical data; and misappropriation of funds in tertiary institutions with a view to making recommendation on strategies for effective utilization of funds in tertiary institutions in the Nigeria.

Introduction
Education obtained at any level is a weapon against poverty and ignorance. It is a vehicle for the development of a nation. It is equally an instrument per excellence for effecting national development. In the words of Okeke (2007), education is now in forefront of the state. The public has great concern and interest in education. Education has been perceived by people and government as a potent means to ensure the welfare of the people. According to Ocho (2005), the ability of a nation to grow and develop depends on the quality and emphasis in its educational system, not on the amount of natural wealth such as minerals, arable land, forestry and sea products available in the country.

Consequently, there is considerable growth in the volume of educational activity to the point where education today is one of the largest industries in virtually all the countries. In Nigeria, it is the chief employer of highly skilled personnel (Peretemode, 1995).

The education system in most nations today – both developing and developed is organized into primary, secondary and tertiary levels. The tertiary level is otherwise known as higher education. Tertiary education relates to all forms of post-secondary education such as the Universities, Polytechnics, Colleges of Education, Monotechnics and Professional schools (Abdu, 2003). According to Odo, Ede and Ezike (2000), it comprises College of education, Polytechnics, Universities and, indeed, all categories of educational institutions. The Federal Republic of Nigeria (2004) in her National Policy on Education, tertiary education is the education given after secondary education in universities, colleges of education, polytechnics, monotechnic, including those institutions offering correspondence courses.

The goals of tertiary education according to F.R.N., (2004) shall be to:

> "contribute to national development through high level relevant manpower training; develop and inculcate proper values for the survival of the individual and society; develop the intellectual capability of individuals to understand and appreciate their local and external environments; acquire both physical and intellectual skills which will enable individuals to be self-reliant and useful members of the society; promote and encourage scholarship and community service; forge and cement national unity; and promote national and international understanding and interaction" (p:24).

Tertiary institutions in Nigeria (Universities, Polytechnics and Colleges of Education) produce middle and high-levelmanpower needed for the overall growth and development of the country. Right from the establishment of the first institution of higher learning in Nigeria (Yaba College of Technology), the government has been playing the role of a proprietor and invariably provided funds for running the institution (Familoni, 2002). Fund involves the money which is available to individuals, government or organizations for spending on various economic activities (Enyi, 2011).

There is a growing concern about the funding of the Nigerian educational system, especially in tertiary institutions, which according to Okon (2004), is not only an investment in human capital, but also a pre-requisite as well as correlated to economic development. Education utilizes large amount of a country's available resources and one of the resources which education utilizes a great deal is fund and this is a very important input on which the success of any school system depends. This view is especially true because fund provides the essential purchasing power with which education acquires its human and physical inputs (Coombs, 1998).Undoubtedly, the control and funding of tertiary institutions are of vital interest and concern to the people and government. This is because one who controls the operations and funding of the tertiary institutions in a state or nation is deemed to be directing the thinking and destiny of the people (Okeke, 2007).

However, since last few decades or so, education system has been in a state of decay. Nigeria has witnessed increased decline in the funding of education and effective utilization of funds, especially in tertiary institutions (Nwosu, 1997). In most of the tertiary institutions, there have been complaints about the ineffective utilization of funds. Not a day passes without some media report on fund misappropriation and other issues reflecting the unsatisfactory funding of tertiary institutions, which will eventually result to industry action (strike) by both academic and non-academic staff of tertiary institutions. Babalola, Ayeni, Adedeji, Suleiman and Arikewuyo (2006) lamented on the falling standard of tertiary education, poor quality of teaching and learning in schools, the huge student-teacher ratio and large classes, absence of suitable libraries and laboratories equipment, and the existence of inexperienced and uncommitted staff. Above all, the condition of infrastructure has been appalling, teachers are poorly trained andpoorly motivated, drop-out rate has been very high. If their observations are true, then the situation is capable of leading tertiary education to a deep state of comatose, while the attainment of National Policy on Education goals could be at the lowest ebb.

To achieve qualitative education in tertiary institutions however does not come by chance. The success or failure, growth or decline of any level of education depends, to an appreciable extent, on effective utilization of funds in schools. If Nigeria is to actively participate in the globalized society, her

educational system must be properly funded and effectively utilized (Ozochi, 2009). In educational system, effectively utilized fund means how successful the school administrator has make judicious use of educational financial resources to attain goals and objectives, and it is measured by the administrator's flair in development and implementation of educational programmes of the school, procurement of staff, provision of facilities, keeping of school records including records of school fund as well as creating a conducive teaching and learning atmosphere in school.

It has been identified that many factors have been observed as impediments to effective utilization of funds in tertiary institutions among which inadequate allocation of funds to education sector has been found to be consequential. Impediment means something that delays or stops the progress of something (Hornby, 2010). According toMgbodile (2003), Federal and State Ministries of Education, their parastatals, commissions and boards usually receive inadequate allocation of funds to the education sector. Continuing, he asserts that most tertiary institutions in Nigeria have been inadequately funded and this has led to the emergence of several problems that adversely affect the system. These include non-maintenance of existing buildings and other infrastructural facilities, low remuneration of staff leading to strike actions and brain drain, inadequate instructional materials for lecturers and students, inability to stock the libraries with current books and lack of incentive to conduct research.

These problems need to be addressed and check-mated so as to ensure functional and virile tertiary institutions. Some other tertiary institutions do not have enough fund to procure science and laboratory equipment, computer equipment and accessories, medical and engineering equipment. Holding of workshops, seminars and conferences is almost not feasible taken into cognizance inadequate amount allocated to the education sector.

When discussing impediments to effective utilization of funds in tertiary institutions, inaccurate statistical data should be borne in mind as well. Inaccurate statistical data has become a preponderant issue in virtually all the levels of education in Nigeria, especially in tertiary institutions. Wrong information and wrong figures make it difficult to plan educational funds efficiently and effectively. According to Mgbodile (2003), some heads of schools are in the habit of supplying wrong data

to the Ministry of Education. Many give wrong information on the number of staff and students in their schools in order to attract higher allocation. This dubious act often creates confusion in the entire system and even makes government to be suspicious and unwilling in funding higher institutions.

Misappropriation of funds in the education sector is another factor to consider among the impediments to effective utilization of funds in tertiary institutions. This is because fund is an integral aspect of management and the efficiency with which an organization can perform depends, to a large extent, on how its financial resources can be utilized. In the words of Ogbonnaya (2004), some vice-chancellors of Nigerian universities embezzle housing and car loan meant for academic and non-academic staff of their institutions. Some pay staff salaries with funds meant for the procurement of science and laboratory equipment. Above all, there are cases where some vice-chancellors use funds meant for the payment of pensions to retired staff for other needs. All these financial irregularities in education sector hamper effective fund utilization in tertiary institutions.

Consequently, this study aims at investigating the extent to which the aforementioned factors i.e., inadequate allocation of funds to the education sector; inaccurate statistical data; and misappropriation of fund impede efficient utilization of funds in tertiary institutions with a view to making recommendation on strategies for effective utilization of funds in tertiary institutions in the Nigeria.

Impediments to Effective Utilization of Funds

- **Inadequate allocation of funds to the education sector**

The importance of education to human beings cannot be overemphasized. Globally, education is considered as a human right that should be accorded to all human beings. In fact, it is the reason why a lot of international human right bodies consider education as a fundamental human right. The first and perhaps the greatest challenge facing Nigeria and making it difficult for good quality education that is capable of bringing about sustainable development is inadequate funding by federal, state and local governments to the extent that funding has become one of the conditions imposed by international financial institutions (IFTs). In 1997 and 2000 statistics showed that federal government expenditure on education was below 10% of overall expenditure against the UNESCO recommendation

of 26% of national budgets (Sarki, 2013).

Education remains a vital instrument for sustainable development of any nation. Irrespective of the natural endowment a nation might have, without the requisite educational capacity, the skills necessary to harness them would be lacking and therefore, the structure or system of such a society is bound to have defects. General consensus is that for education to be seen as successful, it requires huge investments either in terms of policies and implementation, infrastructures, human capacity development and of course funds, including the application of all these to get the desired goal.

Nigeria is one of the countries within the African continent that has been termed educationally disadvantaged and almost at its precipice, owing to a myriad of problems bedeviling the sector. Chief among these constraints remain the issue of poor funding of the sector, for which the United Nations Education and Scientific and Cultural Organization (UNESCO) and other stakeholders have consistently advocated for an increase. UNESCO, for instance, believes that for the sector to be properly rejuvenated and offer the much needed impact, governments of member countries ought to channel at least 26 per cent of their national budgets to education alone. But with harsh economic downturn in the world over, this could however be seen as a tall dream, particularly when governments are faced with how to ensure judicious distribution of the available resources among every other sector (Oluwaseun, 2013).

Although the Federal Government of Nigeria has received commendations from stakeholders for appropriating N426.53 billion to education in the 2013 budget, a critical examination of the entire N4.92trillion ($32billion) budget proposal presented by President Goodluck Jonathan to the seventh National Assembly clearly showed a modest increase by only five per cent from the N4.697 trillion in 2012. Relying on the benchmark advocated by UNESCO, it is still implicit that the education sector still faces the problem of inadequate funding. Statistics recently released by the UN Human Development Index (HDI) ranks Nigeria 26th out of the 54 African countries and 13th out of the 16 West African countries on education. The HDI rating was based on four critical macroeconomic variables of education, literacy, life expectancy and standard of living. It also ranked Nigeria 156th out of the 187 countries that were surveyed.

These startling revelations show clearly that the country's educational sector is in dire need of resuscitation (Okunamiri, Okolie and Okunamiri, 2008).

- **Inaccurate Statistical Data**

Another impediment to effective utilization of funds in a tertiary institution is inaccurate statistical data. The use of accurate and quantitative data for decision making in education has become imperative because there is an explosive growth in the size of the education system in recent times. Primary education enrolment grew four times the original size, secondary education eleven times while enrolment in Nigerian universities has risen thirty times the original size between 1975 and 1980 (Adesina, 1982).The issue of availability of data is very crucial to education data management in Nigeria in the sense that some of the vital records needed are either not kept or at best poorly kept. This is quite noticeable at all levels of the educational system. It seems the majority of Nigerians do not keep records neither are they very willing to give out information for fear that such information might be used against them. Even in the schools, the needed information may not be found either because they have not been obtained by the school or they have been lost due to poor storage. Many of our schools, particularly in the rural areas, suffer from natural disasters like fire, storm, flood and termites, as a result of which they loose their school records. Even where some of the records are kept, they are placed in the care of poorly trained or totally ignorant record clerks. The records might have become mixed up to the extent that retrieval may be very difficult when required for use. These reasons do account for the usual delays in receiving some of the data on time when needed to serve as guides to policy makers.

Another vital issue in the management of education data in Nigeria is that of the inaccuracy of the data available. This issue of inaccuracy of data may arise in the education system due to a number of reasons. One of such reasons is that the school heads do not keep the records accurately, deliberately sometimes in order to influence financial allocation to their schools. It may also be that owing to ignorance about record keeping, schools heads and staff have not collated the data of their schools properly and accurately. Moreover, some people are not very friendly with figures and errors could easily occur in adding the numbers. It is often possible also to discover some discrepancies between the records of the

school and the overall summaries in the Ministry of Education. This error could occur simply in the process of transfer of the data from the school summary to the ministerial summary sheets, the issue here is how wide should the error margin be in order to be tolerable for use in decision making. According to Peretemode (2004), in Nigeria, the culture of educational planning has been without accurate data and paucity of valid data on which useful educational funding can be based. This has limited the progress made in funding of education. Attempts at projection of educational resources have not been effective because of inaccurate data.

Educational data needed for funding are institutional information on management, levels, quantities, types and pattern of distribution, number of teachers by sex, age, grade, output, students' inflow, repeaters, dropout by discipline, building and equipment by number, size, specialties and types of construction material; and recurrent and capital expenditure data. Other related data are the size, geo-political distributions, age-sex structure and rate(s) of change-growth and decline of population (Nwadiani, 1990). According to Ogbonnaya (2003), in the Statistics Division of Nigerian Ministries of Education, we find inaccurate information. For instance, in some Local Governments, there may be about 100 science teachers; we find 80 recorded in the files. Also, a school may have a population of 3,450 students (2000 girls, 1450 boys). But the figure in the Secondary School Management Board or Teaching Service Commission is 3000 (2000 girls and 1000 boys).

It is expected that interested individuals and those undertaking research in educational institutions should get accurate statistics from the government on such issues like students' enrolment, staff-students ratio, number of available facilities and equipment. This is because these data are needed for effective planning and funding of educational programmes. Since they are never available and are at times inaccurate, administrators and Chief Executives of our educational institutions face problems of funding. Continuing, Ogbonnaya (2003) averred that some head of schools are also in the habits of supplying wrong data to Ministry of Education, National Universities Commission, School Boards, and Supervising Agencies. This makes the government send inadequate funds to their institutions.

- **Misappropriation of Education Funds**

The flagrant stealing of funds by some heads of tertiary institutions across the country has continued to generate a lot of heat among Nigerians. Recently, the then Chairman, Senate Committee on Education, Senator Uche Chukwumerije, cried aloud that some heads of tertiary institutions in the country are stealing and mismanaging funds provided by government for the development of such institutions. He lamented that "while some of the heads of tertiary institutions are busy developing their institutions; others are engulfed with abject mediocrity and stealing" (Akpadem, 2012). There is no doubt that Chukwumerije's observation is true and worrisome but it has again brought to the fore the endemic decay and rising level of moral decline, maladministration and corruption not only in tertiary institutions but also in the entire education sector. The stealing of funds by heads of higher institutions is clearly a reflection of the deep-rooted corruption that has eaten seriously into the fabric of the Nigerian society.

Over the years, the fight against corruption by successive administrations has not yielded the desired results. Rather than reduce drastically, corruption, even under the present administration, has assumed multi-faceted dimension thereby posing a frightening challenge that is threatening the economy of the country. Since the tertiary institutions exist within the corruption-ridden Nigerian society, they too have been infected with corruption that has virtually become a cancerous socio-economic problem that has defied lasting solution. The cases of public office holders involved in corrupt practices and who are never prosecuted are on the increase and heads of tertiary institutions also feel that for them to join the league of those public officials, including politicians, living ostentatious lifestyles, there is the need to steal funds belonging to such institutions. For instance, Mgbodile (2003) asserts that some Vice-Chancellors of Nigerian universities embezzle housing and car loans meant for academic and non-academic staff of their institutions. Some pay staff salaries with funds meant for the procurement of science and laboratory equipment. There are cases where some vice-chancellors use funds meant for the payment of pensions to retired staff for other needs.

It is unfortunate and disheartening that heads of tertiary institutions that are well educated and should therefore be seen as credible role models for others, including politicians, to emulate, have

joined the rising number of government officials who steal public funds in their custody. Speaking at the ministerial platform organized by the Federal Ministry of Information, in Abuja, the former Minister of Education, Prof. RuqayyatuRufa'i, said the sector was suffering from mismanagement and improper utilization of fund, and not under- funding. She said, "There is adequate funding for education in the last few years but the problem bedeviling the sector is mismanagement of funds (Ogundele, 2013).

The tertiary education system has become a big racket. It is a big fraud that is gradually destroying the entire education sector. The system has a serious ailment, which many perceive could be cured with only more funding. But stakeholders are saying that funding is not the only problem of the sector, rather, managers of the industry refuse to get their priorities right. Education, specifically tertiary education, has been on the backward movement since the late 1980s as a result of mismanagement of funds (Akpadem, 2012). The poor infrastructure and the subsequent dwindling of quality is so glaring that those who have choices opt for the foreign institutions, where quality is guaranteed. Students struggle to get admission into the limited spaces and have to study under the most non-conducive environment better imagined than experienced. Since universities admit more than their carrying capacities, lecture rooms, hostels and other facilities under the surging population of students are overcrowded. Millions of candidates seek admission into the universities but only a few of them succeed because access is still a major challenge. The situation is terrible in virtually all the tertiary institutions across Nigeria.

Strategies for effective utilization of fund in Tertiary Institutions

Mgbodile (2003) presented the following measures as strategies for prudential financial management in tertiary institutions:

- The various State and Federal Government should provide enough funds for education. This is necessary since there would not be any meaningful progress in the education sector without adequate funds.
- Government should also improve its method of disbursing funds to educational institutions particularly tertiary institutions since delays are bound to affect the effective implementation of educational programmes in such institutions.

- Heads of tertiary institutions should not embezzle funds entrusted into their care. They should not divert funds meant for specific projects to their personal uses as this will further militate against the achievement of the overall objective of education. Heads of institutions should not mismanage the funds in their institutions.
- Federal and State Ministries, parastatals and their agencies should ensure that there are adequate statistical data in their offices. Proper information and accurate figures will make it easier for the government to plan education effectively and to provide enough funds for education. There should be accurate statistics on students' enrolment, the number, category and qualifications of staff, number of facilities and equipment and staff-students ratio. All these will make funding easier.
- Heads of schools and bursars should receive training in financial management to enable them perform better the task of financial management of their institutions. Through such training programmes, they would learn or be conversant with such financial management terminologies like accounting, audit, imprest, cash management, authority to incur expenditure, bank statements, virement and financial control. There should be more often than not regular seminars and workshops on school financial management.

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